

The Strategic Implications of a Nuclear-Armed Iran

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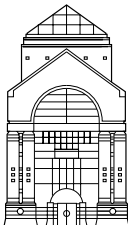
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Preface

The strategic status of the Islamic Republic of Iran in the world and in the region and the Middle East, in particular, demands that we have a strong military capability. We will not ask for anyone's permission in order to strengthen our defense and military capabilities. Defending oneself and deterring others from committing aggression is the most important right of every country.

—Mohammad Khatami, August 1998

Iran, driven in part by stringent international export controls, is acquiring the ability to domestically produce raw materials and the equipment to support indigenous biological agent production . . . [Iran] could quickly advance their nuclear aspirations through covert acquisition of fissile material or relevant technology.

—George J. Tenet, March 2000

Scholars and other specialists on Iran have argued about that country's political intentions and strategic ambitions since the overthrow of Shah Mohammed Reza Pahlavi and the establishment of the Islamic Republic of Iran in 1979. In the 1980s Iran's efforts to export its revolution and support international terrorism raised the question of whether a moderate Islamic republic that was able to deal with the West could ever exist. The death of the Ayatollah Khomeini in 1989 and the succession of Ali Hashimi-Rafsanjani as president raised new issues for the 1990s. As the European and American oil and investment communities considered the race to open Iran commercially, scholars and diplomats debated Iranian efforts to recover from nearly a decade of war and revolution. They compared the merits of the European approach of

initiating critical dialogue with the U.S. policy of containing and isolating Iran. Neither approach seemed to have much impact, both conceded, and Iranians continued to sort out their domestic political agenda and to decide how best to protect their strategic and national interests. The U.S. Government, for example, tried to estimate how much time and money Iran would need to modernize its military and to acquire new weapons systems despite projected low oil prices and the country's need to rebuild its damaged and neglected civilian and industrial infrastructure.¹ The assumption underlying the U.S. projections was that Iran would be pursuing weapons of mass destruction, especially nuclear technology and long-range missile systems.

This essay begins with the assumption that Iran is intent on acquiring nuclear weapons and the long-range missile systems needed for their delivery. The assumption is based on documented evidence of Iranian efforts to acquire the elements essential for development of a nuclear program and on Iranian leaders' expressed interest in regional power projection based on weapons of mass destruction.² This analysis does not attempt to determine whether Iran possesses nuclear weapons now or how long it might take to acquire them, both of which are important questions whose answers have significant consequences for the security of the United States.

Instead, we focus on the approaches that policymakers have taken or could still take to avert or to slow this development, and we examine the potential impact on national interests, particularly on U.S. nonproliferation strategy, when Iran becomes a nuclear weapons state. We believe the issue that merits careful consideration has become how to manage a nuclear-armed Iran. This essay is meant principally as a policy analysis rather than an academic treatise. That is, it intends to build intellectual capital about how to manage the problem of a nuclear-armed Iran and to suggest courses of action that would minimize the negative impact on national interests.

Not all specialists on Iran share our assumption. Some scholars argue that Iran has no intention of developing a nuclear weapons capability and no aspirations to use its acquisition of nuclear technology to dominate regional security debates or to bolster territorial ambitions. Even hinting at such a goal for Iran, they say, will set back efforts to improve or normalize ties to Iran and to open its society to the outside world. Others in this discourse argue that assuming Iran has only pacific intentions would be naive. They note the growing nationalist trend in

Iranian foreign and defense policies and argue that Iranians, regardless of their political or ideological leanings, agree on the need to pursue the best technical means available to ensure national security.³

There are important disincentives for Iran to consider should it choose to become a nuclear-armed state. Direct breach of its commitment to the Non-Proliferation Treaty would damage Iran's international standing and relations with Europe and the United States, the repair of which appears to be an important component of President Mohammad Khatami's foreign policy initiatives. However, Iran's longstanding enmity with Iraq, hostility toward Israel, desire to constrain U.S. military activities in the Persian Gulf, and ambitions to lead the Islamic world suggest stronger incentives for developing nuclear weapons. Widespread support across the Iranian political spectrum for national defense (including nuclear) programs, an indigenous professional scientific base, and a reliable supply network for technology and fissile material reduce the likelihood that the United States will be able to prevent or disarm Iran's military nuclear research and development programs.

The consequences of an Iran armed with nuclear weapons and long-range delivery systems will raise the stakes considerably for U.S. engagement in the Middle East. National security strategy is predicated on the ability to separate regional policies and homeland defense. The development of a nuclear weapon capability coupled to long-range ballistic missiles will give Iran the ability to threaten its neighbors, the West, and the United States in a newer and more dangerous way than the asymmetric use of international terrorism. A nuclear-armed Iran also is likely to complicate U.S. relations with Russia and China and possibly with Europe as well.

Because of the acrimonious relationship that has existed between the governments of the United States and Iran since the revolution in 1979 and the mutual suspicions that persist between the two societies, policymakers in Washington know little about how Tehran's national security apparatus functions. Iranian policymakers almost certainly are equally ignorant of U.S. methods. This essay attempts to elucidate Iranian nuclear policies, programs, and decisionmaking procedures. It also identifies what is not known about Iran and assesses how it might behave in the international arena if armed with nuclear weapons. These judgments attempt to take into account trends in Iran's political behavior and the reactions of states that would perceive a threat from a nuclear-armed Iran.

For many Americans, viewing a nuclear-armed Iran with dispassionate judgment may be difficult. The relationship is freighted with grievances and mutual misunderstandings. Both parties feel a strong pull to assume the worst, and the United States is inclined to plan to defend its interests and those of its allies and friends in the region from what it assumes to be an implacably hostile and soon-to-be nuclear-armed Iran. In the current Iranian context in which reformists and conservatives are competing for control of domestic policies and institutions—and are likely to do so for an extended period of time—such worst-case scenarios could precipitate a situation less conducive to U.S. national interests than would a more carefully calibrated approach.

We conclude that how the United States prepares for and responds to Iran's crossing of the nuclear threshold will be pivotal in determining the consequences of Iran's action. We believe that the primary national objective should be to minimize the political gain to Iran of acquiring nuclear weapons. The potential response may affect Iran's calculations on whether and how to cross the nuclear threshold. Moreover, it will influence how America's friends, allies, and adversaries react to Iran as a nuclear power.

Dealing effectively with the consequences of a nuclear-armed Iran will require changes in current U.S. policy before Iran becomes a nuclear power. We recommend further tightening preventative nonproliferation measures, ending policies designed to isolate Iran, reaffirming military commitments to and presence in the defense of the Persian Gulf region, and expanding efforts to build links between the two countries. These policies would provide the United States—and, with luck, Iran—with greater strategic and political transparency and better information on what is occurring in the region and in the other country. They could also expand incentives for Iran not to cross the nuclear threshold, reassure regional states friendly to the United States about its commitment to their security, and allow Washington to exploit possible openings to improve relations with Tehran.

The optimal outcome for U.S. interests would be for Iran not to become a nuclear power. Thus far, the United States has been able to delay but not prevent Iranian acquisition of nuclear technology, project assistance, and material. The more realistic outcome for which the United States should prepare is a nuclear-armed Iran that reserves its new military capability for defensive purposes and for state survival, that does not challenge freedom of American operations or political relations in the

Gulf region, and that does not spread its newly acquired capabilities to other governments or organizations. The United States would best position itself to manage the consequences of a nuclear-armed Iran by pursuing a strategy of reducing the political and military value to Iran of acquiring nuclear weapons and by clearly communicating its willingness to defend its interests and those of its allies.

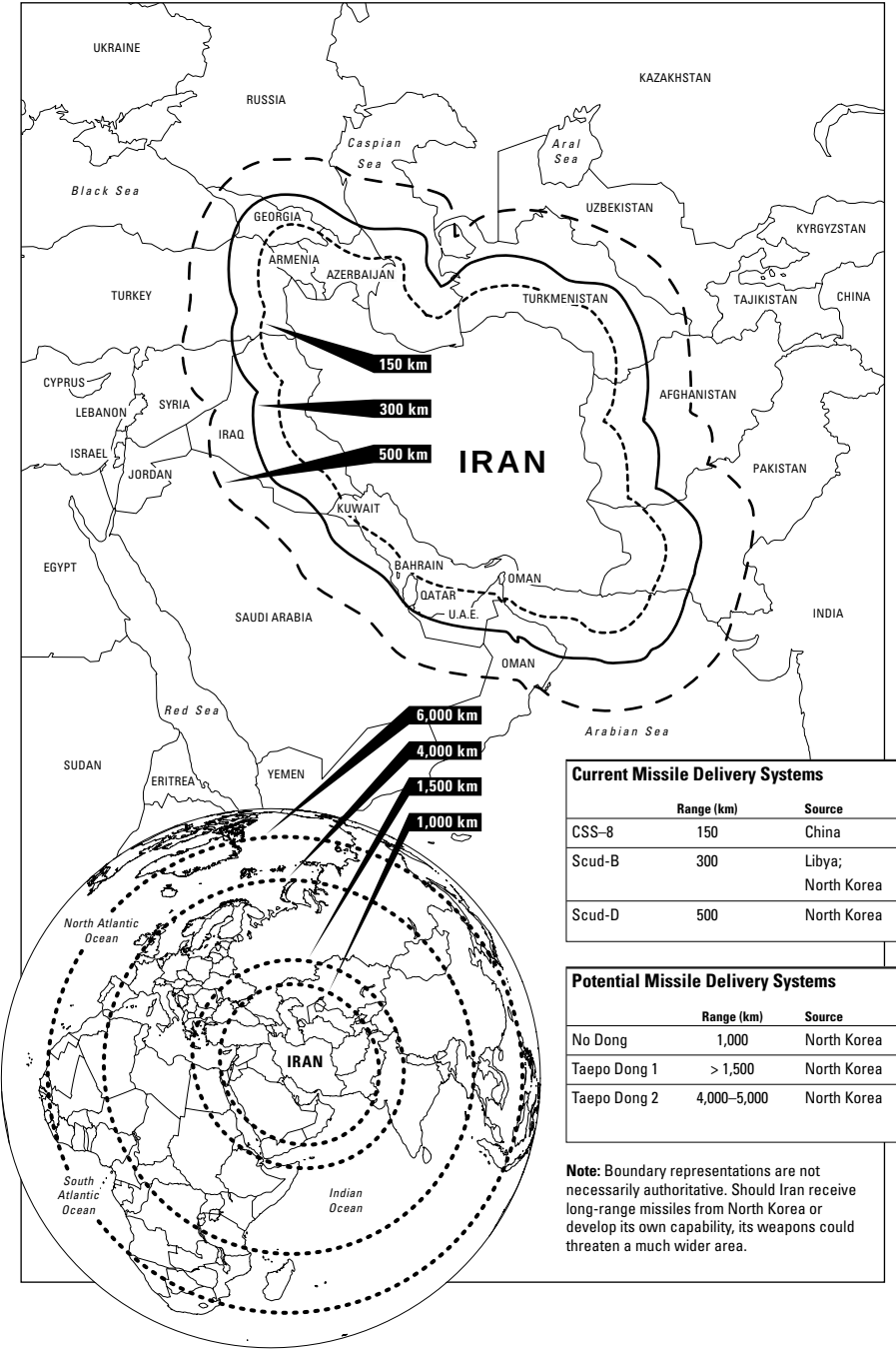
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This essay grew out of the work of a study group and a series of seminars conducted on Iran sponsored by the Institute for National Strategic Studies (INSS) at the National Defense University in 1999 and 2000. The participants included academic specialists, government analysts, and military planners from the Joint Staff and U.S. Central Command. We are indebted to many individuals for their willingness to contribute their time and ideas to this critical topic.

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Estimated Ranges of Current and Potential Iranian Ballistic Missiles



Iran's World View and NBC Weapons

Tehran's current security policies—including its abiding interest in nuclear, biological, and chemical (NBC) weapons—antedate the Islamic revolution and are deeply rooted in Iranian nationalism and historical sense of regional leadership. The present views of the Islamic Republic toward regional affairs, security threats, and Persian nationalism mirror those of the former Shah, Mohammad Reza Pahlavi, in defining security policies. In the Shah's time, Iraq was not always seen as an immediate security threat, but ancient animosities as well as current hostile revolutionary regimes and volatile ethnic groups on Iran's borders breed suspicions of potential threats posed by Russia or the United States to Central Asia as well as American domination in the Persian Gulf.

The Enemy Is Everywhere

Iran's defense strategy is based on safeguarding Iran's territorial integrity and interests, preventing the creation of a strategic vacuum in the region, and working for regional integration . . . and deterring threats. . . . The main threat comes from Israel and [the United States] . . . Iran's defense capabilities constitute part of the defense power of the Islamic countries and will only be used as a deterrent force in defense of the Islamic ummah.

—Ali Shamkhani, October 1998

Iran viewed the world with great trepidation at the end of its 8-year war with Iraq in 1988 and after the death of Ayatollah Ruhollah Khomeini the next year. Uncertain of how the first internal political succession would work, Iran also faced hostile neighbors angry at Tehran's clumsy efforts to export its revolution across the Gulf, even though its military had been weakened by years of war and political purges. Moreover, Iranian leaders noted the growing involvement of the U.S. military in the Persian Gulf, and they almost certainly suspected that the United

States was behind the escalating turmoil across Iran's borders in Central Asia and Afghanistan. In 1989, Iran began a major program to rebuild, expand, and modernize its ravaged armed forces.

Several factors shaped Iran's postwar strategic thinking:

- *Independence and self-sufficiency in strategic and tactical terms.* Considered a pariah by the West and its Arab neighbors for its aggressive efforts to export the revolution and for its sponsorship of international terrorism, Tehran fought the war with Iraq in near-total isolation. In contrast, Iraq received nearly \$80 billion in loans from Gulf Arab governments and got U.S. assistance in fighting Iran. At the same time, the United States imposed an arms embargo on Iran, complicating Iran's efforts to recoup its losses and sustain its war effort. Moreover, the world paid little attention to Baghdad's use of chemical weapons against its own people or in the war. From this frame of reference, most Iranian leaders probably assume that Iran will one day face a hostile Iraq and will have to fight alone. Toward this end, Iran is determined to build its own defense industries, reconstitute a modern force, and rely only nominally on foreign suppliers. This policy includes acquiring nuclear weapons to compensate for its weakness and relative strategic isolation.⁴
- *Reassertion of Iran's traditional role of regional hegemon in the Gulf and beyond.* As the largest and most populous country bordering the Persian Gulf, Iran under the Shah acted as its protector—a role that the United States and Britain encouraged. Iran's clerical leaders also believe that it is their country's natural right and destiny to dominate the region as well as to lead the world's Muslims. They are particularly determined to defend national interests and security.
- *Enhanced capability to defend Iran against any threat of military aggression.* Iranian leaders perceive threats from across all their borders—from U.S. forces in the region and from possible U.S. intervention in the Persian Gulf, Central Asia, and potentially Iraq; from a rearmed Iraq; and from a hostile Pakistan or Afghanistan. Iran has benefited from the efforts of United Nations Special Commission (UNSCOM) inspectors to find and destroy Iraq's weapons of mass destruction (WMD) programs. Tehran understands that effective inspections are virtually over—even if Baghdad accepts a new inspection regime—and that Baghdad has retained the knowledge, if not some of the capability, needed to resume weapon production quickly.⁵ Once all United Nations-imposed sanctions are removed,

Baghdad will continue developing chemical and biological weapons and the missile systems to deliver them. Iraq also will resume efforts to acquire components for nuclear weapons programs. Tehran almost certainly views nuclear weapons systems as the only way to reach strategic parity with Israel or the United States, a balance that it could not achieve by relying on a conventional buildup.⁶

How Iranian Leaders View Nuclear Weapons

Chemical and biological weapons are poor man's atomic bombs and can easily be produced. We should at least consider them for our defense. Although the use of such weapons is inhuman, the war taught us that international laws are only scraps of paper. With regard to chemical, bacteriological, and radiological weapons training, it was made very clear during the [Iran-Iraq] war that these weapons are very decisive. It was also made clear that the moral teachings of the world are not very effective when war reaches a serious stage and the world does not respect its own resolutions and closes its eyes to the violations and all the aggressions which are committed on the battlefield. We should fully equip ourselves both in the offensive and defensive use of chemical, bacteriological, and radiological weapons. From now on you should make use of the opportunity and perform this task.

—Ali Rafsanjani, October 1988⁷

Who Decides?

The division of power in Iran is important in determining who will make decisions about acquisition, deployment, and doctrine of use for nuclear weapons. Although Iran's leaders hold different political views and belong to competing power blocs, they probably have reached consensus on NBC acquisition to protect national interests. However, opinions may diverge on how many weapons would be enough and on when, where, and against whom Iran would deploy them.

The question of who determines deployment and usage is a critical one. The answer depends in part on who controls the instruments of security policymaking. In the Islamic Republic, Supreme Leader Ayatollah Ali Khamenei and the conservative faction traditionally have set security and defense policy. The Defense, Intelligence, and Security Ministries, as well as the Islamic Revolutionary Guard Corps (IRGC) and paramilitary factions, report to Khamenei. In addition, the conservatives control much of the state apparatus, including the Leader's Office, the Council of Guardians, the judiciary, the radio and television media, and,

most importantly, the military and security services. In contrast, President Khatami controls the Foreign Ministry and has a reformist-dominated Parliament. Thus far, however, he has been unable to put his imprint on much other than improved relations in the Gulf and with some European governments.

Whether Khatami and Khamenei agree on a common enemy or a usage doctrine cannot be determined from their public statements. For example, Khatami may see Iraq as the primary threat to Iranian security. If so, his defensive doctrine could include acquiring nuclear weapons and building closer relations with Gulf States and the United States. On the other hand, Khamenei's speeches and public statements make clear that he regards the United States as Iran's major threat. Therefore, he may be more aggressive in his doctrine to counter expansion of U.S. influence into territory that the Supreme Leader regards as coming under Iran's traditional religious, cultural, and territorial influence—such as the Persian Gulf, Lebanon, and Central Asia. Whatever the perception of the threat, no Iranian leader would be willing to trade future weapon development for security guarantees, even after a minimal deterrent capability is achieved.

The issue here becomes who decides how much nuclear weapon and missile development is enough. Although some may hold that 20 to 30 missiles with nuclear warheads—or whatever number is deemed sufficient to hit targets in Israel and Iraq accurately and effectively—are adequate, others may see the need for a much higher number. Such thinking did not apply in the United States or the Soviet Union when both sides, through the years of the Cold War, determined that they needed tens of thousands of warheads to respond to a threat.⁸

The U.S. knowledge base about Iranian decisionmaking has serious gaps. Rival centers of authority and decisionmaking exist—including the Iranian National Security Council, the IRGC, the Speaker of the Parliament, and former president and current head of the Expediency Council Hashemi-Rafsanjani—although all ultimately report to Khamenei. Whether these individuals constitute a national command authority, whether an individual senior military officer or cleric could order a military operation involving nuclear weapons, or if the paramilitary forces (*basisi*) would have nuclear weapons are not known. Would the nuclear trigger be given to the military or be retained by the civilian and clerical leadership? At what point does the commander in the field receive decisionmaking authority for use? No clear chain of command may exist for

the decision on usage; it probably is a highly centralized system with control in Tehran, but circumstances could turn control over to commanders in the field who are out of touch with the capital and the national command authority.⁹

What might determine the answers to these questions? Several factors could affect Iranian thinking about the use of nuclear weapons.

- ***Further economic deterioration.*** Another period of declining oil prices and tightened sanctions could force Iranian leaders to limit the acquisition, development, and deployment of NBC weapons. Worsened economic conditions could also increase the possibility of violent domestic unrest. The result could be a Tienanmen-style crackdown on antiregime protesters, a consolidation of support behind conservative elements by those fearing renewed social tumult, or a surge in demands for reform. Less money would be available for nuclear weapons development, unless a clear and present external threat emerges. On the other hand, increased oil revenues or windfall profits from a period of shortages and high prices could enable Iran to intensify its nuclear acquisition programs.
- ***Electoral backlash returns hard-liners to power.*** A conservative or hard-line majority in Parliament and in control of the presidency could bring in Iranian leaders who are willing to resume more aggressive foreign and defense policies. This shift would mean more money for weapons systems, broader deployment, and increased belligerency in threatening to use the systems in defense of Iran, the Islamic revolution, or embattled Muslims abroad.
- ***Significant changes in the threat environment.*** Certain circumstances could convince Iranian leaders to step up nuclear weapons development and deployment rather than to consider arms control measures. Possible catalysts include an Iraq without sanctions—or with ineffective sanctions and inspections—and with large oil revenues to pursue reconstruction of its nuclear weapons programs; an Israeli launch of preemptive military strikes against suspected Iranian weapon sites or Israeli acquisition of a new generation of weapons systems; or a heightened Iranian perception of a more aggressive U.S. military posture in the Persian Gulf. Conversely, an easing of the threat environment would not eliminate interest in possessing nuclear weapons. Better relations with the United States, a successful Arab-Israeli peace process, or the creation of a regional security organization in which Iran plays a role would ease regional

tensions but would not eliminate the perceived need for nuclear deterrence.

Iranian leaders probably see several benefits in having advanced NBC weapons systems. These include:

- Bolstering regime standing in the eyes of Iranians and throughout the Arab and Muslim world;
- Intimidating the Gulf Arab States to follow Iranian guidance on issues such as oil pricing and production levels and undermining their confidence in U.S. security guarantees, thereby limiting if not ending U.S. military presence in the Gulf;
- Deterring Iraqi use of nuclear weapons in attacking Iran;
- Gaining leverage over Israel, the United States, Turkey, and Saudi Arabia in a potential military confrontation or diplomatic crisis;
- Protecting oil shipments from threatened disruptions; and
- Undermining potential anti-Iranian actions in Central Asia or Afghanistan.

Current Leadership Thinking

Since the election of President Mohammad Khatami in 1997, analysts inside and outside of Iran have talked about the shift in regime policies under a new, more liberal and enlightened leadership. The debate applies to Khatami's social and domestic policies, but its relevance for foreign and defense policies is much less clear. Iran's more conservative leaders—such as Supreme Leader Khamenei, Defense Minister Ali Shamkhani, and IRGC Commander Major General Yahya Rahim Safavi—define Iran's role in world affairs as the standard bearer of the Islamic revolution and the defender of oppressed Muslims globally. It is Iran's responsibility, they argue, to support radical Islamist movements in the Middle East and elsewhere, to undermine those powers seeking to weaken Islam—meaning Israel and the United States—and to burnish Iran's revolutionary Islamic credentials at home and abroad. They deplore improving Iranian ties to Europe and criticized Khatami's visits to Italy and France in 1999 and to Germany in summer 2000. They warn of U.S. threats to Iran from the Gulf. Safavi, for example, is deeply suspicious of the reasons for the U.S. military presence in the Gulf. In an interview on Iranian television in January 2000, he accused the United States of trying to loot the oil resources of the Persian Gulf region and to gain a springboard for access to Caspian Sea energy resources as well.¹⁰

Other Iranian officials talk in terms reminiscent of the Shah's time and of Persian nationalism. These officials and members of the new reformist factions welcome expanding Iranian contacts with Saudi Arabia and Europe. They see security policy under a Persian Empire or Islamic Republic as the same—defense of the homeland and national interests regardless of the source of threat. However, like the conservatives, they would not consider making territorial concessions in the Gulf—for example, conceding the disputed islands of the Tunbs and Abu Musa to Abu Dhabi—or disavowing Lebanon's Hizballah.

Khatami, a cleric and a product of the Khomeini revolution, has a more liberal view of domestic issues, including personal, press, and cultural freedoms, but he probably differs little from his more politically and socially conservative rivals on security policy. Since his election, a virtual stalemate in domestic, foreign, and security policies has prevailed as the reformists loosely aligned around Khatami vie for power with the beleaguered conservatives. The conservatives have closed newspapers, imprisoned outspoken clerical critics and officials, intimidated, imprisoned, and murdered scholarly opponents of clerical authoritarianism, and sentenced students to long prison terms for antiregime disturbances. They have successfully blocked Khatami's initiatives to improve relations with the United States and delayed his overtures to Europe. Nevertheless, Khatami's liberal supporters have been unable to break the conservative hold on the political and judicial processes. Initiatives in domestic political issues are likely to remain stalled beyond the 2001 presidential elections.

Differences over domestic policies are unlikely to spill over into considerations of defense and security policies. Factional stalemates and bitter bipartisan battles in Iran—as in the United States and other Western democracies—tend to make debates over security policy hawkish for both sides. No faction probably would be able to argue for limiting NBC weapons development, especially if proposals to do so coincided with or were linked to U.S. initiatives. Weapons development and relations with the United States would be secondary issues in a debate fought along the more critical issue of which leaders of which political ideology control Iran.

More important, Iran's so-called reformists and conservatives probably have few differences concerning security policy in defending Iranian national interests. Both factions are highly nationalistic and are convinced that Iran needs to maintain a strong defense against threats posed by Iraq, Israel, the United States, and other regional actors. Moreover,

the various leaders appear to share almost universal consensus that a strong defense must be maintained and that, under prevailing circumstances, nuclear weapons-based deterrence is the most feasible way to establish defensive capabilities. No public debate has been perceptible in Iran about halting, delaying, or negotiating away NBC weapons development. A change in regime philosophy or of rulers—from conservative to moderate or from Khamenei/Khatami to a more liberal configuration—would not halt or delay nuclear weapons development, at least not until the country's capabilities were deemed sufficient to deter the threats posed by its many adversaries.

Gauging how the factional balance of power will work itself out over the longer term is difficult. The 2000 Iranian parliamentary elections—which resulted in large numbers of pro-Khatami reformers elected only to be challenged by conservatives intent on unseating many of the new deputies—gave the reformists a clear majority and boosted prospects for Khatami's reelection bid in 2001. On the other hand, Khatami could be ousted in the presidential election if he has not moved on long-anticipated domestic reforms. The real question will be whether Khatami is the capstone of Iranian reform or part of a broader and irreversible trend toward a more open political system and a more reasonable (in Western terms) defense policy.

The answer probably lies with the gradual displacement of the aging, politicized clerics who support a hard line against reform and for exporting the revolution by the younger generation of Iranians, who voted in overwhelming numbers for Khatami and reform. This transition will occur over the next decade or more, at the same time that Iran is perfecting its nuclear weapons and missile capabilities. If a younger, more politically moderate generation sees Iran with nuclear weapons as capable of deterring perceived threats, then its leaders may perceive less need to expand capabilities beyond what has been developed. A moderate, pragmatic foreign policy that successfully defended Iranian national interests and avoided conflict with neighbors would strengthen this trend. In this more secure environment, Iran's political leaders might see little need to continue developing and deploying extensive (and expensive) nuclear weapon systems. Moreover, these leaders might be more willing to use future nuclear weapons as a bargaining chip in negotiations with the United States.¹¹

Alternatively, frustration with the inability of Khatami and the moderates to introduce real reform or improve the standard of living of

many Iranians could encourage a backlash against the reformists and a turn to more aggressive foreign and defense policies. Resurgent conservatives could try to rally Iranians around perceptions of an external threat and could call for higher rates of defense spending with greater investment in nuclear weapon systems. We believe that this is a less likely prospect, but the risk that such a change would carry for U.S. forces and interests in the region cannot be discounted.

Iranian Capabilities: The Evidence

Specialists on Iran and nonconventional weapons acquisition and proliferation have enough information to sketch only an incomplete picture of Iran's research programs and its intentions to develop or otherwise acquire WMD. Iran began its efforts to acquire nuclear technology and expertise under the Shah in the 1970s. Despite chronic shortages of investment capital, an exhausting and expensive war with Iraq, and restricted access to foreign technology, Iran has been able to obtain long-range missiles and produce chemical and biological weapons and has tried to acquire the technology, expertise, and material necessary to develop a nuclear capability. The following summarizes Iran's efforts to acquire WMD.¹²

Delivery Systems

Soviet-designed Scud-B guided missiles form the core of Iran's ballistic missile forces. Tehran first acquired these missiles from Libya and North Korea during the Iran-Iraq war and used them against Iraq in 1988 in the "War of the Cities." According to Anthony Cordesman, Iran can manufacture almost all of the Scud-B, with the possible exception of the most sophisticated components of its guidance system and rocket motors. He estimates that by 1998, Iran had more than 60 of the longer-range (310 miles or 500 kilometers) North Korean missiles and 5 to 10 Scud-C launchers with missiles. These missiles have a warhead with a high explosive capability of 700 kilograms, and they are relatively accurate and reliable. The most recent Iranian advance in missile technology is the Shahab-3, a liquid-fueled missile with a range of 1,300 kilometers (800 miles) acquired from North Korea. In July 2000, Iran announced that it had successfully test-fired an upgraded version of the Shahab-3.¹³

Chemical Weapons

Iran began purchasing large amounts of chemical defense gear in the mid-1980s. It probably captured its first poisonous chemical weapon

agents from Iraq during the war. Cordesman estimates that by 1986 or 1987, Iran had developed the capability to produce enough lethal agents—including hydrogen cyanide, phosgene gas, and perhaps chlorine gas—to load its weapons. Iran also could weaponize blister (sulfur mustard) and blood (cyanide) agents and phosgene and/or chlorine gas, which it used against Iraq in 1987 and 1988. Since the end of the Iran-Iraq war, Iran has been producing mustard and nerve gas and may have weaponized chemical warheads for its Scud missiles.¹⁴ Iran ratified the Chemical Weapons Convention (CWC) in June 1997 but has yet to provide any data on its chemical weapon program.

Biological Weapons

Reports that Iran was importing and working on the production of mycotoxins as part of a biological warfare program first surfaced in 1982. Since the Iran-Iraq war, Iran has conducted research on lethal active agents, including anthrax, hoof-and-mouth disease, botulinum, and biotoxins.¹⁵ A Central Intelligence Agency (CIA) report in 1996 alleged that Iran “holds some stocks of biological agents and weapons” and that “Iran has the technical infrastructure to support a significant biological weapons program with little foreign assistance.” In March 2000 testimony to Congress, Director of Central Intelligence George J. Tenet reiterated that Iran was becoming more self-sufficient in producing materials for biological and chemical weapons. “Iran,” he said, “driven in part by stringent international export controls, is acquiring the ability to domestically produce raw materials and the equipment to support indigenous biological agent production.”¹⁶

Nuclear Weapons

Since the Shah established the Atomic Energy Organization of Iran in 1974, Tehran has been negotiating for nuclear power plants. The Shah signed contracts for nuclear fuel with the United States, Germany, and France. He concurrently began a nuclear weapons program, smuggling nuclear enrichment and weapon-related technology into Iran from the United States and Europe. Khomeini revived the program in 1984, importing support and technology from sources in West Germany, Argentina, China, and Pakistan. Since the Iran-Iraq war, Tehran has denied having a nuclear weapons program, although Russia is constructing at least one and maybe more nuclear power plants at Bushehr.¹⁷ Cordesman notes that the Speaker of the Majlis opened a new laboratory to train nuclear technicians in early 1990 and that Iran reportedly had at least 200

scientists and a workforce of approximately 2,000 devoted to nuclear research.¹⁸ Iran has tried to purchase and to smuggle into the country highly enriched fissile material from Kazakhstan, reactor parts from Germany and Czechoslovakia, centrifuge technology, and maraging steel. Its efforts apparently have failed thus far.¹⁹

In spring 1995, new details emerged about Iranian efforts to acquire nuclear capabilities. Public accounts, such as the Carnegie Endowment report entitled *Tracking Nuclear Proliferation*, cited evidence indicating that Iran was trying to acquire dual-use items—samarium-cobalt magnetic equipment from a British company, and balancing machines as well as diagnostic and monitoring equipment from German and Swiss firms—to establish a secret gas centrifuge uranium-enrichment program. That same year, Russia agreed to provide Iran with a gas centrifuge uranium-enrichment facility as part of a secret protocol to their reactor sale contract. The facility would be subject to International Atomic Energy Agency (IAEA) inspection and would be dedicated to producing low-enriched (non-weapons-grade) uranium, but it could enable Iran to build and operate a similar plant clandestinely to produce weapons-grade uranium.²⁰

Iranian efforts to recruit and train technicians in Russian institutes have been of special concern in Washington. In 1998, Iran began recruiting engineers to receive training in Russia for the Bushehr plant not long after the United States stepped up pressure on Russia to end its nuclear cooperation with Iran.²¹ Press reports in early 1999 indicated the United States had threatened to sanction two Russian nuclear research institutes that were providing training for Iranian scientists. Russian Atomic Energy Minister Yevgeny Adamov responded that Moscow would continue its nuclear cooperation with Tehran but offered a concession—Russia severed ties between its Scientific Research and Design Institute for Power Technology and Iran.²²

Iranian Intentions and Strategic Outlook

The initial Iranian flirtation with nuclear technology and the development of major weapon systems capable of reaching across the Gulf began under the Shah. With the encouragement of the United States and other Western powers, the Shah in the 1970s planned the construction of nuclear power plants with the potential to develop technology and materials that could bolster its professed role as guarantor of security in the Persian Gulf. Iraq, under the relatively new leadership of the Ba'ath Party, President Ahmad Hasan al-Bakr, and security chief Saddam

Husayn, had just begun modernizing its military and security infrastructure. Unlike Tehran, which had several nuclear power plants planned or under construction in the 1970s, Baghdad had only one nuclear reactor at Tuwaitha, built according to a 1958 agreement with Moscow. Nuclear weapons—WMD of any kind—were still far in Iraq's future.²³

The Islamic revolution that swept the Shah out of power in early 1979 added a new element to the Iranian security equation. Still faced with a threat of unknown extent from Iraq and unsure of the hostility that it might face from the West and across the Gulf, Iran based its security policies on a revolutionary Islamic fervor with a touch of Persian nationalism. The Iraqi invasion of Iran in 1980 and the ensuing 8-year war, during which both sides experimented with chemical weapons, underscored for Iranian leaders the need to be able to defend against all threats and achieve self-sufficiency in developing whatever weapons needed to defend the Islamic republic.²⁴

Iran had other reasons to make NBC weapons its weapons of choice, including affordability and availability of the components needed, the apparent ease with which the international community could be deceived, the prestige factor, and the fact that several regional governments (Israel, India, and Pakistan) already had such systems.

Affordability and availability are key issues. Few governments, including Iran's, can afford to modernize their conventional military capabilities, especially with the end of the Cold War era and the accompanying demise of cheap payment terms. The new arms races are expensive, with few able to join the bidding for high-tech aircraft and tanks. By contrast, chemical and biological weapons and the longer-range missile delivery systems are relatively cheap. Moreover, nuclear technology, fissile material, NBC weapon infrastructure, and delivery systems are available from a number of sources, clandestine and overt.²⁵

Tehran also may have been impressed by the apparent ease of deceiving the international community and its ambivalence about other countries' efforts to acquire and test NBC systems. For example, Iraq was able to mask its covert nuclear programs for years without incurring sanctions, and India and Pakistan tested nuclear devices in 1998 despite the threat of sanctions and international opprobrium. Baghdad did not perceive signing the Non-Proliferation Treaty (NPT) as a deterrent to nuclear weapon development, and Tehran, also a signatory to the NPT, might not either.²⁶

Tehran may see NBC weapons as a source of prestige or the kind of force multiplier that it lacked in the war with Iraq. Many regimes—rogue and respectable—view acquisition of NBC weapon technology, especially nuclear, as a way to enhance their credibility and prestige in regional and international political-military debates, to divide coalitions, and to intimidate neighbors. The use of chemical weapons by both sides in the Iran-Iraq war enhanced Baghdad's capability to counter Tehran human-wave attacks and was a major contributor to Iran's defeat. NBC weapons, even if used only as a psychological deterrent, serve to offset the high-tech systems used by the U.S. military.

The most frequently voiced reason for Iran wanting to acquire a weapon is that "Israel or the neighbors have it." Iran publicly cites the assumed growth of the Israeli nuclear stockpile and the modernization of its delivery capability as the primary reasons for Tehran to upgrade its capabilities. In our view, Israel may be a reason—but not the primary reason—for Iranian acquisition of nuclear weapons systems. Desire for nuclear weapons reflects the assumption that the neighbors—Iraq, India, Pakistan, perhaps even a Gulf Cooperation Council (GCC) state—have or will acquire similar capabilities and that in the next confrontation with Iraq, Iran will stand alone, as it did in the 1980–1988 war.

Crossing the Nuclear Threshold

Tehran crossed the thresholds of having chemical and biological weapons without receiving much attention. The key question is how it will enter the nuclear club. Whatever Iran's intentions are in acquiring nuclear weapons, how it crosses the threshold will be critical to determining its doctrine. Its method will also be a measure of the threat that Iran believes it will face if it chooses to risk international opprobrium as it did in the early days of the revolution.

Iran, a signatory of the Non-Proliferation Treaty and the Chemical Weapons Convention, could choose one of several ways to cross the nuclear threshold. Some paths would be in clear and flagrant violation of its international treaty obligations, and others would be deceptive and infinitely more dangerous—as was the case with Iraq.²⁷ Iran could cross:

- *Transparently (by openly testing)*: Transparency would send a clear message of Iranian intentions. It would underscore the prestige factor and advertise Iranian efforts to use these weapons to intimidate openly and deter potential adversaries. On the other hand, it would place Iran in unambiguous violation of its NPT commitment not to

pursue nuclear weapons and would expose Tehran to harsh international sanctions and isolation.

- *Opaquely*: Opacity is more characteristic of Iranian behavior. It would give Tehran plausible deniability of capability, while allowing it to pursue rapprochement with the West, including the United States. This method would allow Iran to maintain the appearance of compliance with the NPT.
- *Partially opaquely*: Iran would make no announcement, conduct no open tests, and deploy no forces with the new weapon systems. It instead would send the message, however subtle, that it has a new capability to wreak regional havoc. The advantage of this approach is that it would convey the suggestion of capability without overtly threatening others and perhaps would avoid sanctions. The disadvantage is that it would not deter Iraq and would not be as prestigious as open testing, a method that won public support for the Indian and Pakistani governments.
- *Virtually*: In this scenario, Iran would conduct research but would pass IAEA and NPT inspections because it builds no weapons. However, it would be able to acquire fissile material abroad or divert it from domestic sources and produce weapons quickly if threatened.

We judge that Iran will not test its new capabilities to mount nuclear warheads on missiles openly, even though it tests each version of its missile delivery system. The most recently tested missile, the Shahab-3, has a range of 1,300 kilometers—sufficient to hit targets across the Persian Gulf and into Iraq, Turkey, and Israel. U.S. forces in the Gulf also are within missile range. Opacity, with its promise of plausible deniability, has been a much-favored tactic the Iranians practice in supporting international terrorist groups like the Lebanese Hizballah and Palestinian extremist factions opposed to the peace process with Israel. The unstated assumption in this approach is that those who need to know about the missiles will know and will act accordingly.

Whether the United States could influence Iran's choice in how it crosses the nuclear threshold would depend on several factors. The Iranian level of paranoia about American intentions is always high. Unless U.S. military movements in the Persian Gulf—on land and at sea—are very transparent and perceived as nonthreatening by Iran, Tehran could easily miscalculate Washington's intentions and activities. Iranian leaders generally assume that the United States has positioned a large force in the Gulf

to monitor Iran, not Iraq, and that the United States is trying to institute a similar militarization of the Caucasus region and Central Asia, where military-to-military relations with the new republics of the former Soviet Union are highly visible. Iran also probably believes that the United States is behind its problems with Pakistan and the Taleban in Afghanistan and that Washington intends to put a pro-U.S. puppet regime in Iraq—all actions meant to encircle Iran. A change in regime in Iran is unlikely to change suspicions of U.S. behavior. Given the mistrust on both sides, Iran probably would go as far as it believes that the United States would go in defending the region—for example, if Tehran thinks that Washington will employ nuclear force in the region, then it will use nuclear force also. In our judgment, the Nation can do little to dissuade Iran from pursuing a nuclear weapon program, but it may, through transparency and confidence-building measures, defuse tensions.

A Walk on the Supply Side

The United States and the arms control community have focused a great deal of attention on determining who is assisting Iran, and how, as it builds its nuclear programs. The United States imposed sanctions on Iran as part of its overall containment policy to deter or delay the Islamic Republic's acquisition of weapons that could be used in the war with Iraq, in its asymmetric confrontations with Israel, and in support of extremist Islamist and radical Palestinian factions. In the 1990s, the focus became more specific—to delay or deny Iranian efforts to acquire nuclear weapons capabilities and ballistic missile delivery systems. Mysterious shipments from northern Asia, technology and scientists from the former Soviet Union and Central Asia, fissile material and rockets from many places—all reportedly are in Iran or on their way there.

Although scholars and analysts disagree about the impact of U.S. sanctions on Iran, the restrictions—including the arms embargo and efforts to block foreign loans to and investment in Iran—have delayed but clearly have not denied Iranian acquisition of nonconventional weapon capabilities. Spending on conventional military reconstruction may not have reached the levels U.S. Government sources estimated that they would reach in the early 1990s because of declining oil revenues and domestic demands on spending for subsidies, job creation, and economic infrastructure. Nonetheless, Tehran apparently has been able to afford the research and development (R&D) expenses of nuclear programs and has purchased technology from several suppliers, including Russia, China, and North Korea. Other potential suppliers are waiting in the wings until sanctions are dropped, the Iran-Libya Sanctions Act (ILSA) expires, and the United States itself embarks on the path to Tehran.²⁸

Russia

Most of the responsibility for Iran's apparent success in acquiring the technological assistance and materials necessary for nuclear weapon systems rests with Russia. The accusers, primarily official and unofficial sources in the United States and Israel, claim that Iranian scientists receive training in Russian scientific institutes, that Russian laboratories provide Iran with technology and even fissile material, and that Russian scientists are working on illicit programs inside Iran. Officials in the United States and Israel have attempted to influence Russia to halt nuclear cooperation with Iran, to end exports of sanctioned materials, and to stop building nuclear facilities at Bushehr.²⁹

Russia, a key source of missile technology, provided Iran with some of the technology and designs of its aging SS-4 liquid-fueled missile, and various public sources suggest that it has helped produce liquid-fueled missiles, specialized computer software, and model missiles. Cordesman cites reports that the Russian state corporations for export and import and armament and military equipment as well as Russian scientific institutes cooperate with Iranian counterparts in deals involving specialized laser equipment, mirrors, tungsten-coated graphite material, and maraging steel for missile development and production.³⁰ The Israelis believe that Russian private and state-owned firms have provided Iran with gyroscopes, electronic components, the use of wind tunnels and guidance and propulsion systems, and the parts needed to build missile component systems in Iran.³¹ In 1995, Russia signed an \$800-million agreement with Iran to complete one of the two partially constructed nuclear reactors at Bushehr and to provide technical training and low-enriched uranium fuel for a period of 10 years beginning in 2001.

With minor exceptions, efforts to dissuade Russia from aiding Iranian attempts to acquire nuclear technology have failed. In the mid- to late 1990s, the United States pushed Moscow to end its assistance to Iranian missile and nuclear programs. In 1995, President Yeltsin acceded to U.S. pressure and agreed to cancel the transfer of a uranium enrichment facility to Iran. He told President Clinton that Russia would not supply militarily useful nuclear technology to Iran and that it would remove the centrifuge plant provisions from Moscow's protocol with Tehran because of the potential for creating weapons-grade fuel. Some progress also was made in establishing an export control regime. U.S.-Russian working groups were set up, and in July 1998, Russia made an unprecedented investigation of nine entities with links to Iran, according to a U.S. official.³²

Moscow resented the U.S. measures to restrict the activities of some of the companies, however, and no further progress was made. Russia has agreed to build as many as four reactors in Iran—two at Bushehr—and to provide significant nuclear technology.

Why are the Russians unwilling or unable to cooperate with the United States on Iran? In part, the Russians see no threat to their interests or territory from a nuclear-armed Iran. And, in part, the answer may lie in leverage. Moscow would exact a high price for cooperation with Washington against Tehran. Analysts estimate the price could include more International Monetary Fund (IMF) loans, an end to North Atlantic Treaty Organization (NATO) enlargement, acknowledgement of Russian hegemony in Central Asia, U.S. acquiescence in pipelines laid through Russia instead of rival Turkey, or perhaps an end to sanctions on Iraq.

The answer lies also in the different views of Iran that Russians hold. According to some Russian specialists, Russians do not share American concerns about being the target of or endangered by a nuclear-armed Iran. In addition to denying that a problem exists, they note a cultural bias—a belief that the Iranians are incapable of developing advanced NBC or missile systems—and a historical bias that argues against agreeing with the United States. More important, the specialists add, Russia probably believes that it can control the consequences of its actions in helping to provide Iran with nuclear weapons capability.

Good relations with Tehran are important to protect Russian interests abroad, particularly in the Muslim republics and regions of the former Soviet Union, in Chechnya, and in the Central Asian republics of Uzbekistan, Kazakhstan, Tajikistan, Turkmenistan, and Kyrgyzstan. Russia sees itself as this region's natural protector, given its geographic proximity, centuries of political and economic domination, and demographics (substantial Russian populations live in most of the republics, and Russian security forces are present in several).³³ Russia has long seen the region as a buffer against the spread of Islamic extremism and believes good relations with Iran will help to prohibit its spread north. Russia, like Iran, also views with concern expanding U.S. ties to the Central Asian republics, especially the military-to-military links. Yet Moscow realizes its ability to compete economically or militarily with the West is limited. Ties to Tehran help Moscow to shape the security environment in a volatile and potentially unstable region on its borders.

Other reasons are more systemic, more Russian. The absence of strong governmental, economic, or social infrastructures allows personalities

both inside and outside of the government to be more influential in policy and decisionmaking. The current Minister of Atomic Energy, for example, served as administrator of the leading Russian institute cooperating with Iran. One U.S. official described Russia as also trying to establish the wrong kind of export control system (Moscow has none, nor does it believe that restricting Iranian exports is proper or in Russian interests).³⁴ Moreover, the Russian entities have little incentive to stop promoting proliferation. The economic crisis in Russia exacerbates efforts to restrict exports to Iran. One Russian specialist noted that the time horizon of most Russian scientists was one week; the short-term thinking reflects dire economic conditions, with many scientists going without pay for long periods of time in distant, isolated, and neglected communities. Government infrastructure no longer serves or protects the scientists, and social consensus favors trade and work over principle.

Given the near-term concerns of many Russian officials and scientists, the United States will have difficulty finding long-term incentives that would appeal to Moscow. The successful exception has been U.S. assistance to the Russian space launch missile program. We have little confidence that Russia knows the status of its nuclear/fissile material, can control its flow, or has any interest in sharing information about the situation. To date, no evidence has been confirmed of leakage of such material, which is stored in small, uninventoried caches across the country. Finally, the appearance, if not reality, of Russian independence in determining its relations with Iran—not to appear to be kowtowing to the West or the United States—is a factor for any administration in Moscow battling for leadership in the press and political arena.

Northeastern Asia

Like Russia, China and North Korea see no threat from a nuclear-armed Iran and anticipate benefits in improved relations and access to much-needed energy resources. China, once an oil exporter, now imports half of all its energy needs, mostly from Central Asia and the Persian Gulf States. China's energy imports are estimated to double by 2010.

In the past decade, China has expanded its interests in the Persian Gulf region to ensure a secure source of gas and oil and to try to supplant the United States as a reliable regional partner. China has offered Iran investment loans to build a pipeline from Kazakhstan through Iran to the Gulf, and in the mid-1980s, it sold CSS-2 missiles to Saudi Arabia and Silkworm missiles to Iran. The United States has long suspected China of

providing other advanced weapon technology and expertise to Iran. The assistance allegedly includes transfers of long-range missiles (CSS-6s), surface-to-surface missiles (the CSS-8 with a range of 130–150 kilometers), and antiship cruise missiles, and help in building missile research and production facilities for a solid-fueled missile.³⁵

Moreover, China provided significant assistance to Iran's civil nuclear program beginning in the mid-1980s. It reportedly trained Iranian nuclear technicians and engineers under a 10-year agreement signed in 1990 and supplied Iran with two small research reactors and a calutron, which, according to Cordesman, had no direct value in producing fissile material.³⁶ China agreed in 1992 to postpone indefinitely the sale of a plutonium-producing research reactor to Iran. The sale was suspended 3 years later, possibly because of U.S. pressure and Iranian difficulties with financing. In an October 1998 summit meeting with the United States, Beijing promised to cancel most of its existing nuclear assistance to Iran and to provide Iran no new nuclear assistance. Two years later, in November 2000, China promised not to sell missiles or dual-use components for missiles that could be used to deliver nuclear weapons.³⁷

China may be reassessing its role in exporting nonconventional weapon technology to Iran, according to one China scholar.³⁸ The three-way debate is among those who believe that China has the right to sell whatever technology it chooses to export, those who follow the international arms control debate and argue that it is more in China's interest to side with the other nuclear powers in denying the technology to nuclear aspirants, and those who advocate linking sales to Iran to leverage on the United States. Advocates of the third position argue that Taiwan is more important for Chinese security than Iran and that China should be able to limit U.S.-Taiwanese relations by dangling Iran before Washington. The Taiwan issue has become more urgent for Beijing over the past 2 years as China monitors the growth of sentiments for independence. This scholar observed that the Taiwan issue was so powerful for China that it overrides any dysfunctional consequences in denying Iran advanced weapon technology.³⁹

Geostrategic location, oil, and leverage on the United States notwithstanding, Iranian-Chinese relations have struck a discordant note. Beijing worries that Tehran is encouraging separatist activities among the approximately 8 million Uighur Muslims in the northwestern Chinese province of Xinjiang.⁴⁰ Russia and China suspect Iran of stirring up Islamic sentiments and encouraging militants in Central Asia, especially

in Tajikistan, which has religious and linguistic ties to Iran and, until last year, was the scene of religious-based civil war. China supports Russian efforts to defeat Muslim rebels in Chechnya.

The United States has long suspected North Korea of supplying Iran with long-range missiles, including the No Dong missile, which has a range of 1,000–1,300 kilometers and can carry nuclear and biological weapons.⁴¹ As if to confirm these suspicions, Kim Jong Il told visiting South Korean media executives in August 2000 that his country was selling missiles to Iran and Syria. “How could we not do it when a couple hundred million dollars come out of rocket research?” he queried.⁴²

North Korea closed its first missile deal with Iran in 1990, following the visit of a senior North Korean delegation to Tehran. By 1998, Iran had approximately 60 or more of the 500-kilometer-range Scud-C missiles manufactured by North Korea and several transporter-erector-launchers as well.⁴³ North Korea may have provided Iran with the war-head technology for biological and chemical weapons when it sold Iran the Scud-Cs.⁴⁴ In addition, North Korea may have built Iran’s largest missile assembly and production plant near Isfahan; Cordesman reports that the plant may use Chinese equipment and technology.⁴⁵

North Korea desperately needs foreign hard currency and, like China, has little interest in responding to U.S. concerns about proliferation or Iranian nuclear and missile ambitions. Moreover, according to a China scholar, Beijing is happy to connive with North Korea in facilitating weapons and missile transfers to Iran.⁴⁶ Beijing, which benefits from this arrangement when North Korea is accused of helping Iran, is willing to live with the consequences, even if they include Japanese adoption of theater missile defense (TMD).

Western Europe

European views of Iran have long favored engagement over containment. Europeans have a more benign view of Iran and its nuclear intentions than does the United States, rejecting U.S. warnings as ill informed and ill intentioned. France, Germany, Italy, and the United Kingdom have done little, however, to boost Iran’s acquisition of nuclear technology thus far, preferring to resume the full range of trade, investment, and diplomatic contacts. The European governments have been even less willing to support U.S. requests to sanction Iran and are not likely to support any new initiatives to restrict government or private connections. Europeans generally do not feel threatened by Iranian efforts to

acquire nuclear and ballistic missile technology and pay lip service to U.S. demarches on preventing proliferation of nuclear weapons. Their response to U.S. claims of illicit Iranian efforts to acquire nuclear technology is to demand proof.

European reasoning on relations with Iran goes beyond a different threat perception than that of the United States and Israel; it also goes beyond economics. The European countries—including the United Kingdom—have not been happy with their exclusion from the Arab-Israeli peace process, and they (especially France) slowly have backed away from joining the United States in coalition actions against Iraq. By 1996, France had pulled out of air cooperation in Operations *Northern* and *Southern Watch* because it no longer supported retaliatory military strikes on Iraq. Europe never supported containment sanctions on Iran and was dismayed by the secondary boycott aspects of ILSA legislation, which threatened French oil companies considering investment in Iran. Although in public the Europeans frequently have urged the United States to drop sanctions against Iran, in private some European officials and scholars have indicated satisfaction that U.S. sanctions keep American companies from competing in the Iranian market and hope that the U.S. embargo will continue. Experts conclude that the United States can do very little to sway the Europeans, who are not eager to undertake proactive implementation of new punitive policies toward Iran.

A Word on Turkey

A nuclear-armed Iran would raise the stakes considerably in the fulfillment of NATO Article V guarantees to Turkey. Article V pledges to all NATO members that “an armed attack against one or more of them in Europe or North America shall be considered an attack against them all. . . .”⁴⁷ Turkey would have reason for concern about NATO allies honoring that pledge, however. During the Gulf War, at least one NATO ally balked at sending NATO forces to the defense of Turkey, arguing that because the United States and its allies were staging offensive operations against Iraq from bases in Turkey, the alliance was released from obligation for Turkey’s defense. To their credit, most NATO allies rejected this conditionality of Article V and quickly shamed the others into committing to defend Turkey and, moreover, to make preventative deployments of NATO air defense units to Turkey to deter an attack.

Turkey has good reason to doubt the intentions of European Union (EU) members and NATO European members regarding its security

and well-being. Ankara's relations with them are more acrimonious now than they were during the 1990–1991 Gulf War. Europe objects to how Turkey manages its Kurdish problem, including the issues of Kurdish terrorism and demands for political autonomy, civil rights, or outright separatism. Turkey resents EU members' unwillingness to offer it the embrace being extended to the democratizing states of Central and Eastern Europe. Although Turkey certainly would need to make progress in several aspects of its current government practices to meet EU standards, some European leaders reject Turkey outright, saying that a Muslim state could never be part of the European Union. These kinds of declarations only deepen the Turkish sense of exclusion. EU states have prevented arms sales to Turkey, publicly condemn Ankara's military operations in predominantly Kurdish areas of southeast Turkey, and question the legitimacy of proceedings against convicted terrorist and Kurdistan Workers' Party leader Abdullah Öcalan. In particular, they criticize the death penalty that he is under; the EU bans the death penalty.

However, with U.S. encouragement, Turkey very likely would call for pledges of support from its NATO allies if Iran were to cross the nuclear threshold openly and to threaten Turkish security. In Ankara's view, the support of Western Europe and the United States would protect Turkey. It also would significantly increase the stakes for Iran if Western Europe and the United States made their relations with Iran contingent on its behavior toward Turkey.

The United States probably would want a statement from NATO condemning Iran and reiterating the allied pledge of "continuous self-help and mutual assistance" for Turkey. Holding consensus should not be problematic, even though such an action is contrary to the current EU policy of constructive engagement with Iran. Condemnation and possible political and economic sanction by the EU states would be an expected consequence for Iran if it were to become openly a nuclear-armed state.

However, neither the United States nor Turkey is likely to be satisfied with so limited a response. Both countries are likely to want an affirmation of NATO nuclear doctrine, threatening Iran with at least retaliation—to include using nuclear weapons—by NATO. The Alliance nuclear doctrine stresses that nuclear weapons are "weapons of last resort" but are nonetheless essential to collective security. The United States and Turkey both probably would press NATO to reaffirm publicly that the nuclear umbrella covers Turkey. This announcement would serve to

deter aggression by Iran against Turkey and to remind Iran of the magnitude of military power amassed by the NATO nations.

Gaining consensus among the NATO allies to issue what amounts to a nuclear threat to Iran would be exceedingly difficult absent an immediate threat to Turkey—and perhaps even with an imminent threat. Whatever they may say about being excluded from the Middle East peace process, European states basically do not want to be drawn into conflicts outside Europe. Becoming the major guarantor of peaceful relations between Turkey and Iran is nowhere on the European radar screen. That role would disrupt current EU defense priorities and require a level of engagement in Middle East politics that would dominate Europe's security agenda and quite likely lead it into conflict with the U.S. course of action.

If Iran were to choose an opaque course of nuclear acquisition, gaining allied support for overt actions or statements drawing attention to NATO Article V commitment and the nuclear component of its strategy would be even more difficult. Absent a clear and present danger to Turkey, NATO is unlikely to commit to this course of action. This reluctance would leave the United States to make a unilateral declaration that Turkey, as a NATO ally, enjoys the protection of the American nuclear umbrella. Considering the strategic importance of Turkey to the United States, this assurance would likely be considered necessary. However, the pledge would be a costly one with respect to transatlantic relations. It surely would give further impetus to the EU desire for an autonomous European security and defense policy and would renew concern about backdoor security guarantees offered by the United States that Europe would be pulled into helping honor.

U.S. efforts to deny Iran technology, including missiles, for its NBC weapon programs have met with only minimal success. Russia has made several promises not to aid Iran, in particular the Gore-Chernomyrdin Agreement of 1995, but it has failed to restrict sales or training; in November 2000, for instance, Moscow announced that it would no longer abide by its agreement with the United States limiting the sale of arms—conventional and nonconventional—to Iran.⁴⁸ China has promised to stop supplying missiles and dual-use components, but only time will tell whether it stops providing Iran with technical assistance directly as well as indirectly through cutouts. Dealing directly with Iran rather than with its suppliers probably is the more effective route to containing if not stopping Iran's acquisition of NBC weapons.

The Regional Impact

The building of the Shahab-3 missile is not in breach of the peaceful policy of the Islamic Republic of Iran, which looks at détente and the establishment of peace and security in the region as a principle. In fact, it is a guarantor of peace and security in the region of the Persian Gulf against those who commit aggression against the rights of nations.

—Mohsen Rezai, July 1998

Iran's acquisition of nuclear weapons and long-range missile delivery systems is likely to affect its behavior in the region. Tehran's new military muscle would bolster its aspirations for regional leadership and influence over a number of issues—from resolving territorial disputes to determining energy policy and production limits to serving as the beacon of political enlightenment for Arabs and Muslims worldwide.

Conservatives in Tehran may be more aggressive in negotiating style and willing to challenge neighbors and others on issues deemed critical to the Islamic Republic. They may be willing to reintroduce the non-conventional, asymmetric option—terrorism—to their militant arsenal. In contrast, Iranian reformists may have a softer approach, seeing no need to flaunt capabilities to intimidate other governments directly. Acquisition of nuclear weapons will give all Iranian leaders, whatever their stripe, greater self-confidence in dealing with thorny policy issues. We believe that Iran will neither casually threaten to use its newly acquired nuclear status to enforce oil policy or territorial claims on neighbors nor even to threaten Israel by supporting Palestinian and Islamic extremists. Such usage would undermine the more important purpose of homeland defense. Nevertheless, the choices Iran leaves for its neighbors, adversaries, and friends will depend on how it crosses the nuclear threshold and how the United States responds.

Iran and the Arabs: The View from the Neighborhood

We are a nation working for peace but we reserve the right to defend our country. We work towards procuring the weapons necessary to protect our country and this makes up these weapons through live tests before we buy them, and we make a shield to protect the safety of the Holy Shrines and the security of our citizens.

—Sultan Bin Abdul Aziz, September 1999⁴⁹

The Arab States of the Persian Gulf, long accustomed to relying on strangers for their security, have several choices in reacting to a nuclear-armed Iran. They could choose to live in denial that Iran would mean them any harm, or they could see a quantum shift in their security needs and try either to join the nuclear club or to seek shelter under someone else's nuclear umbrella. They could raise new questions about living in a nuclear-free zone, or they could see Iran as a new champion against Israeli intransigence on the peace process. Would it matter at all that Tehran could now threaten any country in the region that it deemed insufficiently Islamic, too pro-Israel, or a stooge of the United States? Or would the Arab States simply ignore Iran's new status because of a willingness to believe that new leadership in Iran means a less threatening, more cooperative government in one of the region's largest and potentially most powerful countries?

Still Suspicious after All These Years

Persian Gulf neighbors and Arab Muslim states further afield, particularly Egypt and Syria, have closely scrutinized Iran's actions since the Islamic revolution in 1979. Iran was—and, in many quarters in the Greater Middle East, still is—suspect because of its efforts to export its Islamic revolution through persuasion and subversion, its support for international terrorism, and its offers of financial, logistic, and even military support to radicalized Islamist factions. Tehran under the late Ayatollah Khomeini and under current Supreme Leader Khamenei sees itself as the natural leader of the world's Muslims, an assumption that has frequently put it in conflict with the Protector of the Two Holy Mosques (Saudi Arabia) and other regional governments.⁵⁰ Adding long-range missiles capable of carrying NBC warheads would seem to give a militant Iran a very powerful edge if it chooses to exercise its authority to its fullest.

Reaction in the Greater Middle East to a nuclear-armed Iran probably would be muted for the most part. Syria and Iraq, for example,

would have little reaction. Damascus has been allied with Tehran since the early days of the Iran-Iraq war, as a form of encircling their mutual enemy and as a way for Damascus to receive cheap oil in return for allowing Iran to supply Hizballah in Lebanon. Because Syria is working at acquiring longer-range missiles and has a chemical weapon capability, it is not likely to question Iran's acquisition of new weapons. Iraq would see Iranian acquisition of nuclear weapons as a final step in the countries' race for arms supremacy, a path Iraq will hope to emulate once again. Egyptian President Hosni Mubarak has been critical of Iran since Cairo expelled Iranian diplomats for trying to assist Egyptian Muslim extremists a decade ago. More recently, Cairo and Tehran appear to be moving toward restoring diplomatic relations, but Cairo is not likely to do anything about a new Iranian weapon capability. It could add its voice to those Arab countries calling for the region to be a nuclear-free zone, but Egyptian efforts are consumed by Israeli nuclear capabilities, its denial of those capabilities, and its refusal to sign the NPT, not by Iranian development. The United States is accused of not holding Israel to the same standards of behavior demanded of Iraq and Iran.

To the United States, the most important reactions will be those of the six governments that comprise the Gulf Cooperation Council—Saudi Arabia, Kuwait, Bahrain, Qatar, the United Arab Emirates (UAE), and Oman. Since their independence in the early 1960s, the six have preferred to have—or rather, allowed—outsiders to define their security policies and needs. New to acting like states rather than tribes, not yet as wealthy from oil as some would become, and accustomed to letting tradition determine their governance and institutions of civil society, the Arab States of the Arabian (not Persian) Gulf first followed their colonial protector, Great Britain, for shelter from the Arab and Persian nationalist storms that periodically swept through the neighborhood. When the British decided that they could no longer afford to protect the Gulf Arabs and withdrew in 1971, the United States began its gradual assumption of the British mantle.

The Gulf Arab Security Vision Then . . .

Through the 1970s and 1980s, the Arab States of the Gulf faced first the hegemonic ambitions of Iran under the secular and intensely nationalistic regime of the Shah and then the determination of the revolutionary Islamic Republic of Iran to export its revolution across the Gulf. In between Iranian challenges came Iraqi feints at territorial acquisition as well as influence in decisionmaking on Gulf and wider Arab political, economic, and strategic affairs. The U.S. solution was to maintain the

small naval presence (the Fifth Fleet) that it had first sent to Bahrain in 1949 and to encourage a balance of power that allowed Iran under the Shah to dominate the region. In the 1970s—after the British withdrawal east of Suez and concerned about possible Soviet encroachments in the Gulf—President Richard Nixon created the Twin Pillars policy, which designated Iran and Saudi Arabia as proxies for U.S. military presence in the region. When the Shah fell and the Ayatollah threatened the region, the United States increased its presence and role in the Gulf. The Rapid Deployment Joint Task Force (RDJTF) was established in November 1979 and became the principal tool of the Carter administration, which defined the Persian Gulf as vital to U.S. interests.

U.S. military involvement increased dramatically during the Iran-Iraq war with the reflagging of commercial vessels (Operation *Earnest Will*).⁵¹ When it seemed that Tehran might succeed in defeating Baghdad and increase its ability to subvert the smaller Gulf States, the United States provided limited assistance to Baghdad, which became the short-term protector in the balance of power. The U.S. presence was still considered to be offshore and over-the-horizon, with no bases or homeporting rights (except for Bahrain and Oman, where access agreements had been established to allow repositioning of equipment).

The Gulf Cooperation Council was formed in 1981 as a means of self-protection against Iraq and Iran. Although protection from war may have been an impetus, GCC leaders have used the organization primarily as a sounding board for regional security issues and cooperation on economic policy. Along with Iraq, Iran, Israel, Egypt, and other Middle Eastern governments, they joined the arms race, spending major portions of their budgets on weapon systems and training packages that they could barely absorb. Interoperability was never a key concept in defense planning in the Gulf States. All bought what they wanted in bidding wars from whomever they wanted without a serious thought to how the equipment could be used in a combat situation. Arms purchases were not intended to bolster defense; rather, they were an extension of foreign policy, intended to give as many arms-merchant states as possible a stake in their survival. Kuwait, for example, often bought inferior if not obsolete equipment from the Soviet Union, Eastern Europe, and China as well as other European suppliers in order to help ensure political alliances.

Iraq's invasion of Kuwait shattered the myth of self-protection by arms sales, GCC solidarity, and U.S. over-the-horizon presence. It exposed the Arabs to their inability to prevent their large, powerful, and

angry neighbors—first Iran, now Iraq—from taking out their wrath or seeking succor in the oilfields of Kuwait and the Gulf at large. To the relief of the rulers and the concern of the ruled, the invasion brought the United States military into the region with reshaped strategic doctrine and security perceptions. For a while after the war, it seemed as if the United States would maintain a significantly large footprint and the GCC would stay under a U.S. security umbrella to protect the regimes, their oil, and sealanes from hegemonic threats from Iraq, Iran, or both.

... And Now

Ten years after Iraq invaded Kuwait and threatened Saudi Arabia and the UAE, the Gulf governments prefer to reestablish the kind of balance of power in which they once felt comfortable—a balance maintained by de facto partnership with Iran and backed up by a more distant United States. The Gulf Cooperation Council holds training exercises, most of them bilateral ones with the United States, and occasionally some members raise the prospect of a 100,000-man GCC military force.⁵²

GCC states have been especially supportive of UNSCOM efforts to detect, inspect, and destroy Iraqi NBC capabilities. They are much more complacent about potential threats from a similarly armed Iran. Hopeful that Khatami's election presaged changes in Iran's Islamic militancy toward them, GCC states have welcomed all signs of moderation in Iran and rejected any suggestion that Tehran supports terrorism or intends to threaten them once it has developed the technology for and tested new, more sophisticated long-range missiles that could carry biological or chemical warheads. Similarly, GCC states have shrugged off dire predictions of the dangers of a nuclear Iran.

GCC Security Options If or When Iran Has the Bomb

How Gulf Cooperation Council states react to news of a nuclear-armed Iran depends primarily on how Iran reveals it has crossed the threshold. They are less likely to acknowledge public agreement with U.S. claims that Iran intends to or is capable of attacking them with nuclear-armed missiles. Nor are they likely to respond to veiled suggestions from Iran that it has acquired the capability. In neither case would they acknowledge concern about Iranian intentions or perceive that they could be the intended targets for an attack, believing that such behavior would only provoke Tehran. Open Iranian testing, however, would force GCC states into public debate on how to protect themselves. It probably would lead to one of at least three options on how best to do so.

- **Option 1: Do nothing.** Saudi Arabia, speaking for the smaller GCC states, could decide that the best course to follow would be to do nothing that would arouse the ire or attract the attention of Iran or Iraq. The tactic failed to mollify Iraq in late July 1990, but hopes might be high that the strategy would now succeed. The Gulf Arabs would try to use détente and engagement of Iran—symbolized by improved bilateral diplomatic ties backed by investment in Iran, increased trade, and coordination on issues of common concern such as oil production and pricing and regional security issues—rather than risk the dangers of pursuing policies of isolation or containment.
- **Option 2: Join a nuclear umbrella.** The Gulf Arabs could seek shelter under an expanded NATO umbrella or expanded security guarantees under a U.S. nuclear umbrella. Kuwait, Bahrain, and Qatar, in particular, may prefer a NATO-style alliance with the United States as lead participant. In exchange for guarantees of protection, the Gulf governments would have to allow upgrades in the kinds of military planning and equipment necessary to defend them from the enhanced Iranian threat. For example, they might have to agree to higher levels of deployment and the addition of nuclear weapons intended to deter or defeat an Iranian threat. They might insist on sharing the keys to such facilities, meaning they would have a vote on when, where, and under what conditions such equipment could be used.
- **Option 3: Acquire their own nuclear-armed weapon systems.** The Gulf States have spent large sums of money in the past decade on conventional aircraft and weapon packages. In addition, Saudi Arabia has aging Chinese-manufactured CSS-2 missiles acquired more than 10 years ago and probably in need of replacement or upgrade. The UAE has Scud-Bs, but they apparently are inoperable. The Gulf States, individually or collectively, are highly unlikely to have the incentive, talent, and capability to build indigenous nuclear programs, as Iraq, Iran, and Pakistan have done. At a minimum, Saudi Arabia and the UAE probably will look to purchase new weapon systems and very likely could insist on receiving nuclear-ready warheads. They are not likely to listen to U.S. admonishments regarding the dangers of becoming a proliferator.

Impact of the Options on the United States and the Neighborhood

The first two options—doing nothing or seeking to sit under someone else's nuclear umbrella—will have little impact on GCC states or

the region. These states will remain consumers of security, vulnerable to attack and to threats from Iran if Iran perceives itself spurned by the Gulf Arabs in favor of the United States or another Western Big Brother. Tehran will not appreciate rejection by its Gulf Muslim brothers of an Islamically correct security blanket, but it also may want to allay their concerns about hostile intent to keep the Arabs from too close a Western-U.S. embrace.

The third option—Gulf Arab acquisition of new weapon systems—is certain to raise the anxiety level in Israel. As it has with previous Saudi requests for airborne warning and control systems and other advanced fighter aircraft, Israel will oppose any U.S. or European assistance to Gulf Arab acquisition of new weapons, believing—incorrectly—that any new systems would be targeted toward Israel, turned over to the Palestinians or Syrians for use against Israel, or both. Thus far, the Gulf States have used their acquisitions of aircraft systems for internal purposes; Qatar and Bahrain, for example, have threatened each other over mutual claims to Hawar Island rather than expressing military solidarity with the Palestinians. The Gulf Arabs are not likely to turn to Syria or Egypt for additional levels of protection. Syria under the late Hafiz al-Asad was perceived as too close to Iran and too ideological; Gulf leaders will wait to see if his son and successor, Bashar, toes the same hard line. Cairo would be mistrusted because of its past support for radical anti-regime movements on the Peninsula.

Should the Gulf States opt for more advanced weapon systems, several factors could constrain them. The primary one probably is cost. Saudi Arabia, Kuwait, and the UAE, in particular, have invested heavily over the past decade in new aircraft and weapons purchased at a time when oil revenues were falling, budgets shortfalls soaring, and domestic debt increasing. If there has been public criticism of expensive weapon purchases, it has been that the governments still are unable to defend their countries despite the new acquisitions and that much of the spending has been made under pressure from the United States.⁵³

These criticisms have been heard in Saudi Arabia and echoed even in Kuwait, where most Kuwaitis worry at the same time that the United States will not stay the course. Scholars agree that public opinion in Saudi Arabia, for example, would not be a constraint on government efforts to proliferate by acquiring nuclear weapons.⁵⁴ Public opinion does not have a significant impact on Saudi defense policy decisionmaking. Moreover, the Gulf Arabs, especially those in Kuwait and Saudi Arabia, know they live in a dangerous neighborhood in which WMDs have been

developed, deployed, and used. The Islamists—the most strident critics of the Saudi ruling family in the 1990s—in their 1992 *Memorandum of Advice* to King Fahd accused the government of military weakness and of relying on the United States to defend the homeland of Islam. They called for the development of a domestic arms industry, more cooperation with other Muslim countries in weapon development, and a more independent and self-reliant defense strategy.⁵⁵

The additional risk in the Gulf States acquiring nuclear weapons lies in the lack of an indigenous manpower base to construct, monitor, deploy, or protect the systems. Any advanced weapon system would require foreign expertise in developing a domestic program or constructing a turnkey project. It also probably would need foreign assistance in maintaining that capability once deployed. According to Muhammad al-Khilewi, the Saudi diplomat who sought political asylum in the United States in 1994, Riyadh tried to obtain nuclear research reactors from China and a U.S. firm.⁵⁶ No evidence indicates that the Chinese provided nuclear warheads when they sold the Saudis the CSS-2 missiles in the 1980s or that any state is considering such a deal now. Saudi Arabia has signed the NPT, but it has not signed the comprehensive safeguard agreement with the IAEA as required by the treaty. The Saudis have, over the years, provided Pakistan financial assistance in its development of nuclear technology and capability and might look to Pakistan as a source of protection or turnkey technology. Saudi Defense Minister Sultan visited Pakistan late last year and included a stop at Pakistani nuclear facilities.

Pakistan—faced with economic sanctions, grinding poverty, growing Islamist extremism, and potential state failure—may see little to gain by selling its one coveted technology and asset in the threatened battle with India. Finally, where the authority rests within the Saudi Arabian government and ruling family to determine deployment and usage is unclear. As the transition to power under Crown Prince Abdallah continues, the family is likely to mute the old defense arguments between him and his rival and probable successor, Prince Sultan, in preference for consensus and a common front.

None of the options will have a significant effect on the foreign or commercial policies of GCC states. Their primary concern will be to mesh their diplomatic and economic interests with those of Iran (and eventually Iraq) and not to appear to threaten or be threatened by anyone. If the third security option is chosen, the Gulf Arabs would still act as discreetly as they did when they acquired the CSS-2s, letting their acquisition be

known but not discussing it. Pursuing this option would not make the Gulf Arabs more aggressive toward Iran, although it could raise the risk to their own internal security should terrorists or extremists secure any parts of the new systems. The Gulf Arabs will not change oil pricing or production policies only to satisfy a nuclear Iran, and Iran is not likely to threaten use of these weapons to enforce its economic ambitions. Iran has made its points on oil pricing and production in bilateral talks and in Organization of Petroleum Exporting Countries negotiations.

What Will They Want of the United States?

The Gulf Arab States that can afford new weapon systems—Saudi Arabia, Kuwait, Qatar, and UAE—probably will seek some kind of upgrade or acquisition of new weapon systems. Their ability to do so will be limited by suppliers (will Pakistan, India, France, Russia, North Korea, China, or the United States find it in their overall interest to sell new weapon systems?) and, more importantly, by costs. Saudi Arabia and Kuwait have made large weapon purchases since the war even though revenues from oil were down and budget shortfalls up. Domestic criticism has been building in both countries over the costs of defense at the expense of domestic interests and over the extent of dependence on the United States. However, perceptions that the United States will back away from its security commitments in light of a nuclear-armed Iran will encourage GCC states in two ways: to upgrade their own defensive weapon systems, perhaps to include a nuclear option, and to seek ways to reintegrate Iraq—with or without Saddam—into the Arab camp.

When Iran develops a nuclear capability for its missiles, what will the Gulf Arabs want of the United States, considering the costs, domestic criticism, and risks? They probably will want guarantees of enhanced protection and promises to defend them before Iran can make good on any threats. However, the Gulf Arabs are not likely to support a policy of preemptive strikes to lessen their Iran problem. As they have argued against using the military option against Saddam Husayn (unless his departure could be guaranteed), they will argue for engagement over isolation and negotiations rather than military operations. On the other hand, they probably will not accept Iranian invitations to enter an Islamic nuclear blanket and kick the *farangis* (foreigners) out.

The Gulf Arab States will continue to rely on U.S. protection to some degree, especially if a nuclear arms race increases the threat. If American actions or statements suggested that Washington would feel constrained militarily by a nuclear-armed Iran, then the Gulf Arabs will

move closer to Iran, and at least the lower Gulf States will seek Iraq's return. As the United States tries to involve the Gulf States more in assuming responsibility for protecting their own populations through what is termed *consequence management* by U.S. Central Command (seeing that the population is protected from biological and chemical weapon threats by providing protective masks and through other preparations), they may use this pressure to justify acquiring new defensive weapons.

The U.S. ability to restrain Gulf Arab efforts to acquire new non-conventional weapon systems is limited. The Saudis almost certainly did not inform Washington of their intentions to acquire the Chinese missiles in the 1980s and probably have not revealed the purpose behind Defense Minister Sultan's highly publicized visit to Pakistan, including his stop at its nuclear plants, last year. The United States could suggest that it would not continue as arms provider, protector, trainer, and technology maintainer for the Saudi military's conventional forces, particularly in the Kingdom's air defense systems. Such hints, coupled with a U.S. reaffirmation of its security commitments in the region, would weigh heavily on the internal Saudi arms debate.

Pakistan

For nearly three decades, Iran has been seen as pivotal to the Pakistani concept of strategic depth. Pakistani planners assumed a strong, cooperative Islamic Iran would provide a defensive fallback and reliable counterweight to a hegemony-seeking India. Although the geostrategic concept was never explicitly defined and was as much psychological as political or military, at minimum it promised a friendly western border for Pakistan. Iran found some comfort that its eastern frontier was relatively secure at a time when Tehran felt surrounded by suspicious and hostile powers. In the 1980s and 1990s, both Muslim Iran and Muslim Pakistan were willing to overlook conflicting ideologies, incompatible allies, and domestic meddling.⁵⁷

In this same time period, much Western attention fell on Pakistan as a possible proliferator of the Islamic nuclear bomb. Many in the West feared that a radicalized or impoverished Pakistan might transfer nuclear technology in exchange for generous financial assistance from Iran or an oil-rich Arab regime. However, no evidence suggests that Pakistan has shared its nuclear technology or expertise. Nor apparently has Pakistan, whether under dictatorship or democracy, pledged to use its nuclear force on behalf of another Islamic state or cause.⁵⁸

Three factors constrain Pakistani nuclear cooperation with the Gulf Arabs. First, the risk of a war with India, possibly triggered by a Kashmir crisis, requires Pakistan to concentrate its force multiplier in its own hands. Second, even though some of Pakistan's leaders in the government, military, and intelligence services are pro-Arab, pro-Iranian, and pro-Muslim in their sympathies, Islamabad has been loath to deviate from its pro-Western orientation. In particular, many scholars believe that Pakistan's leaders are not willing to risk alienating the United States by cooperating militarily with Iran or providing nuclear weapon technology to the Arabs. Finally, Islamabad's relations with Tehran have deteriorated seriously over the past several years because of Pakistani Sunni Muslim attacks on Shiah communities inside Pakistan and Iran. Tehran has accused Islamabad of encouraging Afghanistan's Taleban to target Shiah villages and Iranian assets in Afghanistan for elimination. Pakistan assumes Iranian agents have been arming and inciting militant Shiah elements against Islamabad. In this latter context, Pakistan almost certainly would not welcome a nuclear-capable Iran on its borders.

At the same time, Iran's mutual interests with India are growing. The Iranian economy is more compatible with that of India than that of Pakistan. More important, both Tehran and New Delhi receive Russian military assistance—and possibly nuclear technology. All three abhor the growing threat of Sunni Islamic extremism in Afghanistan and blame Pakistan, Saudi Arabia, and the United States for unleashing the Taleban to promote regional instability and limit economic opportunities in Central Asia. Yet Iran is not likely to challenge Pakistan militarily over the Taleban. Following Taleban attacks on Shiah interests in Afghanistan and the murder of two Iranian diplomats in 1998, Iran moved troops to the border with Afghanistan but backed down from actual military confrontation. Similarly, Pakistan is unlikely to be drawn into a conflict over the Taleban with Iran that it can ill afford.

A key question is what lessons has Iran learned from Pakistani and Indian open nuclear testing in 1998. Tehran conspicuously refused to join the international criticism of Pakistan following its May 1998 test. Iran also may wonder why it, too, could not develop a nuclear weapon program if a near-failed state like Pakistan can do so.

Israel

It is ironic that those who are so concerned about saving humanity from nuclear weapons, fully support Israel which is a nuclear power and is unwilling

to join the NPT or accept IAEA safeguards, while leveling allegations against Iran which has not even been able to complete its first nuclear power plant which began before the revolution. These are all pretexts for imposing certain policies on Iran and the region and to create panic and mistrust. We are not a nuclear power and do not intend to become one. We have accepted IAEA safeguards and our facilities are routinely inspected by that agency.

—Mohammad Khatami, January 1998⁵⁹

Iran uses its need to counter Israeli nuclear capabilities as its primary reason for acquiring a nuclear option. Not only is it a popular rallying cry for domestic and foreign consumption, but it also helps boost Iranian claims to lead the Arab and Muslim cause against Israel, the peace process, and the new imperialism that Israel and the United States represent in the Middle East. Iranian leaders remember the preemptive Israeli attack on the Iraqi Osirak nuclear reactor in June 1981, and they must sense threats to their missile and weapon infrastructure in public statements by Israeli leaders and politicians warning of Iranian nuclear intentions.

The Perception in Jerusalem

Israeli civilian and military leaders generally have assumed for some time that Iran poses a serious, if existential, threat to Israel. This belief represents a broad but not a total consensus. All agree that Iranian acquisition of nuclear weapons and/or ballistic missiles armed with NBC warheads will fundamentally transform Israeli national security. The disagreement stems from the reluctance of some Israeli civilian and military leaders to see Iranian NBC weapon acquisition as a *fait accompli* and from their refusal to see Israel as Iran's primary target. Civilian advisors in the government and in think tanks are less alarmist than are defense and military officials about Iranian capabilities, and they caution against overreacting.⁶⁰ They argue that certain factors will constrain if not delay the time when Iran achieves a nuclear arms capability. These factors include Iran's lack of fissile material, its dependence on foreign experts and technology, and the possibility that an increasingly moderate and democratic government would change national priorities. The civilian advisors argue that the U.S. arms embargo on Iran was misguided in that it placed sanctions on conventional weapon purchases and thereby encouraged Iran to acquire nonconventional weapon systems.

Israeli defense and military officials are more pessimistic than their civilian counterparts, seeing a nuclear Iran with Israel as the prime target. They worry, too, about what Egypt and Syria will do when—not if—Iran acquires nuclear weapons.⁶¹ They caution that a new arms race

will begin, with Cairo, Damascus, and even Ankara seeking nonconventional weapon systems.

For the first time in its history, conventional Israeli military capabilities will be inadequate to meet a threat to the very existence of the Jewish state.⁶² Israeli leaders have long warned the West, particularly the United States, about Iran's nuclear weapon agenda and the great risk Iranian ambitions and animosity pose for Israel. Military and political leaders in the government and the security establishment, including the late Prime Minister Yitzhak Rabin and the Former Prime Minister Ehud Barak, have conceived of peace with Israel's neighbors as a pragmatic measure intended in part to isolate an increasingly threatening Iran. Israel seems to fear Iran's ideological drive as much as, if not more than, its emerging technical capabilities. They accept official Islamic Republic policy statements that concede no legitimacy to the Jewish state. Israelis appear to take no comfort from the fact that Iran's primary target may be Iraq. Once armed, they argue, Iran would pose a direct threat to Israel in Tehran's assumed willingness to support Hizballah and extremist Palestinians to destroy Israel. Others counter this argument by noting that Iran has no substantial strategic motive for conflict with Israel and, in the absence of any perceived threat to its vital national interests, would not seek direct, nuclear warfare with Israel.

A nuclear-armed Iran would present Israel with several options, each of which carries its own risks. Since the time of Prime Minister Ben Gurion, a pillar of Israeli national security philosophy has been that the size and vulnerability of the state necessitated an aggressive military posture—striking first when necessary, defending by attacking, and carrying the fight to the enemy. Whether Israel chooses to pursue an offensive or a defensive response, or a combination of both, will depend on how Iran crosses the nuclear threshold and the sense of urgency Israeli leaders feel regarding the risk to the country's security. Unlike the Gulf Arab States, Israel could not ignore an Iran that has openly tested a nuclear device or that boasts of possessing nuclear warheads capable of striking Israel. Israel would certainly consider the merits of:

- *Testing its own nuclear device.* An Iranian test could force Israel to review its own policy of partial nuclear opacity.⁶³ Israel may believe that it can deter Iran only by making clear that it could do far more damage to Iran than Iran could do to Israel. An Israeli test, however, could trigger U.S. laws suspending aid and arms sales. Israel is not likely to garner international support to isolate Iran when similar

efforts against India and Pakistan have failed and Israel is the unacknowledged possessor of similar capabilities.

- ***Launching a preemptive military strike.*** This tactic worked in June 1981 when Israel attacked Iraq's sole nuclear facility at Tuwaitha, but Iran and Iraq have learned the lesson of concentrating programs and equipment in one place. Both have dispersed and concealed the locations of their nuclear-related facilities. Although Israeli military leaders deny it, they lack the data and the capability to forestall Iranian development of nuclear arms by force.⁶⁴ A mission to Iran would be against a larger, better prepared opponent with multiple, dispersed, and well-hidden targets. The demands for real-time intelligence, logistics, and long-distance strike capability almost certainly exceed the current capabilities of the Israel Defense Forces. Israel probably could degrade or delay parts of Iran's nuclear programs, but it could not eliminate them. Attacking through Turkey, with whom Israel has expanding military cooperation, might resolve these problems, but Ankara may not feel that allowing Israel to use Turkish territory to collect intelligence on and stage operations against Iran is in its interests.
- ***Using covert operations to eliminate Iranian technical programs and specialists, as it did with Iraq.*** Israeli covert operations in the 1970s and 1980s aimed at eliminating European, Arab, and Iraqi scientists and interdicting equipment bound for Iraq were dramatic but comparatively ineffective means to halt or delay Iraq's nonconventional weapon programs.⁶⁵ No information suggests that Israel has attempted similar operations against Iran, although Israel has tried unsuccessfully to influence Russia to stop assisting Iran in constructing its nuclear facility at Bushehr or providing training at Russian facilities for Iranian scientists.
- ***Opening back-channel communications with Tehran.*** This approach would not be without precedent. Israel had back-channel links to Tehran during the mid-1980s.⁶⁶ If Israelis believed that Iran could be deterred from using its strategic arsenal against Israel, they might conclude that Tehran understands and appreciates the logic of deterrence. Back-channel talks probably would be intended to establish a hot line regarding nuclear tests or usage. The obstacle to this initiative is a lack of willingness not in Israel but in Tehran.
- ***Seeking broader security cooperation with the United States.*** Israel almost certainly would turn to the United States for additional

military support by increasing military aid and new technologies for Israel, by allowing Israel to use U.S. military aid to buy foreign-made weapons (along the lines of the deals for the Dolphin-type submarines Israel is buying from Germany with U.S. military funding), or by pressuring the United States to purchase additional Israeli-made weapons or to stockpile additional war reserves in Israel. Israel will use all the channels at its disposal to obtain U.S. assistance in preventing, delaying, or countering Iranian acquisition and development of nuclear weapons. Israel would also seek U.S. technical help in developing its own next generation of advanced missile defense systems. Israel is not likely to be satisfied with its Arrow missile system and probably would push to develop and deploy an airborne boost-phase intercept system, keeping with the Israeli military philosophy of taking the fight to the enemy. Israel also might seek greater joint military training and operational planning with the United States as a way to forge a joint response to an Iranian nuclear threat. Finally, Israel might request a U.S. declaration of the perilous consequences for Iran should it openly cross the nuclear threshold and use WMDs. This kind of declaration, similar to the warning the United States issued to Iraq on the eve of the Gulf War, could allow Israel to maintain its own nuclear opacity without issuing warnings of its own.

In addition to seeking expanded U.S. military guarantees, Israel might decide that the only solution to the new Iranian threat is to make clear that the Jewish state is protected by the U.S. nuclear arsenal and that it might press for a formal alliance with Washington. Short of that, Israel would probably seek secret clarifications or guarantees serving the same purpose that they could then leak as a warning to Tehran. Israel and the United States already have extensive channels of cooperation, including the recently established Joint Strategic Planning Committee, to improve coordination on strategic issues such as Iran's nuclear programs. Because the U.S.-Israeli relationship is so broad and deep and because Israel will perceive a threat from a nuclear-armed Iran, Washington will have to anticipate Israeli requests for support, cooperation, and assistance.

An Israeli attack on Iran—successful or not—could sow the seeds for a great asymmetrical threat to Israeli and Jewish well being worldwide. If recent history was a guide, Iran would feel obligated to respond to the Israeli attack either with a retaliatory missile strike or with terrorism. Iran could increase support to Syria, Hizballah, and other anti-Israel

countries and groups to launch terrorist attacks on Israeli and Jewish targets worldwide. Israeli efforts to retaliate by striking Iranian economic targets in the Gulf (oil processing facilities or export infrastructure) would have significant political but little economic impact; they also would seriously exacerbate U.S. relations with the Gulf Arabs.

Recent acquisitions and alliances enhance the Israeli ability to reach Iran should it choose the confrontational or preemptive route. Israel is acquiring F-15I strike aircraft, cruise-missile-capable submarines, and extended-range Jericho missiles. Moreover, its growing military cooperation with Turkey could give Israel the site from which to conduct flight training and operate intelligence-collection facilities for possible operations against Iran. Most specialists believe Israel would not want to rely on an untested Arrow II antimissile system to shield the country from a retaliatory missile attack, and most also agree that even a single NBC-tipped missile striking Tel Aviv would constitute an unacceptable, even fatal, outcome for Israel. Most Israeli senior military leaders are reluctant to place their faith in TMD as an effective shield for populations against ballistic missile attack. They still prefer counterforce operations to destroy weapons in their country of origin.⁶⁷

Impact on Israeli Strategic Behavior and Policy Formation

A nuclear-armed Iran would affect Israel's strategic planning in significant ways. Israel would intensify its demands on the United States for security guarantees, new weapon systems, and a more aggressive U.S. stance on anything pertaining to Iran. The Israeli reaction also would affect other strategic relationships and U.S. policies:

- ***The Middle East Peace Process.*** Israelis have long believed that their military superiority over any potential combination of enemies was decisive in bringing about the peace process. If Israel were to feel more vulnerable suddenly or it feared that the Arab States no longer considered it invulnerable because of Iran's new weapons, then Israel might be less willing to conclude peace with Syria or allow a Palestinian state to be declared. Moreover, Israeli leaders might fear that Arab extremists would calculate that the so-called military option was once again viable because Iran could support them in their determination to restore Muslim control of the Holy Places in Jerusalem and end Jewish control of Muslim lands. On the other hand, concern that Iran would make its arsenal available to Syria and the Palestinians could move Israel to conclude the peace process negotiation to forestall such a development. This would

preempt Syrian and Palestinian alliances with a nuclear-armed Iran that could threaten Israel.

- **Turkey.** The common threat of further Iranian proliferation could draw Israel and Turkey closer together. Both governments feel threatened by the Islamic Republic, and both would oppose any strengthening of what they would see as a radical bloc led by a nuclear-armed Iran. Israel will continue to expand ties with Turkey regardless of which faction dominates in Iran, although a Khatami-led moderate government could lessen some forms of Turkish cooperation with Israel, including intelligence-sharing and basing or overflight agreements aimed at Iran. Turkey and Israel view the other dimensions of cooperation—including defense assistance, arms sales, military education and training, and combined exercises—as part of a much broader strategy in which Iran is not a major player. In any event, Turkey will not want to face Iranian retaliation for allowing Israel to use its territory to attack Iran.
- **Relations with the Great Powers.** Iranian development of nuclear weapons and missile delivery systems could alter Israeli relations with Russia, China, and other countries hoping to benefit by supplying Iran. Israel has tried—and failed—to use its links with Russia to expose and stop Russian support to the Iranian nuclear program.⁶⁸ Russians and Russian émigrés in Israel can provide Israel with information on Iranian capabilities and, Israel might hope, act as a restraining influence on Iranian behavior. On the other hand, Russian participation in these programs—especially once they become operational—could further alienate Israel from Moscow. Similarly, although Israel might hope that its arms deals with China might provide sufficient incentive to influence Beijing to temper its arms relationship with Tehran, it is a futile hope. Finally, Israel would try to use its relations with European supply states—including France, Germany, and the Czech Republic—to cut off European willingness to provide technological, scientific, or military assistance to Iran. If Israel found itself increasingly at odds with Washington over how best to respond to Iran, then Israel might seek support from Europe to counterbalance the United States, especially if there are more outspoken anti-Iranian voices in Europe than in the United States.
- **Relations with other Arab states.** Some Israelis have raised the prospect of an Israeli protective alliance or umbrella for Arab States,

excluding Iraq, which might feel threatened by a nuclear-armed Iran.⁶⁹ They envision intelligence sharing, defense assistance, combined exercises, arms sales, military education programs, basing or overflight rights, and even formal alliances. Even if the peace process was concluded to the satisfaction of both sides, the Arab Gulf monarchies are very unlikely to overcome their reluctance to sit down with Israelis to join in a common defense strategy. Such a proposal almost certainly would raise a clamor from the streets and from Islamist critics of these fragile regimes who already accuse them of being unable to defend the Arab and Muslim heartland.

Israel's response will depend on its leadership—a Prime Minister with military credentials (like Barak and unlike Netanyahu) is better able to determine how serious the Iranian threat to Israel is and what the appropriate response should be. The response also will depend on Israel's view of the Iranian leadership—it is less likely to worry about a Khatami-type moderate than it would if the hard-line factions that favored use of terrorism against Israel returned to power. Finally, whatever decision Israel makes—to stage a preemptive military attack on Iran or to try to open back-channel contacts with Tehran—it is not likely to inform or seek the approval of the United States.

Creating Better Policy Options

Even armed with nuclear weapons, Iran will not necessarily be hostile to U.S. interests, and the United States should not necessarily treat a nuclear-armed Iran as an enemy. Whether a nuclear-armed Iran is a danger to the United States and its interests depends on Iranian threat perceptions and the progress of internal reform. A cautious, moderate Iran armed with nuclear weapons may be an improvement over the status quo. However, a nuclear-armed Iran raises several important issues about which the United States will need to build more intellectual capital to make judicious choices about the course of its policy toward Iran and other issues that will be affected by Iran's crossing the nuclear threshold. What follows is an effort to think through how a nuclear-armed Iran could affect U.S. interests and to craft a strategy of political, economic, and military measures to minimize the negative impact of such a development.

This analysis is premised on the assumption that the United States cannot prevent Iran from developing nuclear weapons without incurring prohibitively high political and diplomatic costs, especially while Iranian domestic politics are in flux.⁷⁰ A second assumption is that Iran's domestic circumstances are likely to remain unclear for a long time.⁷¹ These two considerations bound the range of choice for U.S. policy, reducing the likelihood that an Iran armed with nuclear weapons will cease to be a cause for concern, but also limiting U.S. responses short of attack on Iranian nuclear facilities except in extreme circumstances. In this range of choices, the optimal course for U.S. interests is to adopt a set of policies that minimizes the political gains to Iran for acquiring nuclear weapons.

U.S. Interests

The United States has four national interests that could be jeopardized by a nuclear-armed Iran with long-range means of delivery:

preserving the safety of U.S. territory, retaining the ability to use U.S. conventional forces freely in the Middle East, sustaining nonproliferation regimes, and maintaining the willingness of allies and friends to work in coalition with the United States. The degree of effect depends on how Iran behaves once it is a nuclear state.

Safety of U.S. Territory

The current U.S. national security strategy is based on the argument that regional or local wars will not endanger the homeland. When considering whether to attack Serbia, coerce Iraq, or defend South Korea, the United States has had the luxury of assuming that its own territory would not be affected. Relaxing the assumption that U.S. territory is a sanctuary dramatically raises the cost to the United States of choosing to engage its forces in regional wars. Currently, U.S. political leadership must weigh the potential for acts of terrorism but not for outright attack on U.S. territory by governments it engages in regional conflict. An Iran armed with nuclear weapons and long-range ballistic missiles calls the premise of the current strategy into question because the United States will need to evaluate the risk of attack on the U.S. homeland as it considers whether to use force against Iran or states Iran may choose to defend.

Countries with the ability to attack the United States with nuclear weapons will radically change the U.S. calculus about engaging in conflict. The costs of advancing U.S. interests and protecting regional allies for American involvement in the Middle East are likely to escalate dramatically because the United States will not have the luxury of considering its territory a sanctuary. With U.S. territory at risk, the threshold in U.S. political consciousness for American involvement in the Middle East is likely to rise. Without U.S. territory at risk, the United States was willing to take an expansive view of interests and allies: the Government was risking soldiers and money but not U.S. national security or civilians. The increased cost of voting whether to risk the security of U.S. cities will likely make the United States define its interests more narrowly and become more reluctant to extend security assurances to other states.

The multivariate problems raised by a nuclear-armed Iran prompt the question of whether deterrence alone will be sufficient to prevent Iran from threatening U.S. interests. Deterrence evidently prevented combat between the United States and the Soviet Union throughout the Cold War. It seems to prevent the strongest states from fighting each other. Yet it did not prevent Iran and Iraq from going to war in the 1980s. Would deterrence prevent Iran and the United States from going to war?

It might. Deterrence has seemed to function at the most basic level of preventing the strongest powers from attacking each other's homelands. Some states, including the United Kingdom, France, and—at least until recently—China, seemed to want nuclear weapons principally to prevent other states from attacking their territory. They did not attempt to threaten the use of nuclear weapons for other purposes or to extend the guarantee of their weapons to other states. However, even in the case of direct defense, deterrence is stable only if nuclear forces are survivable and numerous enough to threaten a retaliatory attack.

If the only areas of conflicting interest between Iran and the United States were threats posed to each other's territory, deterrence alone might be sufficient. Iran certainly might commit the money and effort to build nuclear weapons for status quo purposes, as the United Kingdom, France, and China have done. However, Iran is more likely to try to exploit the political value of nuclear weapons to jockey for advantage in other areas. The Iranian perception of itself as a natural leader in the Gulf, a cultural hegemon in the Middle East, and a challenger to the U.S. presence and role as protector suggest that Iran would want to use the clout of its nuclear force to further its aims beyond the defense of its homeland.⁷²

Efforts to extend deterrence from the immediate defense of territory more broadly to friendly or allied states are likely to foment crises between the United States and Iran. Would the United States persevere in the face of an Iranian threat to attack it for intervening in a South Asian, Caspian, or Middle Eastern conflict? Politically, crossing the nuclear threshold makes a state such as Iran a force to be reckoned with in a very different way. The practical impact of Iran as a nuclear state will make it a major player in the politics of extended deterrence.

The key to extending deterrence is the credibility of a state's threat to choose war in defense of other states. Nuclear states with aspirations beyond the defense of their own territory have tended to engage in risky behavior to establish the credibility of their promises to extend deterrence: for example, the United States in Berlin, the Soviet Union in Cuba, China with Taiwan. Nuclear states have tended to go through a period of crisis as they prod the limits of each other's interests, a pattern particularly evident early in the course of their relations. If Iran conforms to the pattern of other nuclear states seeking influence beyond self-defense, the United States in particular should expect a period of Iran's testing the limits of power and exploring the extent of advantage gained in becoming a nuclear state.

Alternatives to the use of American military power also are likely to gain currency, especially in the debate about whether the free flow of Gulf oil is a vital U.S. national interest. Is a plentiful supply of relatively inexpensive oil a sufficient cause to rally the American public in the face of a nuclear threat? Higher gas prices, alternative fuels, exploration in other regions, and agreed quotas of oil from states outside the Gulf (especially Mexico, with which the United States already has a limited access agreement stemming from the 1996 peso crisis), or ending sanctions against Iraq could emerge as options in lieu of enforcing the free flow of oil from the Persian Gulf if that enforcement puts the United States at risk of nuclear attack.⁷³

In addition, the vulnerability of U.S. territory probably will lead to increased pressure on regional allies to conform to U.S. political and social values. Will the United States remain willing to defend allies who do not share its values when American cities are at risk? The Cold War experience suggests that the United States is unlikely to extend nuclear deterrence to states that are not solidly democratic and closely tied to the United States politically. States not meeting the standard are likely to gain support by proxy or assistance but will not enjoy the direct involvement of U.S. forces when the forces of another nuclear power are engaged.

Such standards have not, however, been applied to the Persian Gulf region to date. U.S. forces were directly involved in protecting Gulf shipping during the Iran-Iraq war and in defending Kuwait in Operation *Desert Storm*. They are committed to protect regional security in the event of similar aggression. If the United States chooses to provide a nuclear umbrella for the Persian Gulf countries, it will do so to protect U.S. strategic needs and security commitments. GCC states are not likely to choose nuclear protection or security engagement with Iran over democratization of their own political systems, and the United States is not likely to make democratization a quid pro quo of defending GCC states.

Use of U.S. Conventional Forces

The United States unquestionably has the finest conventional military in the world. U.S. forces have the most sophisticated equipment and highest level of training of any armed forces on the planet. The U.S. military has no peer as a high-intensity fighting force, and the gap will widen further as the United States incorporates revolutionary advances in communications and intelligence.

A state could not engage the United States on a conventional battlefield and rationally expect to win. The Clinton administration's rogue

state policy considered Iranian choices irrational or incapable of being affected by the logic of state interests, but most Middle East scholars disagree with such an assessment.⁷⁴ States wishing to defeat America thus are likely to appeal to asymmetric warfare or to affect the decision to engage the Armed Forces to neutralize their conventional power.

A nuclear-armed Iran could threaten the United States with attacks on its territory or forces to prevent the United States from intervening in areas of importance to Iran. An Iranian threat of this sort could aggravate a crisis in two ways. It would increase the political risk to the United States of using force. It also is likely to slow U.S. response time as measures to reduce the operational impact of nuclear attack against U.S. forces were planned and reviewed.

An Iranian threat to stage a nuclear attack on the United States would radically drive up the political costs of U.S. intervention. At a minimum, the situation would likely require more explicit decisions than currently exist about the level of risk acceptable to the United States to defend its interests and those of friendly states in the Gulf. Absent dependable missile defenses, the United States would need to either preemptively strike Iranian nuclear sites or rely on the threat of retaliating against Iran for any attacks on the United States.

Publicly threatening to use nuclear weapons against the United States would be a costly gambit for Iran, both politically and militarily. Simply making the threat would drastically endanger the current of political goodwill and economic investment Iran seems to covet from the West. Relations with the West already have become a tool for both sides in Iran's internal struggle for control, with reformists holding out the prospect of prosperity and international recognition and conservatives threatening actions that could delegitimize the Khatami government in the West. Michael Eisenstadt has even suggested that conservatives could precipitate military conflict to embarrass President Khatami and to end his Western initiatives. Given hard-liner efforts to reverse the election of an overwhelming number of reformists in 2000 and the arrest and conviction of a number of Khatami supporters and appointees to government office, such a prospect needs to be taken seriously.

Unless Iran had high confidence in the reliability of its weapons and delivery systems (which probably would require a substantial testing program), it could not expect to damage sites of importance to U.S. nuclear operations—which would constrain Iran's targeting to a counter-value strategy. Such an approach relies on terrorizing civilian population

centers rather than attacking military forces and installations. As Western countries grow more concerned about the morality of using force, threatening a countervalue nuclear strike could be even more politically damaging to Iran than holding U.S. nuclear forces and facilities at risk. However, once Iran has the capability to attack the United States with nuclear weapons, the United States will need to plan on the basis of Iranian capabilities, even if the costs to Iran would be high to engage in such behavior.

In threatening to use nuclear weapons against the United States, Iran would have to take into account the likely prospect of a preemptive U.S. attack on Iranian launch facilities and other key strategic sites. If the likelihood is judged as high that Iran would actually carry out its threats against U.S. cities during a crisis, an American President might launch a military operation to attempt to destroy Iran's long-range attack capacity.

A military strike by the United States on Iranian facilities would have disastrous consequences for Iran and for U.S. interests in the region. Iran's deep-seated hatred of the United States would be confirmed by any such attack, which would halt any trend toward a moderate foreign policy or a defensive security strategy. The Iranian government would feel obligated to retaliate against U.S. targets—civilian or military—as well as against Israel and any regional ally hosting U.S. forces. Retaliation could be by conventional or nonconventional means, such as by surviving NBC weapons systems, chemical or biological terrorism, an attack in the Gulf, or by a closure of the Strait of Hormuz. A U.S. attack would accomplish what the Iranian political process, the weak economy, and the loss of the war with Iraq have not done: to unite the reformist-minded Iranian public with the most outrageous of the hard-line elements in anger against the United States. It would effectively end, for all intents and for a very long time, any efforts at rapprochement or easing of tension in the region.

At an operational level, the longstanding Iranian objection to deployment of U.S. forces in GCC states could translate into a military challenge. The threat of nuclear weapons against U.S. forces could require the administration to review policy and military plans for operating under these circumstances and to consult with Congress and allies—possibly delaying deployment of U.S. troops whose timely arrival could be critical to the defense of friendly states. An Iranian move to a more visible and assertive military posture would increase the likelihood of military incidents and have a deleterious effect on crisis stability, as would a U.S. response that appeared reticent. An Iranian nuclear threat also could cause the

United States to consider deploying nuclear weapons in the region, either in host countries or aboard U.S. vessels operating in the region.

A nuclear-capable Iran would necessitate reducing the operational vulnerability of U.S. conventional forces in the Gulf. Most of the means of doing so have the pronounced political drawback of also reducing the regional visibility of U.S. forces. A nuclear-armed Iran that succeeds in reducing the visibility of U.S. forces in the area would have achieved a substantial political benefit from crossing the nuclear threshold.

Iran also could threaten to attack regional governments willing to host U.S. forces. Threatening GCC or Central Asian neighbors does not have the political resonance of challenging the United States. It would incur international opprobrium and create impediments to the growing cooperation between Iran and GCC states, and it could reduce Iran's ambition to speak as the major voice in the Muslim world. For example, just threatening to attack Saudi Arabia raises the politically dangerous image of damage to Islamic holy sites and might justify Saudi exclusion once again of Iranians from the pilgrimage (*hajj*), a risk the Islamic Republic is unwilling to run.

Even if Iran does not overtly threaten host nations in the Gulf region, those states are certain to expect increased U.S. protection. Thus, with a nuclear-armed Iran, the United States would need to plan for theater missile defenses sufficient to defend civilian population centers, as well as U.S. force concentrations and key logistics nodes, in GCC states.

The increased risk to U.S. forces also could affect American willingness to continue enforcing sanctions and implementing a containment policy against Iraq that threatens military retaliation for a breach in sanctions. That obligation is a major driver of the size and configuration of U.S. forces in the Gulf region. Absent the requirement to enforce United Nations (UN) sanctions against Iraq, the U.S. justification would be less compelling for much of the air power currently stationed in Turkey for Operation *Northern Watch*, or in Kuwait, Bahrain, and Saudi Arabia for Operation *Southern Watch*. Monitoring Iraqi compliance with UN Security Council resolutions provides a convenient rationale for maintaining forces in the Persian Gulf; without sanctions, the GCC and other states would have more difficulty supporting the long-term stationing of U.S. forces in the region.

Iran has an incentive not to challenge seriously U.S. forces operating in the Gulf. Without the constraint of UN-imposed sanctions, limits on Iraqi military operations, and U.S. forces on station in the region, Iraq

could quickly resume its WMD programs.⁷⁵ U.S.-led efforts to monitor and eliminate Iraqi NBC weapons programs reduce the near-term threat to Iran of a new Iraqi military confrontation. The efforts also provide leverage for the United States in any discussions with GCC states and Iran about the conduct of a nuclear-armed Iran. Managing Iraq also could provide a common cause for Iran and the United States, should Tehran choose to restore relations with Washington.

Sustaining Nonproliferation Regimes

A nuclear-armed Iran raises serious questions about the efficacy of current nonproliferation regimes and poses numerous problems in sustaining meaningful constraints on WMD proliferation. A nuclear Iran would weaken the NPT by making a Middle East nuclear-weapons-free zone an even less likely prospect.

However, that is not the only, or even the most damaging, effect that a nuclear-armed Iran would have on nonproliferation regimes. Iran is a signatory to the NPT, and its civilian nuclear energy facilities are subject to monitoring and inspection by the IAEA. The NPT requires a state to commit not to develop nuclear weapons in return for assistance in developing civilian nuclear energy programs. Especially in light of the unanticipated extent of Iraqi nuclear programs discovered after the Gulf War and revelations about the advanced state of North Korean efforts, an Iranian nuclear program that went undetected by the IAEA would injure or totally dash the belief that the NPT had an effective means of evaluating compliance with its obligations.

The norm of nonproliferation associated with the NPT also can suffer from the choices of states not party to it. For example, India, Pakistan, and Israel were not signatories to the NPT; however, their crossing the nuclear threshold has badly shaken the status quo. Thus, proliferation by any state is perceived as a challenge to the Treaty and the norm of nonproliferation, which is tottering even without clear public evidence of an Iranian nuclear program. Iran's abrogating the NPT would destroy the idea that the NPT can establish a norm for state behavior.

Proliferation has a major effect on the Treaty and the norm of nonproliferation, but whether the NPT itself is a decisive factor in the calculations of many states considering developing nuclear weapons is not clear. India and especially Pakistan depend heavily on international assistance programs and therefore have reason to be concerned about the reaction of the international community, yet both judged the international sanctions to be less important than their decisions on nuclear testing.

Although Iran has not depended to a similar degree on funding from international institutions and bilateral assistance, it needs foreign investment to rebuild its energy infrastructure and provide housing and jobs. If the Treaty does not motivate those states subject to sanctions and desirous of acceptance by the international community to abjure nuclear weapons, it has even less chance of constraining the nuclear activities of the states about which the United States would be most concerned developing nuclear weapons.⁷⁶

Both Iraq and North Korea built substantial nuclear programs despite being NPT signatories. Iraq persists in maintaining its diverse programs in the face of sanctions and monitoring efforts and at great political and economic cost. North Korea may provide a useful example for Iran concerning proliferation, given some similarities in their internal economic woes and need for international assistance. Even before evidence came to light about North Korean nuclear programs, the country was subject to some of the most coercive economic and political sanctions in effect anywhere in the world. The Kim regime enforced North Korean isolation until the suffering of the population from famine became a widespread and widely known problem. At this point, the regime appears to have used the threat of further development in its nuclear and ballistic missile programs to extort assistance from the United States, Japan, and South Korea. Iranian security concerns, national pride, and desire for international respectability probably reduce the likelihood that an Iranian leadership would barter its nuclear programs as North Korea appears to have done. But Iran's economic isolation and need for foreign investment may give the international community some leverage over the extent to which Iranian programs are visible or declared.

Whether a sizeable coalition of states would commit to sanctions against Iran, even if it were in clear violation of its NPT obligations, is open to question. Tepid international reaction to the Indian and Pakistani nuclear tests suggests that punitive measures associated with NPT violation would not be severe or long-lived.⁷⁷ Neither India nor Pakistan were NPT signatories, so sanctions were not automatic. But few states, even among the ardent supporters of nonproliferation norms, had the stomach to cut off assistance to two countries as poor and dependent on international assistance as are India and Pakistan.⁷⁸ The sanctions were removed in less than 6 months.⁷⁹ Moreover, some members of the international community probably will consider it hypocritical to punish Iran

when Israel, India, and Pakistan escape censure and while sanctions regimes are eroding against NPT signatories Iraq and North Korea.

Iran might be able to moderate international reaction by referring to the U.S. refusal to ratify the Comprehensive Test Ban Treaty (CTBT), its initial reluctance to ratify the CWC, or its possible withdrawal from the Anti-Ballistic Missile (ABM) Treaty. Tehran could assert that the United States had destabilized nonproliferation regimes to such a degree that Iran needed to protect itself by becoming a nuclear state. Iran might even justify a more visible military posture and challenges to U.S. forces operating in the Gulf on this basis.

Even if Iran did not openly cross the nuclear threshold, it could still create serious problems for the NPT and associated regimes. A key issue under discussion at the 2000 NPT Review Conference was treatment of opaque nuclear states such as Israel, which has not tested nuclear weapons or announced ownership but is widely believed to possess them. During the 1995 and 2000 NPT review conferences, Iran, Egypt, and other Middle Eastern states called into question the value of the Treaty, considering that it did not constrain the activities of Israel or reduce the nuclear stockpiles of the declared nuclear weapons states.⁸⁰ The United States spent considerable diplomatic effort quelling support for the Iranian position.⁸¹ If Iran becomes a nuclear state but does not declare, deploy, or test nuclear weapons, the United States will have difficulty building support for sanctioning Iran, considering that it has shielded the opaque status of Israel.

Concern about a hostile Iran armed with WMD and long-range delivery means is one of the central arguments in the United States for developing and deploying national missile defenses (NMD). The greater the likelihood that Iran possesses nuclear weapons, the stronger will be the desire of NMD supporters in the United States to proceed with the program. The United States faces a major challenge in building support among allies and in convincing Russia to modify the 1972 ABM Treaty. Neither America's European allies nor Russia are persuaded that threats from Iran, Iraq, and North Korea are the genuine motivations for a system as expensive (estimated at \$60 billion) or potentially destabilizing as a national missile defense.

To deploy NMD by 2010, the United States will need to make three decisions requiring the consent of other states:

- Support of the United Kingdom, Denmark, and Canada to upgrade existing early-warning radars on their territory;

- Agreement of an Asian ally (probably Japan) to construct an early-warning radar on its territory; and
- Agreement of Russia to modify substantially the ABM Treaty.

Without the support of key allies essential to the near-term functioning of an early-warning network, the United States cannot construct the envisioned NMD system. The Nation has the treaty-compliant option of withdrawing from the ABM Treaty if the Russians do not consent to modification. Inability to reach a deal with Moscow over modifying the treaty, however, will greatly aggravate allied support.

Iran openly crossing the nuclear threshold might facilitate agreement with Russia and with European allies on deployment of an NMD system. Europeans would be gravely concerned about Iran abrogating the NPT, especially as Western European publics became aware that the ranges of Iranian ballistic missiles already in the inventory are capable of reaching them. Although Russia does not figure prominently in Iranian rhetoric, Russia's military campaign against Chechnya could bring Moscow into the sphere of Iranian extended deterrence.

Russia has numerous incentives to underplay Iran's nuclear programs and apparently has a leadership willing to play tough with the United States. President Putin's orchestration of a Strategic Arms Reduction Treaty (START) II ratification foreclosed an easy package deal with the United States to modify the ABM Treaty, to further reduce strategic nuclear forces to 1,500–2,000 warheads, and to limit later stages of NMD capability. Putin further raised the stakes in the ABM debate by threatening to withdraw from the entire framework of bilateral and multilateral arms control treaties. These agreements include the CTBT, which prohibits any nuclear tests, the NPT, which commits the nuclear states to work toward disarmament, the Intermediate-Range Nuclear Forces Treaty, which eliminates missiles in the 500–5,000 kilometer range for the United States and Russia, the Conventional Forces in Europe (CFE) Treaty, which limits several categories of military equipment, the CFE 1–A Treaty, which sets manpower limits for military forces in Europe, the CWC, which eliminates all chemical weapons stockpiles by 2007, and START II, which reduces Russian nuclear forces to 3,500 warheads. This shrewd tactic will complicate the U.S. ability to choose a unilateral course on NMD while simultaneously increasing European concerns about the United States upsetting a strategic equilibrium that minimizes demands on Europeans.

European allies also have numerous incentives to underplay the status and potential effect of a nuclear-armed Iran. All major European governments are committed to a policy of arms control to manage the threat of proliferation. Europeans do not perceive that the nonproliferation regime is unraveling or believe that means in addition to arms control will be necessary to address the regime's growing weakness.⁸² French Prime Minister Lionel Jospin recently stated:

The deployment of ballistic arsenals, potential vehicles of weapons of mass destruction, and of the antimissile defense systems designed to counter them aren't without repercussions for international stability... it is also important to assess the consequences of a resumption of the arms race encouraged by a project which would in fact switch the emphasis from efforts to promote non-proliferation...⁸³

French President Jacques Chirac has been even more definitive, saying, "We must avoid any questioning of the ABM Treaty that could upset strategic equilibria and lead to a new nuclear arms race."⁸⁴

The Shahab-4 missile, when it is tested successfully, will put most European cities in range of Iranian ballistic missiles. If European governments begin acknowledging a vulnerability to Iran that they do not now see, they will incur an obligation to protect themselves. European governments are struggling to find the money by 2003 to fund the relatively modest goal of producing a 60,000-troop EU reaction force. Center-left governments in Germany, France, Britain, and Italy are unlikely to spend more on defense, especially as they struggle to restructure social welfare programs. Redirecting existing defense spending toward rapid construction of ballistic missile defenses would alarm publics that have not been conditioned over time to the growing threat, as Americans have been. It also would likely require sacrificing the EU Helsinki Headline Goal and other cherished programs closer to home for Europeans. As long as Iran does not test and does not declare itself a nuclear state, European countries are unlikely to press for unwanted revelations from it.

Building Coalitions

A nuclear-armed Iran could revive debates about extended deterrence because GCC states have fewer claims of affection and linkage to the United States than did the European states in the NATO alliance when the Soviet Union gained the ability to strike the United States with nuclear weapons. In the late 1950s, Europeans questioned whether the United States would "trade New York for Paris," a phrase that portrayed the stakes for Americans of extending deterrence across the Atlantic.

More than 10 years into the Cold War and with 300,000 U.S. troops stationed in Europe, a treaty obligation to consider an attack on any NATO state to be an attack on all, an integrated military command primed to conduct a common defense multinationally, and the experience of several crises with the Soviet Union in which the West was willing to risk war, European allies continued to question whether the United States would really defend them.

Because the Nation has less in common with GCC states than it did with European states during the Cold War, a nuclear-armed Iran will probably establish an even higher premium on U.S. credibility with GCC states. The United States will need to exercise steady and careful leadership to bring GCC states along with U.S. threat assessments, military strategy, and force planning for the region. GCC states and other potential allies are likely to worry about U.S. tolerance for casualties on their behalf, and those worries will be difficult to assuage.

The divergence in warfighting capabilities between the United States and its friends in the Gulf region probably will accentuate the division of labor. The United States could undertake high-intensity combat tasks at increasingly distant ranges while other countries are assigned marginal, but possibly casualty-intensive, roles. Depending on the nature of the crisis, Gulf regimes may not want to press the United States into roles that would increase U.S. force presence and possibly casualties, as that pressure could raise both antigovernment and anti-American protests. Geoffrey Kemp argues the divergence in capabilities also could precipitate less commitment by the United States.⁸⁵ However, the Gulf States are likely to be more anxious about participating in operations that inflict more civilian casualties and take more military casualties while this Nation gets the credit for success.

Introducing nuclear weapons into the equation in the Gulf will make warfighting, and therefore war planning, uglier. The military will need to develop operational plans involving the first use and response to nuclear weapons on the battlefield and in the theater, and political leaders will need to engage allies on the terms of U.S. nuclear use.

All these factors will make building coalitions and sustaining consensus in crises an arduous task for the United States when there is a nuclear-armed Iran. The Gulf will require more sustained political attention from the United States to reassure friends and allies and to send consistent signals to potential enemies. It will require more interaction between U.S. and friendly forces to ensure allied participation across the full

spectrum of potential combat operations. It may even require, beginning with GCC states, some of the standing planning and operational integration that the United States has in Europe to convince friendly states of the U.S. commitment and to ensure their support.

Current U.S. Policy

Current U.S. policy toward Iran has three central elements: isolating Iran politically and economically; delaying, if not preventing, its acquisition of NBC weapons technology; and, more recently, attempting to engage the new government in open and official discourse.

Sanctioning Iran

The United States embargoed weapons and advanced technology sales to Iran after its 1979 revolution. U.S. sanctions encompassing all financial investment or import of Iranian products were established in the early 1990s and largely remain in force.⁸⁶ In 1999 the Clinton administration permitted exports of food and medicine to Iran; in March 2000, an additional marginal exception was made for U.S. import of some luxury goods (carpets, pistachios, and caviar).⁸⁷ However, Iran and those who would invest in it remain subject to wide-ranging sanctions, including a ban on investment in energy development, which is a crucial sector of the Iranian economy.

Although U.S. officials have voiced their interest in exploring renewed relations with Tehran, the Clinton administration offered only modest proposals. The U.S. policy of containing Iran was intended to encourage it to change its behavior and stop supporting international terrorism, opposing the Middle East peace process, and acquiring NBC weapons systems. In a press briefing in March 2000, Secretary of State Madeleine Albright noted that the United States "will not remove the embargo until Iran abandons its pursuit of nuclear weapons and ends its support for terrorist groups opposed to the Middle East peace process."⁸⁸

As part of its efforts to isolate Iran, the United States opposed Iranian requests for loans with IMF and the World Bank in 1999 and 2000 and continued to oppose proposals for construction of an oil and gas pipeline from the Caucasus through Iran. An Iranian route would provide the shortest, most economical path for energy resources transiting from Central Asia to the Far East and would benefit both Iran and China. Despite occasional hints that it would support an Iranian route, the Clinton administration advocated a pipeline from Azerbaijan through Georgia to Turkey that would skirt Iranian territory.⁸⁹ Secretary of Energy

Bill Richardson called the Baku-Cehan route “a strategic framework that advances America’s national security interests. It is a strategic vision for the future of the Caspian region.”⁹⁰

The United States is practically alone in sanctioning Iran economically. America’s European allies have long advocated a policy of critical dialogue or constructive engagement, which encourages investment and dialogue as the primary tools in changing Iranian international behavior. The ILSA legislation sought to enforce compliance with sanctions by U.S. allies and foreign companies by extending punishment extraterritorially to any company doing business in Iran. Regardless of ILSA, Germany is Iran’s largest trading partner, and the French oil firm Total has the jubilant support of Prime Minister Lionel Jospin in violating ILSA and investing in Iran.

Despite U.S. sanctions, Iran’s political isolation also has broken down. The European Union restored ties to Tehran that were broken in 1998 over the Mykonos trial, which had accused Iranian leaders of supporting international terrorism.⁹¹ President Khatami visited France and Italy in 1999 and Germany in July 2000. Foreign Ministers from the United Kingdom, Italy, Germany, and France have visited Tehran, and EU consuls have returned. Belgium is the only European state engaged in diplomatic or judicial confrontation with Iran.

Delaying Proliferation

U.S. efforts to forestall a nuclear-armed Iran have been relatively successful in delaying if not denying the program. The U.S. arms embargo imposed on Iran after the revolution and sustained even during the 8-year Iran-Iraq war constrained the ability of states and companies to transfer technology and key weapons components to Iran. In addition, economic sanctions may have limited the amount the Iranian Government could spend on nuclear and other WMD programs.⁹² However, Russia is the major supplier of weapon systems and nuclear technology to Iran, and despite making such transfers one of the top priorities in U.S.-Russian relations, Washington has not succeeded in convincing Moscow to desist from the practice.

Engaging Reformists

U.S. efforts to engage Iranian leaders have been less successful. After Khatami’s election in 1997 raised the prospect of a less hostile leadership, the Clinton administration began floating suggestions of improved relations.⁹³ In June 1998, responding to a remarkable interview on

CNN in which Khatami called for a “dialogue of civilizations,” Secretary of State Albright called on Iran to work with the United States to develop a “road map leading to normal relations.”⁹⁴ President Clinton stated, “What we want is a genuine reconciliation with Iran.”⁹⁵ In March 2000, in the same speech in which she spoke of constraints on U.S. relations with Iran, Secretary Albright called for “bringing down the wall of mistrust that has existed between our two countries.”⁹⁶ In these overtures, the United States has insisted that the contacts be public and official. President Clinton, who reportedly was eager to meet President Khatami for a symbolic healing of U.S.-Iranian relations, remained at a special conference held at the UN General Assembly in September 2000 to hear Khatami’s speech; Khatami, in turn, stayed to hear Clinton.

Iran has responded to these U.S. overtures cautiously, acknowledging them but not engaging at high levels of the government. Khatami’s advisors have rejected several offers of official talks between the U.S. and Iranian governments, calling the U.S. suggestion “unrealistic.”⁹⁷ Although Iran resists high-level government talks, Iranian leaders continue to encourage nongovernmental dialogue.⁹⁸

Overall, the U.S. approach has had some success. Sanctions largely remain in place, with strong political support in the United States for sanctions against Iran itself and those companies doing business in Iran. Countries doing business in Iran (principally Germany and Russia) are at pains to verify that their trade is legal and not contributing to nuclear weapon programs. Iran is making no overt moves toward violating the NPT, which suggests a willingness to temper the political value of possessing nuclear weapons with a careful evaluation of the costs in terms of further political and economic isolation and regional support for continuing close ties to the United States.

Despite these apparent successes, both isolation and delaying proliferation will be difficult to sustain. The EU states increasingly have accepted Iran as a political partner. The United States itself is proposing greater political interaction with Iran, and U.S. ability to dictate the terms of other states’ engagement continues to diminish. However, CIA Director George Tenet told senior Clinton administration officials in January 2000 that he could no longer certify that Iran did not have nuclear weapons.⁹⁹ Odds are against sustaining either the isolation or the nonnuclear status of Iran. The United States thus faces a choice of attempting the increasingly difficult task of unilaterally sustaining the current course

of policy—isolation relaxed on U.S. terms as Iran develops in positive directions—or of charting a new course.¹⁰⁰

U.S. Strategy

We believe that a new course would best protect and advance U.S. interests against a nuclear-armed Iran. The extent to which a nuclear-armed Iran challenges U.S. interests depends principally on how Iran perceives U.S. and regional reactions. The challenge for the United States is to craft a strategy that maximizes the cost to Iran for openly crossing the nuclear threshold and minimizes the value to them of acquiring nuclear weapons.

The best outcome for the United States would be for Iran to cease its efforts to acquire nuclear weapons. This hope, however, is an unrealistic basis for national strategy, given the incentives Iran likely perceives for crossing the nuclear threshold. The United States realistically could assume that Iran might reserve its nuclear weapons as a tool for state survival, without challenging the sanctity of U.S. territory, freedom of operation for U.S. forces, or U.S. relations in the Gulf, and without proliferating its nuclear and ballistic capabilities to other parties.

Yet the potential for several other, possibly more likely, outcomes exists in the behavior of a nuclear-armed Iran. Iran could attempt to capitalize on becoming a nuclear state by adopting an aggressive foreign policy that overtly threatened neighbors and the United States. It could challenge U.S. forces operating in the Gulf, creating incidents and potential conflict. It could behave erratically, vacillating between aggression and accommodation with radical departures from expected behavior.¹⁰¹

The United States needs a strategy that addresses the impact of Iranian acquisition of nuclear weapons on the political dynamics of Southwest Asia and the Middle East and on U.S. ability to operate military forces in the Gulf region. The strategy also should exploit potential openings to improve U.S.-Iranian relations. In crafting a new strategy, the United States should not seek to make an enemy of Iran. Iranian domestic politics have shown indications of positive developments, and Iran may prove to be more assertive without being a destabilizing or aggressive power, even when nuclear-armed.

However, considering Iranian assiduity in working to develop nuclear weapons and ballistic missiles with intercontinental ranges and the degree of uncertainty about its political direction, the United States needs to take judicious diplomatic and military steps to reassure friends in the

region. The Nation also needs to ensure that its defense capabilities are postured to deter a nuclear Iran from threatening U.S. interests. The strategic task can be framed as follows: how can the United States encourage positive developments while hedging against potentially threatening behavior?

A strategy making effective use of the full range of political, economic, and military means is needed to serve U.S. interests. Such a strategy would have five critical components:

- Reassuring regional allies;
- Improving defenses of U.S. territory;
- Normalizing relations with Iran before it becomes a nuclear power;
- Adapting U.S. military operations in the Gulf; and
- Sending unequivocal signals.

Reassuring Regional Allies

Even if rapprochement occurs between the United States and Iran, neither is it likely to be sufficiently broad nor will Iranian domestic politics be sufficiently clear to protect and advance U.S. interests in the coming decade. The United States is likely to continue to have conflicting interests with Iran, as are regional friends and U.S. allies.

Although dismissing concern about Iran would be injudicious, the greater risk in U.S. policy is that of making Iranian nuclear and ballistic missile advances the main factor shaping U.S. policy in the region. Focusing predominantly on Iran's possession of nuclear weapons may cause the United States to enhance the value to Iran of acquiring nuclear weapons and miss the larger goal of managing security in the Gulf. Maintaining GCC support should be considered the paramount regional objective of U.S. policy.

The GCC governments will be particularly sensitive to the U.S. reaction to Iran crossing the threshold. They also will make contradictory demands on the United States: concurrently wanting more protection from and less visible linkages to it. This argues for the United States not to overreact if Iran crosses the nuclear threshold. A strategy that would reduce U.S.–GCC cohesion or commitment needs to be avoided. The United States needs to consult fully with regional friends when strong stands on Iran or other regional issues are under consideration.

To minimize the negative effects on GCC states of a nuclear-armed Iran, the United States needs to outline a vision for Iran that is compatible with U.S. and GCC interests and around which the United

States could build support. The United States should advocate an Iran that is powerful, prosperous, governed by law, and engaged in the Middle East and Central Asia. The United States, Iran, and several other states in the region have mutual interests in managing Iraq, moderating Taleban rule in Afghanistan, and reducing drug trafficking. These issues provide an agenda for eventual government relations.

Such a U.S.-outlined vision could give Iran the prospect of a future in which it is both strong and cooperative. It would allow Iran the political status and economic interaction it is seeking but would set the agenda and terms of international engagement on the basis of Iran's behavior rather than on its demands because of its nuclear status. It would justify GCC involvement with Iran that is occurring and increasing but would deny Iran the linkage to its nuclear programs that would provide a political payoff for crossing the nuclear threshold.

In addition to a positive vision, the United States needs to find more convincing ways of sharing intelligence information and assessments with GCC states to inform them of the basis for U.S. judgments about Iran. Only with a common understanding of Iranian capabilities can the United States build support for its strategy for managing a nuclear-armed Iran. The routine sharing of information through NATO staffs informed European allies about the Soviet threat during the Cold War and also reassured them that the United States planned to carry out its commitments to allies. Defense Secretary Cohen's recent initiative to create an early-warning network among GCC states is a very positive step toward common assessments but one that should be expanded to incorporate greater information sharing on technology transfers, WMD programs, military operations, and funding of terrorism.

The United States is unlikely to consider constructing with GCC states the extensive integrated military command that exists in NATO. However, finding visible and structural ways for military and intelligence officers to exchange information frequently and to work together on common approaches toward Iran and regional security would bring U.S. and GCC threat assessments into closer alignment. It also would reassure GCC states about the U.S. course of action in various contingencies.

Improving Defenses

The current state of U.S.-Iranian relations makes Iranian acquisition of nuclear weapons and long-range delivery systems a new and serious threat to the United States. The very damaging political consequences of Iran's ability to hold U.S. territory at risk argues for reestablishing if

possible the fire wall between the security of that territory and the engagement of the Armed Forces in regional wars. The ability to protect the homeland may become necessary to maintain public support for assertive uses of the U.S. military as proliferation regimes weaken. The ability to protect friendly territory probably will be a requirement for open GCC support of U.S. policies. Finally, better protection of the United States would greatly strengthen its defense commitments.

The United States should make a priority of developing the capability to destroy incoming missiles and warheads, whether they are targeted against U.S. territory, allied territory, or U.S. forces operating in the Gulf region. Ensuring public willingness to continue engagement in the Gulf and maintaining GCC support argue for designing missile defense systems with a high degree of confidence in their performance. To maximize confidence of intercept, systems should be developed with multiple engagement options—both boost-phase and ballistic-phase interception. Multiple engagement opportunities will be especially important if Iran develops systems capable of fractionating payloads or incorporating decoys or other countermeasures.¹⁰²

Missiles are interdicted most effectively in the boost phase. The ABM Treaty limits on space-based weapons prohibit such deployments, however. Recent advances in sea-based interceptors and airborne laser programs may provide the ability to interdict missiles in boost phase from forward-deployed positions without violating treaty restrictions. Because of their relative scarcity, theater defenses currently are not routinely forward-deployed in the Gulf. Deploying TMDs in crises could be difficult politically because of concerns about precipitating further instability. In addition, during crises, lift assets would be taxed heavily to move forces into the region quickly. Although theater missile defense would be a priority item for deployment, we believe these constraints argue for permanently forward-deploying TMDs in the Gulf region.

Ballistic missile defenses alone will not, of course, be sufficient to protect U.S. territory. Although ballistic missiles are a dramatic delivery system, WMD can be delivered to U.S. territory in numerous other ways. The United States also should enhance Coast Guard monitoring and interception assets, give priority to R&D of cruise missile defenses, and improve screening at ports of entry to the United States.

Normalizing Relations

The United States will not have the luxury of a clumsy reaction should Iran cross the nuclear threshold. The Clinton administration erred

by doing too little to dissuade India and Pakistan from becoming overt nuclear states and also by focusing inordinate attention on India and Pakistan after their nuclear tests. The administration's actions served to reward proliferating states with the attention of major powers. Such a mistake would have greater consequences in the case of Iran, given the continuing fragility—if no longer outright hostility—in relations between the two governments, the greater damage to nonproliferation regimes of having an NPT signatory become a nuclear state, and the great anxiety a nuclear-armed Iran would create in other states in South Asia and the Middle East.¹⁰³

Therefore, the United States should ensure as far as possible in advance that Iran will discern no advantages to crossing the nuclear threshold. The United States has and will maintain an important interest in responding to positive change inside Iran and encouraging a more moderate Iranian foreign policy. This argues for normalizing relations with Iran before it becomes a nuclear state.¹⁰⁴

The first element of normalization is ending the vilification of Iran as a rogue state, or a state of concern. For at least the past 6 years, U.S. foreign policy has operated on the assumption that there exists a particular category of states that neither accepts the norms of international behavior nor responds to usual means of suasion. In 1993, dual containment became U.S. policy toward Iran and Iraq, part of a broader administration approach to dealing with rogue states. National Security Advisor Anthony Lake noted that U.S. foreign policy “must face the reality of recalcitrant and outlaw states that not only choose to remain outside the family but also assault its basic values,” and for which the United States has “a special responsibility for developing a strategy to *neutralize*, *contain*, and, through selective pressure, perhaps eventually *transform* these backlash states into constructive members of the international community.”¹⁰⁵ These states—Cuba, Iraq, Libya, North Korea, and Iran—were to be punished by isolation and sanctions until they came into compliance with international norms of behavior.

Stigmatizing Iran reduces U.S. ability to engage it when doing so would be conducive to U.S. interests and also undercuts international support for U.S. efforts to confront Iran. America's closest allies in Europe or in the Middle East (with the exception of Israel) have never shared the U.S. categorization of Iran as a rogue state, and U.S. efforts to engage Iran belie the term.

The second element of normalizing relations is ending the broad economic sanctions against Iran. Sanctions may have been intended to isolate and undermine the authority of the hard-line clerics who urged and supported export of the revolution, but their real impact is difficult to gauge. Economic sanctions and a dismal economy caused by low oil prices, no economic diversification, and a 20-year absence of investment in housing, job creation, or oil industry infrastructure reduced Iran's financial resources and may have limited the amount of money the state could spend on nuclear weapons and long-range ballistic missiles.¹⁰⁶ Ending sanctions would relax that constraint, possibly increasing Iran's ability to afford nuclear weapons. However, money does not appear to dominate Iran's calculations about its nuclear programs. The EU policy of political and economic engagement is already eroding sanctions. Washington has begun easing Iran's economic isolation in allowing trade in luxury goods. It should now free up the kinds of trade and investment that would benefit ordinary Iranians. Ending broad sanctions is the best chance the United States has to influence the kinds of positive change that would make a nuclear-armed Iran less threatening to U.S. interests.

An end to broad sanctions should not occasion the cessation of all trade restrictions with Iran. Targeted sanctions that restrict technologies and materials essential to nuclear weapon development are important to keep in place.¹⁰⁷ The United States should sustain sanctions against firms, both in Iran and elsewhere, that are suspected of involvement in nuclear work. Iranian citizens suspected of terrorist activity should remain barred from receiving visas, and information about that prohibition should be widely disseminated. To the extent possible, Iranians associated with nuclear programs also should be publicly identified to assist in monitoring their individual activities and building understanding of Iran's nuclear activities.

Sanctions need not be against Tehran alone, since control of fissile material remains the surest way to prevent proliferation. The United States should seek to establish complete transparency of supply in nuclear materials to Iran and negotiate bilaterally with the Russians to reward their compliance and gain their agreement to punish the transfer of fissile material to Iran.

The third aspect of normalization is building diverse societal linkages with Iran. The U.S. military carries too large a burden of signaling U.S. intentions to Iran. Although the existence of limited channels of communication is understandable because the United States and Iran

have no diplomatic relations, the United States should develop supplemental routes of exchanging information so that U.S. military action is not burdened with delivering too many, and in some cases conflicting, messages. Force is a blunt instrument, and the United States should not expect it to be capable of signaling complicated messages.

The U.S. Government restricts official contact with Iran to high-level and public engagements. This limitation is potentially counterproductive because high-level government contacts make more vulnerable those Iranians in power who advocate links with the West. The United States should encourage closer association between Iranians and counterparts in and out of government to lessen the prospect of those in contact being delegitimized as potential leaders or loyal Iranians. High-level interaction should be the eventual result of abundant avenues for building Iranian-American contacts. Instead of focusing on government involvement, the United States should foster numerous paths of interaction:

- Transparency in U.S. military operations in the Gulf, Iraq, and Central Asia;
- Exchanges of disaster relief experts from around the United States and Iran;
- International meetings for scholars, newspaper editors, and journalists;
- High school and university exchange programs;
- Scholarships for research on scientific subjects such as archaeology, geology, and immunology to build relationships among experts across different fields;
- Funding American research in Iran in a variety of cultural areas that would build American understanding of Iran, with reciprocal projects for Iranians in the United States;
- Small business development by the Iranian community from America; and
- Sister city programs.

These kinds of activities would diminish Iranian isolation, create greater understanding and awareness between Iran and the United States, and diversify the portfolio of messengers. Any high-level government engagement that takes place should occur in lower-risk venues rather than bilateral meetings and in casual public interactions at international meetings—such as handshakes and brief words recorded by international media at the annual UN General Assembly, which Khatami has attended.

Iranian opponents of improving relations with the United States would be less able to exploit the meetings for domestic political purposes.

Adapting Military Operations

A nuclear-capable Iran would require the United States to rethink conventional operations in the Persian Gulf region. Aircraft carriers and surface fleets would become vulnerable and valuable targets for attack. Key bottlenecks, such as the Strait of Hormuz, further increase the risks to naval forces operating in the Gulf. These vulnerabilities might argue for reconfiguring operations in several ways: using smaller, more independently operating surface vessels, operating further away from Iranian territory, relying more on subsurface vessels for patrols of the Gulf, and quickly equipping all U.S. vessels operating in the Gulf with ship-based cruise and ballistic missile defenses.

The United States will need to adapt the operations of its forces in the Gulf region to reduce their vulnerability to attack by Iranian nuclear weapons while sustaining deterrent and warfighting capabilities. But U.S. influence with GCC governments depends heavily on the military commitments the United States makes and the power it exerts in the region. Any real or perceived reduction in or restrictions on U.S. operations will increase the value to Iran of acquiring nuclear weapons and will encourage other potential proliferators. Therefore, the Nation will need to balance a growing need for force protection with the political importance of a visible and active military presence. The more predictable and consistent the United States is in its operations before and after Iran crosses the nuclear threshold, the less value there will be to Iran for acquiring nuclear weapons.

Because its regional friends have contradictory expectations that the United States can increase commitments to their security while reducing the means in theater of ensuring that security, maintaining current operations if Iran increases the pressure on U.S. forces operating in the Gulf carries substantial risks. Gulf Cooperation Council states would be unlikely to agree to U.S. operational freedom in the absence of clear and significant provocation from Iran, especially if U.S. actions were not coupled with political initiatives to engage Iran. Gulf Cooperation Council states would not view Iranian threats to or harassment of U.S. ships in the Gulf as sufficient cause for U.S. retaliation. Enforcing operational freedom of action could risk creating a perception that the United States, rather than Iran, is challenging regional stability. Under such circumstances, enforcement of U.S. military freedom of action could precipitate

a rise in oil prices and could play into allegations by Iranian conservatives of aggressive U.S. intentions.

U.S. objectives of maintaining regional support and freedom of military operations are likely to come into conflict. If these goals clash, the United States should press regional friends privately about the importance of U.S. freedom of action but downplay disagreement in public and ultimately accede to allied concerns. The United States cannot defend friends more assertively than they are willing to be defended without sacrificing the political purpose of its military operations.

In the wake of terrorist attacks in Saudi Arabia, and at Saudi insistence, the United States consolidated its forces in the Gulf region and lowered their visibility. This concentration could make U.S. forces more vulnerable to Iranian nuclear attack and with less risk of civilian casualties among the Saudi population. Technological improvements in the coming decade also will increase pressure for a less visible presence in the region. Advances will allow U.S. forces to further reduce their reliance on stationing in GCC states and instead operate at greater distances from the Gulf.

Force planners should identify critical tasks that can be accomplished at standoff ranges, but the desire to reduce vulnerability of U.S. forces operating in the Gulf region needs to be balanced against the political value of their visible stationing and operation. If friends and enemies alike no longer see U.S. forces and operations, they may conclude that the United States is less likely to defend its interests and honor its security assurances to friends in the region. Pulling back U.S. forces as Iran becomes a nuclear power would add to the incentives for proliferation by suggesting that the United States would reduce the profile of its presence in response to states acquiring nuclear weapons.

The United States should place a premium on weapon systems that could create a virtual encirclement of Iran and prevent missiles from leaving Iranian airspace. Crucial activities would include dedicating intelligence assets to monitor Iranian territory, providing clear and permissive guidance to U.S. commanders about rules of engagement of presumed Iranian missile launches, expanding the window of time for U.S. commanders to decide whether to engage threats, developing airborne laser and other boost-phase intercept systems, and improving defenses for U.S. forces operating in the Gulf.

If Iran were suspected of having a small number of nuclear weapons, measures to complicate Iranian targeting would be particularly valuable. Such measures might include diversifying logistics nodes in

theater to complicate targeting by reducing the value of individual airfields and ports; increasing the number of and reducing the holdings of military equipment in prepositioned sites; dispersing U.S. forces into smaller units as they arrive in theater; and deceiving targeters by using dummy sites and mobile basing.

A U.S. military strike under current conditions would be very costly. It could result in an attack on the homeland, friends, and interests of the United States. Even successful attacks on selected key facilities would delay but not prevent its eventual attainment of nuclear capability. Such attacks could well cost the United States its political influence in the Middle East and its ability to ensure the free flow of oil, reduce the likelihood of more reasonable leaders coming to power in Iran, outrage Russia, China, and America's European allies, and increase the possibility that GCC states would be unwilling or unable to maintain close political and military relations with the United States. A counterproliferation attack also could precipitate a rise in oil prices out of concern about availability of supplies from the Gulf. Such an attack could reinforce nonproliferation regimes by demonstrating that the United States would not permit successful proliferation, but it could also make nations less willing to participate in and support them. However, not hedging against the most extreme circumstances of a nuclear-armed Iran implacably hostile to U.S. interests and intent on attacking the United States would be irresponsible. Under those conditions, U.S. military attacks aimed at destroying Iran's nuclear capabilities might merit the serious political costs of such action.

The superiority of its conventional forces allows the United States to view nuclear weapons as weapons of last resort, but U.S. policy also preserves the option of using them in retaliation for a nonnuclear WMD attack. Having potential enemies believe they are vulnerable to the use of all military means by the United States if they threaten or attack its territory, friends, interests, or military forces is very much in U.S. interests. Not only should the United States preserve the option of retaliating with nuclear weapons if an adversary uses them, but also it should dedicate more resources to addressing other circumstances in which the catechism of nuclear deterrence in the U.S.-Soviet context may not be adequate. Working through the doctrine of nuclear use under conditions of greater numbers of nuclear states and circumstances of use also would strengthen U.S. credibility.

Sending Unequivocal Signals

A nuclear-armed Iran is likely to test U.S. willingness to run risks to maintain its current political and military posture in the Middle East. The responses of key states will depend on the U.S. reaction to a nuclear Iran. The United States must give Iran a predictable and firm response to any political or military challenges and clearly define the red lines that would trigger a response should Iran cross them. The United States should not become more assertive but should repeatedly and directly communicate its intention to maintain a military presence in the Gulf and honor its commitments to regional friends. Washington will gain by making this signal to Tehran before Iran becomes a nuclear power because it will create a pattern of expectations on the part of Iran and other states that Iranian nuclear acquisition will not alter.

This recommendation for a consistent and coherent policy should not be read as support for an aggressive posture toward Iran. That approach would undermine the possibility of improved relations and damage broader U.S. strategic interests in the Middle East. Our emphasis is on firm and clear measures begun prior to Iran acquiring nuclear weapons to make clear that the United States intends to:

- Defend its territory and citizens;
- Honor its security assurances to friends;
- Maintain its freedom of military operations;
- Avoid where possible military incidents that could lead to conflict; and
- Improve relations with Iran as circumstances merit.

Conclusion

Unquestionably, the United States would prefer that Iran did not become a nuclear state. National interests would benefit most from Iran remaining unable to threaten U.S. territory, friends, and forces with nuclear weapons. However, apparent widespread support for nuclear weapons capability across the political spectrum in Iran makes that outcome unlikely. In addition to domestic scientific and technological assets, Iran may have obtained assistance from several sources in acquiring fissile material and other critical resources needed for a nuclear program. If Iran wants such weapons, it is likely to have them soon. The diversity and maturity of the Iranian program also suggest that although military attacks could delay the acquisition of nuclear weapons, they could not prevent it.

The issue of central importance to U.S. national interests is how to diminish the utility of nuclear weapons to Iran without undermining the current positive trends occurring in the country. Our recommended course of action seeks to reduce the value to Iran of the nuclear weapons while taking advantage of opportunities to improve relations when practicable. The policies advocated in this essay are intended to reassure America's friends in the region, preserve and in some vital areas improve U.S. defense capabilities, and end Iran's political and economic isolation while retaining some key sanctions related to nonproliferation. If enacted, such policies would stabilize relations during the current period of uncertainty about Iranian domestic politics and nuclear programs, and minimize damage to American interests once Iran becomes a nuclear state.

Endnotes

¹ According to one press account, U.S. officials believed Iran would be able to construct a crude but workable nuclear device by 2000. See Bill Gertz, “Iran’s Regional Powerhouse,” *Air Force Magazine* 79, no. 6 (June 1996): 52. A senior Pentagon official acknowledged to *The New York Times* in July 2000 that Iran’s ballistic missile program had problems and was “certainly not clicking along really fast.” U.S. Government specialists currently have pushed the threat back to 2010 or 2015. See Elaine Sciolino and Steven Lee Meyers, “U.S. Study Reopens Division Over Nuclear Missile Threat,” *The New York Times*, July 5, 2000, A1, A6.

² Central Intelligence Agency, *Report of Proliferation-Related Acquisition in 1997* (<http://www.odci.gov/cia/publications/acq1997.html>). The report concludes that “during the reporting period, Russia, China, and North Korea continued to supply missile-related goods and technology to Iran.” See also Nonproliferation Center, Director of Central Intelligence, *Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions, 1 January through 30 June 1999* (http://www.odci.gov/cia/publications/bian/bian_feb_2000.html).

This report assesses that “Iran sought nuclear-related equipment, material and technical expertise from a variety of sources, especially Russia, during the first half of 1999 . . . the expertise and technology gained, along with the commercial channels and contacts established—even from cooperation that appears strictly civilian in nature—could be used to advance Iran’s nuclear weapons research and development program.”

³ Geoffrey T.H. Kemp of the Nixon Center and Gary G. Sick of Columbia University are two scholars who argue for Iran’s strategic and nonnuclear intentions. See Geoffrey T.H. Kemp, “The Persian Gulf Remains the Strategic Prize,” *Survival* 40, no. 4 (Winter 1998/1999); and Gary G. Sick, “Iran: The Adolescent Revolution,” *Journal of International Affairs* 49, no. 1 (Summer 1995). David Schwarzbach of the Center for Energy and Environmental Studies at Princeton University has questioned why a country with enormous reserves of natural gas and other fossil fuels and a gross domestic product of only \$62 billion would commit itself to spending billions of dollars on a nuclear plant that would be less efficient than a natural-gas plant. He believes the only answer is that Bushehr, Iran’s nuclear power plant under construction, is a “foothold from which Iran could climb toward an atomic bomb.” See Schwarzbach, “Iran’s Nuclear Puzzle,” *Scientific American* 276, no. 6 (June 1997): 62–65. Shahram Chubin makes a compelling argument for Iranian strategic goals and threat perception in *Iran’s National Security Policy: Capabilities, Intentions, and Impact* (Washington, DC: Carnegie Endowment for International Peace, 1994), and “Does Iran Want Nuclear Weapons?” *Survival* 37, no. 1 (Spring 1995): 86–104.

⁴ These are the same conclusions reached by Iraq. See Phebe A. Marr, “Iraq and the Nuclear Non-Proliferation Treaty: The Case of a Nuclear Cheater,” in *The Diffusion of Advanced Weaponry: Technologies, Regional Implications, and Responses*, eds. W. Thomas Wander, Eric H. Arnett, and Paul Bracken (Washington, DC: American Association for the Advancement of Science, 1994), 297–325.

⁵ See Richard Butler, *The Greatest Threat: Iraq, Weapons of Mass Destruction, and the Crisis of Global Security* (New York: Public Affairs, 2000), for the view of the former Chairman of UNSCOM, the UN Special Commission in charge of arms inspections in Iraq from 1991 through 1998.

⁶ U.S. defense and intelligence officials announced in late June 2000 that Iraq had restarted its missile program and flight-tested a short-range, liquid-fueled ballistic missile that was capable of carrying conventional explosives or the chemical or biological weapons that Iraq is suspected of hiding. The range was under the 150 kilometers allowed by UN sanctions, close enough to hit targets in Iran. William J. Broad, "The Nuclear Shield: Repelling an Attack," *The New York Times*, June 30, 2000, A1.

⁷ Cited in Anthony H. Cordesman, *Iran's Military Forces in Transition: Conventional Threats and Weapons of Mass Destruction* (Westport, CT: Praeger, 1999), 234, and Rodney W. Jones and Mark G. McDonough, *Tracking Nuclear Proliferation: A Guide in Maps and Charts*, 1998 (Washington, DC: Carnegie Endowment for International Peace), <http://www.ceip.org/programs/npp/iran.htm>.

⁸ Arms control specialists in the study group dispelled the illusion held by some group members that a small number of weapons would be sufficient for Iranian self-esteem and security needs. For a detailed discussion of the technical aspects and history of acquisition of conventional and non-conventional weapon systems, see Cordesman, *Iran's Military Forces in Transition* and its companion volume, *Iraq and the War of Sanctions: Conventional Threats and Weapons of Mass Destruction* (Westport, CT: Praeger Publishers, 1999).

⁹ Iraq may provide a clue to the question of who decides when to use nuclear weapons and long-range missiles. Military analysts in our study group noted that during the two Gulf wars, decisionmaking was centered in the capital, but commanders in the field would be allowed to decide to use weapons of mass destruction if contact with Baghdad was lost or the city was destroyed.

¹⁰ Interview with IRGC Commander Major General Yayha Rahim Safavi broadcast on Tehran's *Voice of the Islamic Republic of Iran*, January 19, 2000; published by the Foreign Broadcast Information Service, *Near East South Asia*, January 19, 2000.

¹¹ This view was raised by members of the study group who tended to support arms control measures and viewed Iran as a potentially rational player in regional security discussions.

¹² See Cordesman, *Iran's Military Forces in Transition*, 222–64; and Shlomo Bron and Yiftah Shapir, eds., *The Middle East Military Balance, 1999–2000* (Tel Aviv: Jaffee Center for Strategic Studies, 2000).

¹³ See Cordesman, *Iran's Military Forces in Transition*, 228–29; "Iran test-fires controversial Shahab missile," Reuters, July 15, 2000.

¹⁴ *Jane's Defence Weekly* reported in 1997 that Iran had several hundred tons of blister, blood, and choking agents and that some weaponization had occurred to support ground combat operations. *Jane's* assumed that Iran could deliver chemical bombs by aircraft to strategic targets in the region. *Jane's Defence Weekly*, November 12, 1997, 40. See also Cordesman, *Iran's Military Forces in Transition*, 235–36, and Gertz, "Iran's Regional Powerhouse," 54.

¹⁵ Cordesman, *ibid.*, Gertz, *ibid.*

¹⁶ George J. Tenet, testimony given to Congress, March 24, 2000.

¹⁷ Press reports in 1999 indicated that Iran wanted to order three additional nuclear reactors for power generation from Russia. Itar-TASS said that the announcement of a possible deal was made by Russian Vice Minister Ilya Klebanov following a November meeting in Moscow with Iran's Supreme Security Council chief Hassan Rouhani. *Russia: Iran May Seek More Reactors*, Associated Press, January 14, 2000.

¹⁸ Cordesman, *Iran's Military Forces in Transition*, 239.

¹⁹ *Ibid.*

²⁰ Jones and McDonough, 5.

²¹ According to an Agence France Press report, the Iranian Atomic Energy Organization advertised for 225 engineers with specialties in nuclear physics, physics, mechanical engineering, and computer science. *The Iranian*, January 29, 1999.

²² The United States penalized seven other Russian institutes in July 1998, days after Iran successfully test-fired the first Shahab-3 missile. "Iran says no curbs expected in Russia nuclear ties," Reuters, March 17, 1999.

²³ For discussion of the development of Iraq's nuclear programs, see Khidhir Hamza, *Saddam's Bombmaker* (New York: Scribner, 2000), and Marr, "Iraq and the Nuclear Non-Proliferation Treaty."

²⁴ See Michael Eisenstadt, "Living With a Nuclear-Armed Iran," *Survival* 41, no. 3 (Autumn 1999): 124–48.

²⁵ For comparison of arms purchases and costs for arms-importing nations, see the annual studies produced by the Arms Control and Disarmament Agency, *World Military Expenditures and Arms Transfers*, 1996 (Washington, DC: Government Printing Office, 1996), and the International

Institute for Strategic Studies, *The Military Balance: 1997–1998* (London: Oxford University Press, 1998), 115–44.

²⁶ There was very little comment in the Iranian media on the India-Pakistan testing issue.

²⁷ Although any weapons-related activity is a violation of the Non-Proliferation Treaty, Baghdad had intended to divert fuel from the reactor inspected by the International Atomic Energy Agency, according to members of the inspection teams.

²⁸ The Iran-Libya Sanctions Act bars arms sales and economic investment in Iran and threatens companies seeking to invest there with a boycott of their U.S. investments and interests. It expires in 2001. In February 1996, President Clinton signed two pieces of legislation aimed at constraining assistance to Iranian NBC programs. The first amended the 1992 Iran-Iraq Non-Proliferation Act to impose sanctions on any person or foreign government that “transfers or retransfers goods or technology, so as to contribute knowingly and materially to the efforts by Iran or Iraq to acquire chemical, biological, or nuclear weapons.” The sanctions to be placed on individuals and corporations were a 2-year ban on U.S. Government procurement contracts export licenses; the impact on governments was a ban on U.S. assistance, opposition to multilateral loans, suspension of codevelopment or coproduction assistance, and suspension of military and dual-use technical exchange agreements. The President was given discretion to halt all dual-use exports to the country in question. The second act applied new sanctions on Russia for the sale of nuclear equipment and technology to Iran. See Jones and McDonough, *Tracking Nuclear Proliferation*.

²⁹ See chapter 1.

³⁰ Cordesman, *Iran’s Military Forces in Transition*, 229–30.

³¹ *Ibid.*, 229–31.

³² Comments of a senior official of the Department of Defense, March 10, 2000.

³³ Sylvia Babus and Judith S. Yaphe, “U.S.-Central Asian Security: Balancing Opportunities and Challenges,” *Strategic Forum*, no. 153 (Washington, DC: National Defense University Press, January 1999).

³⁴ Comments of a senior official of the Department of Defense, March 10, 2000.

³⁵ According to *The Korea Times*, February 17, 2000, China began selling C-802 cruise missiles with a range of 120 kilometers (74 miles) in 1992 and stopped in 1996, when the United States demanded a halt to arms transfers to Iran. Iran and North Korea started joint production of an advanced version of this missile in the mid-1990s. See also Cordesman, *Iran’s Military Forces in Transition*, 228.

³⁶ Iraq used calutron equipment in its electromagnetic isotope separation enrichment program to separate weapons-grade uranium. Cordesman claims China supplied Iran with a heavy water, zero-power research reactor at Isfahan Nuclear Research Center as well as with subcritical assemblies. See Cordesman, *Iran’s Military Forces in Transition*, 243, and Jones and McDonough, *Tracking Nuclear Proliferation*.

³⁷ In return for China’s commitment, the United States announced that it would waive penalties against China for supplying missile parts to Iran and Pakistan. John Lancaster, “U.S. Waives Proliferation Penalties on China,” *The Washington Post*, November 22, 2000, A20. See also Jones and McDonough, *Tracking Nuclear Proliferation*.

³⁸ Study group meeting, March 10, 2000. For a discussion of China’s strategic planning for nuclear weapons capabilities, see Brad Roberts, Robert A. Manning, and Ronald N. Montaperto, “China: The Forgotten Nuclear Power,” *Foreign Affairs* 79, no. 4 (July/August 2000): 53–63.

³⁹ *Ibid.*

⁴⁰ The Uighurs speak a Turkic language and are ethnically different from the Han Chinese. Press accounts say Uighur militants receive support from Saudi Arabia, the Persian Gulf states, and Turkey as well as Iran. In 1944, Uighur leaders declared themselves to be the independent state of East Turkestan. Six years later, the People’s Liberation Army suppressed their rebellion. See John Pomfret, “Separatists Defy Chinese Crackdown,” *The Washington Post*, January 26, 2000, A17.

⁴¹ A photograph of Iran’s Shahab-3 ballistic missile—put on display for the first time during Iran’s Sacred Defense Week in September 1998—“bears a striking resemblance” to the No Dong 1 and its Pakistani cousin, the Ghauri, according to *Current Missile News*, February 1, 2000.

⁴² According to one press account, this is the first time Kim—or perhaps any Korean official—has identified purchasers of North Korean missiles. Doug Struck and Joohee Cho, “N. Korean Dismisses Missile Idea,” *The Washington Post*, August 15, 2000, A1, A20.

⁴³ Cordesman, *Iran’s Military Forces in Transition*, 224.

⁴⁴ Ibid., 225. Iran was a transit point for missile deliveries to Syria in the early 1990s.

⁴⁵ Ibid.

⁴⁶ Remarks by Ronald N. Montaperto, "Conference on Iran and the Supply Side of WMD," National Defense University, Washington, DC, March 1999.

⁴⁷ The North Atlantic Treaty, Article V. *NATO Handbook* (Brussels: North Atlantic Treaty Organization, 1995), 232.

⁴⁸ Vice President Albert Gore reached a confidential deal in June 1995 with Russian Prime Minister Viktor Chernomyrdin to exempt Russia from sanctions for selling weapons to Iran in exchange for a pledge to end all deliveries of sophisticated conventional arms by December 31, 1999. In subsequent statements to the press, Russian officials denied this decision had any implications for the provision of un-conventional weapons. Russia, they said, adheres to its international obligations not to proliferate weapons of mass destruction. John M. Broder, "Russia Ending Deal on Arms Negotiated by Gore," *The New York Times*, November 23, 2000, A1, A20; David Hoffman, "Russian Dismisses Threat of Sanctions," *The Washington Post*, November 24, 2000, A5.

⁴⁹ Interview with Saudi Defense Minister Prince Sultan ibn Abdul-Aziz in *Al-Hawadith*, September 10, 1999.

⁵⁰ In the late 1980s, Riyadh barred Iranians from making the annual pilgrimage (*hajj*) to Mecca because of Iranian-inspired rioting and insistence on holding political demonstrations (which usually featured condemnation of the United States). Saudi Arabia also suspected Iran of encouraging Saudi Shia Muslims, only 15 percent of the population but centered in the oil-rich Eastern Province, to oppose the regime.

⁵¹ The Rapid Deployment Joint Task Force was redesignated U.S. Central Command in 1983; its mission was to "deter the Soviets and their surrogates from further expansion and, if necessary, defend against it." See Rachel Bronson's draft paper for the Council on Foreign Relations, "The United States Military in the Persian Gulf: Postured for Success?" January 2000.

⁵² This has been a favorite suggestion of Oman, with no further specifications known.

⁵³ Interviews conducted with current and former government officials and senior military officers in Saudi Arabia and Kuwait, Summer 1998 and 1999.

⁵⁴ Ibid.

⁵⁵ F. Gregory Gause III, *Gulf States Politics and Weapons of Mass Destruction*, unpublished paper presented at National Defense University, January 1999.

⁵⁶ Cited by Gause.

⁵⁷ Marvin Weinbaum, *Pakistan's Strategic View and Weapons of Mass Destruction*, unpublished paper presented at National Defense University, Washington, DC, January 1999.

⁵⁸ P.R. Kumaraswamy, in a study done for the Jaffee Center for Strategic Studies at Tel Aviv University, argues that Israel does not perceive a nuclear Pakistan as a direct threat to Israel. Israel, he writes, has not really been worried that Pakistan's bombs would become *Islamic* or that Pakistan would transfer nuclear weapons and technologies to Islamic countries. See *Beyond the Veil: Israel-Pakistan Relations*, Memorandum No. 55 (March 2000). On the other hand, Pakistan clearly is concerned about the possibility of closer Israeli-Indian military cooperation, especially Israeli assistance in modernizing Indian capabilities. An editorial in the *Pakistan Observer* on January 13, 2000, warned that Indo-Israeli collaboration was targeted against Pakistan and that Pakistan "cannot ignore the clandestinely planned Indo-Israeli attack against its nuclear facilities in May 1998."

⁵⁹ Transcript of CNN interview with Mohammad Khatami, prepared by the Islamic Republic News Agency, January 7, 1998.

⁶⁰ See, for example, Ehud Springzak, "Revving Up an Idle Threat," *Ha'Aretz*, September 29, 1998. Springzak, a professor of political science at Hebrew University in Jerusalem, rates Israel as fifth or even sixth on Iran's list of priorities and fears. He argues that Iran has no reason to launch a nuclear attack on Israel. The Iranians, he says, "are far more rational and pragmatic than depicted in the Israeli media" and are well aware of Israeli superiority in unconventional weapons and missiles. Israelis have a difficult time distinguishing between inflammatory Iranian rhetoric and concrete military plans, according to Springzak, who blames the vested interests of the Israeli military establishment for using the "psychosis of impending doom" about Iranian intentions to avoid budget cuts. He advises the Israeli government to stop scaring the Israeli people and the Iranians, to reassess the huge investments in military spending based on the alleged Iranian threat, to monitor Iran for support for international terrorism, and to develop intelligence contacts with professional Iranian sources. He

warns that Israel should not be a rubber stamp for the United States. On the issue of Iran, he concludes, Israeli interests do not necessarily converge with those of America.

⁶¹ Based on interviews with Israeli government and private sector specialists on Iranian military and strategic policy. For a less alarmist view, see Ephraim Kam, "The Iranian Threat: Cause for Concern, not Panic," Jaffee Center for Strategic Studies, *Strategic Assessment* 1, no. 3 (Tel Aviv: Tel Aviv University, November 1998): 1, 3–7. Kam is not as certain as Israeli military security analysts that Iran will soon have nuclear weapons with which to threaten Israel. He acknowledges that Iran's test firing of the Shahab-3 missile eventually will give Iran the capability to strike Israel with nonconventional weapons. Russian termination of aid (which will not happen), U.S. efforts to prevent Iranian efforts to acquire nuclear technology and materials (which cannot be done), and Iranian commitments to international inspections will delay but cannot stop Iran's acquisition of nuclear weapons. Kam believes Iran would attack Israel with nonconventional weapons only under exceptional circumstances, such as an extensive U.S. attack on Iran or in the event of a Syrian-Israeli war. He believes the likelihood of such an attack is low; Iran is not particularly worried about an Israeli nuclear attack and views Israel as less a threat than Iraq or the United States. Kam's cautious optimism assumes Iran bases its strategic decisions on logic and reason, although he admits that Iranian leaders may not be as deterrence-minded as he thinks they are. Israel can contain the threat from Iran by concluding a peace agreement with Syria and hoping the reformists come to power in Iran. To this latter end, Kam proposes supporting a U.S.-Iranian dialogue in which the United States would insist Iran suspend its nuclear programs, its support for terrorism, and its opposition to the Middle East peace process. He also proposes reducing Iran's perception of an Israeli threat by moderating its anti-Iranian statements and increasing its nonconventional capacity to deter Iran. Israel, he concludes, may have to live in the shadow of a nuclear-armed and antagonistic Iran, but it need not panic. Israel can counter the threat, it is not alone in the confrontation, and Iran is not omnipotent.

⁶² Kenneth M. Pollack, unpublished paper presented at the National Defense University, Washington, DC, January 1999.

⁶³ Partial nuclear opacity describes the Israeli policy of refusing to declare or openly test its nuclear capability while signaling potential adversaries that it does possess the weapons.

⁶⁴ Interview with Major General Isaac Ben-Israel, Director of Defense Research and Development, Ministry of Defense, Israel.

⁶⁵ Israeli intelligence operatives have been accused of killing Gerald Bull, the inventor of the so-called Big Gun, and an Egyptian scientist working for Iraq and intercepting shipping in French ports bound for Baghdad. For a list of Iraqi nuclear programs and Israeli efforts to obstruct them, see Ian Black and Benny Morris, *Israel's Secret Wars: A History of Israel's Intelligence Services* (London, Grove Press, 1992), 99, 517–18; and Cordesman, *Iraq and the War of Sanctions*.

⁶⁶ The Israeli-Iranian connection involved supplying Western arms for Iran in its war with Iraq, freeing Western hostages held by pro-Iranian terrorist factions in Lebanon, and funding the Nicaraguan contras.

⁶⁷ The points in this paragraph were made in interviews with senior Israeli military officers.

⁶⁸ See discussion of Russian contributions to Iranian NBC programs in chapter 1.

⁶⁹ Seminar at Jaffee Center for Strategic Studies, Tel Aviv University, Summer 1999.

⁷⁰ Kemp makes a similar assessment of the likelihood of preventing an Iranian nuclear program in "The Persian Gulf Remains the Strategic Prize," 46–47, although he believes the negative consequences of violating the Non-Proliferation Treaty will prevent Iran from crossing the threshold.

⁷¹ For an excellent analysis of the uncertainty of Iranian internal politics and their effect on foreign policy, see Sick, "Iran: The Adolescent Revolution."

⁷² Gary Sick, "Iran's Quest for Superpower Status," *Foreign Affairs* 65, no. 4 (Spring 1987): 697.

⁷³ Although other oil reserves exist, particularly in the Caspian basin, they would be insufficient to replace current supplies from the Gulf in the long term; in addition, they lie in areas equally politically and geographically challenging. British Petroleum, *Statistical Review of World Energy*, June 1998, 4; Babus and Yaphe, *U.S.-Central Asian Security: Balancing Opportunities and Challenges*, 1–4.

⁷⁴ For example, Sick argues that while Iranian policies may have been ideological in the 1980s, by the 1990s they had come to be "more cautious, more calculated and more susceptible to conventional methods of calculation of state interests." Sick, "Iran: The Adolescent Revolution."

⁷⁵ Michael Eisenstadt, "Still Not Bomb Proof," *The Washington Post*, February 26, 1996, A19.

⁷⁶ Comparisons of reliance on external investment and aid for Iran, India, and Pakistan:

	Iran	India	Pakistan
Foreign direct investment (in \$ millions)	24	2,635	500
Debt (in \$ millions)	13,824	84,259	26,167
Aid and development assistance (in \$ millions)	164	1,595	1,050
Aid as percent of gross domestic product	0.9	1.6	9.7

Source: World Bank, *2000 World Development Indicators: 2000*, 111, 113, 170, 342–45.

⁷⁷ Despite international condemnations, a few nations actually adopted sanctions and then quickly rescinded them. The United States strongly urged other countries to sanction India and Pakistan, but only Germany, Japan, Canada, Australia, Denmark, and Sweden joined the United States; the UN Security Council refused, as did France and Russia. See John F. Burns, "Nuclear Anxiety: The Overview," *The New York Times*, May 14, 1998, A1; David L. Marcus, "US Campaigns to Get Others to Condemn Nuclear Testing," *Boston Globe*, May 14, 1998, A29; Warren Hoge, "Nuclear Anxiety: Wealthy Nations Cut Aid to Pakistan Over Nuclear Tests," *The New York Times*, May 29, 1998, A10.

⁷⁸ Colum Lynch, "Wariness of Other Nations Takes Sting Out of US Sanctions," *The Boston Globe*, May 15, 1998, A27.

⁷⁹ Steven Erlanger, "U.S. to Lift Some Sanctions Against India and Pakistan," *The New York Times*, November 7, 1998, A4.

⁸⁰ Marilyn Henry, "Arab States Demand Nuclear Transparency for Israel," *Jerusalem Post*, April 27, 2000, 1.

⁸¹ See comments by U.S. Ambassador to the NPT Review Conference Thomas Graham, cited by Reuters, January 26, 1995.

⁸² Secretary of Defense William Cohen, quoted in Bill Gertz, "Cohen Sees Russia, U.S. Allies as Hurdles to a Missile Defense," *The Washington Times*, October 5, 1999, 1.

⁸³ Lionel Jospin, Speech at the Institute of Higher National Defence Studies, Paris, October 22, 1999 (*Bulletin d'Information en Langue Anglaise*, November 8, 1999, at <http://www.france.diplomatie.fr>).

⁸⁴ Jacques Chirac, Speech to the Institut Français des Relations Internationales, November 4, 1999 (*Bulletin d'Information en Langue Anglaise*, November 8, 1999, at <http://www.france.diplomatie.fr>).

⁸⁵ Kemp, "The Persian Gulf Remains the Strategic Prize," 144–45.

⁸⁶ See an earlier discussion on ILSA in Chapter II and footnote 26; U.S. Department of State Dispatch 6, Issue 43, October 23, 1995, 768.

⁸⁷ Robin Wright, "U.S. to Ease Sanctions on Iran, Notes Errors," *Los Angeles Times*, March 18, 2000, A1.

⁸⁸ Secretary of State Madeleine K. Albright, Press Briefing on American-Iranian Relations, U.S. Department of State, March 17, 2000.

⁸⁹ Michael Davis, "Conoco, Exxon Mobil Get Caspian Oil Approval," *Houston Chronicle*, April 22, 2000.

⁹⁰ "Richardson Calls Caspian Pipeline Deal 'Major Victory' for Clinton," *Inside Energy*, November 22, 1999, 7.

⁹¹ An alleged Iranian defector testified in German court in 1998 that Supreme Leader Khamenei and President Rafsanjani had approved terrorist operations against Iranian dissidents in Europe in the early 1990s. In the case, Iranian intelligence officers had lured a prominent Iranian Kurdish dissident and three aides to the Mykonos Restaurant in Berlin and killed them, allegedly on orders from Tehran.

⁹² Discussion with study group participant Seth Carus.

⁹³ Stephan-Gotz Richter, "America's Iran Policy Rethinks Itself," *The New York Times*, August 18, 1997, A19.

⁹⁴ Hugo Gurdon, "American Extends an Olive Branch to Iran," *The Daily Telegraph*, June 19, 1998, 18.

⁹⁵ William J. Clinton, quoted in Brian Knowlton, "Clinton Offers 'Genuine Reconciliation' to Iran," *International Herald Tribune*, June 19, 1998, 1.

⁹⁶ Secretary of State Madeleine K. Albright, Press Briefing on American-Iranian Relations, Department of State, March 17, 2000.

⁹⁷ Iranian Ambassador to the United Nations, quoted in John Lancaster and Helen Dewar, "Iran Rejects U.S. Bid to Open Official Talks," *The Washington Post*, March 18, 2000, A14.

⁹⁸ President Khatami encouraged a “thoughtful dialogue” between the Iranian and American people in his January 1998 CNN interview. He repeated the suggestion of a new dialogue between Eastern and Western cultures and civilizations during his visit to Germany in July 2000. *The New York Times*, July 15, 2000.

⁹⁹ James Risen and Judith Miller, “CIA Tells Clinton An Iranian A-Bomb Can’t Be Ruled Out,” *The New York Times*, January 17, 2000.

¹⁰⁰ Sick argues that a new course is needed on the basis that the cost to the Persian Gulf States of Iraq’s actions exacerbated domestic politics throughout the region. He claims that these actions are delegitimizing leaders and will precipitate an anti-American backlash as regimes change. Gary G. Sick, “The Coming Crisis in the Persian Gulf,” *The Washington Quarterly* 21, no. 2 (Spring 1998): 197.

¹⁰¹ Eisenstadt, “Living With A Nuclear-Armed Iran.”

¹⁰² The Central Intelligence Agency has recently determined that “Many countries, such as North Korea, Iran, and Iraq probably would rely initially on readily available technology . . . to develop penetration aids and countermeasures. These countries could develop countermeasures based on these technologies by the time they flight test their missiles.” National Intelligence Council, *Foreign Missile Developments and the Ballistic Missile Threat to the United States Through 2015* (September 1999), 16.

¹⁰³ Kemp, “The Persian Gulf Remains the Strategic Prize,” 140.

¹⁰⁴ The most persuasive argument for normalizing relations has been made by Kemp in *America and Iran: Road Maps and Realism* (Washington, DC: The Nixon Center, 1998).

¹⁰⁵ Anthony Lake, “Confronting Backlash States,” *Foreign Affairs* 73, no. 2 (March/April 1994): 45–46.

¹⁰⁶ The impact of U.S. economic sanctions on Iran is a frequently debated topic. Some argue that it has prevented Iranian acquisition of NBC weapons and punished Iran by thwarting economic development. Others argue that poor economic planning, low oil revenues, and unwise spending—not the U.S. embargo—have accomplished this result. The United States greatly overestimated the amount Iran would be spending on arms, for example. See Kemp, *America and Iran: Road Maps and Realism*.

¹⁰⁷ Geoffrey T.H. Kemp, “The Middle East Arms Race: Can It Be Controlled?” *Middle East Journal* 45, no. 3 (Summer 1991): 444.

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Because of the acrimonious relationship that has existed between the governments of the United States and Iran since the revolution in 1979 and the mutual suspicions that persist between the two societies, policymakers in Washington know little about how Tehran's national security apparatus functions. Iranian policymakers almost certainly are equally ignorant of U.S. methods. This essay attempts to elucidate Iranian nuclear policies, programs, and decisionmaking procedures. It also identifies what is not known about Iran and assesses how it might behave in the international arena if armed with nuclear weapons. These judgments attempt to take into account trends in Iran's political behavior and the reactions of states that would perceive a threat from a nuclear-armed Iran.

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