BREAKING THE US-IRAN STALEMATE
REASSESSING THE NUCLEAR STRATEGY
IN THE
WAKE OF THE MAJLES ELECTIONS
APRIL 8, 2008
Welcoming Remarks:
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Christian Science Monitor

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NEW MAJLES, NEW CHALLENGES?

MR. TRITA PARSİ: Welcome to the National Iranian American Council’s conference on “Breaking the U.S.-Iran Stalemate.” I can’t really think of a better time to discuss this important challenge to US foreign policy. In the last couple of weeks, we have witnessed the Iranian political landscape shrink further, while at the same time shifting decisively towards the right. This is not necessarily because of the expression of public will in Iran, but rather the significant amount of interference in the Majles elections – or election engineering as it has become known as in Iran. An unprecedented number of would-be parliamentarians were prohibited from standing in the elections, giving the people of Iran a steadily decreasing range of candidates to choose between.

At the same time, we’re witnessing how the Iranian nuclear program is progressing in spite of economic and political sanctions not only from the United Nations, but also by the U.S. government itself, including financial sanctions that seem to have imposed a significant cost on Iran. In fact, today the Iranian government announced that they are planning to assemble another 3,000 centrifuges at the facility in Natanz.

Now, whether the Iranian government is exaggerating its capabilities or not – with the aim of presenting the international community with a fait accompli – what is quite clear is that efforts to prevent the Iranian nuclear program from expanding have not succeeded. And we’ve reached a stage in which it’s becoming increasingly important to be able to find solutions that may depart from conventional solutions, but that actually can succeed in reaching the bottom line of the international community, that is, no Iranian weaponization program.

All of these factors, as well as the deteriorating human rights situation in Iran – Human Rights Watch and Amnesty International have both reported on the rising number of executions in Iran – show us a picture in which the US is failing to change Iran’s foreign policy in important areas.

That necessitates a reassessment of our policies.

Our first panel will address the recent Majles elections in Iran and their implications for both US and Iranian foreign policy. We have probably three of the best experts in this country to be able to address this issue. Two journalists who recently came back from Iran, who covered the elections inside of that country, as well as an Iranian-American scholar who has long been following Iranian politics.

Before we begin the program, let me thank all of those who have helped make this conference possible. First of all, the Iranian-American community that is providing our organization with 80 percent of its funds - a point of pride for our organization. It’s a community whose political awakening began just a few years ago. Second, the many U.S. foundations who are supporting our educational work. These are: the Ploughshares Fund, The Pluralism Fund, the Kenbe Foundation, Colombe Foundation, as well as the Lee & Gund Foundation. They have all helped make this conference possible.

So without any further ado, let’s discuss the Majles elections. Our first panelist is Scott Peterson. Those of you who have followed Iran know Scott very, very well, because he’s been writing some of the best articles about Iran from inside the country. He’s not a journalist who just recently visited Iran; rather he is stationed in Istanbul and has made more than 30 visits to that country and has covered it for a very long time. He was also there covering not only the recent elections, but also the last presidential elections and I think his insights on this matter are going to be tremendously valuable.

MR. SCOTT PETERSON: Thank you very much Tri-ta, for your kind words. And thank you very much to NIAC for having us all here.

I think that the parliamentary election tells us much about the state of the political game in Iran, about how deeply conservatives have consolidated their power, and how they’re likely to keep that grip in the future. Of high interest is how this vote will affect reelection chances of President Mahmoud Ahmadinejad in 2009 or another staunchly conservative candid
date tipped by Iran’s Supreme Leader, Ayatollah Khamenei, if he tires of Ahmadinejad’s bellicosity.

There was no shortage of drama, nor of the vicious rhetorical bloodletting that has long defined Iran’s divisive politics. Of course, it’s not just Iran. That may sound familiar to folks staying on the campaign trail here. Rivals were tagged “enemies” and “traitors,” or men with “fossilized minds.” All sides claimed to be the true torchbearers of the Islamic Revolution.

The results themselves were no surprise, after more than 2000 disqualifications, most of them reformist candidates—a magnitude that embarrassed even some hard-liners. Conservative factions handily kept their 70 percent majority. But a sizeable number of deputies are moderate conservatives who will certainly challenge the president in parliament.

And the reformists, divided among themselves, were easy prey. Candidates linked to former President Mohammad Khatami were largely barred. Those tied to Mehdi Karroubi—who himself hopes to run for president next year—helped add a handful of seats to the reformist total.

Karrroubi lobbied the supreme leader directly, at least twice, to reinstate some of his candidates, promising their loyalty to Iran’s Islamic system, with Khamenei at its head.

Because they were not completely shut out, reformists declared they had “gained victory in an unequal election,” because they “managed to disturb the game of our opponents.”

But parsing the results seat-by-seat may not be as important as stepping back and seeing what really happened.

Despite soaring inflation; despite high unemployment; despite a litany of complaints from Iranians about unfulfilled presidential promises of bringing Iran’s vast oil wealth to improve their lives, and despite criticism so withering against Ahmadinejad—especially in Tehran, and even from fellow hard-liners—despite all these issues that would doom the chances of most ruling parties in the West, the conservatives have blocked a reformist comeback bid.

Listen to these voices from Tehran: “The potent combination of nationalism, ideological zeal, and fear of foreign interference has closed down the political space,” one political scientist in Tehran told me.

And quoting again, “This is a deliberate and pre-engineered clearing the way for Khamenei to ensure conservative dominance in Iranian politics for years to come. They want to finish what they have not: getting rid of any reformist inclinations [and giving] a message to reformists not to contemplate a presidential comeback.”

A reformist editor told me: Conservatives will “never allow themselves to lose a major election” again.

Conservatives confirmed as much, with one telling me that reformists—in his mind those “disloyal to the Islamic system”—are permitted to “be in society, but they should not hold power.”

Indeed, conservatives know all too well how to claw their way out of the political wilderness. They established the comeback pattern by winning the little-attended municipal elections in 2002, then taking the Majlis in 2004, and finally winning the presidency in 2005.

This time, reformists and moderate conservatives appeared to have taken the first step on that path during late 2006 municipal elections—when they trounced Ahmadinejad’s allies.

But this time the hard-liners were ready to stop them. They were confident enough to break a long-standing taboo against the military meddling in politics, a taboo laid down by the father of the Islamic revolution himself, Ayatollah Ruhollah Khomeini.

The Revolutionary Guard commander explicitly told his forces that “to follow the path of the Islamic revolution,” i.e., supporting Ahmadinejad’s hard-line alliance, was “necessary, inevitable, and a divine duty of all revolutionary groups.” The general was widely criticized, even among the most strident supporters of the regime. But his message was clear.
And he was not alone in sending that message. The supreme leader—who normally keeps above public politics—told voters just days before the election that continuing the “work” of Ahmadinejad’s government was crucial. A high turnout, he said, would “defeat” the enemies, as usual the US and the West.

And there were many other, more subtle messages that helped give advantage to the conservative “principlist” faction. Banners at Friday prayers in Tehran before the vote made a play of words, linking the ideals of the revolution with that faction. The day before the election, at the mausoleum shrine of Khomeini south of Tehran, I saw cards with lists of the “principlist” candidates—with portraits of both Ahmadinejad and Khamenei—quietly left in a pile on the circular pieces of clay used to pray.

And though polling stations are meant to be free of party materials, beneath some ballot boxes in Tehran were hung posters printed by the “morals committee” of the election commission, which showed a photograph of Ahmadinejad and a field of red flowers, with the promise that “another spring is waiting.”

The supreme leader has successfully and clearly shifted the competitive part of Iranian politics to the right, so that a form of democracy applies only to the fight between hardliners and moderate conservatives. Reformists remain marginalized, though still they vow to make an impact in parliament.

What does that mean for Ahmadinejad’s run for the presidency next year? Probably next to nothing, because presidential politics in Iran are always more about personalities than about parties. And it seems clear that Ahmadinejad has already been engaged in his re-election campaign for 2 1/2 years, as he makes trips to one provincial capital after another.

He knows how to work a crowd, but not all the news is good. As of a few months ago, when I was in an eastern province during one of Ahmadinejad’s trips, the populist had already collected a total nine million letters—each with a personal request for help. The president is on his second set of 30 trips now, dishing out cash, toys, and sending ministers to find, finance and check up on scores of projects, large and small.

Ahmadinejad may face severe criticism in Tehran, even for spending so much time on individual cases when strategic solutions, especially on the economy, are necessary. But out there, the attention is often welcome. Television shows the president hob-knobbing with the poor, speaking with them as one of them; and sitting reverently with the families of young men martyred in the Iran-Iraq war of the 1980s, another conservative base.

I stepped into a sandwich shop in South Khorasan, and asked the owner about the president. “Ahmadinejad,” he enthused, “He is the envoy of Imam Zaman!”—the Shiite Messiah and 12th Iman meant to return in glory one day.

But for the next sentence the shop owner held his head in his hands: “But I have so many problems,” he said. Among them, a corrupt city council, and no second loan to expand his shop.

The key point? This man did not connect the president with his problems. He saw Ahmadinejad instead as trying to solve those problems, not the reason for them. On more recent trips, the president has come under fire from Iranians whose original request letters, they say, were not answered well enough.

It is more than a year before the next presidential election in Iran, and politics are fluid. But one of Ahmadinejad’s most popular lines—commitment to Iran’s nuclear program, resonates far beyond hard-line circles. Today, in fact, marks the second anniversary of his declaration that Iran had enriched uranium and joined, in his words, the nuclear club. In fact, the announcement was that Iran will now be building 3,000 more centrifuges at Natanz to add to the 3,000 which are already complete there.

Ahmadinejad vows that Iran will not retreat “one iota” from enrichment, and claims that Iran’s nuclear defiance has “brought all big powers to their knees.” If anyone else wins Iran’s presidency next year, that rhetoric may be toned down, or even re-packaged. But the substance of Iran’s nuclear program is not likely to change.

On that note, and in keeping with the theme of this event, I would like to close with one comment on Iran and the controversial National Intelligence Estimate from last December. I think that, despite the fiery rhetoric and defiance from the Islamic Republic, one of the most overlooked conclusions of the NIE report is one of the most accurate. “Tehran’s decisions are guided by a cost-benefit approach rather than a rush to a weapon irrespective of the political, economic, and military costs.”

This, in turn, the report says, “suggests that some combination of threats of intensified international scrutiny and pressures, along with opportunities for Iran to achieve its security, prestige, and goals for regional influence in other ways, might—if perceived by Iran’s leaders as credible—prompt Tehran to extend the current halt to its nuclear weapons program.”

Thank you.

**MR. TRITA PARSI:** Thank you so much, Scott.

Our next speaker is Barbara Slavin. Barbara has been working for the USA Today since 1996, but she’s currently on leave at the United States Institute of Peace where she is writing a report on Iran’s rising influence in three key conflict areas: Lebanon, the Palestinian Territories, and in Iraq. She just recently came back from Iran, covering the elections for USIP, and she’s also the author of an excellent book called Bitter Friends, Bosom Enemies.
MS. BARBARA SLAVIN: Thanks, Trita. Thank you very much.

When I was in Iran, I went to see one of my favorite sources, a man named Saeed Laylaz, who’s a reformist gadfly and newspaper columnist and he quoted something that Stalin had once said. He said, “The people who vote don’t count; it’s the people who count the votes.” (Laughter.)

And without detracting too much from Scott’s analysis of the elections, I think we have to be aware of the fact that first of all, most of the prominent reformists were disqualified from running at all and then the elections were held right before the Iranian New Year, right before Nowruz when the newspapers take a holiday for two weeks. So there were allegations of fraud. There are always allegations of fraud. We frankly really don’t know who voted for whom, particularly in Tehran. There was a pretty good turnout in some of the middle class areas, but in places like south Tehran, which is supposed to be the bastion of support for Ahmadinejad, I didn’t see very many people voting.

The conservatives obviously will say they won a big victory, but the turnout in Tehran even by official figures was only 30 percent. So I think we should be a little bit careful about saying this was a great victory for the conservative movement. I would agree, though, that the reformists have been marginalized. I went to see some of my old reformist friends and they said they were hanging on by their fingernails. They were urging the public to give them just a modicum of seats, particularly from the provinces so that they would have some hope of competing in the presidential elections next year. If you have a seat in parliament from a province, then you can have an office, you can put out leaflets, you can organize for next year’s presidential elections more effectively than if you don’t.

The elections were certainly not free or fair, but they were interesting. As Scott pointed out, the invective is always interesting and so were the slogans – the main slogan was “I feel your pain,” taking a note from Bill Clinton, because the economy is a major issue in Iran. Despite oil prices of over $100 a barrel, most Iranians are not doing well. Inflation is over 20 percent in most places and that is really killing the poor and that’s killing the constituency that Ahmadinejad claims to represent.

In terms of the contest among the conservatives, since it really was among the conservatives, there were three major groups and in my blog for USIP I said it reminded me of the old Monty Python skit. I don’t know if you remember the election skit when the fight was between the sensible party and the silly party and the very silly party. It was really hard to distinguish between this group and that group. You had to really know who is identified with Ahmadinejad, who is closer to the troika of so-called pragmatic conservatives: Ali Larijani, the former nuclear negotiator, Mohammad Baqr Qalibaf, the mayor of Tehran, and Mohsen Rezaie, the former commander of the Revolutionary Guard Corps.

As I was leaving Tehran, they were depressed because they had lost four of their top parliamentary leaders and apparently gotten only about 40 or so seats compared to the pro-Ahmadinejad group, which apparently did better. But we have run-off elections coming April 25th and there are 88 seats that are still up for grabs. So this could change a little bit. The main fight now is over who will run the parliament. Ali Larijani, the former nuclear negotiator, who resigned last October because he was sick and tired of Ahmadinejad’s interference, ran from the theological center in Qom and got over 75 percent of the vote.

I interviewed him in Qom after the results were announced and he was a little cagey about whether he’s going to run to be speaker of the parliament, but there’s a possibility that he will. His main rival is the incumbent speaker, a man named Haddad Adel who has the great benefit of being related to the Supreme Leader by marriage. His daughter is married to the Supreme Leaders’s son, Mojtaba.

Traditionally the candidate who gets the highest percentage of votes in Tehran is the speaker and we will know in the coming weeks whether that is going to still be the case or whether Larijani might take that role. In any case, Larijani is planning on a prominent role in parliament. He confirmed in this interview that one of the reasons he ran for parliament is because it’s the one body in Iran that cannot be dismissed by the Supreme Leader. Under Iran’s clerical system, the Supreme Leader has enormous power, but he cannot dismiss the parliament.

So there are possibilities here for engagement with the United States, and perhaps meetings between their parliament and our Congress. Larijani said he’d seen some previous proposals, but they weren’t very concrete. But he suggested that he would be open to this sort of dialogue. The parliament is likely to be critical of Ahmadinejad, certainly very critical of the economic situation. And it will set up a certain environment, a certain climate for the presidential elections next year.

Now, the real question is: Will Ahmadinejad run again or will the Supreme Leader decide to tell him to step aside for the benefit of the nation? There are a number of other conservatives...
who would like to take his place. Many of them ran for president before and lost – Ali Larijani, Mohsen Rezai and Qalibaf – all tried and failed in 2005; they’re all candidates again.

I had someone who is close to the Supreme Leader tell me that this time it was going to be Haddad Adel, the current speaker of the parliament, who would run for president. And he said that Larijani would have a prominent role in the next administration. He would be foreign minister or national security adviser again and he would negotiate the deal with the United States.

I also asked Larijani about a recent proposal that was made by former undersecretary of State Tom Pickering, who I see here in the audience, and Jim Walsh and Bill Luers of a possible solution on the nuclear front: an international consortium that would run a uranium enrichment facility on Iranian soil. And Larijani said, well, you know, this doesn’t come from official sources, does it? It’s not a governmental proposal, and I said, no. He said, well, if it comes from the government, we will study it. So that’s the response you get from Ali Larijani.

One sense that I had – this was the first visit I’ve had to Iran in two years – that definitely attitudes on the nuclear program have hardened. As Scott pointed out, the government has been drumming into the heads of the Iranian people that nuclear energy is their legitimate right and you really don’t find anybody who questions the notion that Iran should have the fuel cycle anymore. Nuclear weapons are not spoken about. That’s not supposed to be something that Iran wants to have. I think the government has been very effective in convincing Iranians that they must have a nuclear program and a fuel cycle.

As I mentioned, the reformers are demoralized. The conservatives certainly feel that they have effectively crushed an incipient reformist comeback. And so I think they’re feeling pretty good about themselves these days. But the economic situation still provides an opening for dialogue with the West. There are things that Iran needs. Sanctions have hurt, particularly the banking sanctions, and there should be plenty to talk about, but probably not until we have our own presidential elections.

Uniformly I heard from the Iranians that they have given up on Bush. Larijani said he was very disappointed. In an interview I did with him two years ago, he made a big overture toward the Bush administration. He called Stephen Hadley, our national security adviser, a logical thinker. And I asked him about that remark this time and whether he still thought that way. He said, no, he’d changed his mind, and that there have been lots of opportunities, but unfortunately the United States had not taken any of them up.

Thank you.

MR. PARSİ: Thank you so much, Barbara. I think there’s going to be a lot of questions for both you and to Scott about how things have changed in Iran over the last couple of years while our policies and their policies have hardened.

Our last speaker is Professor Ahmad Sadri, professor of sociology and chair of Islamic World Studies at Lake Forest College. He’s the author of several books in Persian and is a frequent commentator on Iranian politics.

MR. AHMAD SADRI: Thank you. I would like to speak about three issues very briefly: the elections in Iran, a cultural-historical backdrop about why Iranians bother to vote to begin with, then the recent March 14 elections and tie it to the nuclear standoff.

A representative democracy grafted onto the body of a modern Islamic theocracy, the Iranian Constitution is unique in the history of political experimentation from Uruk, Heliopolis and Athens to Philadelphia, Paris, and Moscow. In the last thirty years an uneasy if fascinating symbiosis has developed in Iran between democracy and theocracy. Theocracy, its grand claims to represent God on earth notwithstanding, is addicted to the legitimizing ambrosia of yearly democratic boosts. From local and city councils elective processes to parliamentary and presidential elections there is more voting in Iran than in most sane liberal democracies.

As in mentioned, the reformers are demoralized. The conservatives certainly feel that they have effectively crushed an incipient reformist comeback. And so I think they’re feeling pretty good about themselves these days. But the economic situation still provides an opening for dialogue with the West. There are things that Iran needs. Sanctions have hurt, particularly the banking sanctions, and there should be plenty to talk about, but probably not until we have our own presidential elections.

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Thank you.
The question is why Iranians participate in this rigged election benefiting the people who are rigging it? Iranians make a rational choice because the benefits of participation for the time being outweigh its costs. Procedurally speaking, participation in elections prevents total domination by the theocrats, introduces competition, increases transparency and ensures a modicum of circulation of elites at the lower rungs of the system. Elections also have performative value. The spectacle of sanctimonious vice regents of God begging for votes — and occasionally mud wrestling each other for them — is a reminder that people are still in charge. It is entertaining if nothing else, to see winged politicians hire polling experts and image consultants and meet with constituents to woo, fib, justify, and cajole — very much like an American election. This last election was very similar to what you see in American elections.

Of course, the system is rigged in favor of theocracy, but a bit of luck and a huge landslide can overrun the theocratic stopgaps and lead to historical victories such as that enjoyed by Mohammed Khatami in 1997. In other words, theocrats really had rigged the system to benefit themselves, but a landslide can really produce changes.

The Iranian choice to participate in elections is also conditioned by the lack of alternatives. Revolution is out of the question because Iranians know nothing good comes out of it. And a successful electoral boycott requires a campaign that will never be allowed in Iran. Provincial voting that is based on ethnic solidarity and pork barrel projects will defeat any boycott. In short, urban Iranians calculate that exercising their right to vote is worth allowing a patina of legitimacy to the system.

But I have to caution that the above picture is only a snapshot. Trends in voting don’t favor the theocracy, but a bit of luck and a huge landslide can overrun the theocratic stopgaps and lead to historical victories such as that enjoyed by Mohammed Khatami in 1997. In other words, theocrats really had rigged the system to benefit themselves, but a landslide can really produce changes.

If people perceive democratic gains as meaningless they will stop voting altogether. Currently the participation still hovers around 55% but this number is deceptive. In the cities where voting is a political act rather than an expression of ethnic zeal or local interests, participation has fallen as low as 30%. It is often observed that low participation favors right wing. But the recent election shows that in the cities even the supposedly solid conservative base has been eroding. Votes for Haddad Adel have fallen in Tehran despite the rise in the number of voters.

It is not an accident that recent election witnessed the coining of a new phrase for the theocratic manipulation of the election. The term is “election engineering.” This term apparently refers to the way in which the theocracy manipulates and modulates the election to favor itself. And the reason it needs to do this is very interesting — a heavy hand will always mean people would not come to the polls. So apparently they want to give as much democracy as possible in order to bring the people to the polls without allowing a real possibility for the reformists to win.

Now, in the March 14th parliamentary election, there are four issues that came to the forefront that we need to recognize. The first is the fractious nature of Iranian politics – reminiscent of the Italian system. Of course, you had major coalitions on both sides. On the Right three pragmatic conservatives, Larijani, Qalibaf, and Rezaei abandoned the United Principalists to form the Comprehensive Principalist Front. The same thing happened on the left where Mehdi Karoubi refused to join the Khatami coalition slating the National Confidence list. There were basically four rather than two lists running against each other.

Finally, I’d like to tie this into the nuclear standoff. The question, of course, is whether parliamentary changes will chart a different path for the Iranian nuclear ambitions. I don’t think so. Of course if Larijani the former nuclear negotiator is elected as the speaker of the parliament one can expect a somewhat more pragmatic line on the Iranian side. But this change will be negligible if the current coercive diplomacy pursued by the US and European Union continues.

It is a truism that the issue of nuclear rights is the most unifying political common denominator in Iran. We all know that Ahmadinejad has wrapped himself in the national flag over this issue. European and American pressures and the UN sanctions have all served to unify Iranians in their nationalist ambitions for a civilian nuclear program come hell or high water. The external pressures aimed at keeping Iran from developing its own nuclear program are linked in popular imagination not only to the struggle for nationalization of oil in the mid-20th century but back to the turn of the century British and Russian sabotage of Iranian attempts to establish other symbols of national pride such as railroads and a national bank. Let’s remember that due to foreign obstructionism it took Iran 49 years (1878-1927) to establish their Federal Reserve and National Bank.

In the new parliament, reformers, pragmatic moderates and independents could have a decisive voice. It is possible that they can get together and put serious sand in the gears of Ahmadinejad’s erratic management style and disastrous economic policies and adventurous foreign policy. But the breakthrough on the nuclear issue must come from a European and American change of policy. A historic compromise can resolve the nuclear standoff. Such compromise proposals already exist. The solution outlined in the recent Luers/Pickering/Walsh plan for multilateral enrichment in Iran has already garnered some support from Iranian reformers. Even pragmatic conservatives are very warm towards it. Such a compromise will obviate the noisome issue of nuclear enrichment from the upcoming 2009 presidential campaigns in Iran allowing pragmatic conservatives like Larijani and Qalibaf to mount a cred-
MR. PARSI: Thank you so much, Prof. Sadri. I’m going to use the prerogative of the chair to ask the first question.

We’ve heard from Barbara as well as some of the other speakers that we’ve seen a hardening of the attitudes in Iran over the last couple of years. Barbara, you mentioned that this is largely because of the way that the Iranian government has beaten the nationalist drum. But at the same time, how have the sanctions and the policies of the United States played into this? Has the logic of sanctions prevailed in the sense that populations that are now suffering from the economic hardship are concluding that if there was a change in the Iranian nuclear policy, there would be a change in the American policy as well and lead to a better situation? Or has this point been lost on them? Is there not enough confidence that a change in the nuclear policy would be able to create a change in the policies of the Western countries?

MR. PETERSON: On the nuclear issue the overall tenor has been very, very strident from the United States and also increasingly from the West. I think that this along with the sanctions have not so much caused people in Iran to think that maybe they should change their ways. Rather, it has caused a much greater and deeper defiance on the part of Iranians who feel that according to the Nonproliferation Treaty, it is their right to have a nuclear fuel cycle. They can’t help it if that right as acceded by the NPT enables a country to come to the threshold of actually acquiring nuclear weapons.

They feel that they are being unfairly sanctioned. Especially when you see some of the other policies that have been going on. They point out all sorts of inconsistencies. One is the fact that the United States is putting together a vast nuclear deal with India, which never signed the NPT. Many Iranians point out again and again that Israel’s 200 nuclear warheads are never talked about and that Israel is not a signatory of the NPT. The same goes with Pakistan.

At the same time, we’ve seen the rise in reformists political power in Iran and there was a sense that their victory was an irreversible trend. That the population stood so strongly behind them that the conservatives would basically have to accept that the country had changed direction. Yet, we saw with the elections of Ahmadinejad that change was by no means irreversible. Is the shift towards the conservative side right now strong and sustainable enough not to shift back in 2009 or down the road? Are the conservative factions going to go at each other once there is no longer a reformist opposition to deal with and would that broaden the political spectrum once again? I’d like to have everyone comment on this, if you would.

So Iran wonders why it has been singled out. It’s the reason why Iranians feel that these are political decisions being made by the Security Council and the result is that there is greater defiance on the part of Iranians.

Referring to your second question, Trita, you are absolutely right that the reformists’ landslide victory in 1997 and again in 2001 really did make the entire political scene seem irreversible at the time.

I remember interviewing the very popular mayor of Tehran, Karbaschi, in 1997. We were up in his office at the very top of the municipality building looking over Park-e Shah. I asked him about the conservative comeback, and he said the vote speaks for itself and we have nothing to fear. Six months later he was in jail.
Things can change very quickly in Iran. But I would argue that in terms of the conservatives keeping control now, they have learned the lessons of what happened to them in 1997 and 2001. They will use every tool to ensure they never lose again.

**MS. SLAVIN:** In Iranian politics, as soon as there is a group, it fractures. I compare it in my book to Israeli politics. I’ve never seen a more factionalized system in which more people thought they should be in charge of the place. So it’s ironic that now Ali Larijani is the great white hope. He’s going to be the Henry Kissinger of Iran who does a deal with the United States. Not so long ago he was in charge of state television when Khatami was president and he did everything he could to destroy the reformist movement and was considered a completely unrelieved hardliner. So people shift and situations shift, depending on external circumstances.

Again, you have to see this partly in light of what’s going on outside, and certainly the Bush administration’s policies have supported Iran’s neo-conservatives. There’s no doubt about that. Now, if there’s a change on the U.S. side, if the American president is not quite so belligerent and does not talk about axis of evil and so on, it will have an impact on Iranian politics. I think it will make it easier for the reformists to try to attempt to come back and will certainly make it easier for the so-called pragmatic conservatives to argue that it’s still possible to deal with the United States.

**MR. SADRI:** About the election in Iran: yes, a lot of people thought that it was irreversible, and that after the reformists won four landslide elections it lulled them into a sense of security in what Woody Allen calls the opposite of paranoia, the illusion that everybody loves you. The reformists were victimized by this.

One should think of democracy as a learning process, as collective learning. The reformists have learned a lot from the hubris in the previous election and they are slowly gearing up for a come-back. Of course, the rightwing does not want this, but that doesn’t mean that they will succeed. The Iranian scene is still fluid and we are only 30 years away from a completely mass-based revolution. Nobody can really control everything. The reformists, despite all of these impediments, are like Energizer bunnies, they keep going and going.

**MR. PARSI:** Let’s open up the floor for questions.

**Q:** Hello. Thank you. Paul Carroll, with the Ploughshares Fund. We read and we hear often how the Iranian people on the street are very Western, very informed, very modern, very educated. I’m curious if we’re missing something in the conversation here on whether there is still an interest on the leadership in Iran of a long-term strategic relationship with the U.S. Can we hope for that in our next administration, where it is not just a nuclear issue, but something broader to engage on?

**MS. SLAVIN:** I think there still is an interest in a strategic dialogue with the United States. Unfortunately, it’s coming late in the game and the United States has missed multiple opportunities to have that discussion when Iran was not in such a powerful position. There were certainly attempts that were made in 2001, 2003, even 2005 and 2006 to get something going with the United States, and the Bush administration did not see fit to engage in dialogue.

Now, of course, Iran has 3,000, 6,000 – who knows how many centrifuges spinning away in Natanz. We just had a demonstration of Iranian influence in Iraq when they brokered a ceasefire between the Shiite factions. The head of the Quds force, General Suleimani, apparently brokered this deal. This is somebody who we’ve got on our black list. We’ve decided that he’s a terrorist and his organization is terrorists, so that makes it a little difficult for dialogue.

In Lebanon and in Palestine, Iranian backed groups are doing extremely well. So it’s going to be a different kind of dialogue than it would have been three years ago. But I think it’s more urgent now than it was before, so I would assume that whoever the next president of the United States is would want to try to begin some sort of conversation with the Iranians. It’s just a pity it’s so late in the game.

**MR. PETERSON:** I think one of the reasons that Barbara touched on the fact that it has become so late in the game is because the fundamental balance is very different now from where Iran is and where it was several years ago. In 2001 Iran was being helpful to the United States in Afghanistan. They actually helped transform and make it a much more efficient war against the Taliban.

So with that help in 2001, Iran anticipated to get some kind of a dialogue coming through their cooperation. But it ended with the inclusion of Iran as part of the axis of evil. The next step was when Iran sent a secret negotiation proposal at a time when Iran was in a very weak position.

If Baghdad and Iraq had not gone so wrong, Iran could have been next on the list. Dick Cheney was quoted as saying when presented with the 2003 proposal that “We don’t speak to evil.” That position has persisted, and it’s one of the reasons the Supreme Leader made a remarkable statement on January 3 of this year, saying that if there will be relations with the United States and it’s in Iran’s interest, he will be the first to back them.

This was an extraordinary thing. It’s basically taking the possibility of relations with the United States away from the ideological sphere, putting it into a pragmatic “these are the reasons why this works for Iran” sphere. But that comment was couched in a much broader diatribe against the United States and specifically against this administration. But the dynamic has changed. Iran is in a much stronger position now and has all the more reason to begin this kind of dialogue.

**Q:** What do you think the possibilities are that they will allow inspections to take place, or the UN inspectors to go in and make sure that they are not building nuclear weapons and it’s just for civilian use?
MR. SADRI: Iran is the most inspected country in the world. There is no other nuclear program that is so closely and intrusively inspected as Iran’s nuclear program. But from the Iranian perspective, the issue isn’t inspections because whatever the IAEA concludes is either dismissed or twisted or spun. What always comes at the other end is a resolution against Iran. According to the consensus in Iran, this is seen as yet another example of the foreign powers – Americans and the Europeans – trying to prevent Iran from achieving full sovereignty and full use of a peaceful means of becoming a modern state.

MR. PARSI: Even though it may be true, the question is: Are the inspections sufficient? We have numerous complaints from the IAEA that they are expecting more cooperation from the Iranians. At the end of the day, it’s not if you’re the most inspected, but are you sufficiently inspected.

MR. SADRI: “Sufficient” is very vague. When Iran is inspected, it is taken and spun and used against them. There is a moving goal post; whatever is achieved, the goal post shifts and the bar gets raised. Tehran views these inspections a one-way street. Whatever the inspections achieve is used against them. That is why a lot of Iranians think that ending the cooperation with the IAEA may not change the situation much.

MR. PETERSON: Just one quick thing to add. Reporting frequently on the nuclear issue in Iran, my feeling is that Iran is more than willing to accept the additional protocol of the NPT and permit those kinds of inspections. Even the most recent El Baradei report made it clear that Iran in many respects was behaving as if the mechanisms of the additional protocols were already in place. One of the reasons for their suspicion against the US goes back to how the US and British intelligence used the inspections in Iraq during the Saddam era to spy on Iraq. The Iraqis were complaining about this at the time, but none of us who were in Baghdad reporting this really believed it till later.

It was later revealed that an extremely elaborate spying operation was going on. Primarily, weapons inspectors were used for intelligence gathering and, of course, Iran is unwilling to compromise its own military non-nuclear facilities, which are meant to be inspected under the additional protocol. They are unwilling to do this because they saw what happened to Iraq. So they need to have guarantees against this from the other side.

Q: I’d like to ask about the latest ratcheting up of sanctions with the Treasury Department’s action on March 20, citing a couple of dozen Iranian banks and telling other banks and financial institutions that if you do business with them, you’re going to get the same treatment. Some people saw this as a declaration of war on Iran and certainly it is a declaration of economic and financial war, where it would create an economic quarantine around Iran. So I’d like to get your thoughts on that and what impact do you think that will have.

MS. SLAVIN: The banking sanctions have had an impact. They’ve made it much more expensive and difficult for Iranians to do business. However, with the price of oil what it is, Iran is finding means and ways. This is a very resilient country and a country that is used to sanctions of one sort or another for the last 30 years.

Of course, the United Arab Emirates remains a great clearing-house for all sorts of laundering of Iranian transactions. You can – I shouldn’t be saying this – but you can use an American credit card in Iran and it gets routed through Dubai. So if there’s something you really feel that you need to buy and you don’t have enough cash, Iranians are clever enough to do that. There are 400,000 Iranians in Dubai and they run a lot of the major businesses there. So it’s not that difficult.

Unfortunately, I think it’s also increased smuggling. It’s increased corruption. It’s increased a lot of things that you don’t really want to increase in a country like Iran. So it’s had some adverse effects. It’s hurt legitimate businesspeople more than it’s hurt the Revolutionary Guard Corps, but it’s one of those feel-good things the administration can say that they’re doing something. And if it’s a substitute for war, I suppose it’s better than that.

MR. PARSI: On that point, Barbara, you mentioned that it is a substitute or it’s been sold in Congress as a substitute for war. But there is also the argument that at the end of the day the United States and Iran are so deep into each other’s spheres of influence, because of Iraq and many other things, that the state of no war/no peace between these two countries is simply not tenable for much longer. And the sanctions are basically just kicking the can down the road because we don’t know what else to do.

Is there a danger that if we do this for too long, we may actually end up in a very hostile situation because the additional sanctions don’t seem to be conducive towards actually getting negotiations going?

MR. SADRI: These sanctions are hurting the middle class. And what do you get by removing the middle class in a country? There is a middle class that is really operating outside of this old boy’s network and these sanctions are crushing that middle class. What you’re going to get is more power to the government.

Q: I’d like to just bring our conversation back to the elections for a moment. Professor Sadri, you mentioned that Iranians are learning from the last revolution and so the revolution spirit is no longer. Everyone has also touched on the fact that the percentages of participation in the elections might be inflated. I’d like to relate that, if possible, to the young generation in Iran. What is the participation among the younger generation versus the older generation? And how would that eventually with time affect the balance with the conservatives?

MR. SADRI: Iranians have paid a lot for this revolution, but there are a lot of lessons learned. This collective learning is something that has been going on throughout the last 30
One of the things that you see in Iran is a lack of interest in politics and that is not very different from what I see among my students in American colleges. There is a radical lack of interest in direct participation in politics. The young people are passive but have expectations. They want to be normal, they want to have a private sphere, they want to be a nation among nations, they want to be able to travel.

Reformists, if they are smart, can really harness that. If they are not, those young people will join the people who don’t vote. This is also the consequence of draconian measures of the rightwing who didn’t play fair when Khatami and the reformists were in power. Now they are not playing fair, both by disqualifications and by considerable cheating in the elections.

MR. PETERSON: I spoke to quite a few youth in Iran during the elections. I think that Ahmad is right in describing the formative experience for many of these people who were very much engaged politically during the Khatami era. The young people were the ones who were the soldiers of the reform movement; they were the ones who had the highest hopes, they were they ones who basically felt that change was achievable and many were willing to accept that under the Islamic system, change would be able to happen inside and within that system.

I think one of the reasons why we see so much disillusion now is precisely because of the collapse of the reform movement. I spoke to many young people who felt that they really have no future since unemployment and inflation was so high. They withdrew themselves completely from politics and just found other parallel lives and parallel existences.

I also spoke to young people who were determined to vote because they were determined not to allow the conservatives to run the place. Not just give away the elections and recognize that by not participating they are ceding the elections to the wrong people. But I also spoke to some young people who were still deeply engaged and who have been taught and seen the examples of their parents to respect the ideals, not just of the revolution, but from the entire attitude that’s come from the Iran-Iraq war. They still firmly believe in the Islamic system and they were going to vote because of that.

MS. SLAVIN: The conservatives, after the Khatami landslide win in 1997, increased the voting age from 15 to 18 in part to blunt the youth vote. And also when Iranians vote, they get a stamp on their identity card showing that they’ve voted. So a lot of people vote simply because they feel that it’s prudent and that it might hurt their job prospects if they can’t prove that they’ve participated in elections. So it’s not cost-free if you don’t participate.

But I would second what Scott said. I have a young man that I see every time I go over in the last ten years and he’s become increasingly cynical and materialistic. I know a lot of young people who are only interested in making money, and they simply ignore everything else.

MR. PARSI: On that note, we have a lot of people in Washington who will believe that whether the conservative takes power or whether the reformist, we’re not going to see significant changes in Iranian policy. And it seems to be a similar notion in Iran that whether it’s Republicans or Democrats, it’s not going to really create any major change in U.S. policy.

Has the US elections sparked any interest in Iran? Are they following the U.S. politics? Do they believe that there are any real changes between the candidates?

MS. SLAVIN: I asked a lot of people about that. It was quite fascinating and I found people who supported all three candidates and gave me very good reasons why they liked all three. Obviously with Obama it is because he supports talks with Iran without conditions. A lot of people remembered Bill Clinton fondly and admired Hillary. And then I met Iranians who liked McCain. Some of them said it was good that he was tough because that would force their government to behave better. And others said, well, Republicans are traditionally better toward Iran than Democrats are.

Q: Thank you. Richard Parker, from the American Foreign Policy Network. How does the United States move from a policy of confrontation to a policy of dialogue and accommodation without any real behavioral change on Iran’s part? Without this becoming a tremendous victory for hard-line factions within Iran that reinforces them domestically and that seems to ratify a policy of just defy, defy and defy? There’s a dynamic that is going to happen no matter what. But the next president needs to really make a major demarche with this president and say this is not to respond to weakness, this is a response of different philosophy.

MR. SADRI: The day the Iran and United States impasse breaks will be a really unique and exceptional day. It will only happen since courageous parties on both sides, regardless of whether they are conservatives or extremists, have gone against 30 years of claptrap and 30 years of propaganda, 30 years of scoring easy political points on voting or supporting anti-American or anti-Iranian proposals and legislation on both sides.

All of that has to be put aside and shown for what it is - empty slogans. The people who strike that deal are going to get some flack, but they’re also going to get the credit for breaking the logjam.

I don’t care if that credit goes to the rightwing in Iran. The reformists really think it is important to deprive the rightwing from the excuse of anti-Americanism and to be allowed to speak without being accused of being paid by John Bolton.
If there is a rapprochement, the rightwing would no longer have this weapon to use against the reformists. If they get the credit for breaking the logjam, fine, as long as it gets rid of this anti-Americanism. And I would say the same thing about the Arab-Israeli conflict. The day it ends there will be a day of celebration for Iranians because the government will be deprived of the propaganda use of the Arab-Israeli conflict to oppress internal dissent.

MR. PARSI: Thank you so much. With this, please join me in thanking our panelists for an excellent presentation and discussion.

Thank you so much.
“Beyond Zero Enrichment: Finding The Nuclear Fix”

Moderator:
Dr. Trita Parsi,
President, National Iranian American Council

Speakers:

Dr. Hans Blix
Chairman, Weapons of Mass Destruction Commission (WMDC),
Former Director General, International Atomic Energy Agency (IAEA)

Ambassador Thomas Pickering
Vice Chairman, Hills & Company, Former Under-Secretary of State for Political Affairs

Dr. David Albright
President, Institute for Science and International Security
MR. TRITA PARSI: Welcome back to the NIAC conference on the U.S.-Iran stalemate. Our next panel is going to discuss the nuclear issue, which has dominated the U.S.’s agenda on Iran in the last couple of years.

There is currently a growing skepticism about the current nuclear approach. We’ve seen three UN Security Council sanctions, yet yesterday the Iranians announced that they will assemble another 3,000 centrifuges in Natanz. Questions are arising as to whether it is appropriate to treat enrichment capabilities as equivalent to a nuclear weapons. If the zero-enrichment objective is not viable, does that mean that the world has to accept an Iranian nuclear bomb? Or can an Iranian nuclear bomb be prevented even if Iran enriches uranium on its own soil?

Perhaps these are questions that should have been more carefully studied a few years ago, when the leverage over Iran was greater. One could make the argument that we would not be in the current situation if we had at an earlier stage considered solutions beyond just zero enrichment.

Obviously there are no guarantees that such an approach would work, but the intellectual resources put into that question have hardly been sufficient. Even diplomats from the P5+1 countries are quietly admitting that a permanent suspension of Iranian enrichment is a feasible objective any longer.

Fortunately today we have some of the best nuclear nonproliferation experts in the world – not just in this country – to shed some light on these issues.

First, we have someone who obviously needs no introduction. Dr. Hans Blix is the former head of the IAEA and is currently the head of the WMD Commission in Sweden. What is less known about Dr. Hans Blix is that he and I actually grew up in the same city in Sweden, in Uppsala.

MR. HANS BLIX: Thank you very much. I am pleased to have the opportunity to make some comments before this knowledgeable audience.

The article that was published by Bill Luers and Tom Pickering and Jim Walsh in the New York Review of Books on the 20th of March is a welcome contribution to the efforts to find a solution to the international controversy about Iran’s program for the enrichment of uranium.

I know the authors personally and have a high regard for their knowledge and judgment. Their article is written after a long period during which they have closely followed the controversy and had the opportunity to discuss it with Iranian experts. As I shall indicate, I share many of the views that the authors advance, and I see several merits in the solution that they submit. Having said that, I can also see some weaknesses, as they do themselves.

There are many issues that are contentious between Iran and the U.S. and various other states, and I don’t need to enumerate them. Conversely, there are Iranian grievances about various restrictions on trade and investments in Iran, as we have heard a moment ago. It might be possible to bring the specter of such issues into the discussion and aim at a comprehensive settlement, and some of the previous speakers spoke about that possibility. However, the article by Luers and his colleagues is focused on the nuclear issue, and so are my comments.

That part of the Iranian nuclear program that consists in the construction of nuclear power plants for the generation of electricity is not really controversial. Indeed, the states that have been negotiating with Iran appear ready to offer cooperation and the transfer of nuclear technology for the construction of nuclear power plants, as they are ready to provide technology and transfer technology to other states in the Middle East. That’s part of a nuclear program, but it’s not the whole nuclear program they’re talking about. This part is not controversial.

The controversy regards mainly to that part of Iran’s nuclear power program that relates to the construction of facilities for the enrichment of uranium. Another part of the nuclear program raising concern is the construction of a research reactor using heavy water. I shall not touch on that part because it’s not covered in the article either.

The concern about the enrichment facilities arises because where there is a technical capability to enrich uranium to some 4 percent that is needed for nuclear fuel, there is also the capability to enrich to the higher levels needed for nuclear weapons. Although the Iranian government has consistently declared that the intention is exclusively to enrich to the lower level, these statements are doubted by several governments.

Iran in my view is right in maintaining that under the Non-proliferation Treaty all non-nuclear weapon parties have retained the right and freedom to build facilities for enriching uranium and reprocessing spent fuel for non-weapons purposes.

However – this is important – relatively few states beyond those that have nuclear weapons have, in fact, made use of this freedom and developed enrichment facilities and capability. Many states – for instance my own country, Sweden, Finland, Switzerland and Mexico have found it more economic to import the enriched uranium they need to fuel their power reactors. There is a well operating international world market for enriched uranium. A small number of non-nuclear weapon states party to the NPT have developed enrichment capability; for instance, Argentina, Brazil and Japan.

From statements by Iran, one could sometimes get the impression that as the NPT recognizes the right to enrich uranium for peaceful purposes, there is a duty to exercise these rights. This is obviously not so. South Korea currently has 20 power reactors and is among the non-nuclear weapons states that buy the enriched uranium it needs on the world market. In this case, one reason for not developing an in-
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digens, that it might use such a capability to produce weapons grade uranium. One element in the agreement to be discussed in the six-party talks in Beijing is a renunciation both by North and South Korea of enrichment and reprocessing plants that goes back even to the denuclearization deal between the North and South.

What we see contemplated in the case of the Korean Peninsula is a voluntary exercise of restraint by states in a region where facilities for enrichment and reprocessing will lead to suspicion and tension. It is sometimes argued that Iran, having failed for a long time its duty under the safeguards agreements with IAEA to report an enrichment program, they should have altogether “forfeited” their right under the NPT to develop enrichment of uranium. In my view, this is a thin legal argument. The reality is rather a deep and genuine political concern about increasing tensions flowing from the enrichment program.

Now, the other question is, is it unthinkable that Iran would forego enrichment under any circumstances? The Middle East, like the Korean Peninsula, is a region in which the presence of any enrichment or reprocessing facility is likely to cause concern and tension. While the non-admission or the non-recognition of Israel’s production of plutonium from nuclear weapons is an Alice-in-Wonderland effort to make the problem go away, the ambition to establish a zone free of weapons of mass destruction is rational but difficult. It’s probably only in the context of a general peaceful settlement in the Middle East that it will become realistic to establish such a zone, and at the same time probably also necessary in such a context.

Iran’s uranium enrichment program has contributed to existing tensions in the Middle East. Is it then excluded that Iran would under any circumstances suspend or forgo the program to avoid a further increase in tensions? The authors of the article under review seem to think so. I’m not fully convinced that it’s unattainable, and certainly would be desirable in my view that they suspend the program. I admit, it is hard for anyone who has not been inside the long period of talks to be sure about the answer, if there is one. Like many others, I’m skeptical of the format in which the contacts with Iran have taken place, and which may have contributed to the current stalemate.

I agree with Luers, Walsh and Pickering and many others that there should be direct talks with Iran. To ask Iran to suspend its enrichment program as a precondition for talks about the future of the program seems curious. It seems also somewhat humiliating, and it’s hardly surprising that Iran has consistently rejected it. It does not in reality stop the communication, but the format of the six-power Beijing talks with North Korea seems much more promising.

It is true that the Iranian program has come a long way and has a momentum of its own. This need not be an insuperable obstacle to a long-term suspension of the program. The world has seen lots of nuclear projects that were ready or nearly ready, and yet were terminated and suspended. I think the Argentinean enrichment plant in Pilcaniyeu is among them. Iranians, of course, like the Koreans are entirely free not to exercise the right to develop the capability to enrich uranium for fuel purposes, or building a heavy water based plutonium producing reactor. They are free to refrain to do so. The question for Iran is whether the advantages of doing so are perceived to be greater than the disadvantages, including the loss of the investments that they made in enrichment. Essentially the carrots and the sticks that have been shown to Iran have had the aim of making the advantages of not pursuing the program appear greater than the disadvantages.

Although Iran has consistently denied the allegation that it has the intention to develop nuclear weapons, and although in my view the evidence invoked in support of the allegation is hardly conclusive, one cannot exclude that such an intention exists, at least in the minds of some of Iran’s ruling circles. In any case, even if the intention did not exist, intentions can change in the future.

If such an intention existed, or if there existed at least an interest to move closer to the option of making nuclear weapons, how unshakeable would it be? It is hard to see that Iran’s present security situation should be felt as compelling it to look for nuclear weapons, and Iran of course denies that it has such an intention.

During the long and terrible Iran-Iraq war in the 1980s, Iran, like Israel, could have suspected that Iraq was developing nuclear weapons and could have seen a need to move in the same direction as Iraq. If so, it must have moved rather slowly because Iraq was close to a nuclear weapon in 1991, and Iran is still fairly far from such a weapon. In any case, today Iraq cannot be perceived by Iran as a threat, nor can Israel very well be perceived as a threat against the Iranian state without nuclear weapons.

At the present time, Iran might feel its security threatened by the U.S. Iran has not had diplomatic relations with the U.S. since the occupation of the embassy in 1979, and a variety of sanctions are imposed on Iran by the U.S. beyond those that are established by the Security Council. And U.S. aircraft carriers are presently in the Persian Gulf with ready cruise missiles, so perceiving a threat from the U.S. would be understandable.
It is puzzling to me that judging by what has been made public so far, no offer seems to have been made to include in the nuclear deal with Iran guarantees against attack from the outside and attempts of regime change. This is a well publicized part of the deal attempted with North Korea: both to refrain from attacking the outside and change the regime from the inside. Similarly, while as a part of the nuclear deal North Korea is offered diplomatic relations with both the United States and Japan and reentry into peace relations generally, and no such offer appears to have been made by the U.S. to Iran. Most other states, including most of the European states have diplomatic relations with Iran, so it’s only the U.S. that could offer it.

I would like to say some words to the question of assurance of supply for nuclear fuel. Any state that embarks upon a nuclear power program must feel that it can have nuclear fuel that it will need. It may appear axiomatic that the best assured supply of uranium fuel would be that which the country obtains from its own soil and manages itself on its own territory. For Iran, such self-sufficiency in fuel is still sometime off as the program of enrichment is not yet ready and mature. Meanwhile Iran is dependant on imports from Russia. For a large and long-term nuclear program Iran appears also not to be self-sufficient, as Iran is reported to have relatively little uranium in its territory and will have to depend on the import of uranium to be allocated from the outside world.

A settlement of the current controversy that did not foresee an enrichment program in Iran would have to provide for a credible assurance of supply of uranium fuel from the outside. The Iranian government declined the Russian offer to arrange enrichment for Iran in Russia. Naturally, just as a multilaterally owned and managed enrichment facility located in Iran could, as Luers and Pickering and Walsh recognize, be nationalized, a facility for Iran in some other country could be sequestered by the host country; for instance by Russia. This is true also for Russia, even though Russia has recently lived up to its commitment to deliver uranium fuel for the Bushehr nuclear power plants and has refrained from using deliveries as leverage in the negotiations.

If security assurances of supply from Russia or some other states is deemed unsatisfactory, one might ask whether some multilateral guarantee from the Security Council could be helpful. The Council could not, of course, guarantee deliveries, but in the settlement it would give a guarantee that it would not use its powers to raise obstacles like sanctions to the export of enriched uranium to Iran so long as the country abides by the commitment undertaken not to run or to prepare enrichment program also. A diversified market unimpeded by any sanctions is perhaps as far as we can get in terms of guarantees.

I have noted that in the sensitive region of Korea, the two states concluded that neither should have enrichment or reprocessing. For the sensitive region of Middle East, a zone comprising all the states in the region and excluding weapons of mass destruction has been contemplated, but it’s going nowhere. In view of the tension that would be raised by any program of enrichment in the region, we must ask ourselves whether the states in the region could not agree on a zone verified free from all enrichment and reprocessing which falls far short of a weapons – a zone free of weapons of mass destruction, a fuel-cycle-free zone. The question is the more justified as more and more states in the region are beginning to plan for nuclear power.

A fuel-cycle-free zone that might indeed be seen as a first step towards a zone free of weapons of mass destruction would obviously oblige Israel not to produce any enriched uranium or plutonium. It would not, on the other hand, affect the existing supplies in Israel whether in stocks or in weapons. Such obligation would come only with the establishment of the zone free of weapons of mass destruction. This idea of a fuel-cycle-free zone freely accepted and admitted by the countries in the region was first broughed in a report of the international commission which I chaired on “Weapons of Terror: Freeing the World of Nuclear, Biological and Chemical Weapons.”

If countries in the sensitive Middle East, like those in the sensitive Korean Peninsula, were to abstain from having any facilities for enrichment and reprocessing, the states needing enriched fuel for power reactors would need assurance of supply from the outside. As I suggested a moment ago, for Iran, they could possibly obtain guarantees that the Security Council would not raise any obstacle, any sanction to purchases in the world market so long as state parties acted on that commitment to remain nuclear fuel cycle free.

Lastly, Mr. Chairman, let me say that that I agree with Luers, Pickering and Walsh that the worst outcome of the controversy about Iran’s nuclear program would be an enrichment program in Iran simply submitted to the old type of IAEA safeguards. Unlike regions where tensions are low, the Middle East region requires more caution. Adherence by Iran to the Additional Protocol of the IAEA would be one such step. And the proposal advanced by Luers, Pickering and Walsh, if it were acted upon, would add considerable transparency and international ties.

Therein may also be some technological benefits for Iran. My only amendment to the proposal would be that in addition to countries like France and Germany being participants and co-owners also prospective nuclear power countries in the Middle East should be invited. They may wish to buy some of the enriched uranium in the future and for confidence they may want to be in the midst of the transparency.

MR. PARSI: Thank you so much Dr. Blix.

Our next speaker is one of the authors of the Pickering-Luers-Walsh proposal that appeared in the New York Review of Books a couple of weeks ago. Ambassador Pickering has had a very long and distinguished career serving the United States. He was Under Secretary of State for Political Affairs. He was ambassador to the United Nations, to Russia, India, Israel, Nigeria, Jordan, El Salvador, and he has been a very active voice not only on U.S. foreign policy in the Middle East in general, but also towards Iran.
AMBASSADOR THOMAS PICKERING: Thank you, Dr. Parsi, and thank you for your invitation to be here. I will speak today about the article in the New York Review of Books that Bill Luers, Jim Walsh and I wrote. But my remarks will be my own, and should not be taken necessarily as representing either Bill’s or Jim’s views.

We all are here because we are deeply concerned about the nuclear question in Iran and the fact that it is a major issue. It is significant that we have been struggling for some years to try to find an answer. It was in light of that struggle that we hoped to put together an idea that stemmed from many sources, but which was focused on the question of whether there would be something that could be done that would involve the Iranian interest in enrichment, which as Hans Blix has just pointed out is perfectly legal for them to pursue under the Nonproliferation Treaty, while at the same time would introduce all possible guards against converting that activity into a nuclear weapons program.

And Dr. Blix has presented some interesting and very helpful thoughts and ideas. We all agree in this room that no enrichment is the best approach, and that was certainly a thesis focused upon in our article. At the moment, we seem to be concerned perhaps more than others that the perfect may become the enemy of the good on this particular issue. As a result, time is not on our side. As was mentioned just a moment ago, the Iranians have said they are now doubling the number of centrifuges they expect to install in Natanz. While the U.S. National Intelligence Estimate says that work presumably on creating a bomb itself was stopped as of 2003, we, of course, know that there is a parallel judgment that there is no certainty that work may not have been resumed.

Our proposal can be reduced to three very main, simple points. The first is that the United States should be open to talk with Iran without any preconditions. This means that we should drop the requirement that Iran stop enrichment as a precondition to discussions. Indeed, we are, in effect, guilty of erecting a barrier in the way of pursuing our most important objective in Iran with this precondition. And we all believe that talks can be as wide-ranging and as broad and as widely focused as each side can be brought to agree. My own personal position is that there should be no precondition and every subject should be open for discussion.

The second part of our approach is to propose that there be multilateral or multinational enrichment in Iran in order to get at the nuclear issue which is before us. This would be to limit the levels of enrichment to meet civil needs. It would use Iranian technology, and there would be no stockpiling, of course, of low-enriched material.

The third proposal which is directly related to the second is that there would be wide-ranging international inspections connected to the acceptance of this proposal by the parties concerned – Iran and the West. This would take perhaps the inspection system beyond the idea of the IAEA Additional Protocol and probably would be based very heavily on the effort which Dr. Blix himself led – UNMOVIC – in Iraq.

Why are we concerned about this? Well, Iran continues to create facts. I’ve just referred to those. It is still difficult to learn how to operate individual centrifuges in cascades, continuously and successfully. And it is also possible, however, that Iran is now engaged in work on a new centrifuge design with new capabilities. So our first conclusion is that it is hard to believe at the moment that time is on our side.

Much of our discussions and much of our presentation is based indeed on contacts which a number of us have held with Iranians over the last three or four or five years, and which have led us to give serious consideration to this type of proposal. There is, as we know, declining support in the Security Council for sanctions against Iran. That certainly is led by Russia and China. Iran can certainly build centrifuges faster than we can exert or increase the exertion of pressure, unfortunately.

While Iran may still be years away from actually constructing a nuclear weapon, this is not something that leads us to have high certainty that we can find a way to block this process short of a proposal which can at one and the same time meet what Iran says are its central needs on enrichment – needs within the NPT on the one hand, and secondly, erect the strongest barriers that we can find against converting that particular program to military purposes. Tehran at the same time is working with the IAEA at least in the direction of seeking a clean bill of health for itself. Should this occur, it will further weaken Russian and Chinese resolve with respect to sanctions.

The precondition that I referred to a moment ago in talks has been a serious obstacle and it is our view that while zero enrichment would be enormously important to achieve, it seems to be increasingly more remote as a possibility. Our multilateral approach involves several basic ideas. In no way is this fully fleshed out, or indeed ready-to negotiate, as the basis for a full treaty. It would involve the participation of other governments and enrichment inside Iran using Iranian technology. It would involve joint ownership and operation in that facility. The multilateral partners would contribute financing and would share in the revenue. Iran would have to commit not to make highly enriched uranium, and also it would agree not to reprocess spent fuel or otherwise for plutonium.
hard without those two ingredients for it to make a weapon. Our engagement through a multilateral facility would help in the inspection process by identifying key people in Iran who know something about enrichment and in being able to follow and track their movements.

There would be no research and development conducted on the nuclear fuel cycle outside the narrow confines of the deal we would arrive at, and we would insist that there be no military people or no military installations represented in the Iranian program. It would be limited to low-enriched uranium levels sufficient to meet the needs of the civil program. Iran would certainly at the beginning have to accept the Additional Protocol. As many of you know, Iran has publicly offered to go beyond this level. And of course, full transparency, if one can achieve it, would be the ideal. We know that no inspection system is perfect, but in this particular case there are important possibilities both through the multilateral enrichment facility and through an additional program of inspections and monitoring outside that facility to be able to achieve what we believe could be high confidence about this issue.

Iran would, of course, have to commit itself to a light water reactor program only and return the spent fuel either to its origins or agree to an approach which would remove that fuel from Iran. There would be limits on technology transfer to the Iranians, although as our article says that the approach cannot be totally one-sided. There have to be benefits in it for Iran as well, in addition to conducting enrichment on its own soil. We believe that help with current technology and help to make that work effectively would be a strictly limited, and I think potentially acceptable, approach to making this of interest to Iran. We say also in the article, that Iranian scientists may have more access to the West and to their research.

We believe that the question of a breakout by Iran needs to be addressed directly. We propose doing that by having the whole arrangement accepted by the United Nations Security Council, and obviously have the Council prepared in advance to authorize punitive actions against Iran were it to break the agreement and move to nuclear weapons.

To emphasize again, the best outcome we all believe is no enrichment in Iran, of course. But if we can achieve something with very effective transparency and very effective inspection, it may well be that. As Dr. Blix has just pointed out, this is better than a unilateral Iranian commitment not to enrich, but with very weak traditional safeguards or less as the basis for ensuring in fact that a violation of the NPT does not occur, perhaps clandestinely and outside declared facilities.

We hope that this approach can provide strong transparency, and Iran of course if it moves in this direction will move away from its continued situation as an international pariah state. We see problems with this issue as well as any other. There are no perfect proposals. I believe there needs to be, whether this proposal goes forward or not, the kind of international nuclear fuel proposal that Dr. Blix has just talked about. And indeed, one variant of that might be that the International Atomic Energy Agency could possess a percentage of produced fuel which it would provide to any state maintaining its nonproliferation obligations. If this is preferable to Iran, which doesn’t seem now to be the case, no one would be happier.

What’s to prevent others from seeking the same deal as Iran? Well, there are a number of barriers within the proposal itself. First, the country has to have developed the technology and the capabilities to enrich. Secondly, the financial costs are very high. Thirdly, the limits that we have proposed putting on the production of this multilateral facility would themselves serve as a barrier for anybody who wanted to enrich but did have an interest in a weapon and attempted to subvert this program to obtain a weapon. And then finally, I think the inspection burden would be large, at least in the terms that we have proposed it.

The question, of course, is what will Iran accept? We have really no idea, but we have had reports of some contacts with Iranians where there is at least some sense that there is an interest in this kind of proposal. Whether this will work or not of course depends heavily not just on whether Iran accepts it, but whether others on the other side – principally the United States – are prepared to propose it. I cannot tell you I’ve heard joyful voices here in Washington with the idea.

Thank you very much and I look forward to your questions.

**MR. PARSİ:** Thank you, Ambassador.

Our next speaker is Dr. David Albright, a physicist and the president of the Institute for Science and International Security. He has had several years of working together with the IAEA in various capacities, and I would venture to think – this is not a scientific assessment, but I stick by it nevertheless – that he is the most quoted individual in the United States when it comes to matters of nonproliferation, particularly on Iran.

**MR. DAVID ALBRIGHT:** Thank you very much. Iran never loses an opportunity to try to put nuclear facts on the ground or assert its determination to create what we would view as a nuclear weapons capability. President Ahmadinejad’s announcement today about planning to install whether it’s 3,000 or 6,000 centrifuges is in line with this kind of approach, and in that sense is not surprising. And in fact, one of the reactions I have to the various compromises that have been proposed over
Well, that’s a pessimistic assessment. When you look at what the Bush administration has done, you have to be pessimistic. Over the last six years, it’s failed to in any way stop Iran’s movement toward a nuclear capability. Its focus on threats and military actions has mostly backfired. ISIS started working on this in 2002 in an accelerated way. In 2003 the Iranian people didn’t have a clue what a gas centrifuge was or even a nuclear power plant. Now because of how confrontational this issue has been, they all know what a gas centrifuge is. You could ask 99 percent of the Americans in this country and never get an answer of what a gas centrifuge is, but I think you can ask most Iranians and get an answer. And we’re celebrating today National Nuclear Day in Iran.

So it is time, as Trita said, to reexamine U.S. policy, and it’s time certainly to consider new approaches. I applaud Ambassador Pickering for having the courage to put out one, because these kinds of compromises are not very welcomed in Washington or I would say in much of Europe.

One of the problems is that Iran is not interested, and there’s been two types of compromises presented over the years. One in which Iran would just cap its program at a certain number of centrifuges. Several years ago, the offer was at 300 centrifuges, 500 centrifuges, and the number has gone up. El Baradei implicitly has promoted that idea. Now it’s I guess at 6,000 centrifuges. The other is the idea of a multi-lateral organization, and these I think are relatively sound. If they could be accepted, I think it would go a long way in solving this problem. And in that sense I do support the proposal.

The EU approach has also encountered problems. It rests on a call for suspension and an offer of a long list of incentives. When it was first proposed in 2003, it was quickly accepted by Iran. The offer at the time was backed up by recurring IAEA exposure of Iranian cheating. It was almost weekly, Iran being exposed by the IAEA of hiding programs and misstating what it had done, and the IAEA was very effective in unraveling this secret program.

There was also the busting of the Khan network during this period and that hurt the Iranian program. They depended extensively on assistance from A.Q. Khan’s network for both the technology to make centrifuges and the centrifuges themselves. There was also a 1-800 helpline that Iran could call, because it really has had difficulty building centrifuges, and that ended and Iran was on its own. I think part of the problem that Iran faces now is that essentially it’s on its own to build centrifuges, which are very difficult to build.

Another fact is the invasion of Iraq. Certainly it got Iran’s attention, and so in 2003 the international pressure was intense on Iran, and I think that’s why the Europeans calculated rightly that the time to move for a suspension was then. That’s why I think it was successful and that’s why also I think Iran did stop its nuclear weapons program, or most of it, back in 2003 and was willing to pursue this suspension approach.

But as you also know, by early 2006 Iran had ended the suspension and drastically reduced the effectiveness of IAEA inspections, and since then Iran has concentrated on expanding the number of centrifuges operating at Natanz. In a sense, it does want to create facts on the ground. It quickly put in 3,000 centrifuges, quicker than most people expected, certainly than I expected. It made mistakes though and I think it’s suffering from those mistakes now. It didn’t think through how to deploy centrifuges in a more developed program or one that was, more committed to a civil outcome. I think they wanted to make a statement and deploy more than they really could do effectively.

The international response since ’06 has focused on calls on Iran suspending and an increase in IAEA inspections and transparency. As you know Iran has refused to do so and the UN Security Council has increased sanctions on Iran on three separate occasions. The December ’07 National Intelligence Estimate certainly undercut the U.S. push for military action and harsh sanctions against Iran. However, Iran’s continued refusal to answer the IAEA’s questions about its alleged past nuclear weapons activities has led to increased pressure on Iran. In that sense, there’s been pushback using the NIE against the Iranian regime that, yes, your program stopped in ’03, but you had a program before ’03. Why don’t you admit to it? And Iran has consistently said, no, and actually is tending to poison the well on the increasing goodwill between the IAEA and Iran, and we just have to wait to see how this plays out.

I would say that today’s announcements of more centrifuges being deployed will further undercut Iran’s position internationally and could very well lead to another discussion of sanctions, probably more of a U.S.-European line rather than a Security Council.
companies that deal with Iran. In essence laws are created here to deal with Iran, where here, you are finding more sanctions on the companies that deal with Iran. In essence laws are created here to press our allies or punish our allies if they continue to trade with Iran, which they’re going to continue to do because there are many legitimate reasons to trade with Iran. In the United States that’s viewed differently, but still for many of our allies, they are going to continue to trade. This is about nuclear and other WMD and ballistic missile program, and the sanctions should be more targeted and we should be seeking cooperation with our allies, not seeking ways to punish them. And so I would say that the goal here is to move away from the imposition of unilateral sanctions.

The U.S. has made progress. When we started this at ISIS, the administration was just throwing stones at the EU offer. It was viewed as a horrible thing. That’s certainly changed over time, but the United States still needs to do more. And I would say that the NIE was not a flawed document. Certainly it was presented in a way that was not very helpful, but underneath it was a realization that they’ve been wrong to continuously say that Iran had an active nuclear weapons program and to pick fights about it.

Every three months, the Board of Governors meet in Vienna; there was a fight between the U.S. team and the IAEA over whether there was evidence of an active nuclear weapons program. And so in essence, the NIE came into alignment with the view among much of the world that, yes, probably something happened in the past, but unclear if it was going on now and extremely hard to prove in any case. I think the NIE, in a sense, has cleared the air on a technical factual level.

The U.S. needs to spend less time thinking about military options on Iran - they don’t help. I won’t go into this – it is a very hard program to destroy militarily, unlikely to be able to do it. It’s so dispersed within Iran. Certainly we could launch a full scale war, but is that what we want? And I would argue no.

The other thing is that we need to negotiate directly with Iran, and in the EU approach that’s simple. Solana meets with the Iranians periodically. The U.S. could simply join in. There’s no reason to have a precondition on negotiations.

And then there needs to be more thought about incentives to offer Iran. The EU came up with a list. Iran wasn’t particularly happy with it, but certainly the incentives could be worked out probably in a fairly happy manner between Iran and the EU and the United States, if that was truly the goal.

And then the other change is that in the U.S., there has to be an acceptance that a suspension is not a permanent cessation, that we’re trying to buy some time to develop confidence that it’s a peaceful program – put in structures and compromises that will build greater confidence as a piece of the solution, but Iran may restart a centrifuge program and would have our blessing. I would say the precedent for that is that for over a decade the U.S. fought the Bushehr reactor, and it did everything it could to disrupt the supply of that reactor working abroad. Now, it accepts that that reactor is fine and it would even view additional reactors as part of an incentive package.

So let me just end there and thank you very much.
MR. PARSI: Thank you so much, Dave.

I want again to use the prerogative of the chair to ask the first question. Ambassador Pickering, in order for this proposal to work, it would not just have to have a buy-in from Tehran. It obviously would have to have the buy-in from Washington, but it would also have to have buy-in from the European countries and perhaps also from some of their companies. Is the Iranian program with its old technology economically viable enough to be able to attract European companies?

Beyond that, has there been any discussion to see what the response would be from the region? Dr. Blix mentioned that it would be positive to have some of the Arab countries involved in it as well in order to alleviate some of their fears. What about Israel?

From the Israeli perspective, zero enrichment is seen as a very, very critical objective. There is a fear that if Iran masters this technology, in the words of some Israeli officials, this would be an existential threat, not necessarily because there would be an attack, but because the balance of power in the region would shift in such a way that Israel would face many difficulties, including potentially an exodus of people from Israel feeling that it would be too dangerous to live there.

Ambassador Pickering, you served as an ambassador to Israel. We’d be very happy if you could address those questions.

AMBASSADOR PICKERING: Let me do it very briefly. On the question of attracting European companies, that’s not relevant to the proposal because it proposes that governments be involved, not companies. On the response from the region, we have not had any response from the region, but we haven’t made a proposal since we’re not a government. But we put the proposal out there. And I can’t tell you that I’ve heard that anybody in the region has responded in any way. Mostly, governments don’t respond to these kinds of proposals; they want official ideas.

It’s well known that Israel approaches Iran and this particular program on the basis of zero enrichment. I don’t think I see any change in that.

MR. PARSI: Thank you. Let’s open it up to the floor.

Q: Michael Adler from the Wilson Center. My question focuses on just how we could move towards a deal, and Ambassador Pickering, do you see any sign that the United States, which at this point insists on not one centrifuge even turning, would accept any kind of substantial enrichment activity by Iran? The great concern expressed in Washington, is that if you have 25 centrifuges turning, Iran could develop the capability to know how to enrich, and then that’s something you can restart anywhere.

And then my final question, is there a sense in which the facts on the ground that Iran is trying to create are more political than technical? That in fact, the Iranians have 3,000 centrifuges turning and want to get more installed, but how effective are those centrifuges, and is that in any way a realistic enrichment capability?

AMBASSADOR PICKERING: I see no sign that the present administration is likely to accept this. It would involve something like a conversion on the road to Damascus to see that happening, although there is an old saying in diplomacy that when you’re in a deep hole, you should stop digging. And this is a perfect example of a deep-hole problem, and the point that you just made in your question, Mr. Adler, was that things aren’t getting any better; they’re getting a lot worse faster, and so the longer we wait, the more centrifuges we will have to contend with.

I don’t think, in fact, that there is a brainpower limitation. I suspect we all believe that a good bit of Iranian technology came through the A.Q. Khan network. It’s there however, and the problem is managing a cascade, not building centrifuges so much. There may be a material problem, as Dr. Albright pointed out, in getting a centrifuge program up and running on a large scale. But I don’t think it’s a brain power limitation so much, and over enough time, given enough people working on the problem, we at least believe that it’s solvable by the Iranians and that’s what we’re concerned about.

If the European approach, which is suspension leading to confidence, leading to a new enrichment program, is followed, then my proposal has even more relevance. The multinational proposal builds in a lot more safeguards than merely the fact that we have confidence that if there was program it has now stopped, and that we sit back and enter into the dreamland of confidence that’s supposed to be implied as a result of that approach.

If it means, as the U.S. says, no enrichment at all, then we have achieved the nirvana, and Dr. Blix has proposed some interesting ways to move ahead. Those are things that have been discussed before, and one would hope that they would work. My own view is that if either kind of proposal goes ahead, the first subject for discussion without preconditions on the nuclear side should be some kind of a suspension as a way to permit the talks to go ahead on an even basis.

MR. ALBRIGHT: The first results are operating very well, and Iran hasn’t demonstrated to the IAEA or anybody that they can enrich very well. So the question is are the second 3,000 a little better? There have been some conflicting reports that the newer ones might be more advanced. They are certainly not anywhere near as advanced as what Iran calls the IR2, which is in the Khan terminology for the modified P2. But have they learned to make the parts better? Have they fiddled with some of the components to solve some of the vibration problems that are plaguing the first 3,000, which then lead to greater breakage?

So these are all to be discovered, but usually these announcements are greatly exaggerated, and Iran would probably continue to have problems getting the centrifuges to produce a reasonable amount of enriched uranium. Then you have to
conclude that at least an equal purpose, equal to technical purpose is a political purpose to discourage any effort to get a suspension, to wear down the diplomatic effort, trying to get Russia and China to throw in the towel. And so I think that in that sense it’s very important that the Europeans and the United States fundamentally react to this politically and try to counter that.

Q: Thank you. In my opinion, confidence building, or simply a confidence building suspension simply will not work. Iran has tried it for 18 months and it was perceived as one of Khatami’s failures. And if you look at some of the comments that were recently made by Khomeini praising Ahmadinejad, it speaks to that.

I also don’t believe that a nuclear free zone works. Israel believes that nuclear deterrence is essential for its existence. It would be very unrealistic to believe that they would give that up.

So we have a situation where really the issue of enrichment is no longer an economic issue because Iran doesn’t trust us. During the eight years of the Iraq-Iran war, the West provided help to Iraq. Iranians feel that the West did them wrong during that war. So they won’t trust the West to suspend their enrichment program.

As I see it, any solution that can come about has to address two elements. First, if it has a prayer of a chance on the Western side, it must address Israel’s concerns of security. Second, it must address Iranian national pride on the Iranian side because the current regime has taken hold of this nuclear energy issue and turned it into a national pride issue.

Suggestions like Ambassador Pickering’s should perhaps have a provision that declares that if the agreement fails or is violated, it automatically results in the destruction of this nuclear facility. That might be something for both sides to agree upon. It addresses the Iranian national pride that, yes, we have and we can enrich in our facilities and it also addresses Israel’s security concern. I wonder if you could address that.

MR. BLIX: I think what can be concluded from the discussion here and in particular from the NIE that the Iranians are rational, and that they’re weighing the pros and cons, and that is what you do before any negotiation. I start from the premise that Iran does not have an absolute existential need of nuclear weapons. So they may be affected by other factors. The economy is one of them. It is not economic to have enrichment for two or even for four reactors. The South Koreans have 20 reactors, and they import enriched uranium. So that should weigh on the side not to enrich.

Now, as to pride and achievement, yes. I think that the European Union has accounted for that in saying that we are not against your nuclear program or technology. We accept that you may say it may be better to use nuclear power to generate electricity. They are not denying that.

And another factor is, as I mentioned, that there is very little uranium in the ground in Iran. So for the long run, if they want to have a big nuclear program, they cannot rely upon it anyway. They would dependant on Australia or Canada or others to import.

So assurance of supply, I think, could also be used. It seems to me that the United States and the West have painted themselves into a corner when they say that you must suspend enrichment first, and then afterwards we’ll talk about the carrots you can get. And the carrots have not been used. I mentioned the two that they used in the case of Korea: the diplomatic relations and the guarantee against any attack from the outside. I don’t think they have exhausted the diplomatic line.

AMBASSADOR PICKERING: The suppositions in your question look like they would be best answered by relaxing and letting Iran go nuclear, which I don’t really think was your intention, nor was it, I think, the answer that you wanted.

The Israeli security concerns can only be dealt with through a peace process involving Israel, Palestine and Syria and the rest of the region. There is an old Israeli policy – I say old because very few Israeli prime ministers have stepped forward to reiterate it but none have put the knife in it. And that policy is basically they would consider a nuclear free zone when there is peace in the region. There are big definitional problems that we haven’t got time to go into today, but they’re important.

I think the question of the Iranian national pride has to be, of course, put up against the reality of the A.Q. Khan network and the way in which this technology in large part came into Iranian hands. Even though that’s not the Iranian view, it’s something that at least has to be looked at.

The U.S. for a long time, and I was the U.S. government official at the time, argued that Iran should have no nuclear program. I sent a telegram to Washington in 1994 from Moscow saying it’s time to end that. It’s time to say that if a country wants to build a nuclear program, if that’s where they want
to put their money, we should go ahead with the Iranians, but on the basis that we introduce all possible safeguards against this program being diverted to nuclear weapons purposes including no enrichment. That proposal was not answered. The same logic has now been applied to enrichment. I’m not sure, in fact, how long we can persist. I would certainly want to have the first subject discussed between the U.S. and Iran to be some kind of temporary suspension. I would think that we will have to put on the table both the question of regime change and the use of force, but I would not relent on those, certainly until we get a satisfactory nuclear agreement. But I don’t think we’ll get a nuclear agreement from Iran, even if we go down this road, without being prepared to put those two issues on the table and sell them at an acceptable price – a nuclear program we can live with in relatively high confidence.

Finally, we did not suggest that there would be an automatic response to go to war against Iran if it broke out. We only suggested that the provisions to allow states to do so be incorporated in the resolution so Iran would understand that it would potentially have to pay the international community a very high price if it went in this direction.

Q: (Mr. Ebneyousef). I don’t know of any country that can claim to have a good comprehensive energy program, including this country unfortunately. The sort of the problems that we’re having today is because of lack of this policy. Iran, on the other hand, is looking ahead and they’re looking at the restrictions and, of course, the economic sanctions give them another opportunity to look for an alternative and nuclear energy is indeed one. But this was a solution of last resorts.

Iran started switching to natural gas and has been very successful. One of the pioneers of the gas industries is right here. Mr. Shirazi was the managing director of the natural gas company in Iran. But right now, 60 percent of the energy mix is from natural gas in Iran. Iran has been trying to reduce the subsidies while others are increasing, like Malaysia. And there are a number of reasons that Iran has enacted this rationing program which is helping. So to what extent have the sanctions promoted Iran to push for the use of nuclear technology and electricity? Also, forgive my ignorance, but the 3,000 or 6,000 doesn’t really mean anything to me, or any others. How many of those units is needed to produce enough fuel for a reactor? Thank you so much.

MR. ALBRIGHT: This is part of the dilemma. They would need about 50,000 to make enough low-enriched uranium for Bushehr every year. But adding 3,000 would be enough to make enough highly enriched uranium for a nuclear weapon. And so that’s why a suspension is actually asked for. They claim that they want 50,000 for civil, but they reach the point of making HEU for weapons long before that. We want some demonstrated proof that they’re not intending to do that, and their track record isn’t very good: cheating on the NPT, ambiguous statements, resisting IAEA inspections.

MR. BLIX: I’ve been to Iran several times and I have met with Rafsanjani on a few occasions. He complains that we are letting the inspections in all the time here and yet they never give us a clean bill of health. So I told them that this argument doesn’t really work. You can be examined up and down by your doctor, and yet there might be something hidden in your body and you might die the next day.

He didn’t give a full response and I left Iran. One week later I see that the Iranian news agency reported that the head of the IAEA had been in Tehran and given Iran a clean bill of health. (Laughter.)

Q: Miles Parker from Arms Control Today. My question for the panel is that it seems to be that the real motive here is not practical because the fuel for Bushehr has been provided by Russians on a contract basis. The fuel is only going to be used for a second reactor which hasn’t even yet been constructed.
So the whole motive is a political motive in terms of this question of Iranian pride.

I think Dr. Blix talked about the North Korea example, but it strikes me that the agreed framework has a lot to say about this idea of you’ll get these reactors or you’ll get this enrichment capability down the line, but let’s kick that down as far as possible and in the meantime we can give you other forms of energy or assistance, maybe roll back some of these sanctions instead of doing it the other way around. Does that make sense? Or it just seems that we keep going for nuclear solutions when that’s not necessarily the solution to a practical but political problem.

AMBASSADOR PICKERING: I was engaged with the government that tried the impeccable logic of your argument for years and it didn’t work. While the NIE claims that Iranians are logical somehow, it doesn’t seem to work in this particular instance. In the meantime, even if it’s slow, the number of centrifuges is being added and the hole gets deeper.

MR. PARSİ: Thank you all so much. This was an excellent panel. Please join me in thanking the panelists for throwing light on some very, very complicated issues.
KEYNOTE ADDRESS
BY SENATOR DIANNE FEINSTEIN (D-CA)
MR. PARSİ: We are now delighted and honored to have Sen. Dianne Feinstein from California to give the keynote address. Senator Feinstein has been a first in many areas. She was the first woman to become president of the San Francisco Board of Supervisors. She was the first woman mayor of San Francisco and the first woman elected senator of California. She’s also the first woman to be on the Senate Judiciary Committee. I can add that she’s also one of the first members of this Senate to come out and endorse the Leurs, Pickering, Walsh proposal as a way out of the stalemate that currently exists between the United States and Iran.

SEN. DIANNE FEINSTEIN (D-CA): Well, thank you very much, and I’m delighted to be here to be able to speak with you and share some of my views. As has just been stated, California has a large and growing Iranian community, and particularly in Los Angeles, which I believe is the largest Iranian community outside of Iran.

Yours is a new organization founded just six years ago, and I understand that Tom Pickering, Dr. Hans Blix, and David Albright have just addressed you, and so, I’m very pleased to follow them because I very much respect them.

For several years I’ve been interested in trying to be a constructive force for peace and stability in this difficult part of the world, now the powder keg in which nations and values conflict and collide. I have watched as the Iraq war continues, Israeli and Palestinian peace remains elusive, Iran begins to assert itself in the region, and Sunni nations grow more and more concerned. There’s no question that Iran today – isolated and belligerent – constitutes both a present and future challenge to the stability and security of several concerned nations, as well as our own.

Last year, the United States indicated its alarm about Iran’s supplying weapons and tactical support to Shi’a militias in Iraq, and stated that, if this continued, the United States would “seek out and destroy weapons supply networks used by Iranian agents.” Also, Iranian support of terrorist organizations, particularly Hezbollah and Hamas, remain of deep concern and continues unabated.

And finally, the government of Iran has had an intransigent hatred of Israel, and its willingness to deny Israel the right to exist remains unacceptable and a major hurdle to peace and security in the region. So it’s in this context that we must understand the number one question of the day: does Iran seek nuclear weapons, and for what purpose?

In November, 2007, the United States intelligence community released a comprehensive assessment of Iran’s nuclear program. That report, which is the compilation of all the intelligence communities – some 16 – of the United States is called the National Intelligence Estimate. It was both an eye-opener and a source of major controversy. The NIE’s first conclusion, front and center, was that the intelligence community judges, “with high confidence that in the fall of 2003, Tehran halted its nuclear weapons program.” This was a clear, declaratory statement and it signified a major shift from the judgments of past intelligence reviews.
A footnote in the NIE made clear that a nuclear weapons program has three parts: first, the enrichment of fissile material; two, a weaponization program to make that material into a weapon; and three, a means to deliver the weapon. The halt refers specifically to the weaponization part. The two other parts – the enrichment of fissile materials and the making of a delivery system – remain serious concerns.

But equally as clear, the NIE judged, again with high confidence that until the fall of 2003 Iran was pursuing an illegal, covert nuclear weapons program. This was the strongest intelligence statement to date, and it’s backed up with evidence in the classified text of the NIE that Iran did, in fact, have a program and that Iran’s leaders in Tehran could turn that program back on at any time.

Finally, the NIE made a statement that speaks directly to the main issue of today’s discussion: whether and how to approach Iran diplomatically. It said “our assessment that the nuclear program was halted primarily in response to international pressure suggests Iran may be more vulnerable to influence on the issue than we judged previously.” The NIE, in essence, suggests a window of opportunity to begin to engage Iran in discussion, and with the help of European and other allies, to see if Iran can be moved toward positive engagement with the Western world on this vital question, as well as other issues of concern.

So this NIE represents the first opening for engagement. The question is: how should we proceed with Iran? I believe we should begin to pursue a robust, diplomatic initiative with Iran on all issues and without preconditions. Working with our European allies, the United Nations, and the International Atomic Energy Agency, we should put together a package of carrots and sticks that would serve as a basis for discussion with Iran.

The goal of these negotiations should be to convince Iran to: one, permanently abandon any intention to restart a nuclear weapons program; two, allow International Atomic Energy Agency inspectors full access to all Iranian nuclear facilities and suspected nuclear facilities; three, comply once again with additional protocol to the Nuclear Nonproliferation Treaty for intensified inspections by the IAEA – Iran had accepted this protocol in 2003 and suspended compliance in 2005; four, provide a complete accounting for all past nuclear activities and allow full transparency to international inspectors; six, cease its support for the terrorist activities of Hamas and Hezbollah worldwide; and finally, promote stability and cease lethal support to militias in Iraq.

The key is this: we can recognize that Iran has a right to a peaceful, civilian nuclear energy program, but not to nuclear weapons. Offers have been made before and have gone nowhere. But these offers have been presented with preconditions and without a full engagement of the United States. We need a fresh approach and fresh ideas. There are some in the Bush administration who disagree with the diplomatic approach. They see confrontation with Iran as all but inevitable. Now, of course there’s no guarantee that these talks will succeed, but we are sure to fail if we do not at least try.

One proposal that deserves, I think, a closer look is one which was described to me by Iran’s former ambassador to the United Nations. I traveled twice to New York to spend several hours with him. At the time, some on the Iranian side thought Iranian leadership, namely the Supreme Leader, might be open to the idea of an on-the-ground, 24/7 international consortium to manage and monitor all aspects of nuclear activity. There was agreement that Iran might agree to this monitoring as long as there was openness on the part of the United States to discuss other issues as well. Participants could include the United States, the UK, France, Germany, China, Russia, the United Nations, and the IAEA.

The proposal is similar to the one made by Ambassador Luers, Secretary Pickering, and Mr. Walsh who spoke to you earlier this afternoon. I very much support and appreciate their efforts and believe the proposal still deserves serious consideration. It could go a long way toward building confidence on
both sides. It would allow Iran to enjoy the benefits of peaceful nuclear power as a member of the Nuclear Nonproliferation Treaty, while giving confidence to the international community that Iran’s nuclear ambitions will not be diverted to a nuclear weapons program.

When United States administrations have taken bold diplomatic initiatives in the past, the payoff has been significant. The decision of Henry Kissinger and Richard Nixon to engage the People’s Republic of China in the early 1970s was visionary. We embraced negotiations with the Soviet Union even in the darkest days of the Cold War. I believe that an Iranian policy based on a military solution only makes no sense. Iran recently proved helpful in brokering a ceasefire between Prime Minister al-Maliki and the Muqtada al-Sadr’s JAM militias in Basra. Clearly, a more positive relationship with Iran might be helpful in stabilizing Iraq.

Only by talking and bringing to bear the best efforts of diplomacy can real progress be made, and I believe this deeply. The next administration must evaluate anew our nation’s approach to this Middle Eastern arena and evolve a new approach, one based on robust diplomacy rather than threat of war. The process is likely to be difficult, but the results may well be significant, and one day—just think of it—it could lead to a more stable and peaceful Middle East.

Thank you very, very much. It’s great to be here today. Thank you.

MR. PARSJ: Thank you so much, Senator. I have to say that the leadership that you’ve shown on this issue is so needed, and I agree fully with you that we are in need of fresh ideas and fresh approaches because the current path, as you pointed out, has not led us to a situation where the many challenges Iran poses, whether it is its abysmal human rights record, its support for violent organizations, or the nuclear issue, we’re not really making any headway. So I fully agree with you and I’m very appreciative of your leadership.

Senator Feinstein has kindly agreed to join for a couple of minutes for a Q&A.

Q: Senator, I’m not in politics. I’m a professor of chemistry. We always allow our students to make one mistake. And if it’s more than one mistake, then the result are regrettable. Now, for the last six or seven years I’ve been in Washington, and regrettably we see a policy that has not changed. It has been absolute failure. And the conclusion has been disastrous in the area.

So I’m glad you are suggesting a new alternative, and the new alternative is dramatically different from what we’ve been doing in the past. And I’ve always had this question as a person who immigrated to this country 28 years ago. Why is it that we negotiate with mighty countries such as Russia simply because they have bombs, and China, and we neglect countries such as Cuba, Syria, and Iran that are no comparison in power?

SEN. FEINSTEIN: Thank you very much. I very much appreciate your statement. This is not an easy arena and I really think as I look back over the last seven years that the administration came in with certain preconceptions. One is that there was going to be a preemptive strike on Iran; second, the use of the phrase “axis of evil” in the State of Union was not just a parenthetical expression. It communicated a very definitive message.

The administration put out something called the Nuclear Posture Review, which essentially changed our view of the strategic triad, which is a triad of balancing weapons, which blurred the use between nuclear and conventional weapons.

We have never had a no-first-use policy, but we have always had a kind of strategic ambiguity. Then they put out a statement that we would actually countenance a first use of nuclear weapons should somebody threaten the United States with chemical or biological weapons. Then you have North Korea. You see the result of the policy of isolation. You see the development of a bunker mentality that isolating a country produces. And I’ve learned that this is not a good idea.

Diplomacy is not for discussions with your allies; diplomacy is meant to be used against adversaries and potential enemies to try to present an alternative to a militaristic path. And I happen to believe in diplomacy. I happen to believe in sitting down with people and discussing problems. I might not like what they say; they might not like what I say. But nonetheless, if they represent a country and if I represent a country, both of our views are important.

Iran is not Iraq. A war with Iran would be devastating. It makes no sense, I think, in anybody’s book, and it makes no sense particularly when robust—and I use that word—robust diplomacy has never been tried. I don’t think our country should be so proud as not to try. And my hope is that the Iranian-American community can begin to weigh in and work toward mutual discussion of these issues.

And there’s something I guess maybe people and the press expect. That if you sit down and discuss, you have to come away with something, you have to have an agreement, there has to be a signature on the bottom line. To that I say, that’s not so at all. People need to talk more. Leaders need to talk more. Not every meeting is going to come away with agreement, not every meeting is going to come away with a new treaty or something that both people want to agree on, but it does open doors and it does move ideas across a partisan divide.

So I have had the occasion to talk with Iranians. It’s true they have mainly been academics, but I know there are people in Iran that don’t want to see their country go down the path to war. And I know there are people in this country that don’t
want to see our country go down to the path of war. We have a very big agenda. We have to leave Iraq better than we found it. We have to concentrate on Afghanistan. Many of us are very concerned about Pakistan and the vulnerability of nuclear weapons in Pakistan. We have to complete the agreement with the North Koreans to see that they do not continue to enrich materials to produce more nuclear weapons.

I really hope that this election will bring about a change. I have never known a time in my lifetime when I felt that kind of change was more necessary. Diplomacy is a very important tool in the handbook of international governments.

Q: Senator, I want to thank you, commend you and support you for the leadership role you’re taking in this arena. And I’m sure I’m not alone in this. I’m an Iranian-American and I have talked to and had contact with Iranian-Americans of various attitudes towards the Islamic Republic. They’re all in this with you and behind you and behind leaders like you because this is the only way to go.

SEN. FEINSTEIN: Thank you very much. Thank you. You’ve got your work cut out for you. Thank you very much. Have a great time, friends. Thank you. Thank you very much. I’m happy to be here.

MR. PARSI: Thank you Senator and thank you all for participating in this conference. Our panel experts helped shed light on these very important questions and push the debate further. Our next conference will be in the fall, and our next monthly briefing will be in just two weeks. Again, I want to thank our sponsors at The Pluralism Fund, the Ploughshares Fund, the Kenbe Foundation, the Lee & Gund Foundation, the Colombe Foundation, as well as our Iranian-American supporters.

Thank you so much.