

Judging the Iranian Threat 20 Questions We Need to Answer

Iran's actions in the last year have unsettled many around the world, provoking an active and rich debate as to how nations should best respond. Embedded in this debate are widely divergent assumptions, assessments, and conclusions about Iranian intentions and Iranian actions.

To add clarity and intellectual rigor to this debate, CSIS has prepared a list of issues—"20 questions"—intended to highlight these points of divergence. Few people will agree on the answers to all 20 questions. They differ sometimes on the basis of fact, and other times on the basis of judgment. Yet, it is precisely those answers that determine both the threats and opportunities contained in Iran's actions and the world's potential responses.

In the interest of promoting a healthy debate on these issues, CSIS has not only laid out the questions, but it has also prepared two opposing responses for each question to help illustrate the vibrancy of the debate. Although CSIS as an institution has no position on these questions, the wide range of experts at CSIS provides equally wide-ranging analysis.

1. Are we sure that Iran wants to develop a nuclear weapons capability?

NO. Although Iran does not want to shut the door on a nuclear option in the future, or be humiliated in the face of international pressure, there are few signs that it seeks to develop a weapons capability in the foreseeable future. Beneath all of the Iranian government's bluster is a star-crossed effort that began under the shah and has had few successes since. What comes across as secretiveness in this program is actually a combination of paranoia and an obsession with self-sufficiency—two legacies of Iran's relations with the outside world throughout the last century. A long period of remarkably close international scrutiny has revealed no serious Iranian violations.

Contrary to popular belief, Iran does have a legitimate need for nuclear power. Though the country has the world's second-largest proven reserves of oil and natural gas, its refining capacity lags far behind its needs. Strange as it seems, Iran is better off economically by maximizing its energy sales on the global market and using alternative fuels at home.

YES. Although there is no "smoking gun" to prove Iranian intentions or ambitions, there is a wealth of disturbing circumstantial evidence that suggests Iranian malfeasance (including multiple visits to Iran by A.Q. Khan, the longtime leader of Pakistan's nuclear weapons program). Much of Iran's nuclear program remains shrouded in mystery and under the control of military officials—curious for an avowedly civilian program. Also, the country's staggering natural gas reserves make the pursuit of civilian nuclear power especially peculiar. In addition, Iran has acquired and developed nuclear technology in violation of its legal commitments to both the International Atomic Energy Agency (IAEA) and the Nuclear Non-Proliferation Treaty (NPT) for almost two decades. When this history is combined with Iranian political statements calling for the "vaporization" of Israel and bemoaning Israel's unchecked nuclear weapons capability, the picture clarifies.

Although Iran proclaims its peaceful intentions, the country has spurned all offers to supply a civilian nuclear program with fuel enriched overseas. Doing so suggests that Iran's true intention is not to supply its population with electricity, but rather to develop knowledge from civilian nuclear activities that it can apply directly to a military program.

2. Will we know if Iran has reached a “point of no return” on a nuclear weapons program?

YES. Iran cooperates with the IAEA, and its inspectors have regular access to Iran's declared nuclear facilities. This access, combined with the expert community's ability to monitor the remaining obstacles to full mastery of the enrichment process, suggests that Iran is unlikely to develop a nuclear capability stealthily.

Additional safeguards would be helpful to build confidence in this regard, but not having those safeguards in place does not mean we are completely in the dark. We understand many pieces of the puzzle, and the Iranians do not fully understand what we know, which makes deceiving the international monitoring bodies harder. Reckless extrapolation of partial evidence led the United States astray in Iraq, and we should not allow that to happen again. Vigilance is still necessary, even if it is not ideal. But we would be doing ourselves a disservice to assert that vigilance is doomed to be inadequate.

NO. We should not fool ourselves about the adequacy of our knowledge here. Iran continues to block access to key officials and suspected weaponization sites, creating significant and troubling “blind spots” in the outside world's understanding of their technical abilities. In addition, there are growing signs from the international expert community that Iran is nearing the point where it can solve key technical hurdles in the enrichment process.

Iran has repeatedly refused to be transparent in its nuclear efforts, adding to concerns about its malicious intent. Iran could eliminate such concerns swiftly by opening its declared facilities to full inspections and allowing inspectors access to additional sites of concern throughout the country. Until that point, Iran's obfuscation will seem clearly designed to develop weapons on the sly, only to present the world with a fait accompli.

3. Would a nuclear-armed Iran strike a devastating blow against regional security?

NO. For all of its bluster, Iran has been extraordinarily cautious in its dealings with surrounding states. Although it certainly supports political opposition groups and armed militants in a wide variety of countries, it has done so quietly, covertly, and with deniability.

A nuclear-armed Iran would almost certainly be noisier in regional politics, but it is unlikely to be militarily aggressive. Despite its sometimes hostile rhetoric, Iran does not invade its neighbors, nor does it slip advanced weapons—least of all a nuclear warhead—to groups over which it has limited control. It is a mistake to conflate Iran's lack of interest in being popular among governments in the region with hostile intentions toward those governments. Iran is ultimately seeking security, not aggrandizement. Similarly, Iran will not attack Israel with its weapons, since Israeli capabilities in terms of both weaponry and delivery systems would all but guarantee Iran's destruction.

YES. Iran's acquisition of nuclear weapons would shake the Middle East in two ways: because an emboldened Iran would be much more threatening to its neighbors, and because Iran's sudden nuclear capability would spur frantic efforts among Iran's neighbors to counter that threat with their own nuclear capability. The subsequent arms race would make the already unstable region even more precarious.

Even without nuclear weapons, Iran's current government has disdained diplomacy. The current government has abandoned former president Mohammad Khatami's drive toward warmer relations with its neighbors, replacing it with a policy of saber rattling and Israel baiting. At the same time, Iran has stoked Arab Shia anger, spurring violence that threatens to tear the region apart from the inside. Were Iran's designs on the region more modest, or its methods more peaceful, the region might be able to withstand a nuclear Iran. Under current conditions, however, a nuclear Iran would be disastrous.

4. Is the Iranian regime likely to collapse and, if so, under what conditions?

NO. Westerners have long asserted the fragility of the Islamic Republic's government, since their ties are overwhelmingly to Westernized elites who lost ground after the Islamic revolution. In fact, the Iranian government has truly deep populist roots, nurtured by its dedication to social justice. Not only do all Iranians receive subsidized goods, but access to education and jobs has been opened to groups that were systematically marginalized under the shah. Automobile ownership is a sign of this prosperity; though many bemoan the crowded roads, the mobility it affords Iranians of modest means is a widespread benefit.

The government has proven a skilled manager of popular frustration, consistently getting ahead of protests and putting them down with minimal use of force. More than a quarter century after the Iranian revolution, no popular alternative to the government has emerged, and no significant protest movement has taken root. Iran is an authoritarian state to be sure, but it is not a totalitarian one, and it uses its flexibility to create stability.

YES. Windfall profits from high oil prices have sustained the Iranian government for far longer than would be expected. The country's overwhelmingly young population—35 percent between 15 and 30 years of age—must cope with stifling social controls, devastating unemployment, and rising intravenous drug use. Infrastructure is crumbling, and public institutions are badly overcrowded. The economy is a wreck, with almost 30 percent under the control of para-statal foundations allied with the clerics. These economic powerhouses neither pay taxes nor have any accountability.

The current government has been able to sustain matters through populist chest-beating and heavy subsidies on staples, including gasoline. These two factors combine to produce a sort of grudging acceptance. But the hard fact is that the rhetoric of the Islamic revolution long ago lost its allure, and people have tired of clerical control. When oil prices go down, Iranian citizens will not only see the true costs of the government's reckless adventurism, but they will feel it in their already empty pocketbooks. They will rise up to demand change.

5. Would a sharp drop in oil prices threaten regime stability?

NO. Sustained high oil prices have filled the coffers of the Iranian government and added significantly to their reserves. Unlike some Gulf neighbors, which have plowed oil windfalls into conspicuous consumption, the Iranian government has been pouring billions every year into an "Oil Stabilization Fund" for leaner times.

In addition, the Iranian government has almost complete control of the domestic mass media, has done a thorough job of preempting opposition movements from arising in the country, and has an effective and often ruthless intelligence apparatus. Although Iranians can—and do—complain that the government diverts too much of the national wealth for its own purposes, Iranians have been unable to organize in a way that even begins to threaten the government. In addition, expatriate opposition groups have little local appeal. A fall in oil prices would certainly constrain the Iranian government, but all indications are that it would narrow the options of that government rather than provoke a crisis.

YES. The Iranian government has little popular legitimacy, and the public tolerates it only because of pervasive government subsidies. The economy is already fragile, with high unemployment, serious inflation, and a deteriorating infrastructure. Ninety percent of government revenue comes from oil sales, but the Oil Stabilization Fund has far less cash than it should because the government raids it even in boom times in order to meet its budget. A drop in oil prices would quickly necessitate rolling back most subsidies, and upwardly spiraling prices would eliminate the one tangible benefit that Iranians have derived from their government. The reaction would be fierce and swift.

The last time Iran had a substantially more active political opposition movement was in the 1990s—a time when oil prices were falling. The government needed to act nimbly to accommodate public unrest. To a large degree, then-president Khatami's reformist agenda was a part of that reaction. Since then, oil prices have climbed rapidly and the Iranian government has grown much less supple. The hard-liners in office today are far less disposed to being accommodating than Khatami was, and the public's faith in an alternative reformist course is much diminished. An explosion is likely.

6. Are more moderate forces in Iran likely to rein in President Mahmoud Ahmedinejad?

YES. President Ahmedinejad's apparent outspokenness reflects a judgment among the Iranian leadership that President Khatami was too conciliatory toward the West and had too little to show for his efforts. A more aggressive Iranian president, in their judgment, wins them more at the bargaining table at a time when high oil prices and tight supply blunt any efforts to punish Iran.

Iran's foreign policy "realists" and veteran reformists have not disappeared, however. They remain close at hand in think tanks and para-governmental institutions, and they stand ready to reenter government and reassert their power. Even now, there is a precarious balance between different wings of Iranian political thinking, ready to shift with changing conditions. Were Iranian actions to result in unacceptable costs to the Iranian government, the Iranian leadership would either pressure Ahmedinejad to restrain himself on the international stage or else remove him from office. Iran's foreign policy is not irrational at all; instead, it is guided by a keen and dynamic assessment of Iranian national interests.

NO. President Ahmedinejad is like the sorcerer's apprentice, and he is now enmeshed in a policy direction that he and his country will find difficult to escape. As a former mayor of Tehran, he never expected to win the election much less to become an international figure. His charisma, combined with anti-Western rhetoric and virulent anti-Semitism, make him a genuine populist whose appeal extends far beyond narrow interest groups. Though the attention he has won for his strident statements may have surprised even him, he cannot abandon his rhetoric of confrontation without losing his political base. Equally important, having staked out a position of confrontation with the West, he cannot afford to acquiesce to foreign demands. He will go down fighting.

The forces at the top of the Iranian government might have been able to restrain Ahmedinejad early in his term, but the president's clear popularity and his populist bona fides now allow him to outmaneuver his original handlers and give him genuine job security.

7. Could the reformist movement in Iran return?

YES. Iran's reformist movement was a true expression of the popular will in Iran. It was pragmatic, concerned with improving daily life, and uninterested in the overseas adventures and ideological exploits of some of Iran's hard-line conservatives. Although the elite leadership of the reformist movement lost its political battle with conservative ideologues, the reformist base remains intact and increasingly dismayed by Iran's growing confrontation with the rest of the world.

Though their profile in the West has diminished, the reformist movement has not dissolved. Reformists have taken their loss as an opportunity to regroup, rethink their strategies, and lay the groundwork for a return to politics. The current Iranian leadership is neither as strong nor as popular as it portrays itself to be, and its escalating confrontation with the outside world, combined with its profligate spending, will prove unsustainable. At that point, the reformists will reemerge and lead Iran back to a path of conciliation guided by the national interest.

NO. Iran's conservatives learned from their experience in the late 1990s how to deal with a reformist challenge. After reformists won the presidency in 1997 and gained control of the Majles (or parliament) in 2000, conservatives worked assiduously to contain, undermine, and ultimately defeat them. Conservatives showed they had the power to stall legislation, close newspapers, and arrest activists. Equally important, they demonstrated their ability to shape the outcome of elections, partly by excluding thousands of reformist candidates by diktat. In constant showdowns between President Khatami and the conservatives early in this decade, Khatami consistently blinked. In his last years in office, he was humiliated and rendered all but irrelevant as his allies were intimidated, imprisoned, or worse. The notion that popular sentiment in Iran can shape the government is a farce. Although Iran has the semblance of regular elections, conservatives so fully control the process from start to finish that it cannot produce any outcome they do not want.

8. Do events in Iraq harm the Iranian government at home?

YES. While developments in Iraq seem to be furthering Iranian national interests to a great extent, instability in Iraq destabilizes Iran in a variety of subtle ways. For example, while many analysts suggest that Iran is fomenting sectarian strife in Iraq, Iran itself has significant non-Persian minorities including Azeris, Kurds, Arabs, and others who have their own stakes in Iraqi strife. The murder and forced migration of kinsmen, combined with growing interethnic tensions, spill over into Iranian life.

In addition, the example of Iraq's Shia clergy occupying a quite different role in public and political life than their Iranian counterparts represents a threat to the unchallenged authority of Iran's clerics. Iraq's clerics advise politicians rather than seek to arrogate political power to themselves, and that example poses a direct challenge to the clerically dominated Iranian system.

Finally, conflict in Iraq has further poisoned relations between the United States and Iran, which had been able to conduct a reasonable dialogue over shared security issues in Afghanistan after the fall of the Taliban government. That tension means not only that Iran and the United States cannot work to further their common interests in Iraq, but that the United States constantly seeks to apply further pressure on Iranians at home.

NO. So far as most Iranians are concerned, as long as Iraq is not firing missiles into Iranian cities, its actions are irrelevant to Iranian life. Iranian pilgrims welcome the opportunity to visit Iraqi shrines after having them closed off for years, but Iraq is neither absorbing Iranian blood nor treasure after many years of posing the key military threat to Iranians. Indeed, for most Iranians, the fall of Saddam Hussein's government without a single Iranian shot being fired represents a key victory for the Iranian government. It serves Iranian goals without requiring Iranian resources.

The ethnic threat is neither new nor unmanageable, as Tehran has been forcefully—and effectively—putting down protests and demonstrations for some time. Iran calls the tune among clerics as well, enjoying an overwhelming influence over the transborder clerical networks that exist between the two countries, typified by its close relations with Iraq's leading cleric, Ayatollah Ali Sistani. Iraq is in such disarray that it inhibits any Iranians, be they clerics or laymen, from agitating too hard for change, and in that way it serves as a powerful reminder of how chaotic the country could be if it began to slide toward fundamental political change.

9. How destabilizing would it be if Iran pulled its oil off world markets, were precluded from selling in world markets, or obstructed the shipment of its neighbors' oil?

NOT VERY. The world would recover from an Iranian-induced oil shock in quick order. The International Energy Agency countries together hold 1.2 billion barrels of strategic crude stocks, enough to cover Iranian production for two years. In addition, rising prices would give huge incentives to existing producers to increase production further, bringing prices back down quickly.

Although the world would be relatively unaffected by such Iranian action, Iran would suffer tremendously. An Iranian oil blockade would almost certainly cut shipments of refined gasoline going to Iran, which account for 25 percent of domestic consumption. Such a move would also deeply alienate China, a growing strategic partner whose energy security depends in part on Iranian reserves and on the unimpeded flow of global oil more generally. In addition, Iran would be hard pressed to halt oil production without risking permanent damage to its already stressed oil reservoirs.

VERY. With current levels of production and consumption, the world could not easily withstand the removal of the roughly 1 million barrels Iran produces every day. Though it is impossible to predict future prices with accuracy, experts agree they would spike at least \$20/barrel in the near term and possibly as much as \$60/barrel. In the event of war, uncertainty would drive prices toward the higher point, as would Iran coordinating an export halt with a sympathetic country such as Venezuela.

Iran might also seek to block the Straits of Hormuz, through which 60 percent of the world's oil passes every day. Iran has a fleet of swift mine-laying ships that could cripple traffic almost overnight. Also, the use of Iranian missiles against oil shipments or attacks from sympathetic terrorist groups operating in the Straits could be severely disruptive for a period of months. In the longer term, a combination of NATO de-mining efforts and U.S. Naval escorts could reopen traffic, but the near-term disruption could be significant.

10. Are Iranian conventional forces a threat to its neighbors?

NO. Despite its nominal size, the Iranian military is ill trained and ill equipped. Still limping almost two decades after its war with Iraq ended, Iran retains large stores of weapons it cannot use, cannot repair, and cannot replace. Further, Iranian military doctrine remains a hodgepodge of British, U.S., and Russian doctrines, making it difficult to carry out any complex exercises, let alone a full-scale war. Although its relative strength versus local forces is nominally an asset, in practice all the surrounding states exist under a Western security umbrella. Iraq was explicitly outside of that umbrella for decades, and much of the Iranian force structure was built to combat the Iraqi military threat—a threat that no longer exists. Surrounded essentially by Western allies, Iran's forces are inadequate to the task. They need not merely exceed the military capabilities of the sheikhdoms of the Persian Gulf; they must also match those of the United States, the United Kingdom, and others with a vital interest in the unimpeded flow of oil from the region.

YES. Iran has more than 500,000 men in its conventional army and a missile capacity that far exceeds that of any of its neighbors. In addition, the 120,000-man Iranian Revolutionary Guard Corps (IRGC) provides a supplement of highly motivated, mostly well-trained, and well-armed fighting forces. The ideologically driven IRGC controls Iran's Scud missiles and chemical and biological weapons arsenals, as well as missile production. Iran also has 5,000 men under arms in the Qods Force, a branch of the IRGC that is explicitly tasked with unconventional warfare and working in foreign countries. It has branches around the world, and its ties to Iranian intelligence are unclear. The Iranian Navy has 18,000 men, and 20,000 of the IRGC are dedicated to naval activities.

Although the Iranian military cannot compete militarily with U.S. or European forces, its capacities far outstrip those of all of its neighbors. As it has in the past, Iran is likely to use bluster, threats, and enough small-scale attacks to intimidate surrounding countries and lay the groundwork for regional hegemony.

11. Would an Iranian response to a military strike be significant?

YES. Iran has a broad arsenal of weapons and tactics it could and would use to respond to either a U.S. or Israeli military strike, which it would portray as an unprovoked attack. Iran could unleash missiles on U.S. bases in surrounding countries, or on Israel, and those missiles could have conventional or chemical, biological, or radiological warheads. Perhaps even more likely, Iran could instigate a series of asymmetrical attacks on U.S. and Israeli interests around the world, using proxies such as Hezbollah, as well as its own unconventional forces. In addition, Iran could turn much more aggressive in Iraq, vanquishing U.S. allies and throwing the country into greater turmoil.

All of this, combined with other hostile Iranian actions in the Persian Gulf, would throw oil markets into chaos, spiking prices, and ironically taking more money out of Western and Asian pockets and putting it into Iranian pockets.

NO. A military strike against Iran would call the bluff of the Iranian government. The government is seriously outmatched by both the United States and Israel, and it is loath to bring on a confrontation that makes such a mismatch clear to the Iranian people. The Western response to an Iranian counter-strike would be swift and devastating. The Iranians are certain to huff and puff, but the government is well aware that any actual military reaction would only bring greater military retaliation against the country.

Instead of lashing out, Iran would likely respond to a strike by turning inward, rallying the population, and trying to preserve its own political future. Despite the rhetoric, the response would be far more symbolic than actual. Although the Iranian government may have some success in the near term gaining support from a population under attack, it would be far less successful managing the long-term consequences of a confrontation with stronger military powers.

12. Will Israel strike Iran?

NO. Israel will not strike Iran because doing so would not further Israeli strategic interests. Such a strike would be inordinately complicated to carry out, and even a successful campaign of massive air strikes would only set back Iran's dispersed nuclear program for a couple of years at most. At the same time, an air campaign would likely rally the Iranian public around their government, highlight to the Iranian government the importance of that program, and drive the Iranians to redouble their efforts. Politically, an Iranian government under Israeli attack would likely see enhanced domestic support. At the same time, Iran would probably step up its support for groups such as Hamas and Palestinian Islamic Jihad that target Israel, and Israel would bear international condemnation for an unprovoked strike out of the blue.

Central to the Israelis' problem is the fact that, although Israel may consider many of Iran's actions to be hostile and directed toward them, those actions are largely permitted under the terms of the Nuclear Non-proliferation Treaty. Israelis might consider such an attack to be militarily necessary, but for much of the rest of the world it would constitute an unprovoked aggressive action. The constraint on Israel is not so much its inability to reach Iran, but rather a decidedly unfavorable balance sheet following an attack.

YES. For many years, Iran has been the lurking strategic threat in Israeli military calculations. While most Middle Eastern countries have quietly chosen to coexist peacefully with Israel, Iran has remained the outlier. Not only is Iran the most venomous foe of Israel in the region, but its support for groups such as Hezbollah, Hamas, and the Palestinian Islamic Jihad costs Israeli lives every year. Israelis also see themselves as the target of Iran's pursuit of a nuclear capability, either to deter Israeli action or to intimidate Iran's neighbors into acquiescing to Iranian policies.

Many Israelis view international efforts to engage Iran as ineffective because of an underlying unwillingness to use force—an unwillingness that the Iranian government understands very well. Israel has no similar reluctance, and its preemptive strikes against foreign threats have been famously effective in constraining its enemies, as when they destroyed the Iraqi nuclear reactor at Osirak in 1981. Although a mission to Iran would be more complicated than the Osirak raid—Iran is far enough that payload and refueling calculations would have to be precise—Israel currently has the military capability to carry it out. And as always, it is unwilling to subcontract its vital national security needs to others.

13. Could a military strike eliminate the Iranian nuclear threat?

NO. Iran's nuclear program is dispersed among a wide range of sites, and though some are known, many may not be. The fact that the Natanz conversion facility was kept secret for years is a warning for how little we may actually understand about the Iranian nuclear infrastructure. Also, many of the important sites are located close to populated areas, increasing the potential casualties—and international outcry—from a Western strike.

Even when Western intelligence agencies know the location of sites, the location of equipment within them remains a mystery in many cases. Some targets may require nuclear penetrator munitions in order to be reliably destroyed; and the public opinion cost of such tactics would far outweigh their military benefit. Furthermore, Iran has moved in recent years to boost the indigenous content of its nuclear program. Iran's capacity to operate its own nuclear program without outside involvement has been increasing rapidly, and if Iran were required to reconstitute such a program after an attack, it could do so far more quickly than a decade ago.

YES. Despite Iran's efforts to bury much of its nuclear program in hardened facilities, the country could do little to defend against a skillful air strike. Stealthy planes could easily penetrate antiquated Iranian air defenses, and "bunker buster" bombs such as the satellite-guided BLU-28 could destroy even the best-protected Iranian sites. It is unclear exactly how many targets would need to be hit successfully to cripple the Iranian nuclear program—open-source estimates range from a dozen to several hundred—but sites certain to be targeted include the uranium conversion facility at Natanz and the enrichment facility at Isfahan.

A successful attack would not merely destroy existing Iranian stocks of nuclear weapons materials; given persistent Iranian difficulties running basic processes effectively, an attack would force the Iranians to laboriously remake what they have built over decades and do so under heightened international scrutiny. The process would be expensive and likely as plagued by mistakes as previous Iranian nuclear efforts. In this case, the Iranians would have to start over from the beginning while under a watchful international eye.

14. Will China play a constructive role in the UN Security Council vis-à-vis Iran?

YES. China's key interest is in maintaining stability in the Persian Gulf, since its national security depends on the free flow of oil to support its expanding economy. The Chinese government is desperate to prevent a confrontation with Iran for fear it would disrupt oil supplies and send the energy-dependent Chinese economy into a tailspin. China would much prefer the long-term management of Iranian behavior rather than decisive action to curb it. China has signed on to every multinational effort to contain Iran's nuclear ambitions, and it will continue to do so.

In addition, China is concerned with its own rising global role, and it seeks to be accepted as a partner rather than a problem in international diplomacy. China does not seek a direct confrontation with the rest of the world, and the Iranian nuclear issue threatens to provoke just such a confrontation. At the end of the day, it is unthinkable that China would veto Security Council action.

NO. China's long-term interests require oil, and Western energy companies and governments friendly to them have locked up much of the world's supply. China urgently seeks other sellers, therefore, and that has led to a strategic relationship with Iran—a relationship that in some ways stretches back centuries. Iran's animus toward the United States and China's need for long-term supplies make a perfect match at a time when all of the Arab Gulf nations are firmly in an American embrace. Although China will not seek an outright confrontation with the West over Iranian nuclear weapons, it will simultaneously work to blunt concerted action against Iran while currying Iranian favor. In the longer term, China seeks to subtly build itself up as an alternative to U.S. hegemony in the Middle East, building on public disaffection to lay a network of economic and military ties that will secure China's long-term interests. It is a fundamental mistake to confuse China's being nonconfrontational with the country's being constructive. It will be the former, but not the latter.

15. Is Russia more likely to emerge as a savior or spoiler in international diplomacy on Iran?

SAVIOR. In most key ways, Russia's interests are closely aligned with the United States when it comes to Iran. It has made its opposition to the Iranian acquisition of nuclear weapons clear. Western proposals to allow Iranian nuclear power development—provided that the uranium is enriched and later reprocessed in Russia—help Russia in the near term and feed its longer-term ambitions to become a global energy superpower. Russia's judgment is that Iran's seeming aggression stems from insecurity rather than malice of intent; its own ambiguous position vis-à-vis the West allows it to be the perfect interlocutor with the Iranian leadership.

Russia also fears a direct confrontation between the international community and Iran. Such a confrontation could send fuel prices so high that it would set off a scramble for alternative technologies that diminish the value of Russia's massive oil and gas reserves. In addition, the outbreak of conflict with Iran would create instability threatening a wide range of Russian interests in Iraq and Central Asia.

SPOILER. Russian ties with Iran go far beyond the billion-dollar arms deal the two countries signed in December 2005, and they go far beyond the commercial deal committing Russia to construct a light-water nuclear reactor at Bushehr in southern Iran. On top of that, the two countries share a sense of injustice at the hands of the West and an unease with Western hegemony. Building a nuclear relationship between Iran and Russia—even one that combines civilian and military aspects—helps balance against that hegemony and serves both countries' interests. Russia gains most from playing off one side against the other, deriving incentives from Western entreaties to contain the Iranians, while winning Iranian rewards for holding up the Western train. Ultimately, Russia's greatest interest is in prolonging this conflict indefinitely, rather than contributing to any sort of resolution. Russia's true game is to frustrate a deal, not to broker one.

16. Will U.S.-European coordination remain durable, and if so, will it be adequate to contain Iran?

YES. Iran is a major test case for the European powers that argued that the United States was wrong to bypass international institutions and wage war on Iraq. Their preferred course on Iran—some form of “critical engagement” to force the Iranians to make clear choices—is one in which their prestige is deeply invested. Europe understands that U.S. support is vital to sustaining Iranian interest in the process and that there is no alternative to working with the United States. For the former Great Powers of Europe to remain relevant to resolving issues of international conflict, they need to be successful here.

The support Europe lends provides vital support to U.S. efforts to contain Iran, since the United States and Europe combined constitute a formidable part of the world economy and military capacity. Iran may aspire to existing in a wholly non-Western sphere, but the nature of the world does not make such an existence possible.

NO. Too many European countries are too averse to military action, and the United States is too willing to initiate it, to sustain joint efforts for long on Iran. Europeans will always be seduced by the idea that another set of negotiations can resolve the outstanding issues, while in fact the Iranians have no interest in resolving them. Ultimately, the United States or Israel will need to go it alone on Iran, perhaps bringing along some allies as necessary.

Some countries in Europe are likely to protest and bluster, but many others have concluded that a close alliance with the United States brings far more benefits than balancing against the United States and that the Bush administration properly understands Iranian mal-intent anyway. Europe is neither vital to the success of U.S. policy toward Iran nor able to foil it.

17. Is Iran likely to use its influence in Iraq to respond to international pressure on the nuclear issue?

NO. Iran is not seeking a war with the West; it is only looking to be left alone. For that reason, President Ahmedinejad is likely to steer clear of directly antagonizing President Bush, whose policy and legacy are tightly tied to events in Iraq. Unambiguous Iranian action in Iraq would provide the Bush administration with precisely the *casus belli* that some are seeking in order to justify military action against Iran. Although many in the world may look skeptically at U.S. intelligence claims about Iran's nuclear activities, especially after such claims proved unfounded in Iraq, evidence that Iran was fomenting death and destruction in Iraq would swing world opinion toward punishing the Iranians. In addition, pushing the parties into even more chaos and conflict harms Iranian clients in Iraq, who need some modicum of stability in order to consolidate their gains. Iran's goal is to have a weak and Shia-dominated Iraq, not a completely dysfunctional one.

YES. Iran has a long history of using proxies to further its national interests, and it has assiduously built up such proxies in Iraq in the years since the fall of Saddam. Its allies are gaining strength in Shia strongholds such as Basra and the predominantly Shia southern provinces. Iran also has deep ties to the Shia groups competing for power in Baghdad, as well as to Shia insurgents and death squads that are terrorizing much of Iraq's Sunni population. Iran does not have one set of allies in Iraq but many, and its capacity to make trouble is extremely strong.

Iran has long dangled the prospect of engagement in Iraq as a way to open the door to deeper discussions about normalizing relations with the United States. If tensions over the nuclear issue increase, Iran will almost certainly seek to demonstrate that Iranian acquiescence is necessary to achieve a satisfactory environment in Iraq, and the way to get such acquiescence is to reduce emphasis on nuclear issues. Iran is not looking for friendship; it is looking for respect. Turning up the heat in Iraq is one way to get it.

18. Would a military strike against Iran make the country more or less likely to support terrorist groups around the world?

MORE. Iran's history suggests that use of its various terrorist allies—from Hezbollah to Palestinian Islamic Jihad and others—is a normal tool of Iranian foreign policy. There is ample evidence that Iranian officials or their proxies regularly increase their surveillance of U.S. facilities when tensions rise, demonstrating a clear interest in attacking U.S. personnel as part of their diplomatic strategy.

Iran seeks to demonstrate to Western countries the costs of their policies, while at the same time seeking friends among Third World nations that share Iranian resentment of Western hegemony. This is true most of all in the Arab-Israeli arena, where Iran's strategy is to be the world's most anti-Israel country—a position that has been gaining it significant support among Arab publics for more than a year. Iran's true goal is to invite limited Western retribution for aiding terrorist actions, which will garner widespread sympathy that far outweighs the punishment it incurs.

LESS. Iran is uncomfortable being under the microscope, especially when it feels scrutinized by a U.S. administration that clearly wishes to see it gone. Iran is in a remarkably strong position—it has allies doing well in both Iraq and Lebanon, and it is being sustained by high oil prices—and there is no reason to jeopardize a run of good luck by antagonizing further a Western world that already regards them skeptically.

The Iranian government certainly does provide humanitarian support to groups like Hezbollah and Hamas, and it sees such support as legitimate. It will not end it. At the same time, alleged links to Hezbollah's rearmament in southern Lebanon will drive Iran to be even more cautious about military links to armed groups, for fear of incurring either a Western attack or a global effort to sanction the already strapped Iranian military.

19. Will the international community seek to impose sanctions on Iran?

YES. There is broad international agreement that a nuclear-armed Iran would be a horribly destabilizing force in the Persian Gulf—and similarly broad agreement that sanctions are far preferable to war. Though most nations prefer not to go the sanctions route, especially those reliant on Iranian energy, it represents the “least bad option” and the one that best stands to delay a crisis in the region. Sanctions are likely to be targeted, mostly embargoing weapons sales but also trimming investment in Iran's oil sector in order to pressure the government to adopt a less confrontational stance toward the rest of the world. Oil consuming countries will be eager not to antagonize Iran so much that it turns off the tap of oil exports. At the same time, they will seek to be punitive enough that the United States sees an interest in pursuing joint action rather than striking out alone.

NO. Most countries in the world will prove completely content to consume Iranian oil while the United States and perhaps a handful of allies contain Iran militarily. The UN Security Council will debate the matter endlessly, and the IAEA will issue calls of cautious alarm, but in the end, Iran's status as a major oil producer in a tight market will protect it from serious adverse action. Iran will use its oil and its wealth to split any sort of international consensus, and international sanctions will be the first casualty. The United States and some like-minded countries may impose their own sanctions, but they will not have the efficacy or legitimacy of a true international movement. Until oil supplies increase and prices fall, the only way to take effective action against Iran is through warfare.

20. Will Iran seek to make a “grand bargain” that the United States should actively pursue?

YES. Iranian policy is driven principally by its defensive concerns. With no allies on its borders, a persistently unstable neighborhood, and a long history of animus from the United States, it has no alternative to hunkering down and building up a strong deterrent. In truth, Iran has no good strategy moving forward except through repairing its relations with the rest of the world, and it can only do that with U.S. acquiescence. Negotiating strong terms against a global superpower will require delicate maneuvering, but one should not mistake Iranian caution for disinterest. In point of fact, we know how to negotiate such a grand bargain, having just done so with Libya in 2004. A process of narrow, confidence-building talks can lay the groundwork for Iran's strategic reorientation, but U.S. officials would need to be prepared to lay out an impressive and credible array of carrots and sticks. Doing so would be politically difficult in the United States, but the potential payoff of Iran's strategic reorientation is worth the effort and the risk.

NO. Iran's leadership has no interest in making a deal with the United States. Doing so would both strip the government of its last ideological crutch and force the government to integrate into a world in which it is ill suited to compete. The Iranian government is, however, interested in talking about such a deal as a way to project that it is reasonable and rational and that only the United States stands in the way of easing tensions.

As a practical matter, a grand bargain is unattainable for several reasons. First, Iranian behavior is so harmful across such a wide variety of areas that it would be impossible for any U.S. negotiator to defer them. On a wide variety of fronts, from proliferation to terrorism, Iran's current activities put lives at risk every day. Second, Iran's murky political system seems designed to avoid clarity and accountability, and the issues at hand permit none of the ambiguity of which Iranian officials are fond. Rapprochement with Libya took a decade of steadily improving Libyan behavior. Iran hasn't yet had a day of it.

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