

# 2011 CARNEGIE INTERNATIONAL NUCLEAR POLICY CONFERENCE

## TAKING COMPLIANCE SERIOUSLY: IRAN AND THE NEXT IRAN

MONDAY, MARCH 28, 2011

2:00 PM – 3:30 PM

WASHINGTON, D.C.

**CHAIR:**

**Martin Briens**

Permanent Mission of France to the United Nations

**SPEAKERS:**

**Robert Einhorn**

U.S. Department of State

**Mark Fitzpatrick**

International Institute for Strategic Studies

**Ambassador Peter Jenkins**

Geneva Center for Security Policy

Transcript by Federal News Service

Washington, D.C.

*Transcript Not Checked Against Delivery*

BRIENS: All right. Let's get started. Good afternoon and welcome to you all. My name is Martin Briens and I'm the deputy permanent representative with the French mission to the U.N. in New York. And compliance is an issue we are grappling with almost on a daily basis in the Security Council. And it's, of course, key if you believe in a world order based on law.

So – but there's no field in which it's more important than in the field of nonproliferation. And that's why the issue we're having to talk about now is of key importance for international peace and security.

While the Middle East and North Africa are engulfed in political turmoil and are legitimately focusing the attention of the world media, the Iranian centrifuges are spinning quietly, adding every day to the amount of low-enriched uranium Iran is possessing. And Iran is doing it in open defiance of five U.N. Security Council resolutions and nine IAEA board resolutions and despite more and more stringent sanctions.

Well, this might not be another crisis, as compared to Libya or Bahrain, but this is one which will have a profound and lasting impact on regional and global security. And also, this is one, in contrast with the other major proliferation crisis we are facing, North Korea – it is a crisis that we can still prevent from happening.

[00:01:43]

Iran is of key importance to our global nonproliferation efforts in two main respects. First, because if we fail to get it right, if we fail to nudge Iran back into compliance with its nonproliferation commitment, it might lead to proliferation cascade in the region and perhaps elsewhere, and it would then dash hopes for curbing nuclear proliferation and advancing disarmament, not to mention achieving – (inaudible) – freeze in the region, which will be the issue of another panel.

Second, because we can try to draw lessons from the way we've managed the Iran issue so far, so as to better confront potential noncompliance cases in the future and prevent the next Iran – and by the way, we might not be the only ones drawing lessons from the Iran case. Others might as well, but for a very different purpose, trying to obtain nuclear weapons in the most effective and efficient way.

To deal with this very difficult issue, we are very fortunate to have with us three outstanding panelists, all of them top experts on the Iranian nuclear issue and also of the broader issue of nuclear nonproliferation.

[00:02:58]

First, on my left, Robert Einhorn, who is the State Department special advisor for nonproliferation and arms control. And as such, he is deeply involved with the U.S. policy towards the Iranian nuclear issue.

We have Ambassador Peter Jenkins, who's currently working with the Geneva Center for Security Policy and was the U.K.'s ambassador to the IAEA at the crucial time from 2003 to 2006 – that is, from the discovery of the Iranian enrichment program to the launch of the E3-plus-3 diplomatic efforts and the first UNSC resolution.

And then on the extreme left, Mark Fitzpatrick, who is the director of the IISS nonproliferation and disarmament program. And as a way of free advertising for him, I will say that he has very recently issued a new report on the Iranian – (inaudible, background noise) – that I recommend.

I will start by making a very short introduction before giving the floor to our three panelists, and then take Q&A.

*Transcript Not Checked Against Delivery*

[00:04:03]

As a way of introduction, I will just remind everybody that there are basically two main paths to nuclear proliferation. The first one is clandestine procurement and development of nuclear capabilities. And the second one is the acquisition of key nuclear capabilities, such as enrichment and reprocessing, under the cover of a civilian program, which allows breakout scenarios.

Well, there is actually a third way, which is – which would be more of a shortcut, which is buying key nuclear capabilities off the shelf. And from this point of view, Libya, thanks to the AQK network, was probably the closest to achieve that until it got caught red-handed importing centrifuges and a nuclear device blueprint back in 2003.

Iran, for its part, has been very busy following the first two paths. Both developing clandestine capabilities and the discovery of the Qom/Fordow enrichment plant demonstrate it. In accumulating enriched uranium in Natanz with no credible civilian purpose, and despite numerous offers for negotiations and cooperation, and increasing pressure from sanctions, Iran remains today in blatant noncompliance with both its safeguards agreement and five UNSC resolutions, which leads naturally to two questions.

[00:05:34]

First, what can we do to bring back Iran into compliance before it is too late? And second, how do we prevent others who are certainly watching our action or our inaction carefully from following the same path? I think that in the light of the Iranian case, the compliance issue boils down to two clusters of questions.

The first one, I would say, is technical. We have today a number of nonproliferation instruments: treaties, such as the NPT; specialized institutions, like the IAEA; informal nonproliferation initiatives, such as the Price (ph) group of the PSI; and we have also general-purpose tools to enforce compliance – for example, sanctions.

Are they effective? What can we do to sharpen our tools? Or do we need new instruments – for example, to prevent the breakout scenarios I've mentioned?

The second cluster of questions is political, and, I would say, in a way more fundamental. Does international community really have the political will to use these instruments and to enforce compliance? If not, why? Is it because of diverging interests, of tactical differences among key countries? Or even are some countries, you know, interested in just remaining free riders, waiting for others to take action? And what should we do, then, to foster international community's resolve to take compliance seriously?

[00:07:10]

So this is what we're going to talk about today. In order to frame the discussion, I suggest that our panel look successively at three main aspects. First one, pending current noncompliance cases, first and foremost Iran. And to discuss this, I think nobody is better suited than Bob to brief us on where we are and what's next on the Iran nuclear issue.

Next we'll talk about detecting future noncompliance, which would allude to detect clandestine activities. And the IAEA has, obviously, a key role to play on this. And Peter will give us his perspective on this. And third, we'll talk about preventing future noncompliance, and especially the breakout scenarios I've mentioned. And Mark

## *Transcript Not Checked Against Delivery*

will look at what the Iran case tells us for the future of the most sensitive parts of the fuel cycle, enrichment and reprocessing.

So let's start now with Bob. Bob, you have the floor.

EINHORN: Martin, thank you very much. The U.S., along with its P5-plus-1 partners, have pursued a dual-track strategy to change the strategic calculus of Iran's leaders and persuade them to negotiate significant constraints on their nuclear program.

[00:08:33]

As part of this dual-track strategy, the Obama administration from the very outset tried to engage with Iran, but the Iranians didn't reciprocate. The Iranians rejected what most of the world considered to be a fair and balanced proposal to refuel the Tehran research reactor. Iran continued its fuel-cycle programs in defiance of various U.N. Security Council resolution, including by boosting its level of enrichment to near 20 percent, much closer to weapons-grade. And it's stonewalled the IAEA's investigations, including the possible military dimensions of its nuclear program.

Given Iran's failure to engage seriously, we and our partners were left with no choice but to place greater emphasis on the other component of the dual-track strategy, namely political and economic pressure. The adoption of Security Council resolution 1929 in June of last year provided a platform on which U.N. members could build their own implementation of sanctions.

Soon after 1929 was adopted, the European Union announced a comprehensive set of measures against Iran. And before long, Canada, Australia, Norway, Japan, South Korea, and many others followed their – followed up by adopting their own sanctions measures. Russia voted for resolution 1929, which banned the sale of key categories of arms to Iran, which had been a major market of Russia's arms industry. In particular, the Russians canceled the sale of the S-300 air defense system to Iran.

[00:10:43]

China also voted for resolution 1929. And although we continue to have concerns about the transfer of proliferation-sensitive equipment and materials to Iran by Chinese companies, there's substantial evidence that Beijing has taken a cautious, go-slow approach to its energy cooperation with Iran.

The United States, of course, also acted. Last July the president signed the Comprehensive Iran Sanctions Accountability and Divestment Act, or CISADA. Altogether, there has emerged a powerful coalition of states that are willing to impose substantial costs on Iran in the hope of getting it to negotiate seriously over its nuclear program.

It's clear that the sanctions have begun to have an impact. Iran is increasingly isolated from the international financial system, with limited access to financial services from reputable banks all over the world. And without access to financial services, Iran has found that it's much more difficult and costly to conduct commercial transactions. Iran is increasingly unable to secure needed foreign investment, financing and technology to modernize its aging energy infrastructure. Major European and Asian firms have decided to end their dealings with Iran.

## *Transcript Not Checked Against Delivery*

And this threatens Iran's oil and gas production and export capacity. And it threatens it over the long term, which is a serious problem for a country that relies so heavily on oil and gas revenues for its government expenditures.

[00:12:38]

In addition, major energy traders have stopped sales of refined petroleum products to Iran. Jet fuel providers for IranAir have been affected by CISADA, with major fuel suppliers terminating their contacts – contracts with IranAir, seriously affecting the airline's operations and routes.

Iran's shipping industry has also been impaired. Reputable firms like Lloyd's of London no longer insure Iran shipping. IRISL, Iran's shipping line, has been especially hard hit. As a result of sanctions, it has had difficulty repaying loans and maintaining insurance coverage. And this has recently led to the detention of at least seven of its ships. Major shipbuilding countries are refusing to build ships for IRISL, and IRISL is finding that it no longer is welcome in major ports of the world, especially in Europe.

Iran is also sanctioned on the human rights front. Individuals responsible for egregious human rights abuses in Iran are subject to travel and financial restrictions. Just last week, the Human Rights Council adopted a resolution condemning Iran's human rights record and calling for a special rapporteur with a mandate to report on human rights abuses in Iran.

A key goal of sanctions is to drive up the cost of noncompliance and bring Iran's leaders to the conclusion that unless they accept constraints on their nuclear program, their future will look a lot dimmer. But sanctions are also meant to impede Iran's access to the equipment, materials and technology it needs for its WMD and delivery systems.

[00:14:42]

Aided by the dual-use trade restrictions and inspection provisions of resolution 1929, we have stepped up our efforts to interdict shipments of prohibited cargoes. We believe Iran has had difficulty acquiring some of the key technologies it needs, and we judge that this has had an effect of slowing its programs.

Iran's leaders are feeling the impact of sanctions. We can see this clearly in the very active efforts Iran has mounted around the world to circumvent the sanctions. While the high price of oil has at least temporarily cushioned Iran from some of the effects of sanctions, the sanctions are already taking a significant toll, and the impact will only increase over time.

But while Iran's leaders are feeling the pressure, the sanctions have not yet produced a change in Iranian strategic thinking on the nuclear issue. So far, they seem only to have made a tactical adjustment. They believe that by making small gestures, such as simply showing up at meetings with the P5-plus-1 countries, they can reduce international pressure, or international support for sanctions.

[00:16:16]

We saw this in the recent P5-plus-1 meetings with the Iranians. They certainly didn't come to the Geneva meetings in December or the January meetings in Istanbul prepared to engage seriously. For their part, the P5-plus-1 countries outlined their approach to resolving the nuclear issue. They pointed out that, given current levels of

## *Transcript Not Checked Against Delivery*

mistrust, it would not be feasible to go directly to negotiations on a comprehensive final outcome. Instead, they favored a phased approach in which confidence could be built incrementally.

In Istanbul, they outlined key elements of an initial confidence-building phase, an updated version of the fuel-supply arrangement for the Tehran research reactor and several transparency measures which would give the IAEA greater access to Iran's nuclear program. The P5-plus-1 countries made clear that Iran can have a civil nuclear energy program, but they stressed that with that right comes the responsibility to demonstrate convincingly that its program is devoted exclusively for peaceful purposes.

Unfortunately, Iran refused to discuss these or any other substantive issues. Instead, they set forth two preconditions. One was that the P5 countries had to publicly and explicitly acknowledge an Iranian right to enrich uranium. The second was that the P5-plus-1 countries had to lift all sanctions from the outset of negotiations.

[00:18:15]

The P5-plus-1 countries collectively rejected these preconditions as unreasonable and unacceptable, and the Istanbul meeting ended without a fixed date and venue for another meeting.

One of the silver linings of this disappointing Istanbul meeting was that Iran's unconstructive behavior has reinforced the unity of the six. The Obama administration has determined that in the wake of Istanbul, we have no choice but to increase the cost to the Iranians of refusing to engage seriously. That will mean tightening existing sanctions and developing new ones. It will mean unilateral steps as well as steps agreed or coordinated with others. It will mean staying a step ahead of Iran as it seeks to set up new front companies, establish new banking relationships, re-flag ships and otherwise circumvent sanctions.

But as Secretary Clinton has said, sanctions are not an end in themselves but a means to build leverage toward a negotiated solution. Even as we sharpen the choice for Iran's leaders, we've left the door open for diplomacy if Iran is prepared to engage in serious negotiations.

[00:19:49]

Iran raises critical issues about the future of the nonproliferation regime, whether a noncompliant state can defy the international community with impunity, and whether it's possible to enforce compliance by means short of the use of military force. Persuading countries like Iran to comply – and I would add Syria here too – requires the international community to send a clear and unified message that noncompliance is a threat to all and cannot be tolerated. It requires major powers, especially the five permanent members of the Security Council, to come together and give enforcement of nonproliferation obligations a higher priority to what they see – a higher priority relative to what they see as their commercial and foreign-policy objectives.

But it also requires members of the Non-Aligned Movement, including some of the world's emerging great powers, to recognize that their security is also undermined by noncompliance and to join others in pressing noncompliant NAM colleagues to meet their obligations rather than serving as their defenders and enablers.

[00:21:24]

On Iran, the makings of a broad, unified message are present: P5-plus-1 unity, the large and growing number of states willing to implement resolution 1929 vigorously, and the increasing isolation Iran is experiencing at

## *Transcript Not Checked Against Delivery*

the United Nations, the IAEA board of governors, the Human Rights Council, and other international forums. But more is needed.

If Iran's intransigence on the nuclear issue is to change, all states must implement 1929 conscientiously and guard against Iran's efforts to exploit their financial and commercial systems to circumvent sanctions. All states, especially key trading hubs, should seek to thwart Iran's procurement efforts by strengthening their export and transshipment controls and cooperating with other states to integrate illicit shipments. And all states, even Iran's friends, and especially its friends, should make clear to Iran's leaders that it's time to meet the demands of the Security Council, cooperate with the IAEA and negotiate seriously over its nuclear program.

The dual-track strategy can succeed, but it needs the strong support of the entire international community. The stakes are enormous. If the strategy succeeds, the future of the nonproliferation regime will look a lot brighter. But if it fails, the regime will be in serious jeopardy.

Thank you.

[00:23:17]

BRIENS: Thank you, Bob.

There's one institution which needs the kind of broad support and resolve you've mentioned in the (internal ?) committee, which is the IAEA, which is a key instrument to enforce compliance in the nuclear field. And so I'll now give the floor to Peter. Please.

JENKINS: Thank you, Martin. Is this on? Yes, it seems to be on.

I should start by making clear that Carnegie Endowment have been kind enough to give me the title "ambassador." But, in fact, I'm – as you probably realize, I'm no longer a serving ambassador. I'm not here as a representative of the British government. I'm here simply as a free agent, and what you'll hear from me today is my own very personal take on this issue. I think you'll be struck that it's fairly removed from the take of Ambassador Einhorn. And that may well be that it's because I'm now rather remoter from the front line than he is, and maybe that encourages a certain amount of idealistic or naïve thinking. I don't know. But anyway, at least I hope the contrast will provide you with some stimulus.

[00:24:33]

I think – the title of this session is "Taking Compliance Seriously." I think as far as compliance with the NPT is concerned, the international community has taken compliance very seriously. It's just that the Iranian case has reminded us of a couple of shortcomings in the nuclear nonproliferation regime.

The first is, of course, the – (inaudible) – safeguards agreement that is called for by the Nuclear Non-Proliferation Treaty, Article III, requires only material to be placed under safeguards. It doesn't require activities to be declared to the IAEA. In other words, it imposes real limitations on the IAEA's access.

This was, of course, recognized as long ago as 1991 in the aftermath of the first Gulf War. And in response to it, the board of governors of the IAEA adopted the model additional protocol. The problem is that adherence, or rather application, of the additional protocol, is not obligatory. It remains a voluntary measure. So this is a genuine

## *Transcript Not Checked Against Delivery*

problem, a genuine shortcoming. One way around it would be to get the NPT parties to agree that adoption, application of the additional protocol would be obligatory for all NPT non-nuclear weapons states.

Unfortunately, having assisted at one NPT review conference and some (prep coms ?) as well, and following from afar what happened there last year, I really can't see that coming about as long as Israel remains outside the nuclear nonproliferation regime and is therefore unready and unwilling to bring in an additional protocol, itself.

[00:26:44]

Second, the other great weakness or shortcoming is in enforcement mechanisms. The tools available to the Security Council are less than satisfactory, let's put it that way. Sanctions – sanctions are very effective, I think, as expressions of moral outrage. I'm even told by friends who've served in New York that they can be effective as a way of punishing individuals.

But if one looks back as far as 1945, I think on the whole, the record suggests that sanctions are ineffective, on the whole or on balance – of course, no doubt there are always some exceptions – as coercive instruments, as ways of coercing states into submitting to the will of the international community – the will, as expressed by the Security Council.

I'm thinking of Cuba; I'm thinking of Rhodesia; I'm thinking of the USSR in the wake of their invasion of Afghanistan; thinking of Iraq, of course; thinking, more recently, of North Korea. The other tool available to the Security Council is military action but the problems there are that military action does not come cheap – does not come cheap, financially, and potentially can be costly in terms of the lives of those asked to undertake that military action.

[00:28:22]

But also, there's an issue of proportionality. I personally find it hard to imagine the international community seeing military action as a proportional response to anything but the very gravest breaches of the Nuclear Nonproliferation Treaty, for instance, a breach of article II of the treaty – the commitment not to manufacture or otherwise acquire nuclear weapons. And even then, I suspect there would be some members of the international community who would prefer to acquiesce in that kind of breach than sanction military action. I'm not saying they would be right to do so; I'm just stating this as I see it.

Now, there's a third point that I want to make in relation to NPT compliance. I'm not at all sure why I was asked to take part in this panel today but I think it could possibly be because there are some people, maybe on this side of the Atlantic but also on the other side of the Atlantic, who feel that the E3, as we were called – the U.K., France and Germany – that we were not taking compliance seriously in November, 2003, when we resisted pressure from the United States to report Iran's manifest noncompliance to the Security Council.

I, of course, want to defend that E3 decision. It seems to me that what was happening was that we were conscious, even then, of the shortcomings to which I have just drawn attention and we were wanting to use diplomacy in order to ensure that Iran applied the additional protocol, which it might well not have done if it had been reported already in 2003 to the Security Council, and that Iran came back into full compliance with its IAEA safeguards obligations, which, again, it might not have done if it had been reported to the Security Council.

And I like to think that we were successful. By the end of 2005, as far as I'm aware, Iran was in full compliance with its NPT safeguards obligations. More than that, in March, 2005, the Iranians made an offer, which,

## *Transcript Not Checked Against Delivery*

with the benefit of hindsight – and very much with the benefit of hindsight – appears to have been, really, rather a good offer.

[00:30:56]

They offered to cap their centrifuge assembly at 3,000 centrifuges, all on one site; to limit the degree of enrichment, of the enriched uranium that those centrifuges produced; to turn all the low-enriched uranium produced into fuel to adhere to the additional protocol; to accept a permanent on-site presence at that centrifuge enrichment site; and to give written assurances not only that they would not breach article II of the NPT, but also that they would not withdraw from the NPT.

We, the three Europeans, we turned down this offer. We turned down this offer because, at that time, we were absolutely determined to put a stop to enrichment in Iran. I'm not saying we were wrong to do so because at the time, I think we believed strongly that Iran was intent on manufacturing nuclear weapons.

And in order to prevent that, we felt it was essential to stop all enrichment. Now, I, for one – but I don't think I'm alone – I'm not so convinced that Iran wants to go all the way to producing nuclear weapons. I think they will be satisfied with the capability to do so because that's a low-cost option, whereas producing weapons is, for them, a very high-cost option. And that being so, I find that March, 2005, offer more attractive.

[00:32:33]

Now, what of Iran's other international obligations because people often speak of Iran's need to respect its international obligations but they don't bother to point out that, at the moment, Iran, as far as I can judge from the recent IAEA report, which listed all Iran's transgressions, if you like – only one of those is an NPT transgression and that's the failure to apply to – apply revised code 3.1 of the subsidiary arrangements. All the other obligations are obligations that have been created for Iran by the Security Council.

Now, I think maybe not the international community but the West, at least, is taking noncompliance with those obligations very seriously. Yet, so far, the fact that we've been taking that compliance seriously seems not to have been enough. Why is that so? Well, first of all because of the shortcomings in the enforcement mechanisms, to which I've already alluded. Secondly, the issue of proportionality, to which I've already alluded.

I think many in the international community would be horrified if it were proposed that the international community should embark on military action in order to enforce suspension of enrichment or application of the additional protocol because they see the first as something that is legitimate under the Nuclear Nonproliferation Treaty and the second as a voluntary measure.

[00:34:20]

But there's another reason, too, why I think we'd be unsuccessful. And it's that we've tended to overlook that the Islamic regime in Iran is a regime that is steeped in an ethos of defiance. Part of the *raison d'être*, of the sense of identity of this regime, is to show that Iran is not a country that can be pushed around. On the contrary, this regime draws strength and prestige from standing up to the biggest kids on the block. So this is not a regime that it is ever going to be very easy into coercing to respect obligations that have been created for it by the Security Council.

## *Transcript Not Checked Against Delivery*

In my view, what all of this shows is that the time has come for the P5-plus-1 to take a leaf out of the E3's book and to call up diplomacy. I don't mean – diplomacy not to ensure that Iran complies with these obligations that have been created by the Security Council. I don't see any chance of that, as I've already explained. But diplomacy – imagination, creativity in order to find other ways in which Iran could build confidence that it does not intend to go beyond acquiring an enrichment capability.

I would be surprised if the Iranians did not understand that it is in their interest to provide that confidence in their non-intention to manufacture nuclear weapons. They cannot possibly want to provoke their Arab neighbors into embarking on nuclear weapons programs. And of course, that is really the fundamental, at least, European interests in all of this. Martin alluded to it at the beginning.

[00:36:40]

I remember way back in 2001, when I was first briefed before going out to Vienna, the point that was first made to me in relation to Iran was, we are worried by what's going on in Iran because this risks provoking a chain reaction in a very sensitive part of the world. So if we could only get Iran to reassure its Arab neighbors that it is not intent on acquiring nuclear weapons, we would stand a good chance of achieving that objective.

The only other thing I would say is that, whilst I don't see that this is the right time to re-engage on that, shall we say, more imaginative basis than hitherto, clearly, as long as there is turmoil in the region, it's going to be very difficult for anyone to negotiate seriously. But on the other hand, I don't think time is on our side in the sense that I think our current dual-track policy is proving to be increasingly costly – costly in three ways.

First, by sanctioning investment in Iran's oil sector, we are depriving ourselves of oil output, which we can ill-afford. Spare capacity, at the moment, is much reduced. We've seen the effect of this on oil prices. We badly need Iran to be producing a lot more oil, or exporting, rather, a lot more oil than 2.5 million barrels a day. Thirty years ago, it was producing 6 million barrels of oil a day.

Secondly, I'm worried that as long as we stick to this dual-track approach, which emphasizes that Iran represents a threat – a nuclear nonproliferation threat – we are caught up in a kind of logic that could lead, ultimately, to irresistible pressure for military action. And I believe military action would be very, very costly, indeed.

[00:38:54]

And thirdly, I don't think our current policy has all that much support in the Non-Aligned Movement. I saw back in 2003, what the E3 did then had a lot of support from the Non-Aligned Movement. I sense that, that support has dwindled, as – I won't say completely evaporated, but it's certainly much less than it was all those years ago because the Non-Aligned Movement are rather nervous about the emphasis we've put on stopping enrichment in Iran, which they see as a potential threat to their own future nuclear programs.

And so the longer we go down this track, the more we put at risk non-aligned support for the nuclear nonproliferation regime and that would be a very, very heavy price to pay. I've gone on far too long. I'm sorry, Martin, but I'll stop there. Thank you.

BRIENS: Yeah, you will be sanctioned for that. (Laughter.) Thank you. Mark?

[00:40:00]

## *Transcript Not Checked Against Delivery*

FITZPATRICK: Thank you, Martin. You asked me to look at the last part of the title, “preventing the next Iran,” and it’s important to understand what we mean by “the next Iran.” Martin, you outlined clearly in your introductory remarks that we’re talking about a country that produces facilities in a clandestine way; that, by civilian capabilities that have some questionable utility in the civilian field, get as close as possible to military potential; or a country that, through import of black market materials, also can get a path to the bomb.

But we’re not talking about the next North Korea. We’re not talking about a country that has already crossed that line from capability to production. And I join Peter, at least insofar as believing that there still is ample opportunity of persuading Iran not to cross that line to production. Iran has not been moving as fast as it could have, were it intent on getting nuclear weapons as soon as possible. It’s been at it – the enrichment game – for 25 years.

Compare that with Pakistan – 11 years, from the time A.Q. Khan brought the stolen enrichment technology, Pakistan was at the threshold. Compare it to the United States and the Manhattan Project – three-and-a-half years, two different kinds of weapons. Iran is partly not moving as fast as it could because it’s been constrained by the various export controls and sanctions and industrial sabotage. But there’s also a political motivation.

Iran seems to like to be – at least to retain a semblance of legality to its program – I say semblance because, I think in many ways, their program has breached the legalities, as Peter said, in not adhering to code 3.1 of the safeguard subsidiary agreement – that’s a clear breach. Breaching U.N. Security Council resolutions is also a breach of international law. But Iran likes to talk about keeping to legalities and that does provide some additional basis for trying to find a negotiated solution.

[00:42:17]

The question is how to strengthen that barrier between capabilities and production. And how Iran is handled, in this regard, sets an important precedent for other “next Irans.” If Iran is accorded a right to enrichment, despite their breaches of the NPT safeguards obligations, it will be much harder to persuade additional states, particularly in their neighborhood but elsewhere, to accept limitations on enrichment capabilities.

I think there are two kinds of – sets of tools that could be examined, in terms of ways to try to prevent Iran from following the North Korea case and prevent other states from following Iran’s case. One is to erect new barriers to prevent – new barriers to prevent Iran from – dissuading Iran from crossing the line. The other is to implement existing barriers. And we already have in place – now, let me go to the second one first.

We already have in place some important legal barriers that simply have not been effectively enforced. I think that’s why we’ve titled this, you know, “Taking Compliance Seriously.” One of them is the one Peter mentioned – Iran’s failure to divulge information about new nuclear facilities it is planning to construct. It’s clearly a violation of the safeguard subsidiary agreement.

I think the IAEA board of governors should find Iran to be in safeguards noncompliance over this failure to create another legal reason for why the Security Council should be looking at the Iranian case and to create another legal barrier for additional states, in the future, to replicate what Iran does and decide that they don’t have to follow the rules. I think Iran could be found in safeguards noncompliance for their failure to adequately address IAEA questions about their weaponization work and the other ways in which Iran has failed to cooperate with the IAEA.

[00:44:33]

## *Transcript Not Checked Against Delivery*

A second existing authority is the one of the special inspection authority. There, I think, Syria should be required to either accept or deny a special inspection and then the safeguards noncompliance that would follow from Syria's decision will set an important precedent for how Iran is handled and how additional states will be handled in the future.

And thirdly is the various restrictions that now have been placed on transfer of any nuclear technologies to or from Iran, particularly the restrictions on transfers, potentially, between North Korea and Iran – probably the most likely way Iran would acquire the additional components and the wherewithal to be able to produce nuclear weapons.

Then there are a range of other barriers that are not strictly mandatory, like the additional protocol that Peter mentioned, but which, certainly, making them mandatory would create an additional legal barrier. Bringing the CTBT into force would be another such legal barrier if Iran could be persuaded to sign the CTBT.

Some say, well, it doesn't really matter for Iran. In case Iran were to have acquired one of the weapons designs that are known to be circulating in the international black market, they wouldn't need to test a nuclear weapon. But it's hard to think of any states that really are willing to accept a weapons design that they've not tested themselves. So I think CTBT can provide such an additional barrier.

[00:46:18]

I think Iran's justification for the activities that it's carrying out to date need to be questioned more rigorously. The 20 percent enrichment that Iran has been embarking on for over a year now, I don't think, really has any justification. This morning, we were told that the failure of the IAEA and the international community to comply with Iran's request for 20 percent enriched fuel gave Iran a justification for producing enriched uranium at that level, itself. I don't see any justification there at all and I don't think we should succumb to Iran's story in this regard.

Iran asked the IAEA but they didn't ask any country that actually produces fuel for research reactors. You can ask the countries that produce this fuel – and there are only a couple in the world – and you know, Iran did not seriously seek to import fuel. It was trying to build a case to have a justification for producing it itself.

The United States called Iran's bluff through the fuel-swap deal. Iran went on to fail to abide by the original agreement on that and they're doing it now but there's no justification. They say they need to do it to produce fuel for the Tehran Research Reactor but if you look at the Tehran Research Reactor, they can't test any fuel that they make in a way that would be safe because the Tehran Research Reactor has run out of the old fuel.

And Iran would have to use the new fuel in order to test the new fuel. That's not the way you test a fuel in a safe manner. In one way or another, Iran would have to get support elsewhere for this. Even Iran's justification for 3.5 percent enrichment, I think, should be questioned again. Iran no longer says that they're producing enriched uranium at Natanz for Bushehr. Ever since Russia supplied the fuel for Bushehr, Iran's changed its justification, said they're building it for future reactors that they would build – the one at Darkhovin, for example.

[00:48:34]

## *Transcript Not Checked Against Delivery*

I don't think Iran will ever build a reactor at Darkhovin by itself. If they did, it would be the world's most unsafe reactor. Iran can't produce the kind of large metal components that are required for the pressure vessel of a reactor. So I'm not saying that, you know, the world is going to be persuaded to tell Iran that they have no justification for producing 3.5 percent enriched uranium but I think it should be questioned. We shouldn't just go along with thinking, okay, they have a right to enrichment; they can do it when there's no economic justification for it.

The international community has tried before to question whether NPT article IV really provides a right to enrichment or to the other sensitive technology of plutonium reprocessing. I don't think I'm going to be able to persuade too many people that article IV should be interpreted in a way that would deny this right but I think if the production of highly enriched uranium became either outlawed by a treaty or seen as against international norms, that HEU – there's no purpose for Iran to produce HEU.

[00:49:57]

Now, Iran's not producing HEU today but there's no legal barrier to them doing it in the NPT. A barrier should be built against HEU. A barrier should also be built against Iran separating any plutonium that they were to produce in their research reactor. And on the subject of research reactors, one might ask why Iran needed to build a research reactor of the size of the Arak research reactor under construction. Okay, for medical isotope production – very well. But do they need to have a reactor that happens to be precisely the size that Pakistan used for plutonium for weapons, similar to the size that India used?

Building such an international norm is not going to be easy but I think it would be easier if, at least on the suppliers' side, suppliers don't need to provide research reactors willy-nilly. They don't need to – okay, I'm going to just get to the point. I've already gotten to the point. I think that there are barriers – there is a barrier between capability and production. There are various legal ways – there are tripwires that can be set so that when Iran or any future nation goes into production, it will be both exposed and dealt with. There are some smaller ways, like enforcement of the modified small quantities protocol.

If you think about the next Iran, you might think of Myanmar – Burma – or maybe a country like Saudi Arabia – two countries that, today, haven't accepted the modified small quantities protocol. I think it is something that should be required. And I'll stop there because I'm interested in the discussion.

[00:51:46]

BRIENS: Thank you. Thank you very much, Mark. We're going, now, to open the floor for questions. And before asking questions, I will ask you, first, to identify yourself; second, to indicate who you are directing your question to or what members of the panel; and third, if possible, to avoid statements so that we can have more questions and more answers. Thank you. Sir?

Q: Thank you, John Carlson with NTI, and someone who's worked both Iran and AP issues for many years. First of all, a comment, which is on the question of the additional protocol being voluntary. A free plug: Please see my article in VERTIC's Trust & Verify, coming out on Friday, for a different view to what we heard from the panel.

Now my question, which Mark has partially answered, and that is: Does the panel believe that the right to use nuclear energy for peaceful purposes given in the NPT – or reflected in the NPT – does the panel believe that,

*Transcript Not Checked Against Delivery*

that right also covers the construction of a program whose purpose is to establish nuclear weapons capability? Is that a peaceful use of nuclear energy? Thank you.

BRIENS: Thank you. What I'm going to do is take a few other questions. So we'll have a first round and then move to get the answers. Please.

[00:53:20]

Q: Jan Kubik (sp), Hessian Foundation for Peace and Conflict Research in Frankfurt. A brief comment – one sentence: I find you, coming from a non-nuclear country, very self-righteous in focusing just on Iran. I mean, none of your three countries has complied to article VI of the NPT in any way.

My question relates to the fact, isn't it the time, if you assume that the sanctions policy won't work in view of very high oil prices – hasn't the time come to avoid maximalist positions and to try – also as the very model for other countries – to come down to moderate ones? Pressure versus pride, Mr. ElBaradei called it.

Wouldn't this be – couldn't this be a strategy that takes dialogue more seriously and builds in the factor of pride and tries to find a compromise along the lines of the additional protocol, more monitoring, some enrichment, instead of looking for a maximalist position? I also wished that an Iranian colleague could have been part of the panel. Thank you.

BRIENS: Thank you. Next question? Henk ?

[00:54:49]

Q: Thank you, Henk Cor van der Kwast, Netherlands MFA. I have two questions, one on diplomacy. Mr. Jenkins mentioned that we should pay more attention to diplomacy. Now my question is how much more attention we should give that. I would say that a lot has been put already into diplomacy in this regard to Iran. The second question is to Mark Fitzpatrick, who made a comparison – and that surprised me – to Syria, where he said – he referred to special inspection.

Now, there is some discussion and some people, particularly in the board of governors, say, well, let's forget about Syria because Iran is much more serious and let's – (inaudible, background noise) – on that. Others say, no, this is very clearly also a breach of cooperation with the IAEA and the special inspection could help us there to cross this (pattern ?). Now, could you – I noticed this question, Martin, on Iran – but could you elaborate a little bit on how you see the relation between the two? Thank you.

BRIENS: Last one for this round.

[00:56:13]

Q: Thank you, Cindy Vestergaard from the Danish Institute for International Studies. This question is for all of you, or whoever takes it on: Last year, Iran had a disarmament conference and it was sold as the counter to Obama's security summit. And they had announced the 20 percent enrichment. The Friday night prayers were all about nuclear energy the day before. And the second day of the conference just happened to fall on army day, when Ahmadinejad stood in front of the Ghadr missiles.

## *Transcript Not Checked Against Delivery*

This year, it's going to be on June 12<sup>th</sup> and 13<sup>th</sup> and I was wondering about your perspectives – which is, of course, the anniversary of the elections. And whereas last year was very much a domestic affair – internationally, didn't get much traction – with the June 12<sup>th</sup>-13<sup>th</sup> date, I was wondering what your thoughts were about how the regime was trying to use this, in terms of its negotiation position.

BRIENS: Thank you. Thank you. Let's move back to the panel. Bob?

[00:57:10]

EINHORN: I'll respond briefly to each of these. On John Carlson's point, I don't want to get into this long legal discussion of what article IV meant and (grayer bits ?) and so forth. But I don't believe the NPT permits doing anything for the purpose of having nuclear weapons, you know. So I think the intent to have nuclear weapons, I think, is problematic. And that's speaking as a lawyer, not as a policymaker.

In terms of Iran's rights, as I mentioned in my remarks, we say over and over and over again, you have the right to a civil nuclear energy program but you also have a responsibility to show you're compliant. You haven't done that. Until you take concrete steps to show you're compliant, it's premature to talk about the components of a civil nuclear energy program. That's our view on that.

In terms of the question here, I'm sure other panelists will talk about article VI and so forth. I don't agree that we have been noncompliant with our article VI obligation. I'll just leave it at that. But the maximalist approach – how do you know we have a maximalist approach? I told you what the approach is we've put on the table. You know, we don't believe we can go, in one step, to a comprehensive solution. That's why we want to go in a phased approach, building confidence along the way. And we've put down some fair, reasonable proposals on the table to get things going.

[00:58:50]

And the reality is, we don't have a negotiating partner. You can't negotiate with yourselves. We came to Geneva and Istanbul. We had some concrete ideas that I'm sure most of you would consider to be fair, reasonable first, confidence-building steps. And the answer we got was, we're not prepared to discuss anything until you accept these two preconditions. Russia and China, who are often sympathetic to Iranian positions because they would like to facilitate negotiations, immediately thought these were totally unreasonable, unacceptable and had to tell the Iranians that. It takes two sides to negotiate and we don't have that at all.

And that's similar to the question about attention to diplomacy. We have given a lot of attention to diplomacy and we've embarked on it in a way that we believe would be most effective if we had an Iran willing to consider serious constraints on its nuclear program. On the motivations for this new conference in Tehran, look, you know, the Iranians do a lot of – they're very active in public diplomacy. A lot of it's propaganda. I don't think the world is taken in by their efforts in the nuclear disarmament area. I think this is a way of compensating for, I think, a very intransigent approach to the nuclear – to the negotiations of their own nuclear program.

BRIENS: Thank you, Bob. Peter, any comments?

[1:00:33]

JENKINS: Yes, thank you. Well, like Bob, of course, I don't believe that article IV rights extend to constructing facilities as part of a nuclear weapons program but the problem with Iran is that we can't actually prove

## *Transcript Not Checked Against Delivery*

that they have a nuclear weapons intent. And in fact, it is perhaps significant that as recently as last month, D.I. Clapper gave testimony to Congress in which – I think I’m right but Bob will correct me if I’m wrong – in which he said that the American intelligence community still had no evidence that Iran had taken a decision to build nuclear weapons.

Secondly, I do take objection to this suggestion that the United Kingdom has done absolutely nothing to comply with its article VI obligations. As I said at the start, I’m no longer a representative of the United Kingdom. But like any Britisher, I do believe in fair play and I don’t think that, that charge is fair. You only have to look at the massive reductions in warheads – in Britain’s nuclear warhead stockpile that have taken place since 1990 to recognize that it’s unfair.

Thirdly, surely, a lot of attention has already been paid to diplomacy. Yes, of course it has. It does sometimes seem to me – but again, Bob will correct me and he probably thinks I’m being unfair now – but I can’t help thinking that a lot of what we’ve been doing has been what two Harvard academics 20 years ago – 30 years ago – characterized as positional negotiating.

[1:02:12]

In other words, we’ve staked out positions and we’ve negotiated around those positions, rather than adopting a more flexible search for underlying interests, a search to identify the areas where underlying interests may overlap, may converge, and then attempting to find ways of giving expression to those underlying interests.

And you’ll find this distinction spelt out much more articulately than I’ve just done in a book called “Getting to Yes,” which was published in the early ’80s and has sold too many copies. It’s still out there. And I think it is a good manual, if you like, on how to conduct negotiations successfully. And I just am not convinced that we, on the Western side, have always been adhering to the principles, if you like, that are set out in that book.

[1:03:14]

FITZPATRICK: Hank asked about my reference to a special inspection in Syria and the implications for Iran and the next Iran. I can very easily imagine that intelligence information will come up about a new facility in Iran or a new nuclear facility in Burma and that the states in question will not declare it.

And so the IAEA would be in a position to ask for a special inspection. But not having asked for one in Syria puts the IAEA board politically less willing to ask for it and, no, the right precedent has not been there. I think when there are cases of – clear cases and a special inspection has been called for, the right has to be exercised in order to reinforce the right. Otherwise, it withers away.

Peter, you correctly did quote DNI Clapper about no evidence of Iran taking a position to build nuclear weapons but that’s not the same as Iran not having a nuclear weapons program. Countries can put in place all the capability to produce nuclear weapons before they take an actual decision to build them. Until Iran has a sufficient quantity of low-enriched uranium that could give it a breakout capability, which they could more quickly re-enrich to highly enriched uranium, they don’t have to take that decision.

Cindy, your question about Iran’s disarmament conference June 12<sup>th</sup> and 13<sup>th</sup>, I’m waiting for my invitation. (Laughter.) Maybe then I’ll be in a position to know how they’re trying to use it. I’m hoping that if they invite me, I’ll be able to answer a question of the panel and accuse the organizers of being self-righteous in their focus on the United States. (Laughter.)

*Transcript Not Checked Against Delivery*

BRIENS: Thank you, Mark. Another round? Yes, sir. You.

[1:05:20]

Q: Anton Khlopkov from Moscow-based Center for Energy and Security Studies. I have a question for Bob Einhorn and Martin, for you, if I may. How do you determine the major goal of our policy on Iran? So to persuade Iran to comply with its obligation on the NPT or – (inaudible) – agreement or to prevent Iran from having any technology that could produce weapons-grade material, which means from Arak research reactor, from enrichment capability probably from – (inaudible) – in the future? Thank you.

BRIENS: Okay, next question on the right in the back.

Q: Andrew O’Neil with the Griffith Asia Institute. I had a question for Mark Fitzpatrick. Just drawing on some of your work on North Korea, I’d be interested in your impressions of the extent to which the Iranians are looking at the North Korean experience perhaps as something of a template for their own position in this area, and in particular respect to kind of the breakout threshold relationship.

BRIENS: Thank you. Next one from the left in the back.

[1:06:53]

Q: Thank you, Ambassador Briens. I’d just like to follow up on the similar question that was raised before. Ambassador Briens raised the issue of the second cluster, which is the political will – how the sanction regime or how the global political will can be strengthened. And we have seen many challenges for imposing sanctions. I’d like to ask, particularly Mr. Fitzpatrick and Ambassador Jenkins, you both mentioned that you’re no longer in the government or you’re seeing it from a certain distance.

What does it take for sanction regimes, particularly in the U.N., to be strengthened? Of course, there’s a good need to have discussions or incentive for others but when you look at the other countries to be onboard, what do you think would be important to have other countries to strengthen the compliance to the sanctions? And also, I’m quite curious to see it from the 1540 or DPRK and other global sector. Thank you.

BRIENS: Thank you. Yes?

[1:08:05]

Q: Sandy Spector with the Monterey Institute. The designation process under Resolution 1929 is very powerful. It imposes asset freezes and travel bans on individuals who are directly and materially assisting the Iranian nuclear program or missile program, but also those who assist them or are in any way participating in the enterprise. My impression is that so far, only Iranian entities and individuals have been designated and none of their minions overseas. Can you comment on that and whether it’s possible to expand the use of this very powerful tool to this additional area?

BRIENS: Thank you. Let’s move back to the panel, starting with Mark.

[1:08:50]

## *Transcript Not Checked Against Delivery*

FITZPATRICK: I'm sure that Iran is looking carefully at the way that North Korea was dealt with. When North Korea pays no penalty for withdrawing from the NPT after having violated it, I'm sure that's something Iran has taken into account. But probably, they will realize that the geographic circumstances are so different that in the case of North Korea, penalties, in terms of military actions, were not taken because of the closeness of Seoul.

Iran doesn't hold any capital hostage the way that North Korea holds Seoul hostage. I think, you know, there are other ways that North Korea pretended to go along with safeguards. From the very beginning, they seemed to have no intention of honoring the NPT obligations. Iran has had a longer period of time but for most of that time, they similarly have violated their obligations.

I'm not sure how to get states to strengthen compliance or to adopt additional sanctions. One way is when the violator country does something extraordinarily obnoxious or offensive, it tends to provide a basis for states to get tough. There are other ways, I suppose – to provide quid pro quos. I don't know what was done to persuade Russia to go beyond 1929 in denying the sale of the S300 anti-missile system but I assume that Russia got some additional benefit out of that system. But I don't know the answer.

[1:10:36]

JENKINS: I was hoping you'd go on for at least another sentence, Mark – (laughter) – because I was trying to find a piece of paper – I think I've found it now. It's relevant to the first question, which I think is a very important question because, in a way, it goes right to the heart of what we're talking about today and to the heart of the nuclear nonproliferation regime.

It is this loophole, this shortcoming, this weakness in the Nuclear Nonproliferation Treaty. I was browsing, the other day, through the U.S. National Security Archives, which can be found on the George Washington University site. And on there, there's a memo from someone called Henry Owen, director of the policy planning council to Secretary Rusk, dated 10 June, 1968, days before the NPT was opened for signature, in which he pointed out that there was a real problem with article IV of the NPT because it enables states to reach what he described as a state of, quote, “nuclear pregnancy” by developing their, quote, “peaceful programs,” unquote, to the point where a bomb can be assembled and detonated in short order. So already back in 1968, this problem was perceived.

And to some extent, I think the United States and its friends and allies have been trying to close this loophole ever since. I remember in particular in the mid-'70s, when I had my first posting to Vienna, there was a major U.S. push to close off all use of – I think it was just reprocessing and not enrichment – but certainly all civil plutonium production, which led to an almighty row, funnily enough, with the Europeans who, at that time, were very wedded to having civil plutonium production programs.

[1:12:47]

So I just don't know what the answer is. I mean, I'll take the leaf out of Celso Amorim's book and he said that several times this morning, that he didn't know the answer. I don't know the answer, either. But I'm not sure I feel entirely comfortable with trying to outlaw enrichment and reprocessing on proliferation grounds, to deny all countries that just because one or two of them may want to abuse that possibility.

The other thing I wanted to touch on was the possibility – the comparison between Iran and the DPRK. I think there are very significant differences between those two regimes. I know a lot less about the North Korean regime but I have the impression it's a regime that really couldn't care less what anyone outside its own borders

*Transcript Not Checked Against Delivery*

thinks of it, whereas I believe the Islamic regime is actually rather mindful of its reputation, not in the West but in the Non-Aligned Movement.

It does quite like to be considered to be one of the leaders of the Non-Aligned Movement. It, therefore, knows that there are limits to how far it can go in what I described earlier as standing up to the big boys. There are ways of standing up to the big boys that earn Iran kudos and prestige and there are ways of doing so that will lose Iran friends and allies.

BRIENS: Thank you. Bob?

[1:14:27]

EINHORN: On Anton's point about what's the goal, what's the end state, well, one goal is persuading Iran to comply with its U.N. Security Council obligations and the resolutions of the IAEA board of governors. Another important goal is to persuade Iran to demonstrate convincingly and verifiably that its nuclear program is devoted exclusively for peaceful purposes.

If you ask me whether – you know, what is our goal with respect to enrichment, I answered that before – is to say it's premature to determine what the particular elements of Iranian civil nuclear energy program ought to be until they've made an effort to demonstrate, convincingly, that the program is peaceful. They have not done that. When and if they do that, we can then discuss some of the components of a civil nuclear program.

[1:15:30]

On Sandy's point, most entities designated have been Iranian entities but there have been some – many of them related to Iranian entities – that have also been designated that have had affiliation – like the EIH Bank in Germany, the FEEB bank in Malaysia. You know, there's a shipping line in India. So there are a range of entities that are non-Iranian that have already been designated, some by the United Nations, some by the U.S. or the Europeans.

And let me just say on this question of the – the question of article IV and enrichment will not be resolved by lawyers arguing with one another. It's a political argument. And I think that's the grounds on which you have to argue it – and on the economics of it, on the practicality of it and the practicality of it and whether it makes any sense for a relatively small program to justify having an enrichment capability or a reprocessing capability. I think it's going to be looked at on the practicalities, not on the basis of legal argumentation.

[1:16:46]

BRIENS: Thank you both. Just, if I may, I had – because Anton also asked me the question – I think our goal is set out very clearly in U.N.'s resolution – it's for Iran to restore confidence in the totally peaceful purpose of its program. That's the goal. So after that, you might derive from that concrete aspect that it's really the goal.

And once Iran has restored confidence in the peaceful purpose of its program, we said – we, six, said officially in the letter – that should be handled like any other NPT country. So I think it is clear. We'll have a last round of questions before giving our panelists and opportunity to give us their final thoughts. Plenty of questions. Sir, there you go.

*Transcript Not Checked Against Delivery*

Q: This is a question for the whole panel. I'd just like to get your impressions on how the recent popular uprisings in the Middle East has changed the kind of strategic calculus that the Western nations approach this negotiation with Iran.

BRIENS: Thank you. Other questions? Sir, on the right.

[1:18:13]

Q: I'm going to throw a joker in the deck for Mr. Einhorn. It has to do with what nobody will talk about. And this week, we've heard about it on Libya. The Obama administration's recently encouraging dissidents in Iran. Is it unthinkable to say that some people, in the U.S. government or outside, would like a regime change in Iran? This goes back to 1979 – (inaudible, off mic) – negotiate with. And I don't know what – (off mic).

BRIENS: Thank you. Yes, in the middle. Yes.

Q: Thanks. I don't know if everybody was at the morning session but I was wondering if either Mark or Bob could respond to Celso Amorim's defense of the Brazilian-Turkish negotiation, which he claimed we had just sort of dismissed out of hand and was really a good deal? Thank you.

BRIENS: Yes, sir on the extreme right.

[1:19:30]

Q: I just want to restate the Libyan issue: If Iran were to take compliance seriously, would Tehran then ask whether Iran is going to be the next Libya? In 2004, Libya put itself in compliance with the NPT. It also became a member in good standing of the African Nuclear Weapon-Free Zone and since then, near 100 percent compliance with all of its nonproliferation agreements hasn't prevented the U.S., Britain and France from supporting regime change.

BRIENS: Okay, thank you. So if you want to start, Bob?

[1:20:16]

EINHORN: Why don't I start? The fact that a country may be clean on nonproliferation – as much as I care about nonproliferation and how important it is – that doesn't mean it's got a total clean bill of health for all of its international behavior. So you know, I mean, I needn't say more on that.

Let me speak to the point about what Foreign Minister Amorim said this morning about the Tehran declaration that was an Iran-Turkey-Brazil declaration. I wasn't here so I didn't hear exactly what he said but I understand he said that, basically, the United States gave instructions and we conveyed clearly what we needed to Brazil and Turkey. They implemented this guidance, got what we wanted and then we walked away from it.

I was involved in a lot of those discussions and this is really quite inaccurate. The United States had made clear to both Brazil and Turkey in great detail, in the weeks and months preceding the Tehran declaration, that the original TRR proposal, invented in the summer of 2009, was no longer relevant – had been overtaken by events, in particular, by the beginning of production of enriched uranium at near 20 percent in February of 2010 and by the accumulation of additional enriched uranium at 3.5 percent level.

*Transcript Not Checked Against Delivery*

[1:22:00]

Originally, taking out 1200 kilos would have left Iran a very small amount of enriched uranium and it would have taken a long time to replenish the stock and that would have provided time for diplomacy. That was the rationale. By May of 2010, they had over 3,000 kilos. Now they've got much more than that. And taking out 1200 (kilos) no longer made sense. We conveyed that very clearly to the Brazilians and the Turks. I was involved in a number of those discussions. I know that we conveyed that very, very clearly to them.

He was talking about the letter. During the April nuclear security summit in Washington, both leaders – Erdogan and Lula – were here and they provided some ideas for moving forward on the Tehran Research Reactor proposal. Those ideas were deficient in a number of ways and we conveyed the deficiencies of those ideas in this letter.

This letter was not designed to instruct. We wouldn't presume to instruct these governments to negotiate on our behalf with Iran. And we didn't do that. Both the Turks and the Brazilians admitted that one of their motivations for pursuing this idea in May was to derail the U.N. Security Council resolution then under negotiation in New York.

They made no bones about that. They said, we don't like sanctions. We're doing this because we hope that, you know, countries will get together and negotiate and not adopt this resolution. So that was their motivation. They were not under any instruction. They would not carry out President Obama's will. There's no question about that whatsoever.

[1:23:55]

On the turmoil in the Middle East – how does this impact the Iran issue – it's anyone's guess at this point. You hear the triumphalist rhetoric from Iran's leaders suggesting that this whole wave is a wave of Islamic awakening inspired by the 1979 Islamic Revolution. They may make themselves feel better with this propaganda. I suspect that many in the Iranian regime and elite are concerned about the implications of the citizens going out in the street and standing up for their own freedom and self-government and so forth. It's not at all clear where this is going to end up.

Someone asked about what our policy – is it regime change? Our policy – we may not like this regime in Tehran – in fact, we don't like this regime in Tehran. But we believe that this regime will be changed when the Iranian people decide it needs to be changed and by the Iranian people and our policy is to change their behaviors, and not just on the nuclear issue – support for terrorist groups in the Middle East, the way they treat their own population, and so forth. Our policy is one of behavior change, not of regime change.

BRIENS: Thank you, Bob. Peter?

[1:25:29]

JENKINS: I think the only question that I could even pretend to have a view on is that of whether the turmoil is changing the West's strategic calculus. I can't really speak for the West – and obviously, there are still enormous uncertainties shadowing the future – but it seems to me that if one was to take an optimistic view of what's happened in Egypt, in particular, then one could imagine, at some point in the future, Egypt becoming a strong, successful, secular state, not unlike Turkey.

*Transcript Not Checked Against Delivery*

And it seems to me that if we had two strong, successful, secular states in southwest Asia – well, Egypt isn't quite southwest Asia but you know what I mean – i.e., Turkey and Egypt – this, to some extent, would exercise – would serve as a restraint on Iran. Iran would feel the need to be careful to respect limits, not to provoke these two regional competitors into undermining Iranian interests. Let's leave it at that.

BRIENS: Thank you. Mark?

[1:26:47]

FITZPATRICK: I'll just – that's also the only question I could address and I'll just say the uprisings do demonstrate, if we forgot, that capabilities do matter. Fortunately, things have gone well in Egypt and elsewhere, but you could imagine a different set of circumstances where a different kind of leadership came to the fore. And if nuclear weapons capabilities were around, maybe some different kinds of regimes would be more interested in using them. Thank god Gadhafi doesn't now have nuclear weapons. Whatever lessons that may hold for Tehran, at least we've avoided one huge potential catastrophe.

BRIENS: Thank you, Mark. We are now in noncompliance with our time schedule. (Laughter.) So please join me in thanking our panel. (Applause.)

(END)