

INTERNATIONAL INSTITUTE FOR STRATEGIC STUDIES

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IRANIAN NUCLEAR ISSUE

SATURDAY, 4 FEBRUARY 2012

Q&A SESSION

Pierre Goldschmidt

Senior Associate, Nuclear Policy Programme,
Carnegie Endowment for International Peace

Maurizio Martellini

Secretary General,
Landau Network

Erzsébet N Rózsa

Executive Director,
Hungarian Institute of International Affairs

Questions and Answers

Mark Fitzpatrick

Thank you, Erzsébet. Your very cogent presentation on the effect of EU sanctions reinforces our belief that it was very good to have a regionalist on this panel. We will now turn to one round of commentary and questions from the floor before returning to the speakers.

Riccardo Alcaro, Istituto Affari Internazionali, Rome

The biggest risk in 2012 comes not from Iran's nuclear programme but from the possibility that Israel might strike Iran. Israel's Defence Minister Barak said yesterday that later might be too late. Leon Panetta, US Defence Secretary, said that he might be expecting an attack by the Israelis by spring. All of these are potential implications of an Israeli attack on Iran. Above all, given the fact that I have yet to read a report, article or statement, either on or off the record, by military sources saying that an attack would be conclusive somehow, what should the US and the EU do in order to prevent this from happening?

Scott Davis, US Department of State

I have a very simple question for Dr Rózsa as an Iran expert: could you give us your reaction to some of the specifics of the proposals made by Pierre Goldschmidt and Dr Martellini, particularly with regard to their acceptability to the Iranian government?

Mohamed Shaker, Egyptian Council for Foreign Affairs

In terms of sanctions, this reminds me of a study that the IISS produced a year ago called 'Sanctions as Grand Strategy'. In this study, the Iranian case was not analysed, but all other cases were, and the conclusion was reached that in only 30% of cases were sanctions successful. Very good ideas have been put forward today about Iran, but I still think that a solution could also be found if you were to internationalise or regionalise the enrichment technologies in Iran, bringing in partners and stakeholders to be with Iran, whereby Iran would keep the enrichment technologies, with strict IAEA control and perhaps the imposition of the Additional Protocol, as well as regional control. Certainly, this would entail a lot of negotiations and diplomacy between Iran and its neighbours, which would take a lot of effort. This would also bring the Iranians and its Arab neighbours closer to each other without fearing each other, and enable them to work together on a joint project. This could also be a solution to the problem.

Anton Khlopkov, Center for Energy and Security Studies, Moscow

I have a few comments, but first of all a technical notice. I do not think that the Iranian nuclear programme really started 25 years ago, Pierre, as you mentioned. It has a long history, and I think Iran kept the military option from the very beginning. As we know from the recently declassified archives, the first undeclared nuclear activity in Iran was discovered by intelligence in the second part of the 1970s. We should keep this in mind because we could learn a lot from history. Another example from history that we should remember is that Iran participated in nuclear tests in the past as observers. It was a US test, by the way. Of course, it had some impact on Iranian thinking and policy these days.

My second point is that the priority today should be to avoid a military crisis, which could start tomorrow or the day after. It is too late to address the nuclear issue right now. If we make that the preference of our policy, it could fail. First of all, we should try to avoid a military crisis and to address maritime-security-related issues first. This is the most vulnerable sphere. Secondly, we should address the nuclear dimension and, from that point of view, the 'swap deal' was a good example that Iran could be interested. It failed in the end and I see no prospects for this deal in the future, but the application of this kind of international effort to one of the Iranian facilities could work

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Mohammad Taghi Hosseini, Institute for Humanities and Cultural Studies, Iran

I wish I had a few more minutes to explain a little more about this issue, because the whole spectrum of Iranian issues, both domestic and international, were discussed. A few minutes may not be enough to comment but I will make a few points and conclusions. First of all, I think there is a perception in the West that, put very politely, is incorrect, in terms of Iranian activities and the Iranian system as a whole. The West is the hostage of that perception. I remember a time when the US was against even the completion of Bushehr, which was completed by others under the full authorisation and control of the IAEA. You can compare it to today, when Bushehr is completed and running.

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I was looking to the different documents governing the issue, such as the IAEA statutes, the safeguards agreement and the Additional Protocol. No activity by Iran is prohibited under those documents – let us be clear. The activities of Iran are based on the legal documents that govern nuclear activities around the world. The hypothesis and the perception of the West are badly designed and badly managed.

I wish there was some analysis of the behaviour of the West in terms of pushing Iran in that direction. If we look at the behaviour of the West, we would realise that the current situation is the result of those behaviours. What Iran received in response to cooperation and work with the IAEA and the West is something different. Iran tried to resolve the issue first of all with the EU. You will remember that Iran wanted to resolve it with the EU but, unfortunately, the EU was unable to resolve the issue. The response of the West to us was to assassinate our scientists, unfortunately. This is a new phenomenon. This is something that should be stopped, because it might have some unforeseen consequences. There was a sanction. Sanctions, as was rightly pointed out by Erzsébet, at best harm ordinary people. Sanctions only add to anti-Western sentiments in Iran, the Middle East and everywhere. There are people around the world who feel sympathy with those who are under sanctions. This is a wrong policy that should be reversed.

In terms of the threat of a military attack, that should be off the table everywhere. There is no military solution to any issue, particularly issues such as that of Iran.

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I was very pleased that Secretary of State Hillary Clinton condemned and denied any US involvement in assassinations.

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This is, of course, a very complex matter. It is impossible to go into all the details, but starting from what my distinguished Iranian colleague just said about the Iranian right – and here I refer to what Pierre Goldschmidt also referred to, the E3+3 offer of 2008, which is reflected in the Security Council resolution – it very clearly states that, once confidence has been restored, Iran will be treated in no way different from any other NPT party. The problem is, of course, how to reach that point from where we are.

A lot was said about preconditions and confidence-building measures. The situation now, from an abstract point of view, is very simple: the E3+3 have constantly made the offer to Iran to return to negotiations and to negotiate without preconditions. Of course, these negotiations have to be on the nuclear issue, which is the concern of the international community.

On the point of sanctions, which are a subject of debate, I want to enrich this discussion with a few additional elements. If you look at the last few months, and in particular the situation at the last IAEA Board of Governors, do you not think that the overwhelming support for the resolution, which was adopted in Vienna, highlights the path of isolation down which Iran is going?

Liviu Muresan, European Institute for Risk, Security and Communication, Romania

It is my opinion that the third world war has already started because of cyber, so we have to look more carefully at the connection between cyber and nuclear in the future and how to control these developments.

Secondly, I very much appreciated the presentations and it is true that the problem is one of agendas. We have an international agenda that we want to impose on Iran, but they have an internal agenda that can bring, as Erzsébet mentioned, the complexity of the situation within. Like an uncontrolled nuclear reaction, there could be uncontrolled social reaction. We have to take into account the religious/revolutionary/political/military/scientific complex within Iran and look carefully at developments there.

There is also a connection between the Iran problem and the Shanghai Cooperation Organisation potential of cooperation.

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I have a few brief comments. With regard to the Iranian issue, it is very important to place full attention on the Iranian leader's declaration. They have repeatedly mentioned that they have no intentions around nuclear weapons. This declaration should not be ignored, especially by the EU. We are talking about the intentions of Iran.

Secondly, the Iranian nuclear issue at the current stage is still within the framework of international law. Iran is still under the NPT regime. We should apply our efforts under this legal framework.

Yesterday, Dr Blix mentioned that the civil service should play a central role. I very much appreciate this idea. The EU3+3 or the P5+1 are political fora, so they can play a role but not a central one. Finally, we have to turn to a diplomatic solution, so negotiation is the only way out.

Vladimir Orlov, PIR Center, Moscow

The situation is more dangerous than some of us think. Nobody wants a war – not even Israel – but it is sliding towards one because there are no solutions and time is running out. This is a major problem.

I have two questions for the panellists. First, it looks like the key to granting a solution to the Iranian issue lies in Washington. There may be smaller steps, but there should be a greater step by the US on a number of issues, including but not limited to nuclear. As European panellists, do you think that the US and its president will be ready for such a grand step in the remaining few months? Hopefully we can wait until 2013 but I am sceptical.

Secondly, and more narrowly, are confidence-building and regional issues. I cannot agree more with Mohamed Shaker on the importance of the internationalisation of the Iranian nuclear programme. The issue of safety is of concern for the region. Do you think that anything can be done here? Russia, as builder of the Bushehr nuclear power plant, would be interested in looking at that confidence-building and practical step.

Erzsébet Rózsa

I will start with Vladimir's question. Three or four years ago, there was a period when there were different proposals on the table to make joint ventures for uranium enrichment. One was a Russian proposal for a joint Iranian-Russian venture on Russian soil. The Iranians answered, 'Okay, but why on Russian soil?' There was also an Iranian proposal – I do not know how feasible it would be – whereby Ahmadinejad, *expressis verbis*, invited even the US to participate in a joint, multinational uranium-enrichment facility.

We could go back to that kind of proposal but I fully agree with Vladimir and with Mohamed Shaker that this would be an idea. It would be a good idea from the Iranian point of view – I am not now addressing Arab opinion – because this would show the world that they have their prestige, which is, I am sorry to say, is part of it. Having a nuclear industry or even nuclear weapons, about which I do not think a decision has yet been taken, provides prestige. If you look at the great powers, you know what I mean by that. In this regard, the regional perspective would be important, and perhaps other countries could be involved, such as the GCC. Whether or not that means the whole of the GCC or just certain countries, it is a different issue. Egypt, of course, should be involved, but I would not exclude Russia or even China and India, who are interested in this issue.

In response to Dr Li Hong, I also believe that the *fatwa* issued in 2005 by Khamenei on the illegality in the Islamic Republic of Iran of the production, stockpiling and use of nuclear weapons is very important. We may say, 'Yes, but tomorrow he may change it', but as long as the fatwa is in effect, it does have an impact. I am not saying that it would prevent anything, but it does impose a moral obligation.

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Mr Shaker, my institute proposed an internationalised Natanz to Mr Rowhani in 2005. It is too late now. My proposal is just an interim solution to cool the very tense situation down. Of course, I agree with many participants that, if some real, substantial negotiations come out at the end of this tunnel, we must once more put forward the argument of international uranium enrichment. There was, among my contacts, some interest in having some sort of cooperation around fuel assembly.

It is true that Iran has produced fuel rods but, as a nuclear physicist, I should tell you that the most serious problem with fuel rods is their reliability. You need to test for years and years because, in the core of a nuclear reactor, there are very extreme conditions. They may have produced them but perhaps they are unsure about their safety. What I am saying, then, is that a proposal around an international uranium-enrichment consortium will take too much time from the legal aspect and in terms of consensus around who would implement it and who the stakeholders would be. We have no time now, so we need to completely shift the paradigm from an impression towards a main scope being the safe and secure production of nuclear energy.

There was some interest among Iranian colleagues in my proposal because the crucial point is to give the Agency, even if it is not the best channel, a real mandate to negotiate an exit strategy in order to save face. The P5+1 has a key role in defining the benchmarks.

Erzsébet, you can introduce many other third parties. My opinion is that we need to introduce specifically the GCC countries and Saudi Arabia. Saudi Arabia is a powerful state that has respectability. It is extremely vital to re-establish a concrete dialogue between Saudi Arabia and Iran.

Pierre Goldschmidt

Ambassador Shaker, there are a lot of merits in international enrichment facilities, but in the case of Iran and the Middle East, in the next 10 years, as far as I know, there will be only one nuclear-power plant, which is Bushehr. You do not need an enrichment plant for one reactor. As you said, it will take time to achieve, and I do not think that we have that much time to make progress in finding an acceptable solution for both Iran and the international community. I also do not think that Iran doubts that Russia will always deliver the fuel to Bushehr. I have not seen Iran really concerned about fuel supply. They used that as an argument in the past but, in practice, they have really shown no interest in those solutions.

On the comment just made by the analyst here about the *fatwa*, I asked in 2005 if I could see the exact text of the *fatwa*. It has not been published. Every word is significant. If they say that the use of nuclear weapons is un-Islamic, that is one thing, but does it say that the production of nuclear weapons is un-Islamic? I do not know. It is clearly not un-Islamic in Pakistan.

I agree with Dr Hosseini that it was clearly wrong for the US to oppose the Bushehr nuclear power plant. I cannot agree more with you. I also agree with you that there is no military solution to the Iranian crisis. You are saying that Iran will not withdraw from the NPT – of course you would say that; what else would you say? If you want to reassure the world that this is the case, I suggest that Iran voluntarily puts all its fuel-cycle facilities under an INFCIRC/66-type safeguards agreement, which would not lapse if Iran withdrew from the NPT. That would be a very important confidence-building measure that I also recommend EU member states adopt for themselves and lead by example.

You say that all the activities in Iran are legal and that you are a member of the NPT like Japan and others. You are a member of the NPT like Japan and others, but Iran has been found to be in non-compliance with its safeguards agreement and Japan has not, so that makes a difference. I would say that almost all the activities found in Iran so far would have been legal if they had been declared to the IAEA in time, which was not the case. Whether all activities today are legal is exactly what the IAEA wants to confirm. For that, you need the help and the cooperation of Iran. The solution is in Iran's hands, not in the international community.

Sanctions will not solve the problem but sanctions are necessary for the credibility of the regime. If

you breached your agreements with the IAEA and did not comply with IAEA resolutions and Chapter VII UN Security Council resolutions, and if there were no sanctions or consequences, this would completely undermine the credibility of the regime. Sanctions are necessary and they will solve nothing – I think we can agree on that. Let us focus on the positive things that we have suggested: negotiations with no preconditions. They are solutions that should save everyone's face in good faith.

Mark Fitzpatrick

Thank you very much, Pierre. Thank you all for participating in this most difficult discussion. If one thing is clear, it is that all of the academic community in Europe and elsewhere in the world here is looking for a peaceful solution to this most difficult problem. There is a recognition of the urgency and a need to find an exit strategy, as Maurizio said. We have some differences of view about that strategy, but the more ideas we can put forward the more we can try to find a way forward. Let us hope that, the next time we convene such a session, the urgency of the problem is not that bad.

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Ambassador Shaker, there are a lot of merits in international enrichment facilities, but in the case of Iran and the Middle East, in the next 10 years, as far as I know, there will be only one nuclear-power plant, which is Bushehr. You do not need an enrichment plant for one reactor. As you said, it will take time to achieve, and I do not think that we have that much time to make progress in finding an acceptable solution for both Iran and the international community. I also do not think that Iran doubts that Russia will always deliver the fuel to Bushehr. I have not seen Iran really concerned about fuel supply. They used that as an argument in the past but, in practice, they have really shown no interest in those solutions.

On the comment just made by the analyst here about the *fatwa*, I asked in 2005 if I could see the exact text of the *fatwa*. It has not been published. Every word is significant. If they say that the use of nuclear weapons is un-Islamic, that is one thing, but does it say that the production of nuclear weapons is un-Islamic? I do not know. It is clearly not un-Islamic in Pakistan.

I agree with Dr Hosseini that it was clearly wrong for the US to oppose the Bushehr nuclear power plant. I cannot agree more with you. I also agree with you that there is no military solution to the Iranian crisis. You are saying that Iran will not withdraw from the NPT – of course you would say that; what else would you say? If you want to reassure the world that this is the case, I suggest that Iran voluntarily puts all its fuel-cycle facilities under an INFCIRC/66-type safeguards agreement, which would not lapse if Iran withdrew from the NPT. That would be a very important confidence-building measure that I also recommend EU member states adopt for themselves and lead by example.

You say that all the activities in Iran are legal and that you are a member of the NPT like Japan and others. You are a member of the NPT like Japan and others, but Iran has been found to be in non-compliance with its safeguards agreement and Japan has not, so that makes a difference. I would say that almost all the activities found in Iran so far would have been legal if they had been declared to the IAEA in time, which was not the case. Whether all activities today are illegal is exactly what the IAEA wants to confirm. For that, you need the help and the cooperation of Iran. The solution is in Iran's hands, not in the international community.

Sanctions will not solve the problem but sanctions are necessary for the credibility of the regime. If

you breached your agreements with the IAEA and did not comply with IAEA resolutions and Chapter VII UN Security Council resolutions, and if there were no sanctions or consequences, this would completely undermine the credibility of the regime. Sanctions are necessary and they will solve nothing – I think we can agree on that. Let us focus on the positive things that we have suggested: negotiations with no preconditions. There are solutions that should save everyone's face in good faith.

Mark Fitzpatrick

Thank you very much, Pierre. Thank you all for participating in this most difficult discussion. If one thing is clear, it is that all of the academic community in Europe and elsewhere in the world here is looking for a peaceful solution to this most difficult problem. There is a recognition of the urgency and a need to find an exit strategy, as Maurizio said. We have some differences of view about that strategy, but the more ideas we can put forward the more we can try to find a way forward. Let us hope that, the next time we convene such a session, the urgency of the problem is not that bad.