Global Security Forum 2013: Can a U.S.-Iran Deal Work?
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Panelists:
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Haleh Esfandiari
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Al Hunt
Host, Political Capital with Al Hunt, Bloomberg Television, and Columnist, Bloomberg View

Moderator: Jon B. Alterman
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Transcript

Jon Alterman: Good afternoon. It’s my pleasure to welcome you to this session of the Global Security Forum and the panel “Can a U.S.-Iran Deal Work?” I’m Jon Alterman. I’m the Brzezinski Chair in Global Security and Geostrategy here at CSIS, and also the director of the Middle East Program. I don’t think this topic needs much introduction because it is clearly a topic on people’s minds. A Pew poll about a year ago said 70 percent of Americans consider the Iranian nuclear program a direct threat to the United States. Now we seem to be entering a period where there’s a possibility of some sort of negotiated solution. There are people who are optimistic, and people who are skeptical about what a negotiated deal would look like. What we’re here to talk about today is not whether a negotiation will work, but whether it could work.

As I was putting together this panel, I thought of my dream team of panelists. I’m happy to say that’s who you’re seeing today: three people whom I think not only are experienced, wise observers, but also people who I’m happy to call friends. To my immediate right, to your left, is Haleh Esfandiari. Haleh has been the director of the Middle East Program at the Woodrow Wilson Center for International Scholars since 1998. Before that, from ’95 to ’96 she was a fellow with the Woodrow Wilson Center. She was a fellow at the National Endowment for Democracy in the first year of its fellowship program in 1995. Prior to that, she taught Persian language, contemporary Persian literature, and courses on the women’s movement in Iran at Princeton University from 1980 to 1994. Before leaving Iran, she served as the deputy secretary general of the Women’s Organization of Iran, worked as a journalist including for the paper Kayhan, under a somewhat different editorial policy, and she taught at the College of Mass Communications. Her most recent book My Prison, My Home, published four years ago was based on her arrest by the Iranian security authorities in 2007, after which she spent 105 days in solitary confinement. It’s a great book, and I thank you for writing that. Thank you for being on this panel.

Next is my former partner in crime, Bob Einhorn. Bob is a senior fellow with the Arms Control Initiative and the Center for 21st Century Security and Intelligence at Brookings. Before coming to Brookings in May, he served as the State Department’s special advisor for Nonproliferation and Arms Control. He has worked the Iran issue on the technical side for the last four years like few other people
in the world. Between 2001 and 2009—and what I think we’d agree was the highlight of your career—Bob, was a senior advisor here at CSIS where he directed our Proliferation Prevention Program. Before coming to CSIS, he was assistant secretary of state for nonproliferation, deputy assistant secretary of state for politico-military affairs and a member of the policy planning staff.

At the very end, Al Hunt. Many of you know him from his show Political Capital with Al Hunt on Bloomberg Television or from any of the analysis and debate shows that have aired in Washington for the last several decades. He writes a column for Bloomberg View and also appears in the International New York Times, which used to be the International Herald Tribune. Prior to joining Bloomberg in 2005, he spent four decades at the Wall Street Journal where he was the Congressional and national political reporter, bureau chief, executive Washington editor; and for 11 years wrote a weekly column Politics and People. He also directed the Journal’s political polls for 20 years, served as president of the Dow Jones Newspaper Fund, and was a board member of Ottaway community newspapers.

Now, what is most remarkable about this entire panel is I could easily have had all their spouses and had a spectacular panel as well. Haleh is married to Shaul Bakhash. Bob is, of course, married to Jessica Einhorn. Al is married to Judy Woodruff. All spectacular people. If I couldn’t have my dream team panel, I would have taken my spouses of the dream team panel and done very much as well. Thank you very much for being here.

I think the question to start with is when you say “Can a deal work?” what does “working” look like from each perspective? What does working look like from an Iranian perspective? What does it look like from a U.S. administration perspective? What are the views in Congress about what working looks like? Let me start with Haleh.

Haleh Esfandiari: First of all, thank you very much for having me and not my spouse, although that would have been much better than me. From an Iranian perspective, an ideal deal would be a deal that would lead to lifting the sanctions. But the Iranians, being realists, know that this is a process, and it’s a step-by-step process. They are willing probably to make some concessions hoping the P5+1 will, in return, make also some concessions. What they have put this time on the table is a serious proposal. Whether it’s acceptable to the P5+1, we just have to wait and see what will happen in the next round of negotiations. While until recently the approach was that everything can be dealt with very fast, now they are talking about a long-term step-by-step process.

Jon Alterman: We’ll talk in a little while about the extent to which lifting sanctions is about lifting U.S. sanctions, and about lifting the international sanctions. But from an Iranian perspective, the goal is somehow to escape from the financial pressure that Iran has been under as a consequence of the nuclear program.

Haleh Esfandiari: Definitely. I mean we know that the sanctions have had really a backbreaking effect upon the Iranian economy, on the everyday life of the Iranian people. The goal of the government is that at the end of this negotiation or maybe halfway through the negotiation, the banking sanctions and the oil sanctions can be lifted so that Iran will have access to its money which is not accessible to them and would be able once again to raise the amount of oil exports, which is now almost halved.

Jon Alterman: Right. We’re going to come back to that. Bob, what does a successful deal look like?
Robert Einhorn: First of all, Jon, it’s great to be back at CSIS. I see you’ve had an upgrade since I was last here. What constitutes success for the U.S.? I think success is when Iran accepts the kind of rigorous constraints on its nuclear program that gives the U.S. and the world confidence that it can convert its nuclear program quickly into a nuclear weapons program. Specifically, success is constraining Iran’s so-called breakout capability. Breakout capability is when Iran is able to suddenly renounce constraints, kick out inspectors and quickly produce enough fissile material for one or more nuclear weapons before the world has an opportunity to react, including by the use of military force.

So the objective is to lengthen this breakout timeline so that it’s possible for the International Atomic Energy Agency to detect so-called breakout right away and have plenty of time to take effective action before Iran could have nuclear weapons. Constraining that breakout capability means limiting Iran’s programs, especially its enrichment program, if one is allowed in an agreement. I think it’s inevitable that a domestic enrichment program will be allowed in an agreement, as well as to prevent Iran from using this reactor at Iraq—this heavy water plutonium production reactor—to produce plutonium. It also means putting in place very effective monitoring measures to make sure that Iran cannot have a covert program. Iran has experience in building a number of facilities secretly. They were discovered. But you have to guard against the possibility that they will try to have a covert program again and you have to have measures in place at the declared Iranian nuclear facilities so that any attempted breakout can be detected right away, instantly, the day that it happens.

Jon Alterman: So the status quo would represent the failure, that is, unless you are able to actually lengthen the window for breakout. Unless you have greater transparency, all those things would represent—you can’t say, “Well, they haven’t exploded. They haven’t tested the device so the process is working.” Instead, you have to say, “We have not been able to lengthen that period so the process is failing.”

Robert Einhorn: Yeah. The current breakout period, in my view, is not acceptable. It has to be shortened considerably. And if we didn’t get an agreement soon and Iran could enhance its capabilities over the next three to six months, it would have a much shorter breakout capability. In my view, the sooner that we can get constraints in Iran’s program, the better.

Jon Alterman: Al, Capitol Hill has a lot of power. People have paid lot of attention to this issue. What are the different definitions of success that you hear when you talk to people on the Hill?

Al Hunt: That assumes it’s a rational institution to begin with, Jon. First of all, I too appreciate and I’m honored to be here. When Jon was putting up this panel, he got Haleh and he got Bob. He said, “We have to balance this panel, Al. Let’s turn to old Hunt.” So with that, I’m going to talk about the political hacks. That’s my specialty. You can’t talk about Congress today in this context, this issue, the same way you would have talked about a Congress say 25 years ago. I think Bob Einhorn has written a brilliant paper that really outlines what a final deal will look like, or something close to that. If you take that premise, if you had George Mitchell and Howard Baker and Richard Lugar and John Kerry running the Senate, then I think you could see how it would not be hard to come to some kind of resolution. It’s much harder today to resolve anything.

I think there are two contentions to start with, which affect Congress. One is that we ask: Can Rouhani deliver? What’s the politics over there? I suspect that they must ask: Can Obama deliver? That’s where you get to Congress. I think the second contention in the context here is Syria. The administration basically thinks that Syria is a roadmap of sorts for how you achieve things. On Capitol Hill, Republicans and a few Democrats think Syria was a botched disaster. Whether it was or whether
it’s not, they talk different languages there. It seems to me that if they come to Congress - and as Bob can talk about with far greater expertise than I do - they can administratively waive a lot of these sanctions. They can decide they want to try to bypass Congress. The optics, the politics, everything is pretty bad about that, and it’s probably not the way they’re going to go.

I think there are three issues that then come to the forefront. Number one, what will be the Israeli reaction? What will be their real reaction? I assume Netanyahu will oppose anything, but what will be the Israeli security apparatus? How would they feel? Can they say this really isn’t in the security interest? Because the fact of the matter is that concerns about Israel are paramount in Capitol Hill in both parties, much more so than it used to be the case.

I think the second question is, which I alluded to a moment ago, what kind of inspections, what kind of verifications do we have? How intrusive are they? Do we have validators who say they really work as the IAEA has signed on to?

The third thing comes to Obama. What Obama at some point is going to have to do is not only say this is in the security interest of the United States, but he’s going to have to say this is the choice. The choice is this or war. This is a very war-weary nation. I think people are—that poll you cited earlier, I agree—most people are very suspicious of the Iranians. I think most people are very supportive of an Israeli position. But as we saw in the case of Syria, this is an incredibly war-weary country. I’m not sure that Obama can frame that as well as we once thought he could, but it would be incumbent upon him to do so.

Jon Alterman: Bob, as we go through our process, what the administration is talking about is a temporary agreement or an interim agreement with somewhat modified sanctions relief—probably allowing the trade in precious metals and petrochemicals. It’s something very incremental. That was certainly the Almaty offer. They say we’re going for six months of targeted negotiations. How well will the American the public and people on Capitol Hill be able to judge whether the Iranians are adhering to their obligations? Or will we be in the same situation we were with Iraq, that you can’t disprove a negative, and you don’t know what you don’t know? How clean is that debate going to be?

Robert Einhorn: I think it’s going to be pretty clean because most of the things we would want the Iranians to do in this kind of interim deal are things that the IAEA, the International Atomic Energy Agency, can monitor very precisely. There are things like making sure this nuclear reactor at Iraq has not been loaded, that fuel hasn’t been transferred to the site. It means perhaps ensuring that enrichment is not taking place at the Fordow facility—or certainly not enhanced enrichment at the Fordow facility—that Iranians have not installed more advanced centrifuges at one of their enrichment facilities. So these are the kinds of things that the IAEA is very good at monitoring and reporting to its members about. I think we could have high confidence that such an arrangement is being kept.

The one thing that is hard to monitor is whether there are covert facilities. I don’t think anyone believes that there are covert facilities of any substantial size today. But over time, in a final agreement, you would be concerned about that. But under a final agreement, you’d probably have much more extensive verification measures than you would have in place for an interim arrangement.

Jon Alterman: Who in Iran would be opposed either to getting an initial interim agreement or to getting a more comprehensive final agreement?
Haleh Esfandiari: There is a faction among the hardliners. There is a faction among the Revolutionary Guards who are opposed to such an agreement, whether it’s step one or the comprehensive agreement. We know that the IAEA has been wishing or pushing for Iran joining the Additional Protocol. But the Iranian Parliament has made it clear that this is not doable until we have the final agreement. So you have elements in the parliament, elements among the Revolutionary Guards, and elements among the hardliners. The reason why I think the Supreme Leader came out two days ago and supported the negotiation team was precisely to at least silence some of these opposition who were talking about a sell out. I mean, they said they were arguing that the reason why the negotiations were kept confidential is that the negotiators, especially the Foreign Minister Zarif, was selling out Iran’s interest. So the Supreme Leader came out and said, “The negotiators are our children and the children of the revolution. We have to trust them, and they have a free hand. Although,” he added, “I don’t trust the United States,” and many other things. So, yes, there will be opposition. But if the government is going to be able to put forth something tangible, which is acceptable as a first step for the Iranian government, I think the people will go along and the hardliners reluctantly would be forced to go along.

Jon Alterman: One of the criticisms of Iranian negotiating behavior has been that the negotiations always get dragged out. The negotiations are never over, that there’s always revisiting. There seems to be a sense of urgency now among some of the negotiators. But do you think there’s a possibility that there’ll be a faction that wants to move ahead and conclude an interim agreement, and there will be factions that say, “No, we can do better, and you can’t appear too eager?” It’s not about the principle; it’s about the timing.

Haleh Esfandiari: Jon, I don’t think so. I think until Jalili, the last negotiator who was in-charge, he was a master of dragging out everything. We were told that every time the two sides sat together, we started going back to history and putting on the table all our grievances. This time Zarif said, “The past is the past. We are going to start today.” So my sense is that even if there are people in Iran who want to drag it up among the hardliners, they won’t succeed because there are now a bunch of technocrats who are there, who are going to carry on with the negotiation. Also, a very important decision was taken to move the nuclear fight from the Supreme National Security Council to the Foreign Ministry. This way, Zarif will report to the President—who was a nuclear negotiator himself—directly, rather than going through the Security Council.

Jon Alterman: Al, could you see a tacit alliance emerging between skeptics on the Iranian side and skeptics on the American side where each one reads the other’s signals and they try to derail from their own side some sort of agreement, because of a sense that each one feels their side is giving away too much?

Al Hunt: Yes. I think you already see that part of the efforts to toughen the sanctions right now, which is there is some move in the Senate. I don’t think it will occur. I think it will be blocked. But I think in part that’s the motive of some. Surely, if there’s any kind of an agreement—an interim agreement or an eventual agreement—there will be ferocious opposition. Some of it will be from people who probably genuinely think it’s a bad idea, some who would oppose anything. But if Obama put up the Magna Carta, they would oppose it. So that clearly would be the case. I think, Jon, in many respects, the more interesting question is “Who are the people that could facilitate and make it happen if there would be some kind of a deal?” It’s such a hard question to answer. It’s a very hard question to answer.
It would have to be the House Republican leadership. In the Senate I think the two key people are, not because of their positions but just because of where they’d been, Corker who, I think, is a Lugar in-the-making. He does not want to just oppose. He doesn’t fall in that category of Republicans I spoke about earlier. The other is Menendez. He’s not the most respected chairman we’ve ever had in the Foreign Relations Committee, but he’s been a hawk as was noted earlier. And if he were to continue that posture, I think it would complicate matters a great deal.

**Jon Alterman:** We focused a lot on the U.S. politics side. But it seems to me that the part of the question from an Iranian side is not only the U.S. sanctions but the broader international coalition that has gathered to support the U.S. position. Certainly one of the possibilities would be the United States, for political reasons or others, would seem to be extreme and some of the more multilateral pieces of the sanctioned regime could fall away. In Iranian political terms, would that be perceived as a win? Would it be acceptable if the Iranians got through an interim agreement and couldn’t get an international agreement, but the U.S. was blamed for the failure of the international agreement? Is that a possible win from the Iranian side?

**Haleh Esfandiari:** Rhetorically yes, unless the Europeans break away from the P5+1 and start dealing with the Iranian directly. But at the end of the day, the Iranians know that they have to come to an agreement with the United States. Without an agreement with the U.S., this would not work for them. That’s the Iranian position. They know that.

**Jon Alterman:** So you don’t think there’s an instinct for coalition busting?

**Haleh Esfandiari:** At this stage they are hoping that they will come to some kind of an agreement with the P5+1. But if they don’t succeed, I’m sure they will try focusing on the Europeans. They will try creatively, definitely.

**Robert Einhorn:** I agree with Haleh. I mean a big win for Iran is to divide the P5+1, shatter the international sanctions coalition and get the lifting of sanctions without having to pay the cost of constraints on the nuclear program through an agreement. Sanctions lifting without agreement is the best outcome. I think the current team in Iran, the negotiating team, is realistic enough to know that they really have to have an agreement to get the sanctions lifted. But if negotiations are prolonged and become difficult, it could be that the Iranians would resort to the tactic of trying to get the sanctions lifted without an agreement. But trying to demonstrate that they’re the reasonable side—that the P5+1 had been intransigent and have asked for too many unreasonable demands and so it’s not their fault—we don’t know if that would have much appeal. I’m sure the U.S. administration and its P5+1 partners would try to counteract that tactic by demonstrating that they have tried very hard to reach a compromise.

**Jon Alterman:** I think what Al suggested was that where Congress is, is not necessarily supporting a sort of “We’re being the reasonable side.” There’s a P5+1 negotiating position but to the extent that there are Congressional spoilers, that could make it more complex.

**Robert Einhorn:** I think that’s one of the downsides of piling on new draconian sanctions at this time. We will look like we’re the intransigent side, that the U.S. is sabotaging an agreement and is responsible for a stalemate. I think that’s really one of the problems of piling on with new sanctions.
Al Hunt: This is precisely the argument that John Kerry has been making to his former colleagues over the last couple of weeks, that the coalition for sanctions is already fraying a bit and that if the United States is seen as the real unreasonable hardliner, it’s going to make it much harder to get the kind of deal that you want. That’s why, among other things, as Bob said, I think making the sanctions tougher now will be bad. But in an overview sense, this is the message that he repeats.

Jon Alterman: How does that play on Capitol Hill when you talk about the need for multilateral support for sanctions? Is that something where people say what is making this work is that there is solidarity? Or are people saying what makes this work is American leadership? We’re going to tighten the screws and tighten, tighten and everybody else has to follow because we’re who we are.

Al Hunt: Jon, your question supposes that Congress is a homogenous institution.

Jon Alterman: No, no, no.

Al Hunt: I mean, when you make that case to Ted Cruz, it’s probably going to get a different reaction than if you make that case to Senator Corker. I think it’s a persuasive case. I think actually think some of the so-called hawks, the Lindsey Grahams of the world, are open to conversations and open to considerations on this. I think that is an argument that is not automatically rejected by some of those people. I think it goes back to what I said earlier. Some arguments are going to be rejected by elements in Capitol Hill no matter how persuasive or how rational they might be.

Jon Alterman: You mentioned earlier the politics around waivers. We currently have four more sanctions laws. They are in place until the end of 2016. If the administration move forward with waivers either as part of the interim agreement or as part of a final agreement—as an article in National Journal today has suggested—that the administration might not enforce provisions of laws especially actively, what are the kinds of reactions that would arouse on Iran as an issue?

Al Hunt: I’m sorry, that would arouse what?

Jon Alterman: If the administration tried to either officially waive or implicitly waive aspects of current legislation or current law.

Al Hunt: I think, Jon, it depends on the context. If it’s done, whether it’s an interim or a final agreement where there is a consensus among a lot of people including some of the people we talked to earlier, that this is not the perfect deal but it’s a good deal. If it’s a deal that could get through the Senate but the House says “no way”—I mean, we’re almost back to looking at Syria as a model of sorts—then I think probably they could do it. Short of that, however, I think it’s not just the optics. I think the politics of it become very difficult in the administration in a way. I hate to keep throwing back to Syria, because I know how different the issues are, but in a way they complicated their ability to do that by making the decision to go to Congress and talking about the importance of Congressional authority on an issue as important as it may be, it doesn’t rise to the level of this issue. So I think it’s not an easy question to answer, and I have proven that by eluding an easy answer. But I do think it’s complicated.

Jon Alterman: Bob, your paper that you delivered in Israel a couple of weeks ago was premised on the idea that the deal might not be great, but it’s better than sanctions falling apart, and it’s better than what a war would give you both in terms of this sort of international coalition but also in terms of
what the Iranians do. Who are the kinds of people who are very skeptical about that argument? I’m sure that it has not found favor in every corner. What do you think would persuade people that, you know, that really is the best thing?

**Robert Einhorn:** I’m not sure we’ll persuade them, if anything will persuade some of them. But, look, you just have to compare this deal to the alternatives and look realistically at the alternatives. Military option, what will that do? Will it really set back Iran’s nuclear program? For how long? Some estimates are as short to six months or eight months. Is it worth the risk of triggering a major regional conflict? I think the worst consequence of a military attack is that Iran could then decide to kick out the inspectors and go for nuclear weapons. Much of the world would sympathize with them and the sanctions coalition would shatter. The military option doesn’t look all that very good.

Others think maybe we should really push hard for regime change, and if we really did that we’d have a better regime. Maybe they’ll give up nuclear weapons. The problem is that a new regime in Iran may not want to give up nuclear weapons capability. I think we’ve learned that it’s not so easy from the outside to change a regime, that if there’s going to be a major change in Iran, it’s going to come from inside Iran. In any event, if it’s going to come, it’s not going to come at any timeframe that’s relevant to dealing with the nuclear issue. So I think when you compare what I think is a good enough deal against the alternatives, it doesn’t look bad at all.

**Jon Alterman:** I’m wondering is it good enough? The Israeli Defense Minister, Moshe Ya’alon, on October 24th sharply attacked the U.S. leadership without mentioning it. He said, “We’re saying beware. To the Western leaders we say, ‘Don’t be seduced by the Iranian charm offensive. Don’t be tempted to ease the sanctions before you have a clear result in your hands, clear proof that Iran has no military nuclear capability and no uranium enrichment capability or anything else.’ We’re warning you because we are seeing indications from the West to the effect that, ‘Oh, they’re talking nice now. There’s been a change in Iran. Let’s go meet them halfway.’ There is talk of confidence building measures, of answering calls for humanitarian aid. That’s exactly what the Iranians want, a reduction of sanctions before they’ve stopped their military nuclear project. True, little Israel should not be the spearhead - and they always try not to be. But when no one speaks the facts as they are, we have to speak them. We have to speak very clearly as the naiveté or wishful thinking do not influence policy.”

Are you persuaded, assuming we get to an interim agreement or we get to a final agreement, Moshe Ya’alon will say good enough really isn’t good enough?

**Robert Einhorn:** I’m not persuaded he’s going to say that, but I think one has to be realistic about what’s achievable. The conditions that Netanyahu has laid down for an acceptable agreement—sure they would be great, it would be terrific if we could get that agreement—the end of their enrichment program, all enriched uranium sent out of the country, dismantle their critical facilities and all the rest. That would be wonderful. But no one I know who understands the domestic situation in Iran believes that that’s an achievable outcome. It just isn’t. I think Haleh is right that the Supreme Leader, if he believes it’s a good deal, I think he can get it through. But he won’t be able to get through a deal if it doesn’t embody what the Iranian leadership has called its rights, its inalienable nuclear rights. And that means the right to pursue programs like enrichment. I think it’s simply not negotiable to try to get the maximalist positions that some, including Prime Minister Netanyahu, have advocated.

**Al Hunt:** May I ask one question? I talked to a couple of members of Congress in the last couple of days who I think would like to support any kind of a reasonable deal. One of the questions that they keep posing is, or what sends off bad vibrations to them is this: Why are the Iranians saying they’re
going to build 34 new nuclear plants when they’re sitting on the world’s second largest supply of natural gas? I think that’s a sort of signal to Congress. Maybe it has no relevance at all to the substance here, but that’s the sort of thing that creates more political complications. I don’t know what the answer to that is.

**Jon Alterman:** You want to talk about the energy needs of Iran?

**Haleh Esfandiari:** I’d like to talk about it, sure. For the Iranians, the nuclear program actually started before the revolution so it’s not the child of the revolution. It existed before then. I think the most unfortunate thing that happened was that the Germans—who were building the Bushehr reactor but after the revolution under the pressure led by the United States—I’m quoting Zarif who said that this at the Wilson Center, the Germans left and the Russians took over. But the Russians are very clever. They dragged it out for 28 or 30 years and then finally delivered the Bushehr facilities, which are basically still not working.

For Iran, it has become a matter of pride because it is an indigenous program, number one. Number two, I think when they went down this road—and I’m not talking about the organization, I assume that they are not going down that road—but they wanted to have nuclear energy. They felt it is their right to be able to have access to nuclear energy. Now, having access to this is a matter of consensus among most Iranians. Even the Iranians who are opposed to the regime or in the diaspora, believe that Iran has the right to look at the nuclear energy option for peaceful purposes. But they have also made certain, as Bob said, they are not going to give up on enrichment completely. They probably don’t trust any country enough to send out their 20 percent enriched uranium fuel to. I mean, this is the big problem. Who can you trust, as far as they are concerned? They have made it clear that they will not join the additional protocol unless they get something substantial in return.

**Jon Alterman:** In addition, they have gas shortages and natural gas is an important source of exports for currency.

**Robert Einhorn:** I think their nuclear energy program started out as a nuclear weapons program. That was the rationale for it. That was the justification. They wanted nuclear weapons. They wanted them under the Shah. I think after the revolution, temporarily, they gave up their nuclear weapons ambitions but they were resurrected again in the early to mid-1980s during the Iraq-Iran war. It’s not surprising that they were interested in nuclear weapons then, they were fighting a terrible bloody war with Iraq. Iraq was assumed to have nuclear weapons capability of their own. I think it started out as a nuclear weapons program in their enrichment program.

What they found out is that it wasn’t too easy to hide a nuclear weapons program. Two of their major facilities were outed by either the MEK or Western intelligence and they paid a heavy cost for being caught essentially cheating on their obligations. We have good information that in 2003 a decision was made to suspend one of the elements of their nuclear weapons program, the weaponization part actually constructing the device. There is also pretty good information that the Leader has not given a green light to proponents of nuclear weaponization to go forward and cross the nuclear threshold. And I think that’s where we are today, a nuclear weapons program in suspended animation, just being deferred. I think what we need to do is to make sure that that program is backed as far as possible away from the nuclear threshold and that moving back toward that nuclear threshold can be easily detected and we can react to it very quickly. I think that’s the theory of success.

**Jon Alterman:** So one of the other pieces of this puzzle is that Iran has a long list of grievances in the way the world has treated Iran and shown disrespect to Iran. And the nuclear program for better
or worse has been the tool Iran has used to get the world’s attention, to get the world to come to the
table. Does there come a point where some people in Iran say “We can’t give away the nuclear program
and only work on narrow aspects of sanctions? If we’re going to give up the nuclear program, we have
to have a broader agenda. We have to right Iran’s place in the region rather than just work out from
under the smallest of economic things.” Are there people who say this, where are they, what kind of
voice would they have?

Haleh Esfandiari: Sure. There are people in the Iranian administration who believe that Iran has
to play an important geopolitical role in the region decisively. But I think what President Rouhani and
his administration in Iran is doing is trying to separate at this point the nuclear portfolio from the rest of
Iran’s concerns and the role Iran wants to play. Recently, Zarif said, “If we are invited to sit at the table
during the Syrian negotiation, we will welcome it and go,” but he didn’t say it is our right to be there. He
said, “If we are invited, we are going.” So I think they would like to focus at this stage only on the
nuclear program, hoping that if they can get some sort of an agreement on that, the sanctions would be
lifted and then they will start dealing with other issues.

Jon Alterman: But that represents that faction in the government, and it doesn’t necessarily
represent the Leader’s thinking about where the nuclear program fits in, and it doesn’t necessarily
address what the Leader may think about the role of the nuclear program as a tool, as an instrument to
resolve a whole range of grievances about Iran’s place in the world. That’s just President Rouhani.

Haleh Esfandiari: Yes, but, Jon, President Rouhani doesn’t speak in a vacuum. President
Rouhani speaks now for a faction in the Iranian establishment. And so far, he has the support of the
Supreme Leader. How long this will last, we don’t know. But so far, he has the support of the Supreme
Leader, and he believes that if he can deliver some kind of an agreement on the nuclear issue and the
sanctions will be lifted, then he’s going to become much more powerful and can deal with the
opposition inside Iran and deal with other issues. At this stage, he has abdicated some of his power to
the security institutions. He doesn’t deal with them and with what they do. I think he’s waiting for the
latest day. That’s why it’s important both for the Iranians, and I think it’s a unique chance for the P5+1
maybe, to come to some sort of an agreement. But as Bob said, it has to be under very intrusive and
exact verification and also inspections.

Jon Alterman: But I think then there’s a fear on the Iranian side and a fear on the U.S. side that
this thing would turn into a Christmas tree and everybody would try to hang things from it because they
see this being the best opportunity to affect bilateral relations. Al, as you look at the Hill, would there
be some effort to say “Well, if we’re going to do anything for the Iranians on nuclear stuff, we can’t have
a clean nuclear issue because we are concerned with all aspects of Iranian regional behavior, be it
support for Hamas and Hezbollah, activities in Syria, support for Islamic Jihad, so on and so on.” Do you
think that impulse would come on the Hill, and what would happen if the administration needed actual
legislation rather than just push for a waiver?

Al Hunt: Well, there’s no question that impulse will come. It will come among some people
who just feel passionately about some of those issues, and it would come from those people who would
want to sandbag anything that is sent up to the Hill. Whatever happens, there’s one thing that I think
we all can guarantee: It will be messy; it will be unattractive; it will be complex; it will be difficult.

I wanted to just go back to one thing I said earlier though. In America, the stakes are huge.
Public opinion is not irrelevant. And when we talk about Congressional opinion that is also affected
particularly by those people on the margins of this. You might be able to predict how 80 percent of the people up there will react, but those people on the margins will be affected by public opinion. And I think there are two issues that we have to keep in mind. Number one is that this is an incredibly war-weary country. I don’t care where it is. This is a country that does not want another war of any sort. And secondly, sort of counter to that, I think the President has lost a lot of credibility in recent months and has shown an inability to be as persuasive as we once thought he was. And if he can’t recapture that, I think that’s going to create problems.

Jonathan Alterman: How does that perception affect the President’s ability to negotiate with Iranians in your judgment?

Al Hunt: Well, I’m not sure. It affects it in a sense that if it eventually has to go into the political arena that has to be a consideration. First of all, I don’t think the administration will accept my premise, so therefore it wouldn’t affect it that much, but I think that certainly there’s going to be a question raised. In the end, any interim or any final agreement is going to be made by the President of the United States, subject to Congressional approval perhaps. And how he presents that and how effective he is in persuading people this is in the security interest of the United States, in the security interest of Israel, and as Bob said, it’s not perfect but it’s good, and his ability to persuade people of that is very relevant to this.

Jonathan Alterman: Bob, am I correct in getting from your comments that the President doesn’t necessarily need to get clear Congressional approval, that this is principally a multilateral agreement which Congress doesn’t have to approve and Congress doesn’t have to be a party to?

Robert Einhorn: I mean, they have to approve it in a certain sense. They’re going to have to agree ultimately to repeal some of the sanctions that are on the books. They’re going to have to cast votes on that. They’re going to have to cast votes for funding some of the arrangements that come out of the deal. But whether they’ll have to approve the deal itself is unclear. Whether it will be a kind of action taken by the executive that doesn’t require even support of both houses of Congress, not to mention the treaty, I don’t know that it has been determined at this point.

Jonathan Alterman: The timing of an agreement is unpredictable as I think the negotiators perceive the Iranians feel an urgency to make a deal. Let’s say we sort of get kind of a partial interim something. Is there any point at which we should say, you know what, we shouldn’t try negotiating this? That either Rouhani is not serious, Rouhani doesn’t have the juice to make the final deal, the Iranians are playing an elaborate game, and it’s not really leading to a conclusion. Can you conceive of a point where we would say we’re not going to negotiate this at all, and what would the indicators of reaching that point be?

Robert Einhorn: During the last Iranian administration, when Saeed Jalili was the negotiator, in January 2011 at an Istanbul meeting, the Iranians took the position that they were not prepared to talk substance with us until the P5+1 explicitly recognized their right to enrich uranium and immediately lifted all sanctions. Even the Russians and Chinese essentially threw their hands up and said this is not serious, this is ridiculous. In effect, we called off negotiations at that point. We didn’t resume for over a year.

I think that would be what would happen if we discovered that the Iranians really weren’t, at the end of the day, serious; that their actions didn’t match their moderate rhetoric. Then I think the recourse would be to suspend negotiations and to seek ratcheting up of the sanctions, and to use Iran’s
stubborn behavior at the negotiating table to seek international support for a ratcheting up of sanctions. We wouldn’t have to work very hard with the U.S. Congress to get them to also strengthen the sanctions. I think that would be the recourse. I don’t anticipate that happening, frankly. I think so far, the Iranians have seemed to be very serious about reaching an early agreement, but if it turned out that at the end of the day they weren’t prepared to accept the kinds of constraints that would make a deal acceptable to us, I can imagine simply suspending the talks and resuming the pressure strategy.

**Jon Alterman:** And that would either lead to more crippling sanctions that really try to either bring down the government or a military option in your view?

**Robert Einhorn:** Well, in part, it would depend on how the international community perceived it. If they thought that we were being overly demanding and we were causing an impasse, I think it could lead to an unraveling of the sanctions. And if we used military force in those circumstances, it might not be seen as legitimate, and we’d generate a lot of sympathy for the Iranians. So it would depend on how it was perceived at the time.

**Jon Alterman:** Haleh, Mehdi Khalaji has pointed out that a lot of Iranian Presidents have come in with energy and a positive attitude and sense that here they really have a chance to lead things in the right direction. At the end of their second term, they leave in disgrace realizing that they actually didn’t have a fraction of the power they had hoped. You seem to think that Hassan Rouhani is in a different position. Why is that?

**Haleh Esfandiari:** If Rouhani is smart, he would have watched every President before him and would always remember that the Supreme Leader cooperates and supports the President in the first term. But if that President does not deliver, then in the second term he starts withdrawing his support and they leave in disgrace or whatever. I think because he is an insider, because for 30 years he has been sitting there and watching how the Iranian politics has evolved, he will try and give them a sense of urgency that we need to settle this problem. And his success also depends on how much the P5+1 is willing to give to Iran. It’s not a one-sided road. And they have to make concessions but the other side has to also make some concession. But if these concessions are acceptable for the Supreme Leader, I think he will continue supporting Rouhani. If not, then Rouhani will have the fate of all the other Presidents before him.

**Jon Alterman:** Al, you’ve talked about the war weariness I think about four times. Is there a way for this to come out on the Hill where there’s something other than just the sort of grudging acceptance? Is there a way for this to unfold where people feel they’ve actually gotten something, they’ve improved the security of the world, and we should take it as a win and move on?

**Al Hunt:** Yes, but that’s going to be very hard. I suppose the scenario would come close to what you laid out in that paper and perhaps it would be accompanied by some kind of authorization for force if they cheat. Maybe that will give most factions what they want. But certainly, it would be predicated upon the Israelis at least not vehemently objecting, or Netanyahu not vehemently objecting. I think it’s possible to see that. I wouldn’t want to bet a great deal on it.

**Jon Alterman:** Bob, do you think that at the end of the day, the center of Israeli public opinion will say even if it’s imperfect, it’s realistic, it’s the best we could do and we can live with it?
Robert Einhorn: I think so. I mean, Israelis have been very realistic. They live on a narrow security margin, and they haven’t had the luxury of being able to see the world in ideological terms. And I think they’ll take a look at the situation at the time. They will see how much support there might be for the use of force, the downsides of it, and they’ll make their calculation. And I think if the deal is credible, I think they’ll go along with it. I think it’s essential. They don’t have to be enthusiastic about it, but they just have to not stimulate their supporters in Capitol Hill to go after it because if they do, that’s going to make life very difficult for the administration. But if they don’t, if they’re prepared to live with it, then I think it’s going to be possible to get sufficient support on the Hill.

Al Hunt: Does the view or reaction of any of the other Gulf States matter?

Robert Einhorn: My sense is, and Jon, you know as much about this as anyone, the current difficulties we’re having with the Saudis are a problem, but I think if the Israelis are okay and are prepared to go along with the deal, I think the Saudis would not independently try to agitate against it. The Saudis have a different kind of problem. The Israelis are concerned with the contents of the deal. They want to make sure that it prevents an Iranian nuclear weapon. The Saudis aren’t terribly concerned with the contents of the deal. They’re concerned that in order to get a deal, we are prepared to give Iran essentially hegemony in the region that will grant them a great influence in the region if they make concessions on the nuclear issue. That’s what the Saudis most fear. And so, they’re going to judge the deal from a different basis.

Jon Alterman: I think they fear two things. One is that the Iranians would implicitly get regional hegemony in a way that it will be to their disadvantage. And the other, somewhat related but still a distinct point, is a fear that the United States would naturally rather have a strong relationship with Iranians, like we had for much of the 20th century, and that their alliance would weaken. That as the U.S.-Iranian alliance would strengthen that there will be a zero-sum dynamic and that would be distinctly to their disadvantage at a time when they remain, much as it causes them discomfort, relying on a U.S. security guarantee.

Haleh Esfandiari: As long as Iran’s attitude towards Israel does not change, there is no way that the relations between the United States and Iran will go back to pre-revolution. And I don’t see any change in that attitude towards Israel. So I don’t think the Saudis should worry about that.

Q&A

Jon Alterman: I would love to bring you in. We have some wireless microphones if you could just wait for somebody to come. If you could do me a favor, follow my three rules; one is that you identify yourself; second is that you will only ask one question; and third is that you ask your question in the form of a question which is not to make a statement and ask our distinguished panelists what do you think of my statement. Question right here.

Stephen Benson: Steve Benson from CSIS. I think about the complex dangerous task of ridding a region of thousands of tons of chemical weapons, and then I think about it in a conflict zone, and then I think about it with influence from Iran and troops and just political influence. And I wonder about a potential misstep, another action of mass destruction in the area with chemical weapons, and I think about how Iran might have to be involved in the guarantee that that wouldn’t happen. Is this something
that plays on the negotiation table? Is this something that is within the thought process of the folks that are making these decisions? There is a lot of capital involved, political capital involved in making sure this Syrian thing comes out right.

**Robert Einhorn:** I think if Iran is seen to be supportive of the chemical disarmament of Syria, cooperating if it can cooperate but being generally supportive, I think that’s a positive factor. And I think the Iranians do have motivation to be a positive factor. The Iranians clearly have a concern about CW in the region. Iraq used chemical weapons against Iran during their war. There are tens of thousands of Iranians who are still feeling the aftermath of that use. So I think they sincerely would like to see Bashar implement this deal conscientiously. And I think to the extent that they’re perceived as being supportive, I think it will have a positive effect on people’s perceptions of Iran’s willingness to implement a nuclear deal.

**Mohammad Baharoon:** Mohammad Baharoon from B’huth Research Center in Dubai. We’re talking about sanctions. There are three types of sanctions: UN, EU, and U.S. sanctions. And if we assume that we’re talking about the U.S. sanctions, it already has got a sunset provision which says these sanctions would go away if Iran does this, this and that, which begs the question: Why are we talking about a deal if everything is obvious, or why is there a need for a deal, if the provisions are very obvious, unless the deal actually requires compromise on both sides? So where is that compromise going to happen, and is it going to be related to the role Iran wants to play in the international community and the playground in which Iran is going to play on? Thank you.

**Jon Alterman:** So the question is that since the current legislation has a sunset provision at the end of 2016 can’t the Iranians just wait out the clock and then on January 1, 2017, all the sanctions go away? I don’t think any of us think that’s what would happen on January 1, 2017.

**Robert Einhorn:** I’m not sure that all of them sunset at that point. I think there’s some that would continue. But even if they were to sunset and the requirements for lifting them had not been met, I can guarantee that the U.S. Congress will adopt a new law that will extend those sanctions. I don’t see there’s any risk of that ever happening.

**Jon Alterman:** The Iran Sanctions Act was in 1994 actively, right?

**Haleh Esfandiari:** I think so.

**Robert Einhorn:** Yes, but renewing it in the absence of the conditions that would enable it to be ended would be hard to imagine.

**Al Hunt:** I said earlier that I don’t think the current effort to toughen sanctions will succeed. It won’t succeed because it won’t get to the floor. If it got to the floor and there was a vote, it would succeed.

**Haleh Esfandiari:** And the new sanctions won’t expire. If there are new sanctions, they won’t expire in 2016.

**Jon Alterman:** They won’t put in the sunset provisions.

**Haleh Esfandiari:** No, definitely.

**Andrew Pierre:** Andrew Pierre, a question for Ambassador Einhorn. Bob, you touched very briefly on the possibility of a division among the P5+1 and this has gotten really very little attention, it
seems to me, in the public debate at least. And I’d like to get a sense of your sense of where the Russians and the Chinese stand, how anxious are they to have a deal, how would there possibly be a serious division between them and the Europeans. I would assume for the moment that there wouldn’t be between the Europeans and the United States. Then if the negotiations don’t work out and there’s question of a war, to use the words of Al Hunt, but I would prefer to say a clean surgical strike against the Iranian facilities, would that too become a major factor of unraveling among the P5+1?

Robert Einhorn: Thank you, Andrew. So far, I think the U.S. administration has been very much impressed with the extent to which the Russians and Chinese have joined with the others in a unified position and putting pressure on the Iranians. I think probably Russia’s and China’s requirements for an acceptable deal are somewhat less than U.S. requirements. I think Russia and China would be prepared to settle for a significantly less. But if there was no deal and Iran were seen as the responsible party for the stalemate and we decided or anyone decided to use military force, clearly Russia and China would not be on board.

I can’t imagine Russia and China supporting the use of military force. I can imagine if they really believe Iran was responsible for the impasse that they would acquiesce in stronger sanctions. Russia and China have not been advocates of sanctions, but they’ve mostly opposed sanctions that affected their own companies and their own persons. But I think they recognize both of them that pressure is what has brought Iran to the table so far. And if they were responsible for an impasse, I think they would go along with the further strengthening of sanctions. But we’ve been impressed the extent to which Russian and Chinese diplomats have supported the collective efforts of the P5+1. And that’s one reason Iran I think has become more serious about negotiations.

Bob Kopech: Bob Kopech an independent energy consultant. First of all, congratulations on the new building, Jon. My question is for Mr. Einhorn. You talked about an interim agreement versus a comprehensive one, and I’m frankly not, in my own mind, clear what the connection is between the two. You said that their program is a nuclear weapons program in suspended animation. Could you elucidate what the connection is and how we get from the interim to the comprehensive program?

Robert Einhorn: I think there’d be two elements agreed in the framework. One would be an interim deal putting interim constraints for about six months in Iran’s program. The other would be the general outlines of a final deal that would be concluded at the same time as the details of the interim deal. The interim deal then would be implemented for about six months during which time you would negotiate the details of the comprehensive arrangement.

Why do you need these two parts? Why don’t you go directly to a comprehensive deal? The reason is that would be a very detailed arrangement, the monitoring and all the rest, the constraints on an enrichment program. It would take a long time, a year or so, to negotiate perhaps. In that time, Iran can make substantial progress on its nuclear program. I think they’re at the verge of making a substantial gain in their program, the things they could do now that would really get them closer to the nuclear threshold. I think it’s in our interest to have an interim deal immediately or very soon that could cap that program, essentially freeze further progress, while we’re negotiating a comprehensive deal.

And there’s another reason for that. We’ll have to demonstrate, the administration will have to demonstrate, to Congress that Iran is prepared to live up to its obligations. I think if you put an interim deal in place while you still have not concluded a final deal, you have the opportunity during that period to demonstrate whether the Iranians are prepared to be conscientious. And if they are, if they’re prepared to live up to their commitments, I think that’s a much stronger argument that the
administration can make for Congressional approval of a final deal. So I think there’s a sound relationship between the two.

**Jon Alterman:** Just to clarify, my understanding is the interim deal essentially has the mothballing of a lot of equipment, shutting a lot of equipment down in a verifiable way so it represents a clear freezing and not just treading water.

**Robert Einhorn:** Look, we have our own intelligence means to get a handle on whether they’re pursuing a covert program. And I think it’s the view that we are not aware of any covert activities. And I think even intelligence communities like the Israelis doubt they’re pursuing covert on the basis of their own national technical intelligence means. So we have a basis to do that now. In a final agreement, we’d have much more robust verification in place and I think much greater confidence that they didn’t have a covert program, but this will be a six-month period, a relatively short period.

**Edward Ifft:** Edward Ifft, Georgetown University. I think it’s worth asking who has time on its side in this situation. Clearly Iran is hurting because of the sanctions, but if you look at it from our point of view, I mean, consider other controversial agreements—Law of the Sea, CTBT, New START—not only can the opponent say we can live comfortably without this, they actually prefer a world without that agreement. Here, the situation is completely different. I don’t think you can find anybody who would say the current situation is fine. I mean, no agreement for us means more centrifuges, more enriched uranium, closer to a weapons capability, closer to war. Doesn’t that make a difference in how the issue is posed here in Washington?

**Robert Einhorn:** I think one of the positive aspects of the current situation is that both sides seem to have an interest in early conclusion of a deal. I think it’s fairly symmetrical and that hasn’t always been the case in U.S.-Iranian history in terms of incentives for reaching any agreement. I think here, you’re right, Ed, we would like to see constraints put on that program soon. They would like to see sanctions eased on their economy soon. I think that gives both sides incentives for an early deal.

**Jon Alterman:** Can I follow up on that and also on Bob’s point? Is it catastrophic for either side if they judge the other side’s intentions wrongly? That is, is it catastrophic for the Iranians if they misjudge the United States and there’s really no deal at all? It is catastrophic for the United States if we misjudge the Iranians?

**Haleh Esfandiari:** I think it’s going to be catastrophic if they misjudge the United States because they have put so much on the table and their own reputation, their own survival. I mean this group, the negotiating team, Rouhani, Zarif and his whole team, have. So it is going to be catastrophic, and some of them may not even survive. There would be a lot of pressure on them to resign and have a new team, and also the hardliners would say, well, we did tell you that the United States is not serious and so on. So that’s all definitely. But you have a team who is quite aware of what the possibilities are.

**Al Hunt:** I don’t know how sophisticated the Iranians are in looking at American politics, but if they are even reasonably sophisticated, they will conclude things ain’t going to get a lot better. The next President is probably either going to be a Republican or Hilary Clinton. If I’m them, I’m not going to say, “Boy, that will be terrific; that will be a lot better.” And I don’t pretend to be sophisticated about Iran and I don’t know if Rouhani really is that Iranian moderate we’ve been looking for, for 35 years, but it’s pretty hard to imagine someone who’ll be a lot better. So it seems to me that for either side, unless they make a wrong calculation and they misread, as Jon said, things are going to get better. That really would be a rather stupid miscalculation.
**Bill Murray:** Thank you. Bill Murray with Energy Intelligence Group. A slightly different question, but this has to do with a meeting taking place in Switzerland, I guess, during the past week concerning a potential Middle East nuclear-free zone, which was actually submit below the table, but there was both Israeli and Arab representatives there, although they may not have been talking. The administration obviously cares about this a lot and is paying attention to this and maybe pushing below the radar. How does this relate? Obviously it’s tangential to the direct question but it doesn’t seem so since this is the Middle East and it’s all in one stew.

**Robert Einhorn:** It wasn’t just Israeli and Arab delegates there. There were Iranians there as well. But I think it is tangential to this negotiation on the Iran nuclear issue. This is a longstanding proposal to turn the Middle East into a zone free of all weapons of mass destruction. Israel hasn’t been enthusiastic about going forward with this arrangement as long as it doesn’t have peace with all its neighbors and it has concerns about some of the nuclear weapons programs of its neighbors.

This has been ongoing since 1974 when the Egyptians and the Iranians jointly put this forward. At the NPT Review Conference in 2010, they called for a Middle East conference of regional states to negotiate this zone. There’s no practical possibility that this is going to make any headway, and this has become a matter of political theater with a number of countries pointing the finger at Israel because of its nuclear program and trying to put it in the hot seat. The Israelis not wanting to be put in the hot seat and refusing to have this session. The Iranians, even though they’ve been accused by the IAEA Board of Governors of violating their nonproliferation obligations, are trying to act as if they’re the strongest supporter of this Middle East zone. So it’s a lot of political theater but it’s not going to result in anything, and I would very much doubt that it’s going to be this conference any time soon.

**Chris Nelson:** Thanks so much, Jon. Chris Nelson, the Nelson Report. Please forgive a really naïve question. It relates to, in a sense to the Congressional Israeli questions. Is it naïve to say, at a certain point, to have a deal that is successful? Implicitly, there must be some opening for a rapprochement between Israel and Iran, is it possible to talk about an Israeli-Egypt style working agreement. Is that something that we should include? Because as you guys were saying, to get Capitol Hill signed off on the Israeli reaction but also the Iranian existential threat question strikes me as essential to the messaging and the selling of the agreement. Should we be thinking in terms of the Israeli-Iranian conundrum as part of the nuclear deal because we haven’t really talked about that? Thanks.

**Al Hunt:** Well, I would defer to the two experts that I’m sure they will make it much easier on Capitol Hill, but I think everything I’ve read suggest that’s not going to happen.

**Robert Einhorn:** Look, an Israeli-Iranian rapprochement would guarantee support of the U.S. Congress, but it’s not going to happen as Haleh pointed out.

**Jon Alterman:** Thank you very much for your participation. Thank you very much to our terrific panelists. I appreciate you coming. We look forward to seeing you for the rest of the afternoon. Thank you.

[End of transcript]