

Foundation for Defense of Democracies, Bipartisan Policy Center, and Foreign Policy Initiative Hold Forum on Iran's Nuclear Program

LIST OF SPEAKERS

GRIFFIN:

Good afternoon, everyone. My name's Chris Griffin. I'm the executive director of the Foreign Policy Initiative (inaudible).

It's my great pleasure to welcome you today to this conversation about the status of negotiations with Iran and the future of its nuclear program and to thank, on behalf of the Foreign Policy Initiative, our great cohosts for this event, the Bipartisan Policy Center and the Foundation for Defense of Democracies. An incredible pleasure as always to be able to work with those two great organizations.

If I were to give the full biographies for each of our speakers, I could use the entire afternoon. So we'll give abbreviated biographies. And because of their regular appearances on Capitol Hill and their many publications, I know that they're already very familiar to this audience.

Starting from my left, Ray Takeyh. He's a senior fellow for Middle Eastern studies at the Council for Foreign Relations and also an adjunct professor at Georgetown University. He previously served in the State Department, and his books include the "Guardians of the Revolution: Iran's Approach to the World."

Next is Olli Heinonen, who served 27 years in the International Atomic Energy Agency, including as deputy director general of the agency. He is now a senior fellow at the Harvard Kennedy School of Government's Belfer Center for Science and International Affairs.

Next, Mark Dubowitz is executive director of the Foundation for Defense of Democracies. Once again, many thanks for the cohosting and organizing this event. And he's a leading economic sanctions expert. He's written 14 studies

on the effects of sanctions and sanctions relief. And, of course, he's testified numerous times before Congress on these issues.

Last, David Albright is the founder and president of the Institute for Science and International Security. He is a leading nuclear and non-proliferation expert, whose four books include "Peddling Peril: How the Secret Nuclear Trade Arms America's Enemies."

Until about 12:45, I'll ask a series of questions of our panelists. At that point, we'll open it up for a conversation with the audience. Thank you all for turning out today.

To kick off the conversation I'll have a question for Mark and to take a retrospective look at the Joint Plan of Action and sanctions regime, and where we are today, before diving into the current status of negotiations with Iran.

As everyone knows, I believe, the current negotiations are being conducted in concordance with the Joint Plan of Action, which was reached late last November.

FDD has a recent report in July estimating that Iran has received about \$11 billion of sanctions relief under the joint plan of action. And, Mark, we'd be really interested, first and foremost, if you have an updated estimate, which you could speak to and how do you see Iran today on the JPOA and how that affects American leverage in these negotiations?

DUBOWITZ:

Great. Well, thanks, Chris. And thank you very much for cohosting this.

So, the Iranian economy today is still in bad shape. This is not an economy that's booming by any stretch of the imagination. But this is an economy that's undergoing a modest, albeit fragile, recovery. In fact, just recently, Iran experienced its first quarter of positive growth in 10 quarters.

So, this is an economy that last year, before the JPOA was agreed to in November, it was an economy that experienced a severe recession, had lost about 6.5 percent in GDP; was running an official inflation rate of about 40 percent, unofficially, much higher, 70, 80 percent. And the rial, the Iranian currency, had crumbled in value. And this was an economy that at its -- at the time, figuratively speaking, was on its back.

As a result of the administration's decision to deescalate the sanctions pressure, particularly the decision by the president to threaten a veto on the Menendez-Kirk Bill, S. 1881, which would have imposed sanctions in waiting,

sanctions that would've been imposed if Iran had cheated on its JPOA commitments or if there had been no deal based on acceptable parameters.

The decision to deescalate the sanctions pressure, to give sanctions relief as a result of the interim agreement, direct sanctions relief, and certainly bringing in a much more competent economic team under Iranian President Rouhani, a combination of those factors has led to an economy that's no longer on its back. It's an economy that's on its knees and is slowly getting up on to its feet.

And our -- we put out an assessment, as Chris said, looking at direct sanctions relief, which we value at about \$11 billion. But that -- that really understates the amount of relief that Iran has gotten. Because the real significant relief has been indirect economic activity, as illustrated by the fundamental shift in these macroeconomic indicators that I referred to earlier.

So, it's an economy that, again, it's not in great shape. I would say it's still in bad shape, but it's undergoing modest recovery, albeit fragile recovery, and it's not under the same severe pressure that it was under just a year, a year and a half ago, which certainly from our perspective has at least helped enhance Iranian negotiating leverage.

GRIFFIN:

And, from that observation about the change in Iranian negotiating leverage, I'm going to turn to Ray, then Olli and David, that it seems that the last round of negotiations that we saw, that Iran is certainly recently defiant. You know, President Rouhani said last week that Iran wouldn't surrender in terms of core issues from their perspective, and at the same time, we have signs of desperation that perhaps on the American side that we are offering what has been described as creative solutions where we're trying to get around to intransigence on some of those core issues.

But first, Ray, I'd like to ask you to speak generally to how you value the current status of those negotiations. And then Olli, then David, with respect to some of the specific creative solutions, you, of course, have written on these. I would appreciate it if you could speak to what those look like and what could be some of the risks associated with those?

Ray?

TAKEYH; Thanks for -- thanks for inviting me.

Thanks for everybody who's here today. We seem to have filled the room.

I would say, actually, that the Iranian negotiating strategy has remained actually consistent. In September of 2013, I don't remember the specific date, a year ago, the Supreme Leader gave a speech where he sort of outlined his parameters, or his red lines. It was the three nos, as they would call it in the Israeli-Palestinian conference.

No to shuttering any facilities. No to sending nuclear resources abroad. Because if you recall for the past few years, some of the discussions that have taken place had to do with swapping, where Iranians will send out their enriched uranium abroad for reprocessing and it would come back as fuel rods or so on, and so, no to that.

And no to an inspection modality that exceeds the NPT. So those were his red lines.

And if you kind of look at everything that has happened since September of 2013, about a year ago, they have conformed to those red lines. The Joint Plan of Action conformed to those red lines.

And so, Iranian red lines have not changed as far as I can tell. And there's been some attempts to figure out creative technological formulas to accommodate those red lines.

I mean, Olli and David will talk about that in more scientific detail. You don't have to shutter a facility, perhaps you can transform it in Fordow. You don't have to send your enriched uranium abroad, perhaps you can oxidize it. You don't have to dismantle your facilities, perhaps you can disconnect it. So, that's sort of an attempt to conform to those red lines.

At this point, as you suggested, Chris, and all the news reports have similarly suggested, there is an impasse. And we have entered an interesting period.

Both sides are trying to entice each other toward an agreement by, at least for the time being, making non-nuclear concessions. President Rouhani hinted, in his speeches and interviews in New York, during his recent visit to the U.N. General Assembly, that Iran may be willing to help the United States out on ISIL. And ISIL is deference to David Albright

(LAUGHTER)

He wasn't suggesting helping out David Albright's organization.

(LAUGHTER)

In exchange for nuclear concessions. So, essentially. And you have seen senior American officials in the past couple weeks suggest that, you know, sanctions really can be more rapid and economic growth, therefore, more enhanced, if Iran signs off the nuclear agreement, and even offering a potential path to normalization of relations.

So both sides at this point are trying to entice each other and kind of lure each other into an agreement based upon their respective parameters.

I'm not optimistic whether there will be an arms control agreement. Certainly, not a satisfactory one. But I am optimistic that the negotiating process will go on, because none of the 5 +1 actually want the negotiating process to fail, and nobody wants to go back to pre-JPOA, where Iranians would expand their capacity at their own volition, and the 5+1 would try to expand pressure.

So, given the interest and the fact that the table serves everyone's purposes, I suspect the negotiations will proceed and prolong, irrespective of the fact that there may not necessarily be a comprehensive final agreement.

GRIFFIN:

Olli, do you want speak to some of the specific proposals on the table reportedly from the American side?

HEINONEN:

Yes, thank you, and thanks for having me.

Maybe I talk a little bit what we know about Iran's nuclear program, and what we don't know, and why certain elements need to be there for or promises need to be in this agreement to be negotiated.

And then, when I say, certainly I don't know the details of the negotiations so there might be part of the proposals made, which details we do not know(). They have their own provisions which they just are not available.

But let's look at the big picture. Iran has industrial uranium enrichment capacity and capability. They have 19,000 centrifuges spinning, already to spin in Natanz or Fordow. They have produced several tons of low-enriched uranium, up to 5 percent enriched, and they have produced more than 300 kilograms, 20 percent enriched uranium.

They are manufacturing, in industrial scale, centrifuges. They have entered to the phase where they have a new centrifuge, IR-2m.

And now, when we look back the last 10 years, when the IAEA started to investigate this Iranian nuclear program more thoroughly in 2002, Iran has produced during this period close to 20,000 centrifuges and manufactured several hundred tons of yellow cake to UF₆ (uranium hexafluoride) to be used as feed material.

So it has all the ingredients that it needs for years to come.

But at the same time, the IAEA has not been able to establish whether this is all the nuclear material Iran has. IAEA has only verified what Iran has declared, and is not in a position to provide any certificate what if there is additional material which is not known.

Same is true with the centrifuge program. We see those centrifuges which are there, but we don't know how many additional ones are there in Iran. And which type and where they are.

And I think that this is one of the challenges for this deal to be made, if we want to have a solid verification system, you need to know first the baseline, where you start, and then you have to have a robust verification regime where you can go and verify that these statements are true and whether Iran is complying with its undertakings.

And one of them is to verify the total number of centrifuges, so this is where there is risk. Risk is less in those centrifuges which are in Natanz.

I'm sure David will talk about the breakout scenarios, so I pass that one.

But take first the -- one of the recent news articles, like the one that David Sanger wrote about disabling centrifuges a week ago in the New York Times, and then a few days later, George Jahn from the A.P. wrote a similar article talking about this disconnection and dismantling them, and its impact to the breakout times.

Iranian centrifuges were actually disconnected in 2003, December, when Iran had this suspension deal with the EU 3. And this was very simple, you just remove the feed station from the centrifuge cascade from piping, apply a blind and attach on that an IAEA seal.

And those days, it was a good system, because there were only a few hundred centrifuges. There was no real risk. And it's easy to see if they are put back in operation.

Today, the situation is very different. When you have 19,000 centrifuges, so simple disconnection will buy you perhaps days, perhaps a week in break-out time, when they are all back. And the best evidence to this end is the

statement by Mr. Salehi the head of the Atomic Energy Organization of Iran , who said that when they removed the -- or disabled the feed of tandem cascades, that it takes 24 hours to put it back.

So, then, if you want to have more time, the next step would be remove all the piping from the cascades, OK, leave the centrifuges intact in the cascade area. Some people have put that proposal out.

Technically, it buys more time, but not that much as you'd expect. If you go back to your IAEA reports and look the year 2012, May, Iran had close to 10,000 centrifuges. A year later, in August, they had installed almost 16,000 . So in one year time, 5,000 new centrifuges were put into place with the piping, cooling, electronics, testing, assembling all that, so in one year, 5,000 centrifuges.

So if you only remove the pipes, it's much less work to put them back than install entirely all the centrifuges.

So perhaps you can buy, let's be conservative, perhaps two months additional time by just removing the piping, if you do it in a very orderly manner in putting it back.

So the only solution here, if you want to have a break-up plan of one year or more is actually to remove all the centrifuges and piping and put them in a storage. Then it will take about a year to have all these 19,000 up and running.

Mark already mentioned the uranium conversion, so I don't get that.

Then David will maybe talk probably about the number of -- acceptable number of centrifuges. But I want to put -- bring to your attention the IR-2m, because it's a much more powerful centrifuge.

Now that Iran has been able to produce 1,000 of them, it means that technically they have rates for what we call a semi-industrial scale, it's a demonstration pilot plant.

And we don't know how many of those centrifuges they have. We see those 1,000 in Natanz, but the question is, are there additional ones and where they are.

And this is important for monitoring scheme that the IAEA has the verification rights to go there.

And then, the last point I want to mention is the possible military dimension. Why does it matter?

Certainly, the long goal of the tent is the production of high- enriched uranium. But you should not ever put all the eggs in one basket. You need to know what these military guys were doing in their research centers in terms of this missile re-entry vehicle.

We have to keep also in our mind that the same people, same groups of people and institutes, they're also involved in activities which might be nuclear fuel cycle related. And this brings us back to the verification of the completeness of Iran's declaration.

These people were, and you will see from the ISIS reports, they're buying lots and lots of equipment which are nuclear fuel cycle relevant. These are facts. They are not falsified documents or whatever, because they come from various states' procurement records, customs declarations, photographs, from the people going to buy these items.

So this solid evidence which Iran has to explain and to show where these equipment are and who is using it.

So, then, the last point what I would like to say, and this is a little bit from broader proliferation scenario, now Iran has been in non compliance with its NPT obligations. It has violated its safeguards agreement with the IAEA. It's still not in compliance, by the way, with that.

And in addition it has not followed the U.N. Security Council resolutions which are binding under the international law. And still, we agree that Iran can run a small enrichment program. This creates a tremendous precedence for future proliferators.

There are people here in this room and in this field who say that South Korea should not have uranium enrichment. Japan should not have an enrichment. Emirates should not have, so why can Iran have?

Thank you.

GRIFFIN:

Thank you so much, Olli.

David, if you'd like to elaborate on a any of the points that he made. The one particular proposal I also have seen concerns the rate of enrichment that Iran is involved in, its capacity to enrich broadly. That's a proposal that you can speak to?

ALBRIGHT:

This is an Iranian proposal. Well, you know, I mean -- you know -- and Olli certainly covered a lot of ground that I don't need to repeat, so, thank you.

Chris used this term, "creative process." I mean, a negotiation requires that. I mean, it's -- and my own experience is the U.S. team is pretty tough. I think that's pretty apparent.

Iran, as Ray said, is holding tough. And so, the question is, will the U.S. hold tough? And it'll probably go down to the last minute.

So, from my point of view, the U.S. will hold tough, but certainly, we need our support.

Now, in terms of creative ideas -- and I don't know what the U.S. or the EU 3, let's say, has offered. I just don't have access to that kind of information, and I'm not sure I really want to know.

And the leaks, I think, are probably in some cases wrong, in some cases incomplete. There's always a grain of truth in them. And you can discuss them from that point of view, but I think you do need to keep in mind that we're not getting the whole picture. At least those of us in the public, (inaudible) who aren't briefed by the administration about the details.

Now, I would like to get -- I mean, I did learn a case of -- more of Iranian creativity. And I'll give that to show some of the problems that the negotiators face.

I mean, Iran brought up the idea of SWU -- I believe oh, maybe in July, maybe a little earlier, and they said, look, we'll cut our enrichment by -- our SWU by one-third. And SWU is a -- for here, anyway, is a rate of enrichment and a very common term.

But, what they offered was that they would slow down their centrifuges and reduce the rate they would feed in the uranium hexafluoride. And both of those will reduce the separate workout per year of the centrifuge, and, therefore, you could get a cut of one-third, but you wouldn't dismantle or remove or disable a single centrifuge.

Now, what's the obvious problem? I mean, you can dial down the speed, you can dial up the speed. They're equivalent. You can increase the amount of feed into the centrifuge.

So it's not a serious proposal.

One negotiator from an EU 3 country characterized it as "stupid." So, I mean, it wasn't taken seriously by the -- by the United States and its allies. But it was a serious offer from Iran.

And that's part of the problem is that Iran hasn't -- in a sense, hasn't gotten it. That this is not a negotiation over the price of a house. We're not looking for the middle here, where they have 190,000 centrifuges as their goal and we -- and the U.S. wants 1,500, and we'll just take the average.

So, I mean, the goal is that Iran has to reduce the number to a very -- a relatively small number. And that number is in debate.

At my own Institute -- I'll try not to use ISIS, not too much. But thank you Ray -- we could live with, you know, 3,000 to 4,000 IR-1s accompanied with a reduction in the stocks of LEU. The U.S. position, as in public, was 1,500 IR-1s. There'll certainly be a compromise, but there is -- but our number is still incredibly low compared to 20,000 or so they have now or 190,000 -- or it's 130,000, as they have said they want.

And so I think the bottom line, though, is that this number that's finally in a deal, you know, it has to be very low and provide what's essential to this deal, adequate warning time of -- of -- of a renegeing on the agreement.

And -- and the breakout estimates that -- that Olli referred to really are just a conversion factor. If you -- if you want six months, a guarantee of six months to -- to react or guarantee of one year, you can use the breakout calculations to convert into number of centrifuges.

Of course, it's an estimate, and it varies, and some think our estimates are too short. Actually had a country tell us they were too long -- that was an interesting experience -- since we do minimal estimates.

But nonetheless, they're all in the same ballpark, and -- and -- and -- and the bottom line is -- is that's a way to link the warning time to be warned.

And Wendy Sherman put it this way -- and this'll be where I end -- is that you -- you want to -- you want to be confident that any effort by Tehran to break out of its obligations will be so visible and time-consuming that the attempt would have no chance of success.

So that's the goal.

GRIFFIN:

Mark, there is no one who has followed the negotiation perhaps as closely as you. Thank you for setting the context for how we got here with the JPOA, but we'd appreciate it if you could offer your thoughts on how you see the process negotiations coming up?

DUBOWITZ:

Again, I mean, all the caveats that David wisely offered about the fact that, you know, we -- we don't know the details -- many of you hopefully do. You're getting classified briefings by the Administration. They're telling you exactly what's going on.

I would offer, just in terms of what's out there in the public knowledge -- I mean, I've been an outspoken critic of the Administration's Iran policy since -- since fall of last year. I had been a long-time supporter of the administration's Iran policy.

And the reason I've changed is because I fundamentally disagreed with a philosophy where we, on the economic side, deescalated the sanctions pressure, took away our economic leverage.

By the way, economic leverage that's going to be critical, if there is a deal, to enforce a deal, because if we detect Iranian noncompliance, if we have sufficient breakout time and we see the Iranians doing something that they shouldn't be doing, we're going to have to respond in some way.

And -- and you know, I'd prefer not to see military strikes against Iran's nuclear facilities; I'd prefer to have economic leverage that we actually retain and can use to force the Iranians back into compliance.

I'm very concerned, particularly by comments by Under Secretary Sherman to Voice of America recently, that immediately after a deal, she said, "We're going to give massive sanctions relief," and I think there's a big mistake in giving that economic leverage away when you're going to need it to enforce the deal.

But in terms of the -- the negotiating leverage and the U.S. negotiating strategy, I -- I sympathize with a desire for peaceful resolution to this nuclear crisis.

I'm concerned that we've given away our chips too early. The JPOA, for example, gives to Iran, at least by my count, at least four or five major concessions that one wishes we had today.

The first is that we conceded enrichment to the Iranians in JPOA to 3.5 percent, that is -- that is suspend 20 percent, but they can continue enriching at 3.5 percent, a major concession, a major departure from U.S. policy and in fact, a contradiction of the U.N. Security Council resolutions, which require Iran to suspend all enrichment.

Second major concession is that we allow the Iranians to continue work on advanced centrifuge R&D, and as Olli said, this allows Iran to continue developing high-power, much more efficient centrifuges.

Well, why is that important? It's important, because if you can develop a centrifuge that, for example, is 16 times more efficient, which are some of the estimates about this IR-8 centrifuge Iran has talked about.

You need one sixteenth the number of centrifuges that you would otherwise need if you were using IR-1s. Well, that's useful, because instead of 19,000 centrifuges, you would need 1,125 centrifuges.

And from Iran's perspective, the beauty of fewer centrifuges means a smaller enrichment footprint, and it means it's easier to hide, and therefore, it's easier to develop clandestine enrichment facilities.

So we've conceded enrichment to 3.5, we've conceded advanced centrifuge R&D work, which gives Iran the ability to create an industrial-sized nuclear capacity with a easier path to clandestine enrichment.

The third thing is we've essentially taken ballistic missiles off the table. They're not mentioned in the JPOA.

Again, Under Secretary Sherman, before a House hearing, conceded to a House member in questioning that their interpretation of the U.N. Security Council Resolution 1929, which prohibits Iran from developing long-range ballistic missiles capable of carrying a warhead, is that as long as we deal with the warhead side of it, we don't have to deal with the delivery vehicle.

So in a sense, we've conceded that Iran can develop intercontinental ballistic missiles as long as we have some assurance that there will be no nuclear warheads.

Of course, there's no reason for an ICBM if not to carry a nuclear warhead.

And the fourth and final major concession is that we agreed -- and this -- you know, this -- I give a lot of credit to Ray for really emphasizing this -- and that is that whatever happens in the deal, whatever constraints are put in place, regardless of how stringent those constraints are, this deal will be of limited duration. It will sunset.

Most of those constraints will go away. Iran will be normalized as a normal nuclear power under NPT, subject to the same restrictions that -- that Holland and Germany and Japan are.

And there's a great danger in that, because we're not negotiating with King Willem of Holland; we're negotiating -- still negotiating-- with Ali Khamenei of Iran.

And so the notion that somehow, Iran can be normalized as a nuclear power in some period of time strikes me as a major concession we've given away.

We've given away those four major concessions as part of JPOA, and now we're negotiating with the Iranians over a comprehensive plan of action, having conceded four major chips that would be certainly good to have in our pockets involved in these negotiations.

And then I'll just conclude by -- by this -- this final point, because there's been much debate, particularly on the Hill, about the need for new sanctions or sanctions relief.

I think Congress has -- has got to play a role in retaining the sanction architecture that you built. This is the house you built, and in a post-deal environment, it's going to be essential that you retain this architecture, as I said, to enforce any deal, regardless of how good or bad the deal is.

In fact, the worse the deal, the more you're going to need economic leverage to ensure the Iranians are not exploiting the -- the loopholes in that deal. You built the sanctions architecture, and it's going to be critical that you play up any role in ensuring that there's going to be smart relief after any Iran deal.

GRIFFIN:

Thank you, Mark.

One more question, and then open it up to the audience. And this is directed at Ray.

One concern that I have is with the natural focus on the Iranian nuclear program that we sometimes, in Washington, lose perspective on Iran's broader role in the region, which is an incredibly harmful one in the region.

It's played such an important part in sponsoring the conflict in Syria, destabilizing Iraq.

Been recently with an expert and speaking about one reason that ISIL, the terrorist organization, ISIL, as opposed to our esteemed colleague's institution ISIS, why -- why the terror organization ISIL is able to use the video of Qasem

Soleimani and the Iraqi town of Amirli celebrating on the ground as an incredibly effective recruitment tool in speaking to so many Arabs.

And you know, Ray, we'd appreciate it if you could speak broadly either if there somehow is a deal -- if there isn't a deal, negotiations continue into the foreseeable future, how do we keep this in perspective of Iran's role in the region?

TAKEYH:

One of the kind of unusual nature of these negotiations that, you know, both parties wanted it this way, both Iranians and the 5+1, is to sort of segregate them from the region, that it sort of -- take these negotiations and put them in a pre-fabricated box and just kind of pretend that the region isn't happening. So it's sort of a technical discussion between like-minded people.

And -- and if you kind of look at the region today, I think it's fair to say it's one of the first times that there are no consequential Arab states.

Egypt is inward-looking. Saudi Arabia doesn't have the capacity to police the regional politics. Iraq is prostrate. Syria is at civil war.

And in such an environment, you have a lot of opportunities for an intact nation state like Iran. And today, Iran is a consequential state, probably the most consequential external actor in Iraq, in Lebanon, arguably in Syria. It is essentially involved in all kinds of mischievous politics in the Gulf, the Arab side of the Gulf.

So it's kind of an expansionist state in the sense that it's exploiting the opportunities that are made available to it.

Now, I do think there're some organic areas to Iran's ability to protect its power. But nevertheless, in a time when the Arab state system's sort of collapsed, there's a lot of opportunities for sort of a mischievous revolutionary state.

And there's sort of a notion that as Dennis, Eric, and I said in a piece recently that -- which was born in Afghanistan in 2001, that mainly United States requires Iran's assistance to stabilize its moratorium charges.

And if you kind of look at the assistance that Iran gave to the United States in Afghanistan in 2001, I should say, under reformist government of President Khatami, you see that through evidence that has come out since, including Hassan Rouhani's memoirs, that there was a lot of concern in Iran that they would be subject to American retribution.

So that cooperation was compulsive, transitory, and once that wasn't the case, it largely evaporated.

I don't think Iran ever helped the United States in Iraq. As a matter of fact, it did much to lacerate the American forces with munitions that it exported and militias that it nurtured.

The interests of the two parties do not really mesh together well in the region.

They don't in Syria. United States would like to ostensibly depose Assad. Iran doesn't.

They don't in Lebanon. I don't know if we have a policy on Lebanon, but we probably want a cohesive one. The Iranians want to empower Hezbollah, which has really emerged as an auxiliary force.

They don't, really, in Iraq. Iranians don't really mind maintaining Shia hegemony of power with some cosmetic Sunni involvement, while United States would want a more inclusive state.

They certainly don't on this side of the Gulf.

So this coincidence of interest is not in-depth. But you know, the -- both parties do have an interest, as I mentioned, in disarming ISIL, and maybe both parties have an interest in disarming ISIS.

If David Albright keeps putting out his reports.

(LAUGHTER)

But -- but they -- there's a certain convergence on ISIL. But I'm not even sure how that could be operationalized. So, I think this sort of transitory coincidence that sometimes you see do not reflect -- at the core level, the two countries look at the region differently, and -- and see different outcomes at the end of it.

I will say just one more thing on the arms control before I stop. There was a time when a U.S. administration negotiating over Iran's civilian nuclear program suggested to the Iranians that they cannot have a completed fuel cycle, including plutonium and enrichment routes and their inspection modalities had to go way beyond the NPT. That was the Ford administration with the shah of Iran.

So, things have changed since then. And you can figure out the trajectory of that change.

GRIFFIN:

David, you wanted to add (inaudible).

ALBRIGHT:

Yeah, just a quick intervention. I think Mark laid out the four concessions. And I don't know the details of the ballistic missile in it.

But I think what strikes me is just that the U.S. doesn't have a lot of negotiating room in these -- the things that Mark mentioned constrain the U.S. position dramatically. And -- and I think the one on the missiles -- and -- and also, what Ray mentioned -- I mean, we all remember, I hope, the case of these IEDs killing American troops, where Iran not only provided those IEDs or the equipment in the IEDs to the Iraqi insurgents, but acquired the electronics in the United States. And there was a prosecution, and -- of that case, a confession.

So, it's well known, and the parties involved in it are -- are -- have been identified, including an agent in Iran who initiated the procurement. Not in -- he's not in the IRGC, but, nonetheless, we should keep him in mind, he was operating for somebody who was going to use this as a military weapon.

And what that really means is that it's -- it's very hard to see how a U.N. Security Council resolution or sanctions can end. That's -- that's really one of the responses to Mark. And this would be a case where this was not foreseen, I think, when the JPOA was written. My memory is the U.N. Security Council sanctions were envisioned to come off first, if I'm correct early in the process. But it's hard to see how they can come off.

And so, I think the U.S. is limited in its ability to negotiate this. And so, you'd have to be somewhat pessimistic right now because you don't see any walking back of Iran from these -- what did you call it, Ray, the three nos. And -- and we will know probably at the last minute whether Iran will walk back, but I don't think the prospects are that good.

So I'm going to end on a pessimistic note. But I think it's a realistic note.

DUBOWITZ:

Let me just say one quick thing, and then we'll get to questions. And that is, you know, we were talking about the United States negotiating position, and our plan A, potentially our plan B.

You know, it's worth looking at Khamenei's plan B. He talks about it. He talks about it openly. And it's very interesting to me, just in terms of the economics of it. Because I think there's an assumption that we make in Washington that

the Iranian regime wants sanctions lifted, investment flooding into the country, ultimately improving the economy and an economic powerhouse to fuel its regional aspirations. And that may be true for a certain segment of the Iranian elite. It may be true for Rafsanjani. It may be true for Rouhani and Zarif. It may be true for the Hazaris (. It may be true for a certain segment of the elite that wants to be in business with Europe.

But it's also interesting to look at the other part of that elite, and where their economic interests lie. And the Revolutionary Guards have done very well under sanctions economically. I mean, I certainly think in 2012, 2013, and certainly, 2009, I think they feared for a regime survival and their own survival. But once they put down the Green Movement and they certainly moved beyond the notion of economic collapse, they are in a pretty strong economic position. They hold monopoly positions in the key sections of the Iranian economy.

They are winning no-bid contracts. Khatam al-Anbiya, the IRGC conglomerate, is winning contracts for everything in the energy sector, to metros, to tunnels, to bridges.

So, the question one has to ask is, do the Revolutionary Guards want Western companies flooding into Iran and stealing their business? Do they want Western businessmen coming to Iran and corrupting their people? Do they want trade liberalization? Do they want Iran as part of the WTO? Do they want Iran to be part of the international community, as Phil Gordon talked about a few days ago at a conference in Washington?

I would contend they don't. What they want is to avoid economic collapse. They want to have their economy on at least a modest trajectory. But they certainly don't want to open up the floodgates to Western investment.

And so, for the Revolutionary Guards, their plan B -- and certainly, it's -- as Khamenei has articulated, is to look for an escape hatch from economic sanctions, through Russia, through China, through Turkey, through other Asian countries, that allows for the economy to stabilize and to grow moderately without taking the enormous risk to their economic interest and to their political interests that would come from a significant deal and a significant lifting of sanctions.

And so, besides the three nos, I would -- I would actually suggest here there's a fourth no. And Khamenei's fourth no is no to Western investment, Western business and Western businesspeople flooding my capital and corrupting my people. He has an economic escape hatch. And it gives him a very strong negotiating position, vis-a-vis the P-5+1.

GRIFFIN:

Thank you, Mark.

As we move to questions, we have a roving mike that will be coming around the room. We will call on you and ask that you please state your name, your affiliation, and as in the style of Jeopardy phrase your statement in the form of a question.

Sir, you, up front, saw your hand first.

QUESTION:

Hi. I'm Jack Tymann. I'm a senior adviser to Congressman Curt Clawson, Florida 19.

My question is could you discuss briefly the heavy water reactor in Arak, and the timeline and threat ultimately of a plutonium weapon?

HEINONEN:

First of all, it's a big surprise of mine two days ago, three days ago, Foreign Minister Lavrov mentioned the Arak reactor as one of the big problems of the negotiations. He has been very quiet on that area recently. And it took me by surprise why he say it now that way.

Timeline, first of all, the reactor construction has been delayed. But we don't know what happens with the components. So they probably have continued to manufacture components, because JPOA doesn't block that.

So, assuming that all the components are there, fuel needs to be manufactured, so it's -- it can start, let's say, one and a half year from now, if the deal breaks down. Then you will need to irradiate the fuel. It will take another year. Then you need to cool it down before plutonium becomes available. But then you need to have a reprocessing plant.

How quickly can you make a reprocessing plant is the question? Actually, not that long if you've got the designs, which I think one would have in principle. And there, I refer to a report from Pacific Northwest Laboratories, it's from a few years ago, not for Iran, but for other purposes, as final estimates, so it's only less than five years you can have it.

So, in principle, if you've got everything dressed up, you -- the problem is their real problem is five years now. But then you'll become a hostage of that spent fuel, because spent fuel doesn't disappear. It's there.

Very many people say. "But, OK, it's easy to ship it to Russia," to somewhere. That's going to cost a lot of money, you see. And who's going to pay for that? The Iranians? I don't think they have lots of interest. I don't think Russians will give it a free ride. So, someone has to pay the bill.

And then, how much it will cost? I think that when we removed the spent fuel from a simple research reactor in Iraq in 1991, I think that the bill was \$25 million at that point of time. And this is not highly irradiated and in large quantities. A small research reactor, I think only, that processing of fuel for Arak is more costly, if went all the way for reprocessing and uranium were to be recovered. () so it went all the way for reprocessing and uranium was recovered.

Today's prices, I think it's much higher, but I not the expert to that. But five years from now, the problem will be there if something is not done.

Can you modify Arak reactor? Yes, you can, but I would not -- there are a lot of proposals, but the question is that we haven't seen a good irreversible one. So that you modify it in such a way that it may not -- you cannot turn it back and start the plutonium production.

And, therefore, I think at the like the proposal, made by the people from Princeton, as someone said to me, "Well, it's a step forward." But I don't think it's really the solution. And that solution has to go at the same time with the dismantling of the Arak heavy water production plant, because there's no need for heavy water, so why should you have such a plant?

GRIFFIN:

Great.

Well, Mr. Amitay, , I saw your hand up next. If we could get the mic to him.

(OFF-MIKE)

QUESTION:

There has been talk of proliferation if -- if Iran declares it has a bomb, and we know it has a bomb, there'll be proliferation in the area. How realistic is it?

And what is the threat for countries like Saudi Arabia or Egypt, taking that as a reason why they should also have nuclear weapons?

GRIFFIN:

Good question (inaudible).

DUBOWITZ:

I think the proliferation risk is real. If Iran has a -- has a bomb -- let's say it conducts a nuclear test or it's perceived as having hidden away enough weapon grade uranium for a bomb, I think you'll see a great deal of alarm.

And, certainly, you'd worry about Saudi Arabia. I mean, our research has -- has uncovered interest in Saudi -- Saudi Arabia in subjects that we were surprised by. I mean, nothing tangible related to nuclear weapons work, but it looked like it's trying to bolster its technical infrastructure. It doesn't fully make sense.

They certainly meet or made apparent things that they can do with Pakistan. I mean, I don't think those are very likely, but nonetheless, we know they're thinking about it and worried about it.

I mean, Egypt is so unstable now, it's hard to predict anything. But in discussions we used to have at my Institute with Egypt, involving WMD free zones, I mean, the -- the people, nuclear and foreign ministry people were pretty clear that, you know, we can -- we can -- we can live with an Israeli nuclear weapon. We don't like it -- but if Iran has one, it's really going to become problematic for us.

And -- and -- and that was against the background where Egypt at the time was bolstering its nuclear capabilities. So it -- civil, but bolstering them and -- and running into problems with the IAEA about some -- some potentially hidden work.

So I think it's real. I mean, it'll -- the U.S., as you know, will work very hard and over time to minimize the chance that they'll develop nuclear weapons. They'll do a whole range of things with its allies, but it will -- but it will be very difficult.

And then you add in that it's going to add Iran nuclear weapons would add a lot of instability, so it would be a much more dangerous world and more difficult for the U.S. to -- to manage.

(CROSSTALK)

(UNKNOWN)

Yes, ma'am?

QUESTION:

(inaudible) from VOA Persian TV. I would like to know if you believe there is going to be any major change or any change if the Senate next November changes hands so it's under the control of the Republicans?

GRIFFIN:

All right. That sounds fun. (ph).

(LAUGHTER)

DUBOWITZ:

Yes, right, that's the number one question on everyone's mind. The -- I think the more important question is, regardless of who controls the Senate, is particularly if there's congressional staffers sitting out there thinking about what are you and your boss going to do, is to look at a number of potential scenarios. Scenario one is there is a deal.

And regardless of the merits of the deal, there will be differences of opinion. I've tried to make the case to you that you helped build the sanctions architecture, you should try and help retain it in a way that is smart.

And I -- I put out a report with -- with Rich Goldberg. He used to work for Senator Mark Kirk, which, I think is outside in the hall, on "12 Steps to Smart Sanctions Relief" based on the assumption that many of the sanctions that are in place were put in place because of Iran's overall illicit activities -- its money-laundering; terror financing; its proliferation sensitive financing; its illicit procurement activities; its human rights abuses. And that these sanctions, particularly these hybrid sanctions, shouldn't just go away because of the nuclear deal.

You know, we've made that mistake before. We don't want to make that again. And we want to make sure we keep these sanctions in place as a constraint against Iran's illicit activity. Because after all, we convinced the international financial community that we were imposing financial sanctions not because of Iran's nuclear program, but because Iranian financial institutions represented a threat to the integrity of the global financial system.

It would be somewhat ironic and somewhat self-defeating if shortly thereafter a deal is signed, we let 24 bad Iranian banks back into the global financial system because we've signed a nuclear deal.

So if there is a deal, the first scenario you need to think about is what role will Congress will play in that deal in evaluating its merits or its demerits? And what will smart sanctions relief look like? And I think that's, regardless of a

Republican-controlled Senate or a Democratically-controlled Senate, the Senate and the House need to play a role in that.

The second scenario would be, well what happens if there's no deal? Now, Ray -- Ray's right. There will be a national momentum to keep negotiating. But there -- there may be a desire on the part of the administration, and certainly some of your bosses, to start thinking about new sanctions. And there, we could talk all day about what some of the new sanctions would look like. Some of them are contained in H.R. 850. Some of them are in S. 1881 .

But the more important question is: Do we move to escalatory sanctions, massive sanctions, on the assumption that it's going to take a while for sanctions to kick in and that we need huge economic leverage? Well, some will say to you that if you do that, the Iranians will respond by re-starting enrichment, not to 20 percent, but to 60 percent. And they will move ahead on the nuclear physics track in a -- in an escalatory way.

So you may want to start thinking about how do you respond to that scenario. And some ideas around include calibrated sanctions where there are certain sanctions that you can impose that will hurt the Iranians, but may not necessarily justify a significant escalatory step on the nuclear physics side. And that if the Iranians were to take such a step, it would look well out of proportion to what the United States and our allies are doing and make it easier for us to rally international support.

And then the third scenario you need to think about, and I think, again, this is -- this is what Ray was -- was talking to, is the perpetual rollover of the JPOA. Right? No one -- we can't get a final deal. No one wants to walk away from the table. So what we're going to do is we're just going to keep rolling over the interim agreement maybe with a plus every six months. There will be a little bit of that and a little bit of this. And the agreement will get a little bit better. It will apply to certain loopholes. The Iranians will get some more money. But this will just be perpetually rolled over.

And there, the question that you may be asking or your boss is going to be asking, are: Is the Iranian regime using salami-style tactics against us? Where ultimately what they're doing is they're wearing away the efficacy of the sanctions regime by giving up small concessions on the nuclear side, all of which are reversible. But that ultimately, the nuclear dial and sanctions dial are very different in -- in their ability to try to turn it up on the nuclear physics side and our inability necessarily to properly calibrate it on the sanctions side.

And the very simple point there is it's a lot easier to go to 60 percent enriched uranium than it is to impose new sanctions and build a coalition and read the riot act to the international financial community and get everybody on board,

and that there's a significant lag time. That's the third scenario.

And so, I -- I'm sure there's lots of other scenarios that people can think about, but from your perspective on the Hill, your question will be: How do you respond in each of these cases? I would say that if the Republicans control the Senate, there'll probably be much greater momentum to get something introduced quickly than if the Democrats do.

But it may end up being even more advantageous for the president if Republicans control the Senate on the Iran file because it may justify his promise during his State of the Union that he has a pen and he has a phone, and he will -- he'll rule by executive order. It may be easier politically to make that case if -- if the Republicans control the Senate.

But I would put the politics aside and start thinking through not political scenarios, but policy scenarios about how you and your boss are going to respond in at least the three scenarios that I laid out.

(TAKEYH): All right, just one thing. If you kind of listen to what Hassan Rouhani says particularly the day-to-day negotiations of Mohammad Javad Zarif, what they say is that they have changed their international landscape already, that if there's a sort of an impasse or breakdown of relations -- or breakdown of the negotiations, which I don't anticipate, that it would be much more difficult in a changed international landscape to get international communities buy-in to more sanctions or even sanction enforcement.

And I think there's something to that, actually. I do think that this particular Iranian regime has been much better at getting its message out and convincing important international actors that, you know, you don't want to resume that sort of animosity.

I guess, so I think the new sanctions discussion is probably going to be introduced -- should it be introduced -- in a -- in a less advantageous international landscape, which makes the tough job harder, not necessarily untenable, but perhaps more difficult. This current Iranian regime is actually much better at public relations.

(GRIFFIN): Next question? Yes, sir? (inaudible)

QUESTION:

Thanks. Scott Modell, Center for Strategic International Studies. Just a couple of quick questions.

Any -- if any of you would comment on the barter deal between Russia and Iran that's been proposed and talked about off and on, if that's real and Russia's greater position if -- if the deal were to fail between them offering to build power plants, and the barter deal that they're talking about; and then the heightened tension between the West and Russia in general? How do you guys see that playing out if a deal falls, if they don't come to a deal?

And then the other thing that people are not talking much about anymore is Israel -- if there is still talk about Israel taking some sort of preemptive action if they're -- if they just go ahead and enrich outside the framework of a final comprehensive deal?

DUBOWITZ:

I can take the Russia deal. I mean, there -- there's been a lot reported on this so-called Russia-Iran oil-for-goods deal. It's difficult to figure out exactly what's going on. The -- the best we can tell is it sounds like they -- that the deal is under discussion, but they haven't consummated the deal. It also seems to underscore what -- what I suggested earlier, which is that Iran is planning for the day after; that it is executing on a plan B, and that the Russia oil-for-goods deal is -- is an example of what Iran would do if there is no deal.

So they've probably decided, because the Administration's made it clear that the deal would be in violation of U.S. sanctions -- they probably decided for their own reasons not to consummate the deal before, let's say, November 24th. And -- but to keep the deal on the back burner and many other deals like it in the event that a comprehensive agreement is not reached.

I even think in the perpetual renewal scenario, particularly if we keep imposing sanctions on -- on the Russians. You know, at some point the Russians and the Iranians for their own reasons are going to move forward with -- with business deals.

And I -- I just would underscore this. There's a lot of attention given to the -- the deal itself, how its structured, and it's oil-for-goods, what are the goods? Are the goods agricultural or weaponry, or nuclear technology, what exactly is being traded? I think these deals are -- are important for a much different reason. That is that when the deals are done, it puts in place pathways -- sanctions circumvention pathways...

(UNKNOWN)

Yeah.

DUBOWITZ:

... that allow for much greater sums of money to be -- to be transferred, and that these pathways are -- are financial pathways. They're logistical pathways. And they're -- and they're pathways that ultimately mean that that deal will -- will allow Iran tens of billions of dollars more than the actual deal value.

I think that -- that's what Iran is putting in place today -- it's alternative pathways that provide it that escape hatch from -- from the Western-imposed sanctions. That's what concerns me most.

I -- I don't -- I've only one comment on the Israel thing, and I'll let Ray talk about it more intelligently.

I'm probably one of the few people in Washington who actually still believes that if there is a bad nuclear deal, that Israel will use military force.

I -- I just -- I think that the prime minister has been very cautious in using military force in the past. The Gaza war is really one of the first times that he's actually used it in any profound way.

But I think if you listen to the prime minister and you understand the prime minister and his background and the responsibility that he believes he feels to -- to the security of the state of Israel and to the Jewish people, as he says time and time again, I think it's inconceivable that he will allow Iran to certainly develop a nuclear weapon, and I think it's inconceivable that he'll allow Iran to retain the essential elements of a military nuclear program that will permit them at the turn of a screw, so to speak, to build a weapon.

But minority opinion, so take it for what it's worth.

TAKEYH:

(OFF-MIKE) I don't really have any particular insight into the Israeli strategic decision making. I would say that -- and I think that Mark said in some ways JPOA will continue if there's no comprehensive agreement in November, and actually, it's until January, they have.

Even if both sides walk away from the negotiating table, they could have a SALT II scenario, where they will adhere to it without negotiations, without ratification.

So in some way, I think JPOA is the first tangible negotiating agreement over 12 years of negotiations over the Iranian nuclear program -- with the exception of the EU 3 negotiations that negotiated a suspension of Iran's program.

So it's a very tangible thing, and I suspect all the parties would want to continue it or even -- as I said, even if the negotiations are suspended for a while, adhere to it in principle.

In light of that, I think it'd be difficult for the Israeli government to use force against a program that operates under some sort of an agreement and a negotiating process that continues to linger on in some ways.

As I mentioned, I think in international landscape for sanctions maintenance and new sanctions is less hospitable today, and I suspect that's even more so about the use of force.

There is a perception, and I think it's a widespread perception, that the Iranian regime, the Rouhani regime is struggling against hard-liners at home and is trying to forge a pragmatic move ahead, and that gives the international community additional incentive for kind of maintaining its current path.

David, may have something else to say.

ALBRIGHT:

No, I think it's a different point. I mean, it's slightly different.

I think -- you know, I have no idea how Israel will respond, but I think one consideration is -- is that the U.S. makes sure that it's viewed as sticking to the policy of preventing Iran from getting nuclear weapons, from -- that it -- that it doesn't slip, and I think the U.S. is committed to that.

But in the outside world, I saw some proposals recently that essentially were criticizing our use of breakout, which, from a technical point of view, is a little bit like criticizing us for using a meter stick.

You know, we see it as a -- you know, a conversion, in a sense, from warning time to number of centrifuges. So I thought it was a little displaced.

But -- but the alternative was, well, let's -- the breakout time should be determined by deploying nuclear weapons. And you can imagine that's -- that's a pretty long period of time. It's also unknown when they could do it.

But what does that allow? Well, they could build a nuclear weapon in secret with -- they could -- the red line would no longer be the production of weapon-grade uranium, enough for a bomb. It would be as far out in the future date as deliverable nuclear weapons.

So they could, long before that, build a nuclear weapon. They could test a nuclear weapon. And so you would no longer -- that would clearly be you no longer have a policy to prevent Iran from getting nuclear weapons.

And so those pressures are developing in Washington, and I think they're dangerous. They're certainly counterproductive to the negotiations.

I mean, the breakout that's been developed is a clean measure. It helps you pick negotiating positions. It's a defensible position, because it says, you know, "We're going to prevent you from getting the critical nuclear material you need to build a weapon.

"And so, yeah, you can develop things, you can learn how to test, but you're not going to have the nuclear material to do it with."

And so I think it's -- in that sense, it reinforces the U.S. policy to prevent. Some of these others weaken that position and open up the door that maybe we can live with an Iranian bomb, and I think that would be very dangerous and could affect Israel in a negative way.

DUBOWITZ:

I just want to add just in terms of -- again, I'm -- I'm a skeptic here, but you know, the president's expressed policy in preventing Iran from acquiring a nuclear weapon, I mean, David is right. I think they still remain committed to it.

But what concerns me is -- is that the -- the U.S. negotiating position has gone fundamentally from -- from dismantle and disclose to what I would call today, disconnect, defer and deter.

So what do I mean by that? January of this year, Jay Carney, White House briefing says, "It is the policy of this government that we will dismantle substantial portions of Iran's nuclear program," so dismantle.

And now we're talking about some of these compromise ideas.

Again, David's right. We don't have the details. We don't know exactly what they mean. We don't know who they're being floated by. But now we're talking about compromise ideas around disconnecting centrifuges or controlling the uranium feedstock in order to slow down the rate of enrichment.

We're talking about compromises over the Arak heavy water reactor, which would be, again, technical fixes, but they don't -- they don't necessarily -- they may not necessarily require certainly dismantlement and may not even require conversion to a light water reactor.

You know, we were talking about shutting down and dismantling Fordow, and now we're potentially talking -- potentially -- you know, it's based on the the public reporting, it's difficult to know, but we're talking about Fordow becoming

maybe an advanced centrifuge R&D facility, some other purpose.

So we've -- we've started to -- at least it seems that we've started to back away from dismantling.

It used to be about disclose, which is that Iran had to fully come clean with the IAEA, as Olli said, on its past military and the possible military dimensions of its program.

Now we're talking about, well, they don't -- they don't have to do that until the deal is signed. We'll do that after a deal is signed.

But of course, the notion somehow that Iran will come clean after a deal is signed, when -- when our leverage has been further diminished from where it is today, seems to me as -- as putting hope above harsh reality.

So dismantle and disclose, it's gone from disconnect to defer -- we'll defer these issues until after a deal -- to deter.

And -- and I'll just conclude with this. I mean, you know, deterrence is now based on we will extend breakout, the IAEA will detect, hopefully, that breakout, and then we will respond accordingly.

Now, whether the response will be a demarche to the Iranians, or the use of economic sanctions to force them back into compliance or the use of military force, all options are on the table. But it also raises questions about our ability to detect, which is -- I think, David, you've written on, Olli, Gary Samore.

The fear is that -- that the Iranian breakout may not take place in Iran's declared facilities; it will take place in Iran's clandestine facilities, which is why the Iranians want advance centrifuges, by the way, which is why the Iranians, I don't think, will ever agree to "go anywhere, go anytime" inspections into IRGC military bases, which is why the Iranians don't want to let us into Parchin, even though David has done a brilliant job of confirming through satellite imagery that Parchin seems to have been sanitized -- is that fair to say, David?

So why don't they want to let us into Parchin if it's been sanitized? Because it establishes as a precedent if they let us in. That means we now get to go into a IRGC military base, and if that's the case, then we will insist on that in any verification inspection regime.

So I don't believe Ali Khamenei maybe my colleagues here, will disagree with me. I don't think Ali Khamenei is letting us into IRGC military bases anytime.

So this will be managed access. It will be access into nuclear facilities.

Olli, I mean, you've -- you've done more of this than anyone in the room. Do -- do you believe that at the end of the day, we're going to get the kind of access we need to ensure that we could detect a clandestine Iranian breakout?

HEINONEN:

There's no perfect solution, but there is a probability for that. It depends on the access rights, on the information received by the IAEA and it doesn't depend only about the IAEA. It depends on (the member states who may have additional information and their willingness to share the information with the IAEA. So there are a variety of things.

But we have to keep in our mind also that the Safeguards Agreement covers the whole territory of the state. There's no sanctuary. Military bases are accessible if there are nuclear activities.

If you have reasons to believe that there are clandestine activities, there is a provision that is called special inspection. You can have -- ask that permission. We asked it in North Korea. We now know where we are.

But there are tools, and also, the Additional Protocol has another thing, which is called complementary access. This is also to be used under article 4(d) to the places which have not been declared -- specified there.

The difficulty with that that provision is that there is no deadline in negotiation for the access, while in the Safeguards Agreement, a special inspection, there is actually a deadline. If you have a reason to believe that the information gets lost, you can have ask the access. I think the maximum time to be given is 14 days.

So there is a solid provision, but here, you may end up with a negotiation.

So I think there are tools, but you need information to come to this conclusion, and no sanctuary. That's why, you know, I don't like giving up Parchin, because this is -- this is a test.

We went to Lavisan after the dismantlement of the buildings,), obviously, there was nothing left at that point in time. We went to Parchin first, and we went there for the second time. We did it in a very different way and in a very different atmosphere.

But I think that Parchin is a must, and those other places, it's come up for that, because IAEA has some other information. It's not only about Parchin.

ALLBRIGHT:

Mark and I often have debates on this, and I'm beginning to envy his position.

Mine is I trust my government to do the right thing.

(LAUGHTER)

I find myself disappointed many times.

His is, "I expect nothing..."

(LAUGHTER)

And he feels better.

But I would say that yeah, I agree with -- everything Mark said you can find support for it.

You know, my own experience with the discussions is they're -- they're tougher than that. They're -- they're tougher than that. But again, this is going to come down to the last minute, and it's -- I think it's going to -- who's going to blink first, you know?

I guess I think Iran is going to have to, or maybe it will be what Ray envisions, you know. They'll just keep rolling over. But I -- I -- I think the U.S. is going to hang tough.

GRIFFIN:

We have time for one more question. We haven't taken any from this side of the room, if anybody has one. Yeah, it looks like in the very back. Perfectly located close to the microphones.

(UNKNOWN)

Great. Thank you.

QUESTION:

Hi. I'm Lindsay Mucetti, Marine Forces Cyber Command.

What are your thoughts on the developing relationship between Saudi Arabia and Iran? Where do you see that going?

(TAKEYH): Not particularly forward.

There has always been negotiations and discussions between the two states. That was the case during the Iran-Iraq War when the Saudis were subsidizing the Iraqi war effort.

We sometimes mistake dialogue for agreement. The two countries do have diplomatic relations, and they do manage the idea of the annual haj pilgrimage which is a huge thing.

So there's always been dialogue between the two states. But -- but the Saudis at this particular point are so dubious and suspicious of Iranian intentions and Iranian ideology, and this plays itself into a sectarian cleavage.

I mean, the Saudis haven't been comfortable with Iranian power since the Shah was deposed. They had secret agreements with the Shah that he would come to their rescue and so on, but not with the Islamic Republic.

These are two states that are bedeviled by the fact that they're similar. They both try to have a reach beyond their territory, influence in the region, and that influence is predicated on transnational ideology, different variations of Islam, sort of Islamism that they practice differently.

So they're similar states. They try to appeal to the population on the region by using religious symbols and religious ideologies. That's -- that's where the competition is.

And right now, you have the -- to be simplistic about it, a very sectarian divide in the Middle East, sort of a new Cold War taking place in the region, predicated, underwritten by the sectarian divide, and that puts these two countries on opposite sides of a lot.

Because I hear a lot about how Iranians and the Saudis cooperated in early '90s to stabilize the Lebanese civil war, and to be fair, what stabilized the Lebanese civil war was Syrian intervention, and the agreement came after that.

So this is a 35-year enmity punctured by occasions of diplomatic progress, diplomatic dialogue.

The one time when there was attempts to reconcile relations between the two was during the reforms government in '97, because that reforms government came in with a very different international orientation.

All these issues will be much more easier resolved with this sort of reformist government, because it was the only faction within the Islamic politics that had interest in international norms, and that's sort of the guide post. Not so much the successors, the conservatives or even the so-called pragmatists.

So I don't see that relationship taking off the way it is said. I do think there will be calm dialogue between the two states. You may see visits.

Let's not forget that President Ahmadinejad visited Saudi Arabia, and he was welcomed by, at that time, Crown Prince Abdullah. So that -- that goes on.

GRIFFIN:

As we near the end of our time, if we could conclude with a lightning round, we'd appreciate it, in sort of one minute for folks here who are congressional staffers as they go back to their bosses and advising their bosses to look for - for the end of negotiations or burning topics that should've been discussed today and haven't been entered.

Starting with you, Ray, about one minute each, sort of your top line message that congressional staff and other experts should take from this conversation.

TAKEYH:

I would just say that whatever ebbs and flows of the nuclear negotiations are, we -- we do have a problem with the Islamic Republic as a revisionist revolutionary actor in the Middle East, a Middle East that gives it ample opportunities.

And I do think we should also focus on domestic abuses, human rights issues, governance issues.

I mean, you cannot separate -- it is hard to suggest the government will abide by international norms when it violates domestic norms. Islamic Republic violates its own laws today about incarceration, human rights abuses.

So it cannot be selectively compliant with international norms and international treaty obligations when it is -- practices the domestic abuses that it does and the regional subversion, which it is engaged in.

GRIFFIN:

Alright, well put. Olli?

HEINONEN:

Success is never an accident; it's a result of hard work, and for the IAEA to succeed and the verification regime to succeed has to have proper access to rights, unfettered access to the sites, including the military sites, information to be provided by Iran, it goes beyond normal safeguards agreement.

But then as an additional thing, which might surprise you, I would suggest that the P5+1 ask the IAEA also make the report from the very beginning, open with the numbers so that the members of international community can

see the real implementation and how well it goes so it doesn't need to guess what is the actual progress ().

GRIFFIN:

Mark?

ALBRIGHT:

Should I go before you?

DUBOWITZ:

Sure.

(LAUGHTER)

No, you could sum up on an optimistic note.

ALBRIGHT:

Yeah, OK, because that would be Pollyanna or whatever.

(LAUGHTER)

DUBOWITZ:

Yeah, I'm going to let you send them along their way feeling more positive than I'm going to. Look, I think diplomacy's incredibly important, access to information is vital.

Our politics is about leverage. The only way that we're going to ever deal with this Iranian regime, given its nature is to retain and enhance our leverage.

The past year, we have systematically, unilaterally diminished our leverage in our pursuit with this open possible agreement with Iraq and our arms control issues.

I think you, as members of Congress and -- and staffers, you have built the leverage that allowed -- has allowed this administration to approach these negotiations with -- with a degree of seriousness.

And it will be up to you, because you are ultimately the last firewall against a bad Iranian nuclear deal, and you need to -- you need to retain, and you need to enhance the sanctions architecture that deals with Iran's range of illicit activities, illicit activities which will, I guarantee you, survive any nuclear deal with Iran.

So smart sanctions relief and enhanced pressure is ultimately going to guarantee, or at least enhance the likelihood of a successful nuclear deal.

ALBRIGHT:

I think it's -- it's very important that -- that the administration gets a message that these -- strong negotiating positions have to be maintained. Some know exactly what's going on that can help inform that effort.

I also think it's important to start thinking of plan B. It doesn't look great to get a deal in November right now, and -- and I think it needs to be thought through, so -- and the administration needs to be pressed to think through so we're not scrambling at the last minute. Iran appears to have thought it through.

The other is that if there isn't a good deal, I think it's going to be very important that Congress and the Administration are united, that I think a fight could be very destructive in playing to the interest of Iran.

So one scenario would be if -- if the administration vetoes congressional legislation and they win, it would -- it would be very destructive and set a -- well, it'd be very hard for Congress to recover as this strong force for sanctions in the world, which is -- which I think is recognized everywhere.

That -- that -- in a sense, that battle cannot be lost by Congress, so I think it's important to think through carefully how to proceed in case things -- there is no good deal.

GRIFFIN:

Great.

I want to thank, first and foremost, our partners for cohosting this event, the Bipartisan Policy Center and of course, FDD, Executive Director Mark Dubowitz, thank you so much of this opportunity. I ask you all to join in thanking our panelists for their time and expertise.

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