

Conference Call with Michael Singh

Omri Ceren: Thank you for that, thank you in advance to Michael Singh for joining us this morning and thank all of you for hopping on on a day that I know has five or six different things going on that folks are working on. We have done, for the last few weeks, several conference calls on the situation in the Gaza Strip. But of course, geopolitical dynamics continue in other parts of the Middle East and, over the weekend, the Joint Plan of Action was set to expire and was extended for four months. This was a plan between the P5+1, the negotiating framework between the P-5+1 and the Iranians over their nuclear program. And we wanted to make sure that you had somebody who could speak to both what actually happened and what is likely to happen, what kind of things are important to look for. For that we have this morning Michael Singh, he of course served three years at the NSC. He is currently managing director of the Washington Institute for Near East Policy and we will take questions by email for this call because we've got a bunch of folks and we're already all filled up. So if you have those questions, email press@theisraelproject.org at any time during this call and on that note, I'll turn things over to Michael.

Michael Singh: All right, well thank you, Omri. It's good to be with you all today. I'm just going to say a few brief words. So much has already been written and said about this issue that I don't want to talk at everyone too much. I know everyone's time is precious with everything going on. I have also written about this recently. I had something yesterday on the Wall Street Journal's online Washington Wire where I talked about some of the negotiating tactics that the U.S. is using and give my certain thoughts on what we needed to improve. Well, let me just run quickly through how I see this. You know, if you step back it really shouldn't come as much of a surprise that the talks were extended for, for some time, not the full six months but four months. When the JPOA was signed way back now in November, even though it wasn't finalized until January, I think that there was a widespread expectation that in fact this would take more than six months. And both sides perhaps raised unreasonable expectations by, you know, either wittingly or unwittingly, that a deal could be done by July 20, but I think the original expectation was that this could take some time. If you think about where the issues are now, either we've made progress or we've made no progress, depending on how you look at things. The, where the last reported offer was from the Iranians, was to potentially freeze their number of centrifuges, the amount of enrichment they're doing at its current levels. And presumably [inaudible] some other activities, like fueling Arak or conducting research and development in exchange for, presumably, sanctions relief and an end to restrictions within some mutually agreed number of years. And so that, when you step back and think about it, it sort of is not a very promising result: that after six months Iranians believe that if they just sort of do what they're doing now, that we'll give them sanctions relief simply not to go any further.

That, obviously, is not what U.S. officials have in mind and not I think what the P-5+1 countries have in mind. It suggests that in fact we haven't yet seen the seriousness from Iran that I think U.S. officials want to see. But other people say that this is progress because it is a significant climb-down from what was really an outrageous Iranian position that they needed 50,000 or perhaps even 100,000 or more centrifuges installed in an industrial-scale enrichment program despite, most I think, observers and analysts agreeing that Iran really had no need for such a program and there is no real economic justification for Iran to engage in such activity. Where Iran started and where Iran has come, I think really raises the question in people's minds of are they serious about doing a deal, are they really aiming here to do a deal or is this more of an effort to play things out, to sort of string the issues along and gain time? I don't think we know the answer to that. I think by extending the talk, extending the talks rather, U.S. officials are sort of at least betting that there's still a possibility that Iran is serious about, about making a deal or getting a deal done that's worth doing. The key issues, I think, are well-known to all of you at this point. They are many and manifold but they include, I think primarily in terms of the sticking points, the question of enrichment, and how much enrichment Iran will be able to do, how many centrifuges Iran will have operating, installed. The question of the duration of the agreement, whether it's going to be 5 years, like the Iranians seem to want, or much longer, ten, ten or more years that U.S. officials want. And this is not a academic discussion of duration, I think that some former nuclear inspectors have pointed out that it can take off in many years to actually establish the peaceful sort of intent of even a civilian nuclear power program. So there's not simply an academic question or simply a question of trust, but there's also a more practical question of how long does it actually take for inspectors to do the things which are being asked of them. And then there's also the question of access to military sites in Iran coming clean on its "possible military dimensions" of its program, and again looking for that assurance that any deal will be honored by all of Iran's authorities, not just the civilian nuclear authorities. There's also the question, I would say, of missiles and whether missiles that have a nuclear capability will be part of a deal. But that doesn't seem to be something that at this stage the P5+1 is pressing, so maybe that's [inaudible] been left aside. When it comes to the sort of dynamics of the negotiations, you know, in the JPOA, the United States and the P5+1 made a lot of concessions. We conceded to Iran the right, not explicitly the right to enrich, but essentially we agreed that Iran would be enriching indefinitely, essentially. This is something the Iranians have been looking for for a long time. At this stage, it looks like, for better or worse, there won't be much of anything that gets dismantled in Iran, under the current terms of the negotiations. Whether that's Fordow or Arak or Natanz, all of which were built clandestinely and in violation of Iran's NPT obligations. Those are concessions which will be tough to rescind, and I think those are concessions which Iran will look to pocket whether or not there is a deal. They'll want to establish that as a baseline for any future

discussions, whether the next four months or discussions that take place further in the future. What we got in return were concessions from Iran, which were easily reversible. A pause to many of its nuclear activities. And that is what sort of puts the United States and the P5+1 at a real disadvantage here, and what makes actually getting some kind of successful result out of this diplomacy quite important. To do that, I think that we will need not just a focus on the issues that I was just talking about and sort of finding compromises on these issues. Because in part, I think U.S. officials feel as though they've already really gone as far as they comfortably can go on these compromises. I think that, obviously, many people would say, including myself, in some areas, we've gone too far than we should have gone already. One thing though, that we have to pay attention to is that getting a deal done diplomatically, or getting a deal done really in any negotiation requires not just that you put forward a deal that the other side finds attractive, but that they find it more attractive than the likely alternatives. And this is what I wrote about yesterday for the Wall Street Journal. If Iran feels that the alternative to doing a deal is that it can simply shrug off sanctions so that sanctions won't be honored in the future by other countries, or they can simply continue talking indefinitely, then I think it will be hard to get any deal done. If Iran feels that the alternatives are much harsher sanctions, or even if they feel that President Obama's military threats are credible, I think that those things make a deal more likely. And so, I think that going forward the United States and our P5+1 partners do need to focus, not just on the talks themselves, but on what's happening away from the table, to strengthen the credibility of our sort of threatened alternatives to the deal so that Iran has that extra incentive to come to the table and actually make a deal. I think that we also need to focus more on our regional policy, ensuring that Iran doesn't feel as though it has a free pass as long as these negotiations are going on because again that will perhaps give Iran an incentive to string out the negotiations if they feel that we'll be deterred from acting against, say the provision of weapons to Hamas and Hezbollah and others, or their activities in Syria and Iraq for the sake of preserving the negotiations. They have to believe ultimately that not only are we willing to walk away from the table, but we're willing to take action against them in other arenas even while we are at the table. Employing diplomacy and pressure together like this, I think is a hallmark of any successful diplomacy and that's, that's something we need to see. There are already signs that the sanctions are getting harder to enforce. I think some of you will have seen the reports that China has increased imports of oil from Iran to the highest level they've ever been for a six-month period. That's obviously a concerning report and it raises a real conundrum for U.S. officials because it raises the possibility that you could have to take action against China under sanctions laws even while these talks are going on, which is obviously something that the administration would rather handle, I'm sure, diplomatically. In terms of the outcomes, if we look four months ahead, I think the outcomes -- the potential outcomes, rather -- the scenarios haven't changed significantly.

Either we have a deal, and that deal will probably be a tough one to sell in Washington and to our allies around the region given the way the diplomacy is headed. Or, we'll have another extension, which is perhaps, perhaps the most likely outcome even if that extension is not a formal extension of the JPOA, but some other iteration of diplomacy. That does seem to continue to be the most likely scenario. Or we'll have a total collapse of the talks, and I think a total collapse of the talks means that Iran, as it has threatened, resumes the nuclear activities which it has abandoned, and that we are then left to pursue our own 'Plan B,' whether that means more sanctions or even contemplating harsher responses. We don't, we won't, I think, know where this is headed until, again, we see the parties resume in mid-August, but I will say that again, we haven't seen, from my point of view, much progress or too many signs that would lead me to think that we'll be able to get the kind of deal that U.S. officials have been looking for. I think that I'll stop there, perhaps, and I understand there are quite a few questions so I will be happy to take those.

Omri Ceren: So the first question, this came in by email, was actually about the piece that you published yesterday which you just referenced, but it was specific to something that was a little lower down than what you talked about which is this chunk of text where you talk about, I guess the importance of what would be called the 'Sunset Clause.' You talk about how the fact that the restrictions on Iran would be temporary is one of the factors that doesn't get enough attention and is doing work across the various core issues. I was wondering if you could get into that -- how it's being treated by our negotiators and why it's substantively had such a dramatic effect.

Michael Singh: Sure, you know, it's important for a lot of different reasons. One, because I think that, you know, the, this had never been spelled out before and certainly it's a significant concession to say to Iran that any restrictions that they negotiate will be temporary as opposed to permanent. If you think about other states, other nuclear negotiations, whether it's Libya or whether it's other states which have given up their nuclear weapons ambitions, their nuclear weapons capabilities--those have largely been permanent. Those have largely not been, you know, 'Give it up for five years or ten years and then sort of go back to doing as you please.' But even more permanent arrangements in exchange for, you know, some kind of different relationship between those states and the world, or assistance to those states. And so this is a big concession and it was made, importantly, it was made up front. It was not made sort of at the eleventh hour, it wasn't something that was held in reserve, but it was made up front. So again, it's something that Iran will look to pocket whether or not there's a deal. The concern, I think, around the region, and the concern amongst many folks here in Washington is, number one, that Iran has shown itself to be quite patient. So saying to Iran that they're limited just for a number of years, may prove to be insufficient in terms of limiting the regime's nuclear

ambitions. And second, nuclear inspectors like Olli Heinonen have said that in fact, it could take longer than some of the durations that have been discussed to even accomplish the strict purposes that are being assigned to the inspectors and to the IAEA and sort of the different draft agreements we've seen. And that the work of inspections, the work of establishing what Iran has done in the past, for example, could in fact take much longer than the five years or seven years that Iran would like the agreement to last.

Omri Ceren: The next question that we have involves the effect that U.S.-Russian tensions may have on the talks overall. So the administration has been accused of having leaned too heavily, both substantively on the idea of P5+1 unity, but also on domestically, in their private conversations, ensuring lawmakers and journalists that they have sufficient leverage and the sanctions should be held off.

Michael Singh: Sure.

Omri Ceren: And I was wondering, to what degree you think that's now a live debate again.

Michael Singh: Well, look. The question of Russia is an interesting one. When you think about how the P5+1 was brought together, the P5+1 -- that term 'P5' is very important, remember, because a key part of American strategy, of international strategy, was to involve the UN Security Council. Remember, Iran's nuclear program, its nuclear file, was referred by the IAEA board of governors, which has responsibility for judging states' compliance with the NPT. It was referred by them to the UN Security Council because Iran was found to be in violation of its obligation. At the UN Security Council, obviously, taking action is not possible without Russia's acquiescence, without the acquiescence of the entire P5. And so the decision was made to make this a P5+1 because Germany had already been involved in the diplomacy, the P5 project. And having Russia on board to vote for those resolutions was important, obviously, moving the sanctions effort forward. Also, there's a feeling that having that kind of international unity sends a strong message to Iran that this is not just about the United States, it's not just even about the West. But you have even Russia and China standing against the types of activities Iran was engaged in. It came at a cost involving Russia, because Russia was able to use its position in the P5+1 to slow down the diplomacy, to dilute, perhaps, the measures that the United States and EU would have liked to have taken against Iran, but that cost is weighed against those benefits I just mentioned. Given that we are no longer speaking at this stage, UN Security Council involvement, I think most folks believe that that isn't realistic at this stage, to have more UN Security Council resolutions and I don't know that the administration plans, in any event, to try. And given that, again that sort of sense of international unity is already quite

fractured because of what's happening elsewhere around the world, you might wonder whether or not the benefit of having Russia in the group is the same as it was in the past. And what that means is that it actually might be more to Russia's detriment, more to Iran's detriment, for Russia to leave the P5+1 then it would be to ours or the EU's. Because, of course, Iran would still need some kind of resolution to this problem. Iran would still be under sanctions. Russia isn't an oil purchaser from Iran. That oil is being purchased by countries largely in Asia like China, Japan, South Korea and so forth. So it's again not clear if it would benefit Russia or Iran, if Russia were to choose to withdraw. Mainly I think what would happen is that Russia would lose its seat at the table and Iran would lose one of its defenders in the P5+1.

Omri Ceren: You mentioned earlier that there are, that the sticking points are well-known, centrifuges and then to a lesser but perhaps to a less public but perhaps equally important extent, the duration. The other core issues you mentioned – plutonium/the Arak reactor, ballistic missiles, no longer seem to be sticking points, but there's grumbling amongst skeptics that the reason they are no longer sticking points is because Western negotiators effectively caved on those issues. Do you think that is an accurate assessment, and if so, what kind of implication will it have selling the deal domestically down the road?

Michael Singh: Sure, and I can be clear that I'm just trying to describe what I see as the dynamics, and frankly I'm largely basing that on the press reports I read probably from some of the folks who are on the call. You know and it's also not clear entirely that we in fact have agreement on these other issues. You may think you have agreement and then that agreement may end up slipping through your fingers as times moves on. Look, I think that on each one of these issues, you have to consider both the technical aspect as well as the strategic aspects of it. So when it comes to allowing Iran to have a heavy-water reactor, you know you've all seen plans out there that discuss how could you modify this reactor so that it'd produce less plutonium, but the impression that you will provide in the region and elsewhere is that your previous position had been that Iran had dismantled this reactor and you have walked that back. That does carry a cost, because it will be seen as backpedaling by the United States and by the P5+1, and states will wonder what did you get in return for that and was it worth it. And of course other states will have an incentive to pursue similar technologies of their own. And so there is also perhaps enough proliferation consequence. You know, so I personally question whether those, whether those compromises were the right compromises to make. On missiles, I think missiles absolutely have to be included in any nuclear deal and that's something for which I think we should strongly push, because missiles are one of the key ingredients in making a nuclear weapon, there is no doubt about it – delivery vehicles. And there is an inclination, perhaps, on the part of folks who are involved, and say 'Look, let's not add more issues. Missiles are yes, perhaps important, but also a

conventional not just strictly nuclear issue.' I think that that's misguided, in the sense, that if you look at Iran's missile efforts, some of its missiles clearly aren't appropriate for conventional use and most clearly inappropriate for conventional use would be Iran's ICBM program and what you don't want to permit is a situation where Iran might pause for the duration of an agreement or until it chooses to leave an agreement. The other element of this program, while continuing to perfect its delivery capabilities; and so when it exits the agreement, whether it's expired or whether because they decide to simply exit it unilaterally, they are in a better position to field a nuclear weapon than they were when they began. But that's certainly not an outcome that we view as a success.

Omri Ceren: You mentioned earlier the debate around Iran coming clean, the so-called PMDs, possible military dimensions. And you said something specific. You said that this was an important to ensure that the agreement was being honored. Now usually when this is discussed, it's talked about in the context of, you know, did Iran do compressed warhead experiments or something like that – did they try to militarize the program? But it seems like this issue is a little bit broader, which is to say it's about establishing the scope of the program. I was wondering if you could unpack how that works or what kind of things we need in order to ensure they're honoring the agreement.

Michael Singh: Well this is a big issue and I think that it's just one of the things that absolutely needs to be accounted for in the negotiations. Number one, I mean, look, an agreement that doesn't begin with Iranian transparency and honesty about what it's done in the past, I don't see why we should have much faith in any such agreement, why we believe Iran would be honest about future activities but would obfuscate about past activities. It's important in so far as, number one, we need to establish a baseline for the inspectors. Without Iran coming clean on what it's done in the past, the inspectors don't have a baseline of what has Iran done, how far did they get in their weaponization research, how many centrifuges did they produce and where did they produce them? Where are Iran's R&D facilities and how many of them are there? Who is involved in those efforts? Because they need to of course know who to talk to. So it establishes a baseline or a road map, essentially, for inspectors to follow, without which they'd have a much harder task and they have to find themselves groping around. And, again, it's one thing to say that we should give the inspectors authority to sort of go anywhere, anytime. But where do they go? Iran is a big country. And so Iran coming clean on what they've done in the past gives the inspectors a leg up on that task, which we all expect them to do. But I would say also that the point I was making was that if, in fact, some of Iran's work was done not by civilian authorities but by Iran's military authorities, then Iran coming clean on what it's done in the past would help us to see that and would ensure that the inspectors have access to and scrutiny over some of Iran's military nuclear work and not just its declared civilian facilities. Now obviously

that's a sensitive issue for Iran, but to me, it's an absolutely indispensable issue. The other bit of this, which is not necessarily related to the PMD question but I want to mention is, enforcement mechanisms. Again, when we talk about inspections, you can't talk about the authority of inspections and the scope of inspections without also talking about the enforcement mechanism, because an inspector's authority is only as strong as the enforcement mechanism that backs them up. And so if the enforcement mechanism is some lengthy diplomatic process, referring from one committee to a next, only to result in some sort of resolution of reprimand, well that essentially dilutes and dramatically undercuts inspectors' authority. There needs to be a much firmer enforcement mechanism in place so that inspectors have the full backing of the international community.

Omri Ceren: And then, I know that we're winding down, one last question. You, the overarching point of much of your opening remarks and the article that you published yesterday is that the U.S. needs to get tough with Iran in order to increase its leverage in negotiations. What are the options that are available to policymakers that you think would be most efficacious in pushing that?

Michael Singh: Well I think that the most important thing is that Iran really needs to believe that the alternative to negotiations, the alternative to a deal, will be quite negative. And I think that that means that you have to have a credible 'or else' and that 'or else' could be additional crippling sanctions, where I think it's very important that the White House and Congress send a unified message about sanctions. Or it could be a credible military threat, in which case I think we have a lot of work to do to bolster the credibility of what President Obama says is still a military option on the table. I think that we also need to be careful about essentially giving up too much up front as we have done in the past, or negotiating with ourselves. We have to exercise some patience and ultimately be willing to walk away from the table; because we know that the Iranians are. And we need to be able to match wits with them if we're going to expect to get a good deal.

Omri Ceren: And, on that note, that's all the time we have for today. Thank you again Michael for joining us and unpacking this stuff. Thank you all for joining us as well. If you need to follow up, we can be reached at press@theisraelproject.org, and thanks again everyone.

Michael Singh: OK, thanks everyone.