



CHILDREN AND FAMILIES

EDUCATION AND THE ARTS

ENERGY AND ENVIRONMENT

HEALTH AND HEALTH CARE

INFRASTRUCTURE AND
TRANSPORTATION

INTERNATIONAL AFFAIRS

LAW AND BUSINESS

NATIONAL SECURITY

POPULATION AND AGING

PUBLIC SAFETY

SCIENCE AND TECHNOLOGY

TERRORISM AND
HOMELAND SECURITY

The RAND Corporation is a nonprofit institution that helps improve policy and decisionmaking through research and analysis.

This electronic document was made available from www.rand.org as a public service of the RAND Corporation.

Skip all front matter: [Jump to Page 1](#) ▼

Support RAND

[Purchase this document](#)

[Browse Reports & Bookstore](#)

[Make a charitable contribution](#)

For More Information

Visit RAND at www.rand.org

Explore the [RAND Corporation](#)

View [document details](#)

Limited Electronic Distribution Rights

This document and trademark(s) contained herein are protected by law as indicated in a notice appearing later in this work. This electronic representation of RAND intellectual property is provided for non-commercial use only. Unauthorized posting of RAND electronic documents to a non-RAND website is prohibited. RAND electronic documents are protected under copyright law. Permission is required from RAND to reproduce, or reuse in another form, any of our research documents for commercial use. For information on reprint and linking permissions, please see [RAND Permissions](#).

This product is part of the RAND Corporation monograph series. RAND monographs present major research findings that address the challenges facing the public and private sectors. All RAND monographs undergo rigorous peer review to ensure high standards for research quality and objectivity.

Containing Iran

Strategies for Addressing the Iranian
Nuclear Challenge

Robert J. Reardon

Supported by the Stanton Foundation



The research described in this report was supported by the Stanton Foundation.

Library of Congress Cataloging-in-Publication Data is available for this publication.

ISBN: 978-0-8330-7631-1

The RAND Corporation is a nonprofit institution that helps improve policy and decisionmaking through research and analysis. RAND's publications do not necessarily reflect the opinions of its research clients and sponsors.

RAND® is a registered trademark.

© Copyright 2012 RAND Corporation

Permission is given to duplicate this document for personal use only, as long as it is unaltered and complete. Copies may not be duplicated for commercial purposes. Unauthorized posting of RAND documents to a non-RAND website is prohibited. RAND documents are protected under copyright law. For information on reprint and linking permissions, please visit the RAND permissions page (<http://www.rand.org/publications/permissions.html>).

Published 2012 by the RAND Corporation

1776 Main Street, P.O. Box 2138, Santa Monica, CA 90407-2138

1200 South Hayes Street, Arlington, VA 22202-5050

4570 Fifth Avenue, Suite 600, Pittsburgh, PA 15213-2665

RAND URL: <http://www.rand.org>

To order RAND documents or to obtain additional information, contact

Distribution Services: Telephone: (310) 451-7002;

Fax: (310) 451-6915; Email: order@rand.org

Summary

The Iranian nuclear program is one of the new century's principal foreign policy challenges to the United States. An Iranian nuclear weapons capability could further destabilize an already precarious security situation in a key region of the world. It could also upset the existing military balance between an adversarial Iran on the one hand and the United States and its regional allies on the other. This could have important negative consequences for U.S. and world unfettered access to the region's energy resources, a prerequisite for economic growth and stability in a world only just recovering from a major financial catastrophe. It could also put U.S. interests and U.S. military forces at risk in Iraq, Afghanistan, and throughout the Middle East. Finally, it could trigger a regional nuclear arms race, prompt Israel to declare its opaque nuclear arsenal, or even risk nuclear conflict.

An accounting of worst cases, however, should not lead to inattention to what is actually likely, or how the United States' substantial military, economic, and diplomatic tools of statecraft can shape outcomes, even if Iran were to cross the nuclear threshold. This project seeks to provide a forthright and objective assessment of U.S. policy options, their potential costs and benefits, and the most appropriate strategies to achieve realistic goals. It seeks to avoid the Scylla and Charybdis of alarmism and Pollyannaism. In doing so, it adopts a long-term view of the Iranian nuclear crisis, and seeks to identify promising U.S. policy choices that can maximize security and promote U.S. regional and global interests while avoiding unnecessary costs and risks.

The central finding of this study is that negotiations with Iran and offers of *positive inducements* in return for Iranian concessions on their nuclear program have real value *even if they fail to convince Iran to agree to concessions in the near term*. In other words, the United States and its allies ought to continue to negotiate with Iran whether or not there is a realistic chance of producing a settlement. Much of the current policy debate on the Iranian nuclear crisis centers on the prospects for such a settlement. This study finds that, although such a settlement would be very welcome, the potential for reaching it is not a necessary justification for diplomacy. In this sense, the debate misses an essential point. Continued efforts to negotiate offer strategic benefits beyond the possibility of reaching a deal. The continued offer of positive inducements can instead be viewed as an integral part of an overall containment strategy: it helps build international support for U.S. nonproliferation efforts, undermines the position of the Iranian hardliners that currently dominate the regime while strengthening domestic political opponents, lowers Iran's incentives to weaponize, and helps to further isolate Iran.

At the same time, it carries little cost. As long as the United States does not have any clear alternative options such as "crippling" sanctions or preventive military force, negotiations cannot be used by Iran to stall for time. Similarly, other important elements of an overall containment strategy such as the enforcement of existing sanctions and the development of regional military capabilities and alliances can be pursued simultaneously. Finally, the study finds that the claim that negotiations undermine U.S. credibility and signal weakness is unsupported.

The most appropriate frame in which to consider the United States' Iran policy is one of *containment*. Importantly, this does not refer exclusively, or even mostly, to a military strategy, but an overarching policy framework that incorporates the broad spectrum of U.S. statecraft, including military, economic, and diplomatic instruments. All of these tools can be used effectively to craft a multilateral strategy that successfully denies Iran any political or military gain from its nuclear program, maintains regional stability and upholds the international nonproliferation regime, and applies pressure on Iran that encourages positive domestic political change over the long term.

The study does not find a single, clear “silver bullet” policy for dealing with Iran’s nuclear ambitions. The United States likely does not have any viable policy options that can eliminate the Iranian threat in the near term at acceptable cost, and without inviting substantial risks. Preventive military strikes against Iran’s nuclear infrastructure are unattractive and unpromising. They could trigger retaliation, upset alliances, destabilize regional states, and cost the United States multilateral support for its nonproliferation policies, all without succeeding in eliminating Iran’s nuclear program over the long term. Preventive military force will likely only lead Iran to redouble its efforts and reconstitute its program.

Economic sanctions in the near term also are unlikely to convince Iran to give up its nuclear ambitions. The current leadership in Tehran places little value on international legitimacy or integration with the international political economy. It instead values self-sufficiency and autonomy, and derives domestic legitimacy from U.S., Western, and Israeli hostility by portraying itself as the only legitimate guardian of the Islamic Republic’s core principles. It also views its interactions with the United States and its allies in zero-sum terms, and will likely view any concession to coercion as an unacceptable signal of weakness that would only invite further coercive demands. The regime has repeatedly signaled its resolve to withstand tight sanctions, and has staked its domestic and international reputation on it.

At the same time, the United States has likely exhausted its ability to achieve tougher sanctions through the UN Security Council. Washington has successfully won Moscow’s and Beijing’s support for four successively tighter sanctions resolutions, which have imposed important restrictions on Iran’s finances, access to conventional weapons, and ability to acquire materials and technology for its nuclear program. However, it is not likely that the United States will be able to convince Russia and China, or its European allies, to support stricter sanctions that impose serious restrictions on Iran’s oil and gas sectors. The issue is not whether the United States can successfully continue to horse trade with Russia and China to win greater support. Russia and China both have important security considerations in the balance in their relations with Iran that could be threatened by much tougher and

more comprehensive sanctions. It is unlikely that either country will jeopardize these interests for any price the United States is willing or able to provide, especially considering the substantial doubts that both states have over the efficacy of economic sanctions and their ability to achieve a meaningful solution to the crisis.

Negotiations with Iran, and the offer of positive inducements in return for nuclear concessions, are unlikely to produce an acceptable compromise that resolves the nuclear issue. Iran has committed itself to possession of the nuclear fuel cycle, and it is unlikely that the United States and the other members of the P5+1 (the five permanent members of the UN Security Council—China, Russia, France, Britain, and the United States—plus Germany) will be able to offer incentives to convince the Iranians to back down from this position. Regime hardliners see any deal that sacrifices enrichment as a non-starter, and fear that the United States and its allies will use any bargaining success as a wedge toward increasingly intrusive demands. At the same time, factional discord in Tehran provides each group with an incentive to deny its rivals the gain in domestic legitimacy that could come from forging a deal.

The poor prospects for sanctions, military force, and positive inducements for resolving the nuclear crisis in the foreseeable future suggest that the United States will likely be unable to prevent Iran from improving its “breakout” capability. Iran will likely continue to improve its mastery of the nuclear fuel cycle, shorten the time it would take to build one or more bombs, increase the potential size of its arsenal, improve its delivery systems, and improve the defenses and survivability of its nuclear infrastructure. It will also continue to harden and disperse its nuclear sites and to pursue redundant paths to the production of fissile material. All of these activities can be undertaken while continuing to allow International Atomic Energy Agency (IAEA) inspections, maintaining Nuclear Nonproliferation Treaty (NPT) membership, and sustaining the pretense that the program is purely civilian in nature and consistent with Iran’s international treaty obligations.

Nonetheless, it is not a foregone conclusion that Iran will develop nuclear weapons. The United States has already demonstrated that eco-

conomic sanctions, export controls, and covert operations can delay Iran's progress and raise the costs of the program. The revelation of the secret Fordow enrichment complex also demonstrated that the United States has a potent intelligence capability, and the Iranians cannot be safe in the assumption that they can conduct clandestine nuclear activities undiscovered by the United States and its allies. Although safeguards and inspections in Iran are relatively weak, they also complicate Iran's ability to act in secret and make it difficult for Iran to make a dash for a weapon without the United States knowing it. Thus, although Iran can improve its breakout capability, it would be difficult for it to weaponize without the risk of triggering a military attack.

As a result, the United States and its allies should focus their efforts on developing an effective containment strategy against Iran. Similar to the original containment strategy proposed by George Kennan in the early Cold War, it should incorporate the broader spectrum of U.S. instruments of power, focus on denying Iran not only military but also *political* gain in the region, and consider positive domestic political change in Tehran as a long-term goal. The success of U.S. nonproliferation efforts will depend at least as much on influencing these long-term political dynamics as it will on denying or degrading material capabilities. Containment should be aimed at delaying any decision to weaponize and denying Iran political gain in the region while furthering these long-term domestic political trends.