

## Squeeze Play:

### Approach Tehran with Sticks, Not Carrots

by [Dennis Ross \(/experts/dennis-ross\)](#)

Apr 23, 2007

#### ABOUT THE AUTHORS



[Dennis Ross \(/experts/dennis-ross\)](#)

Dennis Ross, a former special assistant to President Barack Obama, is the counselor and William Davidson Distinguished Fellow at The Washington Institute.



Articles & Testimony

Consider this scenario: The Saudis have gone nuclear. So have the Egyptians. Both countries had been signatories to the Nuclear Non- Proliferation Treaty, but that agreement is now dissolved. Riyadh and Cairo acquired their weapons from Pakistan, a Sunni ally, in response to the nuclear threat from Shia Iran. Meanwhile, Iraq continues to fester, the Israeli-Palestinian conflict is far from settled, and Iranian proxies remain firmly entrenched within Lebanon's combustible sectarian mix -- a mix that pits Sunni against Shia and just so happens to exist on Israel's northern border. In short, all the key players in the Middle East -- Sunni, Shia, Israeli -- now have nuclear weapons at a moment when the simmering and, in some cases, quite open conflicts between the region's states, sects, and ethnicities are almost too numerous to count.

If that situation sounds terrifying, it should. And it may well come to pass if Iran is allowed to go nuclear. This past December, Saudi Arabia's foreign minister, Saud Al Faisal, declared that Riyadh, in conjunction with surrounding Gulf states, might seek to develop nuclear power. He insisted the program would be used only for peaceful purposes, but, to many, Faisal's words sounded like a threat: Since Iran is pursuing nuclear weapons, maybe we will, too. If that happens, Egypt probably won't be far behind. Senior Egyptian officials have told me that, if we cannot stop Iran from going nuclear, it will spell the end of the nuclear nonproliferation regime.

Needless to say, a nuclear arms race in the Middle East would greatly increase the chances of war -- between Sunnis and Shia or between Israelis and Muslims -- through mistake or miscalculation. For this reason alone, we must prevent Iran from acquiring nuclear weapons. The question is: How?

There seem to be two parallel realities today regarding Iran's nuclear program. On the one hand, most of the international community appears to oppose Iran going nuclear, and the Bush administration has helped forge two U.N. Security Council resolutions (despite Russian and Chinese hesitancy) that impose limited sanctions on the Iranian nuclear and missile industries, as well as individuals and entities associated with them. Even though the sanctions were far less stringent than those the administration initially sought, they seem to have created dissonance within the Iranian elite. Criticism of Iran's president, Mahmoud Ahmadinejad, has become much more open and far more pointed. One newspaper associated with Iranian supreme leader Ayatollah Ali Khamenei went so

far as to say that Ahmadinejad was using the nuclear issue to divert attention from the failings of his government. As Undersecretary of State Nicholas Burns, the administration's point person on the issue, put it, "We've roiled their government, and I think we've shocked them a bit."

That's the good news. Now the other reality: The Iranians continue to press ahead with their nuclear program. The International Atomic Energy Agency reports that Tehran, some technical difficulties notwithstanding, has already produced at least 1,000 centrifuges for enriching uranium. It is now reasonable to assume that Iran will, before the end of this year, be able to reach its aim of manufacturing 3,000 centrifuges. And, once Tehran has that many centrifuges operating efficiently, it will only need about nine months to generate sufficient fissile material for one nuclear bomb.

In other words, the Iranians may be feeling pressure, but they have yet to change their behavior. The diplomatic track is slowly having an impact on Iran's leadership, but at a pace that continues to be outstripped by the country's nuclear advances. The key, then, is to find a way to alter the calculus -- and, therefore, the behavior of Iran's rulers -- more quickly.

Some suggest this can be done by dropping our conditions and engaging Iran. I favor this approach -- but only if it is guided by an understanding that penalties, more than inducements, are the key to altering the Iranian position. When inducements have been put on the table -- such as the British, French, and German offer to provide Iran with light-water nuclear reactors -- the Iranians seem to have had little trouble rejecting them, and without hints of dissonance among the country's elite. Yet, when even the threat of U.N. sanctions appeared real, we began to see signs of a much sharper internal Iranian debate. For instance, last October, as discussion of sanctions was unfolding at the United Nations, former Iranian President Ali Akbar Rafsanjani released a secret letter from Ayatollah Khomeini explaining his decision to end the war with Iraq. With Ahmadinejad and his constituency as the intended audience, an Iranian newspaper commented that the letter revealed Khomeini's understanding that one cannot permit ideology to get in the way of a "realistic understanding of the international situation."

Why have sticks been more effective than carrots? Because virtually all members of the Iranian elite, including moderate ones, appreciate the value of having nuclear weapons -- they are a symbol of national power, they can be useful for deterring the United States, and they are seen as promoting Iranian dominance throughout the Middle East. No combination of inducements can match the value of having nuclear weapons. But the value of nuclear weapons has to be weighed against the potential cost. If the cost is international isolation and economic deprivation, the picture changes for a significant part of the Iranian elite. That elite is basically divided between the Revolutionary Guard confrontationalists represented by Ahmadinejad, the conservative but pragmatic mullahs represented by Rafsanjani, and the reformers represented by former President Mohammed Khatami. The Rafsanjani and Khatami contingents are clearly susceptible to negative external pressure; and they, in turn, can curb the influence of Ahmadinejad and his followers.

Indeed, it seems they already have; witness the recent release of the British sailors. What's more, with an economy characterized by significant unemployment, high inflation, a plummeting stock market, declining oil production, and a diminishing of the revenue so necessary for preserving social peace, and with Ahmadinejad's confrontational approach on the Iranian nuclear program generating internal criticism, it is probably no coincidence that Ali Larijani -- Iran's nuclear negotiator, who also happens to be close to the supreme leader -- is these days evincing more hints of willingness to strike compromises.

All of which is to say that a deal may be possible, but it won't come from chasing after the Iranians. They must know that they will pay a high price for pursuing nuclear weapons (while also seeing that the door remains open to a deal that allows for civil nuclear power and includes economic sweeteners as well as mutual security guarantees). This argues for an approach focused on squeezing Iran economically -- a strategy in which the Europeans and Japanese

will have to assume the lead. Both are taking some steps now, but they are capable of doing much more to cut Iran off from credits, outside investment, banks, and commerce. So long as the Europeans are providing approximately \$18 billion in loan guarantees for companies doing business in Iran, the Iranians won't be convinced they are on the brink of seeing their economic lifeline severed. Here, the Bush administration should be more aggressively exploiting the leverage of the Saudis, who, after all, see Iranian nukes as a profound threat: We should be encouraging Riyadh to use its financial clout with the Europeans, the Japanese, and even the Chinese to choke off Iranian access to the international economic system.

Most world leaders, including our allies, are desperate to prevent the United States from attacking Iran. President Bush should make it clear to them that they have the power to forestall military action -- by exerting economic pressure that further opens fissures in Iran's elite, which will in turn raise the likelihood of Ahmadinejad being forced to back down. We must convince our allies to move comprehensively, not incrementally, to ratchet up the economic pressure on Iran -- and soon. The choice is theirs, but they are running out of time to make it.

Dennis Ross is counselor and Ziegler distinguished fellow at the Washington Institute for Near East Policy and author of the forthcoming *Statecraft: And How to Restore America's Standing in the World*. ❖

New Republic

---

## RECOMMENDED



BRIEF ANALYSIS

### [Iran Takes Next Steps on Rocket Technology](#)

Feb 11, 2022

◆  
Farzin Nadimi

(/policy-analysis/iran-takes-next-steps-rocket-technology)



BRIEF ANALYSIS

### [Saudi Arabia Adjusts Its History, Diminishing the Role of Wahhabism](#)

Feb 11, 2022

◆  
Simon Henderson

(/policy-analysis/saudi-arabia-adjusts-its-history-diminishing-role-wahhabism)



ARTICLES & TESTIMONY

## Podcast: Breaking Hezbollah's Golden Rule

Feb 9, 2022



Matthew Levitt

(/policy-analysis/podcast-breaking-hezbollahs-golden-rule)

### TOPICS

Proliferation (/policy-analysis/proliferation)

U.S. Policy (/policy-analysis/us-policy)

### REGIONS & COUNTRIES

Iran (/policy-analysis/iran)