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TO: Interested Parties

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RE: A Path Forward with Iran: Pressure through Engagement

Engagement's Next Phase: Pressuring Iran

If the Afghanistan-Pakistan region is the most dangerous place in the world at the moment, Afghanistan's neighbor to the West, Iran, is making a strong play for number two. It is alarming the world community, rattling its saber loudly at Israel and the West, and brutally suppressing internal dissent. Iran's regime, yet again, is showing why it remains a major threat to American national security interests.

Just in the last week, Iran continued to defy its international obligations by announcing a new round of uranium enrichment, boasting that it had become a "nuclear state," and arresting opposition leaders. Responding to these developments, Secretary of State Hillary Clinton dismissed the chest pounding, but did raise concerns that Iran is quickly becoming a military dictatorship.¹ Clinton is also pursuing new sanctions against the Iranian Revolutionary Guard. These events, as well as the passage of economic sanctions bills in the House and Senate, put a spotlight on the Obama administration's policy of engagement with Iran, leading many to ask, "What now?"

In the absence of an agreement on the nuclear issue, conservatives are labeling engagement policy a failure and pressing for more extreme actions. For instance, Daniel Pipes recently called for an immediate military strike against Iran, writing in the National Review Online that "the time to act is now, or, on Obama's watch, the world will soon become a much more dangerous place."² Such reckless posturing on Iran will not serve US national security interests and will only embolden Iran's hardliners. President Obama's engagement policy, on the other hand, is a smart and tough strategy that puts significant pressure on Iran's regime.

Complicating the security challenges posed by Iran is the emergence of a sustained domestic opposition to the regime. Millions of protesters took to the streets of Tehran after Iranian president Mahmoud Ahmadinejad's fraud-tainted victory in the election last summer. Since then, protests against the regime continued in cities across Iran under the banner of the "Green Movement." The opposition appears oriented toward reform rather than revolution: they are seeking to improve their government by reducing corruption and fraud, increasing independent media, and enacting electoral reforms to ensure that Iranian votes count.³ It is in US national security interests to see these reformers succeed.

Iran's current regime presents real threats to US national security with no easy or quick solutions, but engagement has helped galvanize international resolve against Iran's inaction and continues to provide a way forward to strengthen US security interests in the region. The policy has also deflated the Iranian regime's arguments against the US and helped opposition leaders within Iran place blame for inaction squarely on the regime. This memo outlines the US national security threats posed by Iran and explains how engagement policy achieves the parallel goals of pressuring Iran's regime from the outside and allowing the opposition to continue pressuring the regime from within.

Understanding the Threat from Iran's Regime

Even as the US pursues engagement, it is important to remain vigilant in the face of real security threats from Iran's regime. Not only is the regime enriching uranium and building ballistic missiles capable of carrying a nuclear warhead, it also seeks to counter US influence and target Israel through a network of terrorist groups.

Iran's Nuclear and Ballistic Missile Programs

The Iranian nuclear program poses a direct threat to US national security interests and the international nonproliferation regime. According to the US intelligence community, "Iran is technically capable of producing enough highly-enriched uranium for a weapon in the next few years" and "has the largest inventory of ballistic missiles in the Middle East...many of which are capable of carrying a nuclear payload."⁴ Though intelligence estimates agree that Iran has not yet weaponized its nuclear program by creating a warhead to fit onto its ballistic missiles, the threat from continued uranium enrichment by the Iranian regime is clear.⁵

Iranian Support of Terrorist Groups

In 2009, the State Department classified Iran as "the most active state sponsor of terrorism."⁶ In October 2008, a commander in the Revolutionary Guard admitted to supplying weapons to "liberation armies" in the Middle East—a reference to Hezbollah and Hamas.⁷ The Iranian regime, through its support of Hezbollah in Lebanon and Hamas and Palestinian Islamic Jihad in the Palestinian territories, is able to exercise an inordinate amount of influence in the region, attack Israel through surrogates, and promote a radical view in areas where moderates are trying desperately to prevail.⁸

Confronting US Security Challenges in Iran

The Limits of Military Action

As the engagement process continues, its opponents may press for direct military action as a solution to stop Iran's nuclear weapons program. While military action should not be taken off the table, it should not be the primary focus of Iran policy for one simple reason: it likely won't work. As Defense Secretary Robert Gates

noted, any military strikes against Iran, if successful, would only help to temporarily delay Iran's weapons programs, not end them.⁹ This is because Iran's nuclear sites are shielded in a vast network of underground tunnels and bunkers. Israel's defense minister, Ehud Barak, has admitted that some of Iran's nuclear facilities are located "in bunkers that cannot be destroyed through a conventional attack."¹⁰

Furthermore, an attack on Iran would likely have disastrous effects on Iranian domestic politics. An attack might unite the Iranian people against the US, allow the Iranian regime to reclaim much of its lost legitimacy, and ultimately break the back of the reformist opposition.

The Benefits of Continued Engagement

Eight years of agitating Iran did nothing to improve America's interests—in fact, Iran's influence grew during the Bush administration. Moreover, Bush's belligerent policy toward Iran divided our international partners and left the US virtually alone in dealing with Iran. President Obama's strategy of engagement has created space for the Iranian regime to choose cooperation with the US and the international community while still allowing for tough sanctions and consequences for Iranian intransigence.

The international community is united in pressuring Iran.

International sanctions make US sanctions on Iran more forceful and effective. By joining our allies in negotiations with Iran, we have strengthened our relationships and brought allies who were reluctant to pressure Iran during the Bush administration to announce deadlines for Iranian cooperation and threaten strict penalties for non-compliance:

- In the summer of 2009, the UK froze \$1.6 billion of Iranian assets, and is committed to further economic sanctions.¹¹
- Germany (which accounts for roughly 9% of Iran's imports) and France (4% of Iran's imports)¹² have both endorsed economic sanctions in the near future if Iran continues to stall, giving the international community the chance to enact a serious punishment against Iran.¹³
- Both China and Russia, traditionally Iranian allies, have actually joined the US, UK, France and Germany to publicly pressure Iran to give up its nuclear program. Even if China or Russia still chooses to veto UN sanctions, representatives from the UK, France, and Germany have said that they would move forward with sanctions.¹⁴

Both the House (by an overwhelming majority) and the Senate (unanimously) recently passed bills authorizing increased economic sanctions against Iran. Those in Congress who want to see these bills succeed must also press for continued engagement with Iran and cooperation with the international community. The effectiveness of these bills is strengthened when Iran faces the threat of combined sanctions from America's international partners.

Engagement uses all of our national security tools.

Engagement isn't just about diplomacy—the Obama administration has used US financial, intelligence and military assets to build pressure on the regime.

For example:

- Last week, the Treasury Department applied targeted sanctions against commanders in Iran's Revolutionary Guard, freezing their personal and commercial assets.¹⁵ The US is also organizing a new round of UN sanctions against the Revolutionary Guard, an action that hits directly at the center of military and political power in Iran.¹⁶
- President Obama's announcement in September 2009 of Iran's secret enrichment facility at Qom—standing alongside British Prime Minister Brown and French President Sarkozy—surprised the Iranians and unified the international community to demand inspections of the site and harden their positions against Iran. This type of action shows that engaging with Iran will not prevent the US from continuing to gather intelligence and independently verify Iran's compliance with its commitments.
- The US military placed anti-missile systems in at least four countries surrounding Iran and recently sent multiple Aegis cruisers (advanced anti-missile ships) to patrol the Persian Gulf.¹⁷ These ships and systems are capable of destroying Iran's short and medium-range missiles and can deter and prevent Iranian attacks on US allies in the region, limiting the regime's space to maneuver as sanctions are applied.

Engagement has limited the effect of "Great Satan" rhetoric.

Nationalism is a powerful force in Iran, and even internal critics of the regime can rally around the flag when the country feels threatened. Instead of brash talk on Iran that emboldens extreme voices and silences the moderates, engagement reduces the extremists' effectiveness by placing the blame for inaction and future sanctions squarely on the Iranian regime.

Iranian politics are more divided than ever under the Ayatollahs, and brave Iranians are publicly standing up to their regime and demanding real elections. At numerous rallies over the last eight months, Iranians who were instructed to shout "Death to America" instead shouted "Death to the Dictator."¹⁸ It's more difficult to convince Iranians that the US is the "Great Satan" when the Obama administration has offered the Iranian regime a clear and constructive path out of the current deadlock. For this reason, sanctions must be applied carefully and tied to specific demands on Iran's regime. Otherwise, sanctions will just provide more rhetorical fuel for Ahmadinejad and the Ayatollahs and undermine the opposition.

Conclusion

President Obama was right when he said, "I know that engagement with repressive regimes lacks the satisfying purity of indignation. But I also know that sanctions without outreach—condemnation without discussion—can carry

forward only a crippling status quo. No repressive regime can move down a new path unless it has the choice of an open door.”¹⁹ Engagement offers Iran’s regime an open door. Every time they shut it, it strengthens the US position, convinces the international community to join the US in punishing the Iranian regime, and emboldens the moderate voices within Iran who are seeking a better future for their country. Engagement does not mean turning a blind eye to Iran’s transgressions or softening US efforts outside of diplomacy. Instead, it means staying vigilant and using the full range of US security tools to confront security challenges from Iran.

Endnotes

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⁶ Katzman, Kenneth, "Iran: U.S. Concerns and Policy Responses." CRS, January 6, 2010, p. 28.

⁷ Katzman, Kenneth, "Iran: U.S. Concerns and Policy Responses." CRS, December 7, 2010, p. 29.

⁸ Blair, Dennis C., "Annual Threat Assessment of the US Intelligence Community." February 2, 2010.

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¹⁰ Broad, William J., "Iran Shielding its Nuclear Effort in Maze of Tunnels." *New York Times*, January 5, 2010.

¹¹ "UK Denies Split with China over Iran Sanctions." *Reuters*, January 19, 2009.

¹² Central Intelligence Agency, "Iran." *The World Factbook*.

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¹⁴ "Germany warns Iran it faces new sanctions." *Reuters*, January 18, 2010.

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¹⁶ Landler, Mark, "Clinton Raises U.S. Concerns of Military Power in Iran," *New York Times*, February 15, 2009.

¹⁷ Sanger, David E., Schmitt, Eric, "US Speeding up Missile Defense in Persian Gulf." *New York Times*, January 30, 2010.

¹⁸ Malekzadeh, Shervin, "'Death to America' Day: How Iran Trained Its Young to Protest." *Time*, November 4, 2009

¹⁹ Speech by President Barack Obama, Oslo, December 10, 2009.