Center for Strategic and International Studies

The Iran Deal: Key Issues and Controversies

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Location: 2nd Floor Conference Center, CSIS, Washington, D.C.

Date: Thursday, August 13, 2015
ANTHONY CORDESMAN: Good afternoon, ladies and gentlemen. Please. We have a somewhat unusual format this afternoon, because in a city where this issue has been filled with debates, what we are attempting to do is bring you three of the experts who helped draft and negotiate these agreements and give you the opportunity to ask the most challenging questions you can.

Now, let me emphasize the word “question.” If you look around, you will see that this is probably one of the worst formats to make a long speech in lieu of a question imaginable. I used to tell my students when I was teaching if you couldn’t ask a question well in three sentences, you not only shouldn’t get a degree, you probably shouldn’t get a job. (Laughter.) And beyond that, I don’t want to put any limits at all.

I think the issue here is you have three leading experts: Colin Kahl, who was one of the key negotiators, has a very wide background in the Middle East within the Office of the Secretary of Defense, as well as a background in teaching. You have Tom Wolfsthal, whose greatest achievement was to be here at CSIS, but also is the deputy director of the Martin Center for Nonproliferation Studies, and has played a key role in arms control at the National Security Council. And Chris Backemeyer, who has the enviable job of being the deputy coordinator for sanctions policy, which has to be probably one of the most challenged jobs in the city.

I’m going to basically simply start by asking a few questions, give you the opportunity to formulate the questions you’d like to ask. I know a few of you. I do not by any means know all of you. So I’m going to have to call upon you by row and position. When I do, I’d appreciate it if you could give me perhaps just your name and affiliation, and then just move on to the question.

So let me begin, gentlemen, Colin, by asking you two questions about the way this debate has unfolded and what, to me, seem to be problems it has not addressed. One, it has focused on the idea you can bind the future 10, 15 or many years in advance. Rather than start an arms control process where the strategic conditions will change, you have to renegotiate and adapt with time. And what is the capability to do that?

The other, and to me perhaps the most damaging aspect of this debate, is to focus on how quickly you can get one crewed gun device that you haven’t tested in terms of fissile material rather than how it will affect Iran’s ability to develop a meaningful nuclear force and a meaningful nuclear capability. So let me begin there and I will start looking around for people who have questions.

COLIN KAHL: Well, great. Well, Tony, thanks. Thanks to all of you for coming out on a lovely day. As my students at Georgetown would say, can we have class outside? Which is, at least in my experience, is can we play Frisbee instead of going to class? (Laughter.) But in any case, thank you so much for inviting me. Thank you all for having us here to talk about this important issue.
I should put one biographical clarification, which is I was not one of the poor souls, like Chris, who lived in Vienna for weeks and months at a time – Vienna and Geneva and other – Lausanne and other places – negotiating the deal on the front lines. People like Jon and I were – have the harder task of negotiating the deal back here in Washington. (Laughter.) So I just wanted to make that clear note. You know, obviously Secretary Kerry and Secretary Moniz, and Wendy Sherman and others, and people like Chris, deserve all the credit for what I think is a very strong agreement.

I think – you know, asking whether this is the final – whether this is the period at the end of the sentence as it relates to this issue, the final long-term answer to all the controversies with Iran, it’s not. It is – the agreement itself puts in place a series of very important long-standing commitments for Iran that we believe will give the international community confidence they won’t develop a nuclear weapon. It puts significant constraints on their enrichment capacity over the next 10 to 15 years. It puts permanent constraints on the Arak heavy water reactor as a source of plutonium for a weapon.

It puts permanent obligations on Iran as it relates to intrusive inspections, and generational commitments on certain types of inspections that are, frankly, unprecedented, like inspections into their uranium miles and miles and centrifuge production facilities and the like. So there are a whole series of long-term commitments in this deal that would not exist in the absence of this deal.

It is true that there are inevitably going to be issues and controversies within the four corners of the deal, where even with a document that’s more than a hundred pages long and is extraordinarily detailed and precise, there will be disputes. There will be disagreements. People may find ambiguities. One of the good innovations about this deal is that there’s a mechanism for addressing that, in the form of the joint commission, which is basically modeled over the – after the joint commission we have with the existing interim nuclear agreement, the JPOA, the Joint Plan of Action.

So there is a mechanism for working through those issues. And I’ll give you just a really brief example. Several months ago, there was a question under the existing interim nuclear agreement about whether the Iranians introducing gas into an advanced centrifuge, the IR-5, was a technical violation of the agreement or not. The reality was that in this particular instance the text of the JPOA was unclear.

But when the IAEA pointed out that Iran had introduced gas into the IR-5 centrifuge, we raised it as a – a strong objection to that, saying it was inconsistent with their obligations and limitations on centrifuge R&D under the JPOA. The rest of the P5+1 agreed with us, and Iran stopped, right? So that was an example of something that wasn’t completely settled in the JPOA that got put back in the box as a consequence of this mechanism. And there will undoubtedly be things like that moving forward.

There will also be issues outside the four corners of the deal. And, I mean, the reality is that this deal was never intended to solve every problem that we have with Iran, or every problem that we have in the Middle East, and that there will continue to be
conflicts of interest, in some places animosity, in other places perhaps opportunities for a more constructive engagement as it relates to a whole host of regional issues that this deal doesn’t address at all, because it’s a nuclear deal. It’s not a grand bargain with Tehran. So undoubtedly we will have to address those issues, and we are committed to doing so.

The only thing that I would say on the second question, which is that the deal focuses on what you called, you know, the rush to one gun-type device, I would say that really for those of you who are following this less technically, there’s been a lot of emphasis in the public discourse on the deal on the notion of breakout. And we define breakout in a very small-C conservative way, that is the time it would take from a political decision to do so for Iran to produce the first bomb’s worth of fissile material. And most of the breakout discussion is focused on the uranium path, because given Iran’s current uranium capacity, that would be the fastest route for them to develop the explosive fuel – explosive material for the first nuclear weapon.

As it currently stands, Iran’s breakout timeline for weapons-grade uranium is two to three months. That is, if the supreme leader woke up tomorrow and decided to go for a bomb it would take 60 to 90 days for Iran to develop the first bomb’s worth of material. Under this deal, because it reduces centrifuges by two-thirds and the stockpile of low-enriched uranium by 98 percent, for the next decade or more the breakout timeline – the cushion will be at least a year. And beyond year 10 of the deal, for a number of years after that, we expect the breakout timeline to be meaningfully greater than it is today.

But it is true that there are other aspects of designing a weapon. Just because you have the nuclear fuel doesn’t mean that you have a sophisticated implosion warhead that can fit on the tip of a Shahab-3 missile. There’s a lot of other types of research and development and work that have to go into that. In fact, one of the innovations of this deal that go beyond the framework we reached in April in Lausanne is that for the first time it locks Iran into a series of commitments that restrict their ability to research and development on a weaponization.

Very consequentially, for example, they have a 15-year ban on doing any research related to uranium or plutonium metallurgy, which is hugely important if they’re ever going to design a nuclear warhead. But there are other dual use kinds of research – use of high-speed cameras, work on certain types of trigger devices, et cetera – many of which are activities that Iran allegedly engaged in the past before 2003, that they are explicitly forbidden in this deal from doing forever.

Now, it is true that this deal does not deal – does not address specifically the very large arsenal of ballistic missiles that Iran has. Iran has the largest number of short- and medium-range ballistic missile of any country in the region. And obviously, what this deal does address is deal with the problem of putting a nuclear warhead on that missile, by preventing them from getting the fissile material and limiting their R&D on the weaponization piece. But the missile issue itself will continue to be something that we’re going to have to work through.
We have eight more years of restrictions under the U.N. Security Council on ballistic missile. We have other international agreements and sanctions tools and other cooperative efforts, like the Proliferation Security Initiative, to go after this issue. We have ballistic missile defense work that we’re doing on our own and with our partners in the GCC and with Israel. So that’s a particular issue that we’re committed to, you know, continue getting after. But again, I think it’s one of those that falls, in some sense, outside the four corners of the deal, because while these could be delivery vehicles for a nuclear weapon in theory, they are also, at least from Iran’s point of view, central to their conventional deterrent. So they have a nuclear relationship, but they are not solely a nuclear-related activity.

But I don’t know if Chris or Jon wanted to pile on on any of that before we open it up to others. I haven’t screwed up too much so far?

MR. : No, you’re good. Just –

MR. KAHL: OK, great. (Laughter.) Excellent.

MR. CORDESMAN: (Inaudible.)

MR. KAHL: Yeah, thanks.

MR. CORDESMAN: I think this gentleman on the third row. Would you wait for the microphone?

Q: I’m Harlan Ullman with the Atlantic Council.

And I will tell you, I’ve been chastised on several occasions by John Kerry to referring to the agreement as a deal, so I will defer to his terminology. I support the agreement, but I have several concerns. First, I don’t see that the White House has, at this stage, anything but an ad hoc strategy to market and support the deal. And I’d like to know what its plans are for doing that between now and September 17th when the Congress votes.

But more importantly, what is the longer-term strategy for the region that will support this deal or, in the case it fails, will deal with that? In many ways, this agreement is rather like a pre-nup between two spouses who believe the other is going to cheat. And so what are we going to do to put in place a structure for the long term that allows this agreement to work? And if it fails, what are the off-ramps?

MR. KAHL: Both great questions. So on the day of the deal we had a 30-page rollout strategy that dealt just with the days and handful of weeks after the announcement of the deal. And we’ve been building on that document ever since. And obviously we’re doing tons of events like this to help further educate an already extraordinarily well-educated group of folks. We’re doing a lot of public outreach. The president has probably done more interviews on this topic than almost any other issue, at least in recent
memory. And the venues for that have been all over the place, you know, op-eds, testimony.

And then all of us – from the president, to the vice president, to the secretaries of state, energy, treasury, and all of us minions below that, are basically on – I’m spending half of my day every day on the phone with members of Congress, or going up to the Hill to provide briefings for members of Congress or staff, et cetera. So there’s no question that it may appear ad hoc on the outside. I think actually we have a plan and we’re – and its adapting as circumstances and sentiments are adapting. But we’re pretty focused on this, even though it’s August.

In terms of our long-term strategy for the region, I think that you can think of it in terms of different buckets, all right? This deal is about the nuclear issue. Putting that issue aside for a moment, we are still – we still have all sorts of challenges in the region, many of them are related to Iran and its destabilizing activities in places like Syria and Lebanon and Iraq and Yemen and Bahrain and elsewhere. And we’re going to have to continue to contend with that. We obviously have a number of other challenges in the region, to include the so-called Islamic State, ISIL, Daesh, which we’re confronting in Iraq and Syria through a coalition of more than 60 countries.

But to focus on the Iran piece, I think it’s instructive to note that when the president announced the Lausanne framework on April 2nd, he also announced that he was going to have the leaders of the Gulf countries come to Camp David to have precisely this conversation. Now, I used to run the Middle East office at the Pentagon at the beginning of the Obama administration. So the fact that we’re working closely with the Gulf States to build up what we call the regional security architecture is not new. But the president did feel like it was time to re-energize some aspects of that, and to build off of the work that we’d already done with the Gulf States to expand out to address some of their specific concerns as it relates to Iran.

Now, the Gulf States already have, you know, an extraordinary quantity of sophisticated military conventional armaments. I think there’s a sense that Iran is this unstoppable juggernaut in the region, and that Iran with a little more money will take over the entire globe. It’s, I think, instructive to keep in mind that last year Iran spent $15 billion on its defense and the GCC combined spend $115 billion on its defense. The Saudis alone spent more than $80 billion on their defense. The challenge – so that’s eight or nine times as much as Iran if you put the GCC together.

So the challenge is not whether there are sophisticated enough aircraft – the UAE flies the most sophisticated F-16s in the world; the Saudis have among the most sophisticated F-15s, et cetera – or ballistic missile defenses, which we have and which we’re continuing to build on, or other forms of conventional defense. Where I think more can be done is building up their capabilities to actually go after the challenges that Iran poses – so cyber defenses, protection for critical infrastructure, the ability to conduct freedom of navigation and maritime interdiction, the expansion of sharing of intelligence,
training their special operations forces to be more expeditionary. These are all areas of major emphasis coming out of Camp David.

And then, of course, we have the relationship with Israel, which is political tense at times. There’s no question about that. But, again, as the guy who used to have Israel in his portfolio at the DOD, there’s never been an administration that’s done more from a defense perspective or an intelligence perspective than this administration has done with Israel – measured quantitatively or qualitatively.

We already do a tremendous amount vis-à-vis Israel in terms of protecting their qualitative military edge, like providing the joint strike fighter, preventing – providing technologies and support as it relates to their rocket and missile defense, Iron Dome, David’s Sling, Arrow, et cetera, the presence of our Aegis Cruisers in the eastern Mediterranean to protect Israel against missiles coming from Iran or anywhere else in the region. And we also want to have that to the next level as it relates to Iran’s irregular activities in the region.

I will say something. This is a complicated time to have that conversation because, as the president has made clear and other folks have made clear, we understand that Prime Minister Netanyahu is not a fan of this deal. We have tried to make the case that we get that you’re not a fan of this deal, but we have all these other issues we need to deal with, to include on Iran, and we’re ready to roll up our sleeves and deal with them and get to work with you on those issues, compartmenting off the political controversy on the Iran deal.

The challenge at the moment has been that the Israel political leadership has not been keen to take us up on that offer, because they feel like that sends mixed messages, that if they’re somehow working with us on Iran in one space but working against us on the deal that it sends a mixed political message. So we’re a little constrained by that, but I hope that as we get beyond the congressional review period that those constraints will fall to the wayside.

MR. CORDESMAN: The gentleman in the third row here had his hand up first. Harlan got two questions for the price of one.

MR. KAHL: I know this guy. This guy’s name is Josh. He’s a friend of mine.

MR. CORDESMAN: From now on, we only get one question for the price of one.

Q: Hi. I’m Josh Zive with the Policy Resolution Group at Bracewell & Giuliani.

I have a process-related question to the deal. If we get to implementation day, do you envision that it takes more congressional action to unwind some of the statutory secondary sanctions, like CISADA? Or is it your view that the executive action alone
could – or at least could largely get us to the withdrawal of those secondary sanctions under the deal?

MR. KAHL: I’m going to ask Chris to take that.

CHRIS BACKEMEYER: So that’s a good question. And actually, it’s one that we, you know, really tangled with as we – as we worked out the negotiations and as we ultimately decided on how we were going to do this. The sanctions relief is set up in a couple of phases.

The first phase, which you’re referring to as this implementation day, is the phase that happens after Iran completes all the major nuclear steps – those steps that push the breakout timeline to a year, that cut the centrifuges by two-thirds, that get the stockpile down to 2 percent of what it was. Once they do all that, we are going to take the steps to, what we would call, suspend the sanctions. In the document it’s called “cease the application of.” There’s all sorts of things you can call it, but what we’re actually doing is using the president’s statutory waiver authority to waive sanctions that have been agreed to be lifted in this context.

Now, the second step – now we’re all referring to U.S. sanctions in this context. The second step to that would be when we would actually terminate those sanctions. That’s a step that occurs at eight years down the road – eight years of when the IAEA reaches its broader conclusion that says there are no more undeclared nuclear activities in Iran, something we expect will take that long, but that’s really the kind of the cornerstone that – or the milestone that we’re looking for. So that’s the point where we would seek congressional action to actually terminate those sanctions.

And it was intentionally constructed this way because we know that Congress – we cannot tell Congress what to do with respect to this. They have their own prerogatives to make that decision. So we will seek that legislation – we, as – or, you know, the administration at the time will do its best to seek that legislation. But it’s not a – it’s obviously not a foregone conclusion. So those are the two steps.

Now, the EU and the U.N. are largely similar to that. The EU is using its own mechanisms to essentially suspend that in the first phase. These are the kind of economic sanctions that they have in place. And the U.N. is slightly different in the sense that the U.N. structure actually terminates old resolutions, but then it reestablishes the most important sanctions that we want to keep in place for the long term. Those are the ones that relate to missile technologies. Those are the ones that relate to transfers of congressional weapons. Those are the ones that relate to transfers of nuclear technologies – obviously the core elements of this agreement.

MR. KAHL: The only thing I would clarify, just for those of you who aren’t in the weeds on it, is implementation day, as Chris indicated, is conditions-based. But there’s the question of, well, how soon is that? And the answer is, the ball’s really in
Iran’s court. There are technical and political issues they’re going to have to sort their way through.

We think – we estimate that it’s some – it’ll take them six to 12 months to fulfill these basic obligations of, you know, disabling the Arak reactor, reducing their centrifuges by two-thirds, their stockpile by 98, implementing the additional protocol, addressing the access issues on possible military dimensions, et cetera. We think it’ll take six to 12 months. So that’s sort of – but when exactly implementation day will be is a little to be – TBD.

MR. BACKEMEYER: And only just to jump on that, I think he makes a really good point, is that this was entirely intentional, to have this big for big sort of strategy, because the most important thing for us, what’s in our interest, is for Iran to get done everything it needs to as fast as possible. And so people have said, oh, why didn’t you string out, drip, drip, drip of sanctions along the way? We wanted a big incentive. We didn’t want to do anything before Iran had done its stuff. So there’s no signing bonus. There’s no drip, drip, drip. There’s only one big suspension once Iran does all the things that we need it to do that satisfy the U.S. interests.

MR. CORDESMA: There was a gentleman in the back there. I don’t know if you still have a question.

Q: Thank you. Richard Fieldhouse, former Armed Services Committee staffer. Good to see you all again.

And my question is if you would address your view on the consequences if Congress were to reject the agreement, specifically looking at whether we could simply negotiate another deal, whether Iran would be able to continue its previous level of nuclear programmatic – enrichment, Arak reactor, all of that. And also, in terms of whether the existing sanctions are likely to remain in place and enforced. Thank you.

MR. KAHL: So let me take a meta cut at this and then see if Chris wants to pile on on some of the specifics as it relates to sanctions.

I think we all have to be somewhat humble that none of us can predict with 100 percent accuracy what would happen if Congress blows up the deal. I think the only thing that is certain is uncertainty. The situation will be more uncertain, more messy, we will have less control, less leadership, and the international community will be less united. I think we can be certain of all those things, but you can game out lots of different scenarios for how this will play out. Let me give you the two ones that I think are most likely, OK?

One is, that we effectively reject the deal – the United States does – after having agreed to it with Iran and five other countries. Remember, this isn’t a deal between us and Iran, it’s a seven-party deal. And this becomes the final piece of evidence that hardliners in Iran need to basically discredit President Rouhani and Zarif. They’ve
already – they’ve already sharpened their knives for that. And they push the leader – the supreme leader to use this to do what Iran has done the last two times diplomacy collapsed – in 2005, when Iran was negotiating with what was then called the E-3 and in 2009-2010, when the Tehran research reactor deal fell apart.

And what the leader decided to do those two times was to double down on resistance and increase their nuclear program, because it emboldened the hardliners. And so Iran’s program went up. And from their perspective, this can serve the objective either of driving towards a nuclear weapon or generating leverage against us by increasing their nuclear capability. So I think it’s highly likely in the politics of Iran that a congressional rejection leads effectively for Iran to walk away from its commitments, not only the ones under this deal but the ones they currently have under the JPOA.

And remember, if they start doing things like re-accumulating 20 percent low-enriched uranium, which sometimes is called medium-enriched uranium even though technically there’s no such thing, turning on their advanced centrifuges they already have installed – the 1,000 IR-2ms at Natanz, they could go from their breakout timeline of 60 to 90 days to a month or less in a relatively short period of time. And it is very difficult to imagine that we would be able to hold together the international coalition, even in that circumstance where Iran is creeping closer to nuclear weapon.

And the reason is that most of the countries that signed up for the sanctions regime did so for a fixed period of time under the understanding that we would – there’s a pot of gold at the end of the rainbow. And that is that we would lift sanctions and Iran would be back open for business, whether that’s oil-hungry consumers in Asia or whether it’s banks and businesses in Europe. And some of those countries may stay onside and comply with the existing sanctions, but some of them won’t. And at the very least, the international community will be less united and the sanctions regime will be weaker.

So Iran will be driving towards – closer to a nuclear bomb, and the international community will be more fractured and the sanctions regime will be at least somewhat weaker. That’s a very dangerous scenario because it suggests to me that you’re going to approach a decision point for the use of military force before you could ever re-cobble back together an international coalition to get back to the bargaining table, especially in a world where the moderates and pragmatists in Iran are discredited, because after all we saw what happened when folks like Jalili were at the table versus folks like Zarif were at the table. So Iran is not a monolithic place. Their internal politics matter.

All right, a second scenario is Congress blows up the deal and Iran sticks with the deal. This is also a nightmare scenario, but a slightly different version. Iran can basically say, the Americans are out of compliance, but we will live up to our obligations going up to implementation day as long as the Europeans, the Russians, the Chinese, et cetera, lift the sanctions, right? This puts our allies in a horrible dilemma because they either need to live up to their obligations under the agreement, because Iran is living up to its obligations to lift sanctions, and risk getting sanctioned by U.S. secondary sanctions, or
they need to – or they keep the sanctions in place and they are in violation of the deal, right?

And I think China and others are going to have, frankly, a less complicated decision calculus. You know, countries like China, India, South Korea, Japan, Taiwan, the remaining customers for Iranian oil, it’s a big economic hit for them not to do business with Iran. And there are all sorts of way that you could imagine other countries, if they – if they believe that Iran was in compliance and we were out of compliance – doing things to circumvent to secondary sanctions.

They could set up bad banks that do business with Iran that aren’t connected to our financial system. Or they could transact through their central banks and dare us to start trade wars with the most important economies on planet Earth. I mean, those six customers for Iranian oil that I currently mentioned currently control 47 percent of all U.S. foreign-owned treasuries – like, half our foreign-owned debt, right?

So what allows the sanctions regime to operate is not just the coercive influence power of the U.S. economy, the size of our economy, the ability of us to make – force banks and companies to make choices between doing business with Iran or with the United States – but the underlying political consensus associated with that, because most of the time we don’t have to sanction the banks and companies to get them to comply because the political leadership in these countries agrees with the objective. Once that political consensus goes away, then we’re in real trouble of the Iran deal – of blowing up the Iran deal unraveling the sanctions regime.

Now, let’s imagine you believe – we make this argument a lot. Secretary Kerry’s made this argument a lot, Secretary Lew and others. Let’s imagine that you believe that that’s hyperbole, that the sanctions regime will not completely collapse. I think we can all admit it will get at least a little weaker relative to what it is today. All right, this is a big audience. Are there a bunch of people that believe that the sanctions regime will stay exactly the same? Raise your hand if you think it’ll stay exactly the same if Congress walks away? There’s like 400 people in this room.

OK, so let’s imagine it’s only 10 percent weaker. (Laughter.) Let’s imagine it’s only 10 percent weaker than it is today. Riddle me this, Batman, how do you get a better deal with less leverage? You can’t get a better deal with less leverage and international support. It’s like – it defies the laws of gravity. So the notion that Congress can walk away from this deal, blow it up, we’ll keep the international community together, we can ramp up pressure and drive Iran back to the bargaining table for a better deal is a fantasy. You can’t get more with less. And we will have less if Congress blows up this deal.

Last data point – and I’m sorry, but this is a really important thing – I think one of the things that American officials encounter when we travel the world, given the sense of dysfunction and partisanship in this town, is a question about whether we can govern. And I think that there is a – there’s going to be real collateral damage on our ability to do business in other areas with other types of agreements if an agreement that has the
support not only of the U.S. president, but of pretty much every other major power in the world, and the vast majority of other countries period – that Congress just blows that up, I think it’s going to be harder for us to just do business, to have credibility and to lead on a whole host of other issues. And that’s a problem too.

I don’t know if there’s anything sanctions-related that I goofed up.

MR. BACKEMEYER: No, no, I can’t follow that. That’s perfect.

MR. KAHL: All right.

MR. CORDESMAN: Before I move on, I’m going to have to also caution potential questioners not to give the panelists an opportunity to make a speech. (Laughter.) But seriously –

MR. KAHL: I said we didn’t want to do any remarks at the outset. (Laughter.)

MR. CORDESMAN: I do have a fairly large list of hands already, so I’m going to come back and recognize people when I get through the group I already have. But there was a gentleman in the front here who had a question. And if you’ll wait for the mic, please. It was this gentleman here first, I’m sorry.

Q: Thank you. My name’s Andrei Sitov. I’m a Russian reporter here in Washington, D.C. I’m with TASS.

Thank you for doing the panel. And I want to follow up on what you just said about the importance – and actually, the secretary of state was also speaking the other day in New York on the difficulty and the importance of keeping the team together. Basically, he said if we walk away from Iran, people start walking away from Ukraine. So my question to you is what are you doing? What can you share with us that you are doing to keep the team together, especially since – my parochial interest in is Russia – especially with Russia, which is a separate case and a difficult case because you have –

MR. CORDESMAN: We have to focus on the question. I’m sorry.

Q: Yes. Are you looking forward to unraveling the sanctions against Russia and how do you see it happening? Thank you.

MR. KAHL: Yeah. So I think – Chris, if you want to take a – I can take a – I can take geopolitical cut or you can take a – I think the geopolitical answer is, we don’t know. But it is true that as we apply sanctions in a lot of different areas, that a lot of times the way we do it doesn’t make other countries all that pleased with us, and not just countries that we target the sanctions against but, frankly, our allies and the coalition that we form to go along with us on these sanctions, because there are real costs associated with this.
And I think that there is – I mean, one of the things I worry about – and Chris has to actually do this on a daily basis – but one of the things I worry about is that if Congress blows up this deal and then we try to keep the sanctions regime together simply by threatening everybody in the world, it not only will undermine the political consensus as it relates to Iran policy, but it will feed the anxiety, concerns, tensions that undergird our sanctions policy in general, which will make a whole host of national security priorities more difficult to execute.

But you actually have to do this on a regular basis, so.

MR. BACKEMEYER: Sure. No, I mean, I think that’s exactly right. I mean, with respect to how this impacts our sanctions policy with respect to Russia, I mean, these are separate policies. And we’ve been able to demonstrate throughout this process that while we have concerns in one area, we’re able to work closely with Russia on this particular core issue that we have.

And we think that coming out of this we had a very successful outcome of where we were working not only on our own sanctions but working to ultimately remove those sanctions in the U.N. Security Council that we and Russia must agree on both the timing and ultimately when those things will happen. And so these are – you know, this is a separate policy issue from that. And I think that generally speaking it’s instructive of how you can use these sorts of things as a tool to ultimately get to a diplomatic outcome.

MR. CORDESMAN: We’ve had a gentleman – a question in the far back, who raised his hand early on. He may have lost immediate interest, so let me pass it on to the gentleman in the second row there, please.

Q: My name is Isa Marogi (ph). I’m a command sergeant of the 352nd Civil Affairs out of Fort Meade.

I wanted to ask you a question – different kind of question, is who wants this deal? Do Iranians want this deal psychologically and culturally? Is this for their internal use? Or do we want this deal more? Just hearing you gentlemen, whether the Congress approves it or not, it’s not going to make any difference. So why are we pushing for this deal? Are the Iranians pushing for it more?

MR. KAHL: Well, I mean, and not to be glib, I think the answer is we both want the deal, probably for different reasons. We want the deal because one of the most significant challenges to international security – and not just in this administration but in the previous administrations, is the prospect of a nuclear-armed Iran, because as troublesome as Iran is as an actor, and as ambitious as their regional agenda sometimes is, it would be put on steroids in a world where they had nuclear weapons. And so with the exception of the wars in Afghanistan and Iraq, I would say that the Iran issue has probably been the issue that the president has focused on more since day, because of the recognition of that problem.
So, but he’s also – you know, he has consistently said all options are on the table to deal with this, that this is such a vital threat to U.S. national interests that Iran will never be allowed to get a nuclear weapon. That continues to be the policy of the United States. This deal instantiates that commitment even more deeply, from Iran’s point of view. But the president has been equally clear that all else being equal, a diplomatic solution is better.

It’s better because it’s more sustainable, it’s more enduring, and it doesn’t accrue the costs of another war in the Middle East, with all its unpredictable consequences. And frankly, even from a perspective of pushing back their program, it’s hard to imagine a military strike that destroys 98 percent of their stockpile and disables two-thirds of their centrifuges and all of the rest. So you’re not going to – you’re not going to get 10 or 15 years. You’d be lucky if you got, you know, five years out of it. So we have an interest in resolving this issue, and if possible doing it diplomatically. And I think our allies share the interest. And also our partners – you know, the folks we partner with in the P5+1, to include the Russians, who we disagree with on a whole host of issues like Ukraine and Syria and elsewhere, also share that interest.

I think the Iranian interest is different. I think that the Iranians are obviously very invested in their nuclear program. They’ve invested between $100 and $200 billion in developing their civilian nuclear infrastructure, much of which has dual use capabilities. And they’ve also invested a tremendous amount of the regime’s legitimacy, pride, and national identity in this issue. Something that I think most Americans don’t get, frankly, is the degree to which the nuclear issue is wrapped up in Iranian nationalism and things like that, which is the why the notion of driving Iran to zero – to zero-out its nuclear program forever, was probably always a fantasy because of how much the regime had invested in it.

So the regime had an interest in maintaining their nuclear program, even if for symbolic and civilian purposes. But they also had an interest in getting the sanctions lifted. You know, lessened and then eventually lifted over time, because the sanctions have had a crippling effect on the Iranian economy. The Iranian economy is probably 15 or 20 percent smaller than it would have been had the sanctions that have been imposed in the last couple years not been imposed. That’s a challenge to the Iranian people. And even though Iran is not a democracy, Iran did get elected on a campaign to break Iran’s isolation, to get the economy going again. And I think in the aftermath of the 2009 elections in Iran, the supreme leader was also sensitive to the domestic political costs of ignoring the fact that the public wanted this.

So I think the deal is in the interests of both parties, but for different – but for different – for different reasons, which is why you don’t have to trust them and they don’t have to trust us. You just have to make a calculation about whether it continues to be in the interest of the – of the two parties to comply with it.

MR. CORDESMAN: So there were a couple of questions here in the front row early on. Let me begin with the gentleman and then the lady. Could we – thank you.
Q: Yes. I’m Russell King (sp), retired federal employee.

Iran is an Islamic state with an Islamic constitution. And there’s an Islamic concept known as taqiyya, which is deceiving a non-Muslim. But they also have relationships with Russia and China and Japan. And those countries have also psychological deception techniques – you know, the communists and East Asians. I’m wondering what particular technique the leaders of Iran are using to deceive us. Are they using those techniques? Or are they just following the way of no way and the doctrine or no doctrine, and saying, if the shoe fits wear it?

MR. KAHL: Yeah, you know, I’ll leave it to academics to debate whether cultural essentialism makes sense or not as an explanation in these types of issues. I would say that the broader issue is not whether this is somehow imbued in something in the DNA of the Islamic Republic, but just the empirical fact of the matter, which is that Iran has engaged in a lot of secret nuclear activities over the years. All the iconic nuclear facilities that we talk about today – Natanz, Fordow, Arak – these were all once covert facilities.

So we don’t trust that, all else being equal, the Iranians won’t do things in secret, because they’ve done things in secret before, which is why the president has emphasized that this deal is not about trust, it’s about verification. And which is why we believe that there has never been an agreement in the history of arms control or nonproliferation that’s a negotiated agreement that’s had more intrusive inspections of nuclear programs than the one that we got here, because it’s not only 24/7 coverage of known nuclear facilities – Natanz, Fordow, Arak, Isfahan – those facilities, but also regular access to uranium mines and mills and centrifuge production and enrichment facilities.

And for those of you who want to know why that matters, if you want to build another – a secret enrichment site five years from now, it’s not just about drilling a hole in the ground, you got to fill it with stuff. You got to fill it with centrifuges, you got to fill it with scientists, you got to fill it with uranium – a natural source, yellowcake. You got to be able to convert that into gas. And what this deal does, that no other deal of its type has in the past, is create surveillance across that entire supply chain, which makes it effectively inconceivable that Iran could divert large amounts of material from its known facilities into secret facilities.

And then, because Iran will have to apply the additional protocol which allows a time-bound procedure for getting the IAEA access into suspicious facilities – which is also unprecedented because counties that have the additional protocol elsewhere don’t have such a procedure – we have confidence that if you haven’t blocked them as they march down a field, you have some significant goal-line defense as well, because you can get into suspicious sites. And if they don’t let us in, we can snap the sanctions back or take other actions, because they’ll be in violation of the deal.
So all of that is to say one of the great ironies or paradoxes of the Iran debate in this town is that so much of the criticism is focused on the transparency and verification mechanisms, when I think the nonproliferation and arms control experts who look at this believe that’s the strongest part of the deal. And we agree with that assessment.

MR. CORDESMAN: The lady in the second row.

Q: Hi. My name’s Tara McKelvey. I work for the BBC.

And I’m wondering if you can tell us more about – you mentioned the marketing plan that you came up with. I’m wondering what you found to be the most hard argument to overcome, or maybe the most surprising, or where you thought that they really have a point here in Washington. And I’d love to hear from Jon and Chris, too, on this.

MR. KAHL: Yeah, right. (Laughter.) I don’t blame you.

I think – look, I think the hardest to overcome in general is that Iran is not a good regime. So why would you make a good – why would you make a deal with a bad actor? And I think that argument is completely understandable. It’s understandable when members of Congress make it. It’s understandable when the Israelis make it. After all, the Iranians regularly make abhorrent statements about Israel, threatening statements. They support a bunch of actors that do our allies in the region, Israel and others, a great deal of harm and threaten us. They’re not a good regime.

But we spent the entire Cold War period, at least since the 1970s, making arms control agreement after arms control agreement with an entity that Ronald Reagan called the evil empire because we recognized that you could – that reducing the risk of nuclear war was such an important priority that you could strike deals to reduce that risk in the arms control domain while still pushing back against the other things that the Soviet Union did all over the world – like subverting our allies, and supporting proxies, and supporting terrorism and killing American forces all over the world. So we walked and chewed gum during the Cold War. We can do the same thing here. But I think the notion that why would you cut a deal with a bad regime is kind of a – is an understandable reaction that we’ve had to push back against.

But, Jon, I don’t know if you want to add – because you’ve been involved in this public outreach as much or more than I have.

JON WOLFSTHAL: Thanks. I was beginning to feel a bit like Dr. Carson at the Republican debate. (Laughter.)

For me, I think – I won’t say it’s the most surprising, but I think it’s been the most difficult argument, which is this is a complex, technical agreement. And it relies on a certain assumption of knowledge. To explain to people who have not dealt at all with the International Atomic Energy Agency why safeguards confidentiality is important, why
the United States has championed that principle for decades – because we don’t want to reveal proliferation-sensitive information about U.S. facilities where we have safeguards confidential agreements, or the Israelis have safeguards confidential agreements that they want to keep confidential with the IAEA, that’s been a real challenge.

And so this debate – which I think in part is a political debate; and we recognize that people are trying to posture themselves – to say well, there are these side deals that we haven’t been able to see because they don’t have a familiarity with the IAEA and the work that they do, has led to questions, like, well, how do we know we can trust these guys, right? There’s nuclear power in 45-plus countries around the world because the IAEA has been demonstrating their job for over 60 years. These are the guys that got it right in Iraq, who said there was no ongoing nuclear weapons program.

So I think that’s been the biggest challenge and, quite frankly, it’s one I don’t know that we’ll be able to overcome. And it’s where, I think, the support of people like the now 32 notable scientists, including six Nobel laureates, validating that the IAEA can do this job, that the inspection regime is able to work because if they understand it and intimately helped develop it, that people are looking for touchstones like that. But that’s just a process we’re going to have to go through.

MR. CORDESMAN: The gentleman in the far back there.

Q: Daniel Serwer from Johns Hopkins SAIS.

October 15th is an important date in the agreement because the Iranians are supposed to account for possible military dimensions to the IAEA. What are U.S. government criteria for a successful and accurate accounting? And by the way, what’s happening at Parchin?

MR. KAHL: Right, these things are obviously related. Jon, why don’t you –

MR. WOLFSTHAL: Sure. So I think it’s important just to take a step back and remind ourselves what we’re talking about. Up until 2003, Iran had an active program to develop a nuclear weapon. How do we know that? Because the United States declassified that fact in the National Intelligence Estimate. The IAEA documented information, provided in part by member states, in their November 2011 annex by the director general, the 13 areas of possible military dimensions that the IAEA was investigating.

One of those was the possibility of conventional explosives work to develop a nuclear implosion device which the United States believes was conducted at Parchin. The IAEA has been trying to get into that facility for several years. The IAEA has been able to string that out for many years, because there is no obligation for them to provide access in a time-bound framework, unlike under the JCPOA, where we would have gotten access way back in 2011, had it been in place.
However, we believe that the Iranians ended their nuclear weapons research in 2003. We have not seen any signs that that research has resumed. And this question is whether or not the IAEA will be allowed to pursue their legitimate investigations and whether a country like Iran, that’s under safeguards, has a responsibility to provide the IAEA access to the places, people and things, documents, that they deem necessary to complete an investigation.

And so what we have been working to do is not figure out what went on in Parchin, because we have a fairly good sense of what went on – even things that we haven’t necessarily disclosed publicly – but to make sure that the principle that the IAEA gets what it says it needs is what we are working to support, so that in five years Iran can’t say if there’s a facility that the IAEA has interesting in – they can say, well, that’s not a legitimate claim. You didn’t have to go into Parchin, so you don’t have to go in here.

And so what we’re working toward, and what we have urged the IAEA to work out, and what we have now linked to any sanctions relief, is that the IAEA must be able to do what they believe is necessary to pursue their investigations. And that includes ensuring that they are able to investigate Parchin to their satisfaction. Now, the exact nature of how that is going to work has been worked out confidentially between the IAEA and Iran. That has been briefed in full in a classified session to all members of the Congress. They have that information. They will have to judge whether they believe that’s sufficient. But we believe, being familiar as we are with the plan, that it is sufficient. So we recognize that’s a leap that has to be made.

In terms of what’s going on at Parchin, I have no idea. I really would like the IAEA to be able to go there and find out. But if we believed that they were doing nuclear weapons research at Parchin, under this deal we could get in in 24 days – the IAEA could get in in 24 days. That’s absolute. So anything that we’ve agreed to in terms of clearing up the possible military dimensions of the past, only apply to that previous investigation. Anything moving forward would operate under the rules laid out by the JCPOA.

MR. CORDESMAN: OK. There’s a gentleman over there in the far right that raised his hand early on.

Q: Steve Lande, Manchester Trade. Congratulations to the sponsors. I think you set a record for attendance on August 12th at an event. And congratulation on the format, which I wish everyone else would follow when we know the subject.

My question is a little bit off-beat so I’ll make it fairly quick. I spend my life in free trade agreements. The U.S.-Israeli Free Trade Agreement was supposed to be the U.S.-Egyptian-Israeli Free Trade Agreement, which was not on the table idea. The U.S. has five, what we call, ink spot agreements now in the Middle East with Oman, Bahrain, Israel, Jordan and Morocco.
And so we’re thinking if you really wanted to send a signal to Sunni friends, like-minded countries, why don’t you consider proposing, perhaps beginning work on an agreement including all Arab countries in the Middle East that would go beyond trade and obviously – it’s not important – but obviously include things like religious understanding, energy security, et cetera? And of course, most importantly, remember, we have fast-track authority for that, so we could begin it in the administration. Thank you.

MR. KAHL: So I – Chris, I don’t know if you – the free trade area is beyond my area of expertise. I will say, as a general – I will see if Chris wants to chime in because it’s at least closer to his expertise than mine – but I will say this: The major reassurance measures that the Gulf States and our Arab partners are looking for at the moment are not in the economic domain. It’s not that they wouldn’t be interested. It’s not that it wouldn’t have value. So it doesn’t prejudge any of the issues that you raised.

But really what they’re looking for is a general security assurance that we will protect them if they’re externally attacked, which the president reiterated at Camp David. And this goes back to Eisenhower, Nixon, Carter, the – you know, the Gulf War of 1991 to liberate Kuwait and the rest. But reaffirming that, and then putting meat on the bones by deepening our security cooperation in the areas that I talked about before. So I think that’s what they’re focused on at the moment. I don’t know if you want to say anything else.

MR. BACKEMEYER: No, just to say that the agreement you describe might the one that is absolutely much more complicated than the one we just hatched, which is – (laughter) – which I thought was one of the most complicated agreements. You know, I think, as Colin said, the concern, you know, amongst Gulf partners and others is not that they’re going to be outpaced economically. Iran is still in a huge hole economically. There’s over half a trillion dollars in pressing needs that are – that is a whole that they have – that has been built by the sanctions that we had in force.

So it’s really not an issue that Iran is going to become the economic center of the Middle East. And so, you know, our focus for the moment is making sure that Iran takes these intermediate steps that address our proliferation concerns, and that we work closely with our partners to address their security concerns.

MR. CORDESMAN: So there I a question here in the third row, I think, the gentleman right there. If you wait for the mic, please.

Q: Thanks. Sulah (sp) from Egypt.

I guess the repercussions of this deal is not only with aggressive behavior of Iran in the region, but there’s also another dimension which I think it should be taken into consideration, which is the fact that, you know, the emerging access of Egypt and Saudi Arabia and Emirates might ask for the same deal to be implemented, and develop their own capabilities – technological capabilities in nuclear.
MR. CORDESMAN: You need to move the mic closer. You’re not coming through.

Q: It has not been clear?

MR. CORDESMAN: No. The question was –

Q: The question was clear? I’ve already done it. Thank you.

MR. KAHL: So let me take a first cut and then Jon will have more detail. For those of you who had trouble understanding, this is the general concern that because the agreement leaves some of Iran’s nuclear infrastructure intact, that it will set off a proliferation cascade in the Middle East, as Saudi Arabia, the Emirates, Egypt and others, perhaps Turkey, try to match these capabilities. And that sets in motion a nuclear arms race in the Middle East.

A couple of things to keep in mind: First, Iran’s nuclear program has been around since the 1950s. So if the mere existence of the nuclear program was sufficient to set in motion this chain of events, we have a number of decades of empirical disproof of that. They’ve been developing in earnest enrichment capabilities since the 1980s. That’s also when they started the Arak facility. They accelerated that in the ’90s, and in the ’00s. So this is not a new challenge. And if it was sufficient to tip the region into a proliferation cascade, we would have seen it already.

Second, as an empirical matter, reactive proliferation is quite rare. So, for example, India followed China and Pakistan followed India, but then it stopped. North Korea did what it did and it didn’t lead to South Korea and Japan or Taiwan taking other actions. So you – so it’s neither inevitable nor, as a historical fact, do you tend to see reactive proliferation as a reaction to civilian nuclear programs. You tend to see it when countries that are rivals in the region actually acquire nuclear weapons.

Why does that matter? Because this deal prevents Iran from getting a nuclear weapon. And what’s odd about this argument about a proliferation cascade is Iran’s program here now in terms of their capacity. Without this deal, their program is quickly going to go to here. And they might get all the way to a nuclear weapon. With this deal, their program goes down to here and then gradually ramps up. So explain this, how is this more of a risk of regional proliferation than this?

It’s not. It’s not, is the answer. So I understand that this is a concern, but the same critics who made this argument three years ago were saying you can never allow Iran to get a nuclear weapon because the second they do the Saudis will acquire a nuclear weapon from Pakistan and the Egyptians and the Turks and other will acquire nuclear weapons, because it was fixated on their nuclear weapon piece, not just leaving some enrichment capacity.
The last point I would make is none of our other partners in the region are immune from their obligations under the NPT not to get nuclear weapons. And I’m not sure any of them would like to pursue the course to building a large nuclear program that Iran has pursued, at the expense – at the direct expense of $100 to $200 billion and, you know, maybe half a trillion dollars in economic damage. That’s – if I look at Iran, I say that’s not a model I want to pursue as it relates to building a nuclear program. So it’s not – it’s a concern I think we all have to be mindful of, but it’s certainly a risk that is higher in the absence of this deal than with this deal.

MR. WOLFSTHAL: So all I would say is that all countries that are fully compliant with their obligations under the Non-Proliferation Treaty are entitled to benefit from the peaceful uses of nuclear energy. If Egypt or any other country in the region wants to purchase or develop nuclear power reactors or nuclear research reactors, they’re fully capable of doing so. And I have no doubt that countries like Egypt, just like the UAE, can rely on the international market to provide fuel for those reactors and fuel services.

The UAE is under a legally binding restriction not to acquire enrichment and reprocessing. They’ve signed an agreement to buy two modern advanced South Korean nuclear power reactors with U.S. technology. And they’re going to have no problem having fuel services provided to them. And they will benefit from the peaceful uses of nuclear energy and they won’t have to rely on enrichment and reprocessing.

If states say that they want to have enrichment and reprocessing because Iran has it, and they feel that that’s a security argument, then that is a much different type of conversation and one that I don’t think really serves the interests of the countries in the region or their relationship with the United States.

MR. CORDESMAN: Yeah. There’s somebody over in the side there on the far left. Just right – she’s raising her hand.

Q: Thanks. Naza Nesarouch (ph) with IHS Country Risk. And my questions is with regards to sanctions.

Are there any regulations or a framework being set into place that an introduction of terrorism-related sanctions will support Iranian claims of such sanctions being a repackaging of nuclear-related sanctions or preventing full implementation of nuclear-related sanctions relief?

MR. BACKEMEYER: Thank you. That’s a good question I get, I would say, every time I do a briefing, certainly several times when I’m doing them on the Hill. So we were very clear throughout this negotiation with the Iranians, it was very well-understood by the Iranians, that we were only talking about one category of our sanctions that were going to be relieved as part of this deal. Those were the sanctions that were put in place over the last several years specifically to address Iran’s nuclear program.
Now that does not mean that all of our sanctions on Iran are going to go away. There are a number of sanctions that remain in place that were specifically and obviously put in place to address Iran’s support for terrorism. And those are going to remain in place. There are sanctions that were – that are – that were put in place with respect to Iran’s human rights abuses. Those are going to remain in place. There are sanctions that respond to Iranian support for the Assad regime in Syria. Those are going to remain in place. There are lots of those sorts of things that will remain in place.

Now, one of the fundamental ones that’s going to stay in place are those that – those that relate to individuals and entities that have been designated by the Department of Treasury for their support for terrorism. Now, this is one of the core things that we have used to try to disrupt the flow of funds to illicit networks around the world. And this is one of those things that’s going to stay in place. And all of those entities, Iranian or otherwise, that were ever designated for their support for Hezbollah, Hamas or any other terrorism organization, are going to stay sanctioned. That includes banks that were designated for those reasons, one being Bank Saderat, an Iranian bank that was related to Hezbollah financing. They’re going to stay sanctioned.

Now, it might now sound like a lot, just, oh, these individuals and entities stay sanctioned. The real powerful aspect of this is part of these sanctions that were imposed under the Comprehensive Iran Sanctions Accountability and Divestment Act, a bill passed by Congress, and a very powerful one, in 2010. That bill said that if you are a foreign bank and you do business with one of these people on our list, if you help them transit money to – from Iran to Lebanon or any other place, or even from Iran to London for a completely peaceful activity, doesn’t matter, that bank can get cut off from its access to the United States financial system. And so that is all staying in place, and that is well-understood by the Iranians. So to the extent that any of those sorts of things get – or to the extent that any of those sorts of things are taking place, they’ll remain subject to sanctions.

Now, most importantly, another question we often get is, well, can you continue to enforce this? Can you continue to impose sanctions for those reasons? And the question is absolutely yes. We were very clear in these negotiations that we had every intention of enforcing those, so if a new bank decides to start funding Hezbollah that bank, even if they were relieved from sanctions under this nuclear deal, can get sanctioned again, and that is not grounds for reimposing – or not grounds for Iran to walk out of this deal.

Now, a lot of people will say, oh, well, Iran will argue that they – that that’s reimposition of sanctions and not consistent with the deal. Well, Iran can argue anything it wants as grounds for walking away from this deal, just like the United States can as well. But the reality is that there are no commitments in there such as that, and they’re well-understood. And so we have an absolute commitment to use both sanctions and any other authorities that we have to continue Iran – to continue to counter Iran’s support for terrorism.
MR. KAHL: Well, and one data point is, you know, we’re in a very tense political moment both here and in Iran as it relates to support for this deal. And yet, two weeks ago, the Treasury Department moved forward with additional designations as it relates to Hezbollah’s activities in Syria, for example. So this is part of the walking and chewing gum at the same time that I argued earlier.

MR. CORDESMAN: Ladies and gentlemen, Colin has been kind enough to agree to stay on till about 3:15, which gives us time for a few more questions. I have one in the far back there, and then there was a gentleman over there in the row toward the back.

Q: Thank you. Steven Yulverton (ph). I’m a member of the public.

Does this nuclear arms deal prevent Iran from acquiring already ready-made nuclear weapons from North Korea or any rogue sources?

MR. WOLFSTHAL: So the terms of the agreement are quite clear: Iran will not in any way seek to acquire, possess, develop, hold, look at longingly – (laughter) – nuclear weapons. And so not only would that be in violation of the deal, but it’s something that we have already been very watchful for. In terms of North Korean behavior on its own, we’ve made very clear that any transfer of nuclear materials or technology from North Korea is a problem for us in our relationship with North Korea and the region. But that it would be something that would be prohibited under the terms of this agreement, and is walled off, sanctionable, and for which the United States, I think, would be prepared to take very, very strong action.

MR. KAHL: The one point – maybe to say something about the procurement challenge or something – but one point before handing it to Chris is there’s all sorts of scenarios we can spin out about how Iran could illicitly acquire materials to either build a nuclear weapon on their own or acquire one from other states. That is a challenge that we had before the deal. It is something we will have to be vigilant about after the deal. Before the deal it was a violation of their commitments to the NPT. Under the deal, it’s a violation of their commitments to the NPT and a bunch of the additional commitments they made to the deal itself. But the one difference between the pre-deal and post-deal world is that we will have such greater visibility into their nuclear infrastructure across the board, and also a dedicated procurement channel, that we’ll have much higher probability of detecting activities that we actually have a pretty good track record of detecting already from an intelligence perspective, but a much higher probability of detecting it in a world of the deal than a world without.

MR. BACKEMEYER: The only thing I was going to add to that is exactly on this concept of the procurement channel, which was a really core concept of this entire deal. Essentially, what we did is we took the prohibitions that were under the U.N. Security Council resolutions that said all states in the world are prohibited from selling/transferring to Iran nuclear-sensitive technologies, those technologies that are controlled by the Nuclear Suppliers Group, we – those prohibitions are going to remain in place. And what we’ve layered on top of them is what we call this procurement channel,
essentially a mechanism by which, if Iran wants to procure a sensitive nuclear technology – let’s say for the transformation of the Arak reactor into a reactor that no longer produces plutonium – that will require some sensitive technologies. If they want to buy those things, they will have to get approval by this mechanism, which is an approval by the Joint Commission in this deal, made up of all of the members of JCPOA. And that approval has to be by consensus.

The short answer is we – the United States has a veto over every single procurement request of a sensitive nuclear technology. So even if they’re not buying an entire weapon, if they want to buy components of that weapon that are controlled for nuclear-sensitive reasons, we have a unilateral veto on any one of those requests. And if they don’t go through that channel, it’s a violation of the JCPOA and we have the ability to then respond with the snapback of sanctions and other things that we might do in response.

MR. CORDESeman: There was a gentleman in – yes.

Q: Thanks. Great program. You’re very slick. I’m not sure I’d buy a used car from you, however.

I have one question. We are – this country’s led by three senators, and yet there was no congressional observer group or senatorial observer group, as existed in all – all – important international agreement negotiations since 1919 and the failure of the League. Why?

MR. KAHL: I will defer to others on the history of “all.”

I will say that this is – this is not a treaty, it’s an executive agreement. It’s –

Q: (Off mic.)

MR. CORDESeman: Let’s – please.

MR. KAHL: OK.

It’s not a treaty in the sense that it is not a legally binding agreement of the nature of a treaty that requires the two-thirds consent of the Senate. It’s an executive agreement. It is a political agreement that hinges on, you know, the continued mutual interest of the parties to implement it. So it is different.

The second thing I would point out is it’s hard to argue that Congress has been in the dark. I mean, if Wendy Sherman were up here, my God, the number of briefings, hearings – I don’t know – I don’t know a single other issue in the national security space where we spend more time talking to Congress. And it’s not just now, as we’re trying to make the case that this deal is a good one and should be supported, but through the entire process folks from Chris’ team have been hauled up in front and have volunteered to go
up on many occasions to meet with any Congress – member of Congress, senior staff. I think, you know, if you talked on an average day to, you know, staff for Senator Menendez, for example, on the Senate Foreign Relations Committee, they oftentime(s) had better insight into what was going on in the negotiations than some of us in the White House did. So I don’t know that there was a sense that Congress was somehow locked out of the details. It’s just some members of Congress don’t like the details, which is their right. And it’s also our right to make the case that it’s – that the facts support the deal.

MR. WOLFSTHAL: Let me – let me just make one more point here as well, which is under international arms control treaties, which I’m more familiar with, there are things that the United States has to do, like eliminating missiles or bomber aircraft or forego the development of certain weapons systems, and there are things that the Russians or the Soviet Union had to do as well, and there are mutual constraints. The only thing that is happening here is the president is going to use his waiver authority to waive sanctions that the Congress authorized with a presidential waiver in them. Had the Congress not authorized a presidential waiver, I have good reason to believe that the White House would have threatened to veto that legislation just on principle. Republican, Democratic administrations alike have resisted the imposition of sanctions for which the president didn’t have a national security waiver.

So there are no restrictions that are being placed on the United States. I think if there were you would have a stronger argument that perhaps there should have been a slightly different type of conversation. There are certain obligations that are put onto the United States for activities we will pursue in the future. But I think that’s a significant difference between what I think you’re referring to in terms of arms control agreements and this political arrangement.

MR. CORDESMAN: There is no way, I am afraid, I can get to all of the people with hands, but this gentleman in the back there was fairly early in the process.

Q: Tom Cochran (sp). I’m retired.

Colin, in your opening remarks you said that the administration defined “breakout” in terms of the time required to obtain a bomb’s worth of material. I believe the administration’s definition is in terms of SQ, strategic quantity?

MR. KAHL: Significant quantity.

Q: And so my question is, if it was discovered that Iran had, let’s say, 60 percent of an SQ – let’s say 16 kilograms of HEU, 93 percent enriched – would the administration say they didn’t have a bomb’s worth? Or, stated another way, would you agree that if Iran could make a weapon with an SQ amount, they could make a weapon of same reliability but lower yield with, say, 60 percent of an SQ?
MR. KAHL: So I’m going to let Jon take on some of that, but a couple of just factual predicates to lay.

Under this agreement, for the next 15 years they’re not allowed to have any enriched uranium above the 3.67 percent level, and they’re only allowed to have a stockpile of 300 kilograms of that period. And why this matters is they currently in different forms – gas and other forms – have about 12,000 kilograms of low-enriched uranium, below the 5 percent level. That’s enough, theoretically, for 10 nuclear weapons with the types of significant quantities that – for the weapons that you’re talking about, 300 kilograms is about a fourth of what you might need for a single device, so that’s a substantial constraint. And beyond 15 years, Iran never has the right to produce weapons-grade uranium of any –

Q: (Off mic.)

MR. CORDESMAN: I am sorry, we can’t –

Q: (Off mic.)

MR. KAHL: So if I understood your question, it’s like if we discovered that they had 16 kilograms of weapons-grade uranium, what would we do about that? And the answer is it would be a violation of the agreement and it would be a violation of the NPT.

Q: (Off mic) – my question. You defined “breakout” and you said breakout is longer than a year, and you defined breakout in terms of a weapon’s worth.

MR. CORDESMAN: I am sorry, but we simply can’t get into these –

Q: Breakout is less than a year.

MR. CORDESMAN: I have to –

MR. KAHL: All I should say is the way we define breakout in that sense – of one weapon’s worth – and how we quantify that is kind of the industry standard and is actually not terribly controversial. And I know that there are some analysts out there who suggest you could make a crude device with uranium enriched to a lower level or with lower quantities, but the breakout calculations that we use are not controversial.

Q: Yes they are.

MR. CORDESMAN: I think that we – there is going to be controversy perhaps 25 years after a successful agreement, as well as an unsuccessful one. So at least that we can predict for the future.

Ladies and gentlemen, I think we have reached the point where I’m going to have to bring an end to this. There probably are going to be many other opportunities. But let
me, A, thank you for coming; and, B, ask you to thank the panel in the usual manner.
(Applause.)

(END)