Michael Eisenstadt

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THE WASHINGTON INSTITUTE FOR NEAR EAST POLICY

Cover photo: The Northrop Grumman RQ-4 Global Hawk high-altitude, long-endurance unmanned aircraft system. (Courtesy/ USAF)

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The Author

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Eisenstadt served for twenty-six years as an officer in the U.S. Army Reserve before retiring in 2010. His military service included active-duty stints in Iraq with the United States Forces-Iraq headquarters and the Human Terrain System Assessment Team; in Israel, the West Bank, and Jordan with the U.S. Security Coordinator for Israel and the Palestinian Authority; at U.S. Central Command headquarters and on the Joint Staff during Operation Enduring Freedom and the planning for Operation Iraqi Freedom; and in Turkey and Iraq during Operation Provide Comfort.

He has also served in a civilian capacity on the Multinational Force-Iraq/U.S. Embassy Baghdad Joint Campaign Plan Assessment Team and as a consultant or adviser to the congressionally mandated Iraq Study Group, the Multinational Corps-Iraq Information Operations Task Force, and the State Department's Future of Iraq defense policy working group. In 1992, he took a leave of absence from the Institute to work on the U.S. Air Force Gulf War Air Power Survey.

Acknowledgments

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1.

Introduction

Iran's nuclear program is central to its efforts to overturn the political order in the Middle East, transform itself into the dominant power in the region, and work toward the destruction of Israel. For this reason, Iran has been willing to incur great costs and accept great risks in its efforts to advance its nuclear program. For the very same reason, its nuclear program has become a major source of contention with the international community, the subject of high-level negotiations between the Islamic Republic and the P5+1, and the issue that could spark the next Middle East war.

Economic sanctions have long been the U.S. policy instrument of choice for pressuring Tehran, so it comes as no surprise that the Obama administration has relied primarily on an enhanced sanctions regime to bring about a diplomatic solution to the ongoing nuclear crisis with Iran. These enhanced sanctions have been in place for more than a year now, and while they are having a dramatic impact on Iran's economy, there is no sign yet that they are affecting the regime's nuclear cost-benefit calculus. Given Tehran's large cash and gold reserves and still-substantial oil income, sanctions alone may not be enough to make the regime more pliant in negotiations, though the outcome of the recent presidential elections indicates that the Iranian people are tiring of them.[1]

Recognizing that sanctions alone may not be enough, previous administrations have deployed America's informational, military, and cyber instruments to impose costs on Tehran, impose delays on its nuclear program, and to deter the Islamic Republic. The Obama administration has continued many of these activities. It has, inter alia, funded efforts to enable Iranians to communicate by email more securely and to circumvent government firewalls blocking access to the internet, sold tens of billions of dollars of weapons to U.S. allies in the region, and tried to sabotage Iran's nuclear program by various means, including offensive cyberoperations.

Nonetheless, Tehran's nuclear program has continued to progress, stockpiling growing quantities of low-enriched uranium, installing more advanced

and efficient centrifuges, and moving toward completion of its plutonium production reactor at Arak.[2] Likewise, Iran has responded to increased pressures with cyberattacks, military activities, and terrorism in accordance with its policy of meeting "threats with threats."[3] In short, U.S. policy toward Iran is not succeeding. This paper aims to explain why, and to suggest ways to employ the military and associated instruments of statecraft, in tandem with sanctions, to enhance the prospects for nuclear diplomacy, while diminishing the likelihood of an inadvertent military clash that could scuttle diplomacy and lead to a wider conflict.

NOTES

1. Patrick Clawson, "Iran beyond Oil?" PolicyWatch #2062 (Washington Institute for Near East Policy, April 3, 2013), http://www.washingtoninstitute.org/policy-analysis/view/iran-beyond-oil.

2. David Albright, Christina Walrond, Andrea Stricker, and Robert Avagyan, *ISIS Analysis of IAEA Iran Safeguards Report* (February 21, 2013), http://www.isis-online.org/uploads/isis-reports/documents/ISIS_Analysis_IAEA_safeguards_Report_21Feb2013.pdf.

3. Speech by Supreme Leader Ayatollah Ali Khamenei at the Imam Ali Military Academy, October 11, 2011, http://english.khamenei.ir/index.php?option=com_content&task=view&id=1558&Itemid=4.

2.

Does Iran Respond to Pressure?

CONVENTIONAL WISDOM SAYS that Tehran does not yield to pressure—it yields only to overwhelming pressure.[1] In fact, three decades of experience show that while the regime's doctrine of resistance (*moqavemat*) places a premium on not yielding to pressure, Tehran has made major policy adjustments, even abandoning longstanding policies, when the expediency of the regime (*maslahat*) or the national interest has required it to do so.[2] For instance:

- Iran backed off after warning the United States in December 2011 that it would close the Strait of Hormuz in response to new sanctions, after senior U.S. officials intimated that such a move would prompt a military response. And in January 2012, after warning the United States that it should not return an aircraft carrier to the Persian Gulf, Iran backed down after Washington did so.

- Iranian-supported Iraqi Special Groups ceased rocket attacks on the U.S. embassy in Baghdad in April 2008 after Iran was warned by the United States that continued attacks would provoke a strong U.S. response. Likewise, Iranian-supported Iraqi Special Groups ceased rocket attacks on U.S. forward-operating bases in Iraq that had killed fifteen U.S. soldiers in June 2011, after the United States passed on warnings to Tehran.[3]

- Fearing a U.S. invasion after the fall of Baghdad in 2003, the Islamic Republic apparently abandoned its nuclear weaponization efforts—presumably to avoid giving the United States a pretext for invasion—though some weapons-related R&D activities have purportedly continued since then.[4]

- After the 1992 assassination of a prominent Iranian Kurdish leader in a Berlin restaurant caused a number of European Union states to

suspend diplomatic ties with Tehran and censure the Islamic Republic, Iran ceased terrorist operations in Europe—apparently because it considered its ties to Europe too important to be jeopardized by continued attacks.

■ After years of promising "war, war until victory," Ayatollah Ruhollah Khomeini agreed to "drink from the poisoned chalice" and end the Iran-Iraq War in 1988 when he concluded that Iran faced defeat at the front, the use of Iraqi chemical weapons against Iranian cities, and open U.S. military intervention (which is how he interpreted the accidental shoot-down of an Iranian airliner over the Gulf in July 1988).

■ Iran initially attempted to counter U.S.-led convoy operations during the latter phases of the Iran-Iraq War by indirect means—mining the waters of the Gulf, using Silkworm missiles against ships inside Kuwaiti territorial waters, and conducting small-boat attacks against unescorted shipping—until a major clash between U.S. and Iranian naval forces in April 1988, which inflicted heavy losses on the latter, caused Iran to cease mining operations, halt Silkworm strikes, and dramatically reduce attacks on unescorted convoys.[5]

The question now is whether, under current circumstances, the United States can replicate the kinds of conditions that led Iran in the past to alter or abandon policies in which it had invested significant resources, prestige, and political capital. Might Tehran be willing to pay any price that the United States is likely to impose in order to achieve its nuclear ambitions—much as Pakistan was willing to "eat grass" if necessary in order to obtain the bomb?[6] Might the moral victory represented by adhering to its principles and resisting the forces of "global arrogance," regardless of cost, trump the interests of the regime? Past experience would seem to indicate that the answer is: not likely. On the field of battle and in the diplomatic arena, tactical adjustments have been permitted when they served the interests of the Islamic Republic or the Iranian nation.[7] The election as president of Hassan Rowhani, a pragmatic conservative, makes it likely that Iran will continue with such an approach.

NOTES

1. Karim Sadjadpour, Carnegie Endowment for International Peace, personal correspondence, May 2, 2013.

2. For more on the concept of resistance and expediency, see Michael Eisenstadt, "Religious Ideologies, Political Doctrines, and Nuclear Decisionmaking," in *Nuclear Fatwa: Religion and Politics in Iran's Proliferation Strategy*, eds. Michael Eisenstadt and Mehdi Khalaji, Policy Focus no. 115 (Washington, D.C.: Washington Institute, September 2011), http://www.washingtoninstitute.org/uploads/Documents/pubs/PolicyFocus115.pdf.

3. David Ignatius, "Getting Iran to Back Down on Its Nuclear Program," *Washington Post*, February 22, 2012, http://articles.washingtonpost.com/2012-02-22/opinions/35446077_1_iranian-regime-nuclear-program-quds-force.

4. IAEA Board of Governors, Implementation of the NPT Safeguards Agreement and Relevant Provisions of Security Council Resolutions in the Islamic Republic of Iran (November 18, 2011), http://www.iaea.org/Publications/Documents/Board/2011/gov2011-65.pdf.

5. David Crist, *Gulf of Conflict: A History of U.S.-Iranian Confrontation at Sea*, Policy Focus 95 (Washington, D.C.: Washington Institute, 2009), http://www.washingtoninstitute.org/uploads/Documents/pubs/PolicyFocus95.pdf; Gregory F. Giles, "Deterring a Nuclear-Armed Iran from Adventurism and Nuclear Use," in *Tailored Deterrence: Influencing States and Groups of Concern*, eds. Barry R. Schneider and Patrick D. Ellis (Maxwell Air Force Base: U.S. Air Force Counterproliferation Center, 2011), pp. 117–51, http://cpc.au.af.mil/PDF/book/chapter5.pdf.

6. This is a reference to a famous quote from a 1965 interview with then–Pakistani foreign minister Zulfiqar Ali Bhutto, who stated, "We will eat grass, even go hungry, but we will get [an atomic bomb] of our own. We have no other choice." Feroz Khan, *Eating Grass: The Making of the Pakistani Bomb* (Palo Alto, CA: Stanford University Press, 2012), p. 7.

7. The Shia religious tradition embraces two very different theories of military victory. The first is embodied by the Imam Ali—the heroic warrior who prevails by imposing his will on the enemy (Alavi's paradigm). The second is embodied by the Imam Hussein—who achieves a moral victory by resisting unjust authority, imposing costs on ethe enemy, and achieving martyrdom (Ashura paradigm). Practically speaking, however, when it is not possible to impose one's will on an adversary, tactical withdrawals or retreats are permitted when the interests of the regime or the nation require it.

3.

What Does Tehran Fear Most?

IF WASHINGTON IS to alter Tehran's cost-benefit calculus in its negotiations with the P5+1, it must understand not only how the Islamic Republic's leadership sees the world, but their most profound fears and anxieties as well. This is no easy task, as the United States and Iran are studies in opposites when it comes to values, politics, and strategic culture.

The United States is a secular republic whose public life is, nonetheless, suffused with religious language and symbolism, whereas the Islamic Republic is a theocracy whose policies are based on the essentially secular principles of the expediency of the regime or the national interest. Americans are often willing to compromise principle for results, whereas Iranians are frequently willing to sacrifice results in the name of principle. Americans value forthrightness, while Iranians are rarely willing to reveal intentions or motives to others. The United States is a soft-power dynamo that thinks in hard-power terms, while Iran values soft power above all else and is fixated on alleged American soft-warfare threats. Finally, while American generals and policymakers think largely about physical effects, their Iranian counterparts are more concerned with moral and psychological effects. These factors complicate efforts to understand Tehran's policy calculus and to formulate successful policies in relation to the Islamic Republic.[1]

Because the regime came to power through revolution but has dealt with episodic domestic unrest since its inception, its survival is the foremost concern of the Supreme Leader and those around him. Senior Iranian officials have often said that they consider soft warfare—efforts by Iran's enemies to inculcate foreign ideas and values in order to undermine the strength, legitimacy, and social cohesion of the Islamic Republic—to be a greater threat to the survival of the regime than a foreign military attack or invasion.[2]

Iran's Supreme Leader, Ayatollah Ali Khamenei, has often made this point, echoing Ayatollah Khomeini's frequent warnings about a "cultural invasion." Thus, in a memorable 2003 television address, he stated:

More than Iran's enemies need artillery, guns and so forth, they need to spread cultural values that lead to moral corruption.... If they arouse sexual desires [and] spread unrestrained mixing of men and women, and if they lead youth to behavior to which they are naturally inclined by instincts, there will no longer be any need for artillery and guns against that nation.[3]

The reason for this deep-seated fear is not difficult to discern. While Iran's natural defenses and geographic depth pose significant obstacles to an invasion, its population is unprotected against the foreign "cultural invasion" that Ayatollahs Khomeini and Khamenei have railed against. Not only have large parts of the population stopped buying into the ideology of the revolution, but each and every citizen is susceptible to subversive messages that enter the country via the internet, radio, and satellite television. This is why the regime has tried to create strategic depth in the information domain by erecting internet firewalls and jamming foreign news broadcasts, and devotes so much effort to Islamicizing the education system and indoctrinating the general population. And it is why Iran has invested significant human and material resources in internal security—from the creation of robust cybersurveillance capabilities to the dramatic reorganization and expansion of the paramilitary Basij.[4] Foreign, un-Islamic ideological and cultural influences are Tehran's worst nightmare. It is for this reason that IRGC commander-in-chief Mohammad Jafari has stated on several occasions that the 2009 "sedition" against the Islamic Republic (i.e., the popular protests spearheaded by the Green Movement following that year's elections) "was much more dangerous than the (eight-year) imposed war" with Iraq.[5]

What about the threat of invasion or attack? Clearly, Tehran was sufficiently concerned that it was "next in line" after the U.S. invasion of Iraq in 2003 that it suspended its nuclear weaponization efforts. But these fears eventually faded as it became clear that the United States was mired in long and costly wars in Iraq and Afghanistan. So while Iran regularly conducts military exercises that deal with potential invasion scenarios, it does not appear to be greatly concerned at this time about such a possibility.

What of an Israeli or U.S. preventive strike against its nuclear infrastructure? Tehran seems less concerned about the former, because Israel can do only limited damage to its nuclear program or to conventional military targets[6]—although an Israeli attack might be useful for Iranian politicians intent on reinvigorating the spirit of the Islamic Revolution and riding a nationalist backlash.[7] Tehran seems more concerned about an American strike, which could do much damage to its nuclear infrastructure as well as to numerous

military and leadership targets. Moreover, an American strike is much more likely to morph into a broad confrontation involving not just the United States but also Israel and the Gulf Cooperation Council (GCC) states. But neither a strike by Israel nor the United States is seen by Tehran as posing an existential threat to the Islamic Republic.

And while there might be a "war party" in Tehran itching for a confrontation with Israel or the United States, it does not currently seem ascendant. For years now, Tehran has issued numerous warnings of a "crushing response" in the event of an Israeli or American attack—which indicates that it is intent on deterring such an attack. This is at least in part because of the uncertainty of what a strike could entail, where it might lead, and how it might affect the regime's aura of invulnerability, which is key to its ability to keep a lid on domestic discontent.[8] There is always a possibility, however, that hotheads in the Iranian armed forces might take steps that could cause Iran to blunder into a confrontation in the Gulf or elsewhere, contrary to the wishes of the powers-that-be in Tehran.

For these reasons, the threat of an Israeli strike in itself has limited utility as a source of leverage over Tehran; the possibility that an Israeli strike could eventually draw the United States into a conflict with Iran is likely of greater concern. By contrast, the threat of a U.S. strike has the potential to provide much more leverage, though such threats have little credibility in Tehran at this time. Having repeatedly eschewed, for several decades now, the use of force in response to Iranian-sponsored terrorism, the United States suffers from a credibility deficit vis-à-vis the Islamic Republic. Thus, repeated claims by American officials that "all options are on the table" are seen by Tehran as sufficiently serious to prompt precautionary deterrent warnings by Iranian officials, but not serious enough to influence Tehran to alter its stance in negotiations with the P5+1.[9] Indeed, numerous statements by senior U.S. defense officials dismissing the efficacy of military action have undercut the utility of these claims.

This analysis also raises the question of whether by focusing on the threat of military action, as opposed to using its soft power to exploit Tehran's fears of a soft revolution, Washington is grasping at the lever that it is more familiar with, but that is less likely to bring about the desired outcome—a negotiated nuclear deal with Iran.

NOTES

1. For a fascinating sketch of how Iranians and Americans tend to differ in temperament and intellectual outlook, see Dr. Nassir Ghaemi, "The Psychology of Iranian-American Relations," *Psychology Today*, February 2, 2009, http://www.psychology-today.com/blog/mood-swings/200902/the-psychology-iranian-american-relations. See also Michael Eisenstadt, *The Strategic Culture of the Islamic Republic of Iran: Operational and Policy Implications*, Middle East Studies Monograph no. 1 (Marine Corps University, August 2011), http://www.washingtoninstitute.org/uploads/Documents/opeds/4e60ff471079a.pdf.

2. Monroe Price, "Iran and the Soft War," *International Journal of Communication* 6 (2012): pp. 2397–2415, http://ijoc.org/ojs/index.php/ijoc/article/view DownloadInterstitial/1654/799; Karim Sadjadpour, *Reading Khamenei: The World View of Iran's Most Powerful Leader* (Washington, D.C.: Carnegie Endowment for International Peace, 2008), pp. 17–19, http://carnegieendowment.org/files/sadjadpour_iran_final2.pdf; Michael Eisenstadt, *The Missing Lever: Information Activities against Iran*, Policy Note 1 (Washington, D.C.: Washington Institute, March 2010), http://www.washingtoninstitute.org/policy-analysis/view/the-missing-lever-information-activities-against-iran.

3. Karim Sadjadpour, *Reading Khamenei: The World View of Iran's Most Powerful Leader* (Washington, D.C.: Carnegie Endowment for International Peace, 2008), p. 17.

4. Saeid Golkar, *The Islamic Republic's Art of Survival: Neutralizing Domestic and Foreign Threats* (Washington, D.C.: Washington Institute, June 2013), http://washin.st/12EnUo4. See also Gabi Siboni and Sami Kronenfeld, "Iran and Cyberspace Warfare," *Military and Strategic Affairs* 4, no. 3 (December 2012): pp. 77–99.

5. "IRGC Chief Warns of Cultural Threats," Press TV, June 9, 2010, http://www.presstv.ir/detail/129769.html. See also the statements by Jafari in Will Fulton, "Iran News Round Up," *AEI Iran Tracker*, February 28, 2013, http://www.irantracker.org/iran-news-round-february-28-2013.

6. U.S. Department of Defense, "Remarks by Secretary of Defense Leon E. Panetta at the Saban Center," news transcript, December 2, 2011, http://www.defense.gov/transcripts/transcript.aspx?transcriptid=4937.

7. Iranian attitudes toward an Israeli strike may also be influenced by traditional Islamic stereotypes of Jews as weak and cowardly. Zeev Maghen, *From Omnipotence to Impotence: A Shift in the Iranian Portrayal of the "Zionist Regime,"* Mideast Security and Policy Studies no. 78 (Ramat Gan: BESA Center for Strategic Studies, August 2008), http://www.biu.ac.il/SOC/besa/MSPS78.pdf.

8. See the warnings by Rafsanjani in 2007 and the more recent warnings in an article on the website of Iran's Ministry of Intelligence and Security (MOIS) about the need to take seriously the possibility of a U.S. attack. "Rafsanjani Warns Iran of 'Unprecedented' U.S. Threats," Agence France-Presse, November 1, 2007, http://afp.google.com/article/ALeqM5gTgit3ho3Iqc3XjYWeDk4DBa_xUg; Jason Rezaian, "Iranian Ministry Suggests Openness to Nuclear Talks," *Washington Post*, November 7, 2012, http://www.washingtonpost.com/world/middle_east/iranian-ministry-suggests-openness-to-talks/2012/11/07/dbd0fa18-28f2-11e2-bab2-eda299503684_story.html.

9. Israel has similarly backed off of repeated threats, undermining its own credibility as well. Graham Allison, "Redlines in the Sand," ForeignPolicy.com, October 11, 2012, http://www.foreignpolicy.com/articles/2012/10/11/red_lines_in_the_sand?wp_login_redirect=0.

4.

Using Military and Other Measures to Influence, Disrupt, and Deter

ESCHEWING PREVENTIVE ACTION, at least for now, the Obama administration has looked for other ways to employ the military instrument and other measures to bolster nuclear diplomacy, disrupt Iranian nuclear activities, and to deter Iran. To this end, the United States has built up the military capabilities of its allies in the region, strengthened its presence in the Persian Gulf, and identified redlines that would presumably prompt a resort to force.

STRENGTHENING PARTNERSHIPS

Former U.S. defense secretary Leon Panetta has stated that strengthening "security partnerships" and "collective defense" are key to preventing Iran from acquiring nuclear weapons.[1] Building on the efforts of its predecessors, the Obama administration has sought to advance these goals through the Gulf Security Dialogue and its successor framework, the U.S.-GCC Strategic Cooperation Forum, as well as tens of billions of dollars in arms sales to America's Gulf Arab allies (including missile defenses, attack helicopters, and strike aircraft) and to Israel.[2] And in response to recent Iranian cyberattacks, the United States is helping its Gulf Arab allies to build up their cyberdefenses, though it has ruled out transferring offensive cyberwarfare capabilities to these countries.[3] The intent is to assure these allies and to build up their deterrent capabilities, while convincing Tehran that its nuclear program will harm, rather than enhance, its security.

Tehran, however, tends to view the Gulf Arabs with contempt and condescension, and to be dismissive of their military capabilities. Moreover, it seems to believe that the Gulf Arab monarchies are doomed to be swept away by the "Islamic awakening" now convulsing the region, and that their armed forces will eventually be inherited by revolutionary Islamist regimes more closely aligned with Tehran's own worldview (much as the shah's armed forces were inherited by the Islamic Republic). And Tehran is unlikely to engage in the type of conventional military aggression that will provide its neighbors

(or the United States) with a pretext to use conventional firepower against it; should it try to undermine the Gulf monarchies, it is likely to rely on proxies.

Thus, because Tehran does not see the Gulf Arabs as a threat, U.S. efforts to build up their militaries are not likely to much affect Iran's threat calculus. Likewise, since Tehran fears an Israeli strike much less than it fears a U.S. strike, American efforts to build up Israel's military capabilities are unlikely to have a major impact on the Islamic Republic's threat calculus. And given GCC anxieties about U.S. policy, large U.S. arms sales to the GCC are more likely to be seen by some Gulf Arabs as signs that the United States is preparing to "cut and run," than as symbols of America's enduring commitment.

REINFORCING AMERICA'S FORWARD PRESENCE

In the past decade, the United States has gradually increased its presence in the Persian Gulf region, as part of its efforts to deter Iran and assure allies. Since 2006, the United States has been building up its missile defenses in the region; it now has at least two battalions of Patriot PAC-2/3 missiles deployed in four countries, two to three Aegis ships in the Gulf, and AN/TPY-2 X-band radars in Israel, Turkey, and Qatar.[4] And since the fall of 2010, the Obama administration has maintained one carrier in the Gulf, and two in the region, nearly continuously (until it was forced to reverse this policy in February 2013 due to budgetary pressures), while the deployment of F-22 stealth fighters to the region has become routine.[5]

Moreover, following an internal review in 2011 that revealed critical gaps in U.S. warfighting capabilities in the Gulf—specifically its ability to deal with Iran's antiaccess/area-denial capabilities—U.S. Central Command ordered a rush effort to enhance the readiness of U.S. forces there through the acquisition of upgrades and the dispatch of additional forces to the region.[6] These enhancements have continued up to the present, and include

- mine countermeasure and antisubmarine warfare systems;
- systems to counter small-boat swarms; and
- new intelligence, surveillance, and reconnaissance sensors and platforms.

The United States also sent four additional mine countermeasure ships (making eight in all) and four additional CH-53 Sea Dragon mine-clearing helicop-

ters to the region, and refitted the amphibious transport dock USS *Ponce* to function as an afloat staging base for countermine and naval special warfare operations in the Gulf.[7] These enhancements will help U.S. forces deal with small-boat, mine, and submarine warfare threats. Finally, the United States has held a series of major mine countermeasure exercises with its international partners, most recently in September 2012 and May 2013, to strengthen coalition capabilities in this critical area.[8]

All these steps were pitched as defensive enhancements, however, and the offensive capabilities of these forces were downplayed—at the behest of reticent allies, and perhaps in order to avoid provoking Iran. Tehran, however, may read this as a sign that the United States would act with restraint in the event of a confrontation, perhaps encouraging some Iranian decisionmakers to believe that Iran could set the terms of such a conflict.

Furthermore, while the presence of the U.S. Navy in the Gulf undoubtedly rankles Tehran, which would like the Americans to leave the Gulf and the region so that it might have a free hand to deal with its neighbors, the presence of a carrier in the Gulf had a silver lining: it enabled the Islamic Republic to hold a U.S. strategic asset at risk, as senior Iranian military officials have stated on several occasions.[9]

Indeed, there is no sign that the large post-1991 U.S. military presence in the Persian Gulf has deterred Iran from using proxies to target U.S. interests in the region or elsewhere. After all, during this timeframe, Tehran caused the death of nineteen U.S. airmen in the 1996 bombing of Khobar Towers in Saudi Arabia, provided arms to Shiite "special groups" that killed hundreds of U.S. service members in Iraq during the past decade, and plotted to assassinate the Saudi ambassador in Washington in 2011. On the other hand, the U.S. naval presence in the Gulf does seem to have deterred Iran from disrupting shipping there and from acting on its threats to close the Strait of Hormuz.

SETTING REDLINES

Washington has drawn redlines for Iran concerning freedom of navigation in the Persian Gulf and Iran's nuclear program. In January 2012, following the imposition of new U.S. and EU sanctions on Iran, and in response to Tehran's warning that it might respond by disrupting shipping in the Gulf, both President Obama and Secretary of Defense Panetta warned Iran that an attempt to disrupt traffic through the Strait of Hormuz would cross a redline and prompt U.S. military action. In response, Iran backed down from these threats. At the

same time, Obama and Panetta declared that if Iran tried to build a nuclear weapon, the United States would use every means at its disposal to prevent it from doing so. (President Obama subsequently articulated another nuclear redline during his third presidential debate with Mitt Romney in October 2012, in which he defined the redline as a "breakout capability." He has never publicly repeated that formula since. The previous formulation presumably remains the administration's authoritative definition.)[10]

The exposure of clandestine enrichment facilities at Natanz (2002) and Fordow (2009) and recent media reports of U.S. and Israeli cyberspying on Tehran (using the so-called Flame malware) have likely caused some Iranian officials to wonder whether they could build a bomb in secret should they decide to do so.[11] That may be beside the point: Iran could make significant progress toward acquiring the bomb by the kinds of overt activities it is now engaged in, without crossing the current U.S. redline, which would effectively allow Iran to become a nuclear threshold state. And this may be all that it is after—at least for now. And while Israel's redline (enough 20-percent-enriched uranium for a bomb—about 240 kilograms) may have contributed to Tehran's decision to continue converting most of its stockpile of 20-percent-enriched uranium to oxide form and fuel plates for use in the Tehran Research Reactor, Iran continues to enrich uranium to the 3.5 percent level. In practical terms, there is not much difference between 3.5-percent and 20-percent-enriched uranium; the former is 75 percent of the way to high-enriched uranium (HEU), the latter 90 percent of the way there. In effect, neither U.S. nor Israeli redlines prevent Iran from achieving its near-term objective of becoming a nuclear threshold state.[12]

SABOTAGE, CYBERESPIONAGE, AND OFFENSIVE CYBERWARFARE OPERATIONS

For a decade or more, the United States (in conjunction with some of its allies) has reportedly been engaged in a covert campaign involving sabotage, cyberespionage, and offensive cyberoperations to disrupt, delay, and impose costs on Iran's nuclear program.[13] These efforts have reportedly set back Iran's nuclear program by several years.[14]

Some of these actions—such as the supply of defective vacuum pumps and motors for the centrifuge program, cyberattacks on Iran's centrifuge enrichment facilities, and efforts to entice Iranian nuclear scientists and officials to defect—have reportedly been undertaken with allies such as Israel and Britain.[15] The United States is apparently also conducting unilateral reconnais-

sance operations with stealth unmanned aerial vehicles (UAVs), such as the RQ-170 Sentinel.[16] Israel may likewise be conducting unilateral covert operations, such as the killing of Iranian nuclear scientists.[17] And unknown saboteurs reportedly cut the power lines to the underground enrichment plant in Fordow.[18] The cyberattacks on Iran's nuclear infrastructure have apparently spurred Tehran to launch its own offensive cyberwarfare campaign, one that the United States and its allies are not prepared for. On the other hand, foreign cyberspying appears to have caused Tehran to tread with caution, to avoid steps that could undermine its position in negotiations with the P5+1 and that could justify more stringent sanctions—even military action. It is unclear, however, whether the United States halted UAV overflights of Iran following the capture of an RQ-170 in December 2011 and whether cyberoperations have been hindered because of media leaks regarding Stuxnet and Flame, or whether the United States and its partners have devised new ways to exploit the cyberdomain to delay Iran's program. It does seem, however, that the killing of Iranian nuclear scientists has stopped, perhaps owing to concerns that these actions were causing Tehran to ramp up terrorist operations overseas—creating the potential for a broader confrontation with Iran.

In sum, the Obama administration has attempted to use military, intelligence, and cyberactivities to pressure Iran and impose delays on its nuclear program—occasionally with some success. However, many of these activities have not had the desired effect or were implemented in such a way as to vitiate their impact on Tehran. In the latter case, much of the problem stems from the fact that while the Obama administration has sometimes acted with audacity (approving the continuation of offensive cyberoperations and UAV overflights of Iran), it has more often acted with caution, avoiding actions that it feared could undermine nuclear diplomacy or spark an unintended confrontation with the Islamic Republic. The reason for these concerns will now be examined in detail.

NOTES

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5.

Shadow Coalitions and Shadow Wars:

the potential for unintended conflict

TEHRAN HAS RESPONDED to enhanced sanctions and the aforementioned covert activities by broadening and intensifying the covert activities and shadow wars it has been conducting against the United States and Israel for years. In some instances, Tehran was responding to measures taken by the United States and Israel; in others, it escalated unilaterally, to demonstrate that it remained unbowed, could impose costs on its adversaries, and would continue its decades-long struggle against the United States and Israel; and in yet other instances, Tehran's allies may have been acting in pursuit of their own agendas and interests. These activities have included, inter alia:

- the growing involvement of Iran, Hezbollah, and Iraqi Shiite militias in the Syrian civil war on the side of the Bashar al-Assad regime, to include the provision of advice, cybersurveillance hardware, weapons and equipment, and the participation of Shiite militia fighters

- the transfer of increasingly capable weapons to regional proxies, including Fateh-110 and Scud missiles to Hezbollah, Fajr rockets to Hamas, and man-portable surface-to-air missiles to insurgents in Yemen

- an attempt to shoot down an American UAV over the Persian Gulf in November 2012, and a possible second attempt in March 2013, probably in response to intensified U.S. reconnaissance activities around and over Iran

- the establishment of an Islamic Revolutionary Guard Corps (IRGC) plant in Khartoum, Sudan, to produce rockets for Palestinian militants in Gaza, which was destroyed in October 2012 by an Israeli airstrike

- the overflight of Israel by a Hezbollah UAV in October 2012, resulting in the shoot-down of the drone by Israeli aircraft as it approached the nuclear reactor at Dimona, and a second attempted overflight in

April 2013, which ended with its downing in Israeli airspace over the Mediterranean

■ a series of planned terrorist attacks against Israeli diplomats in Turkey, Georgia, India, and Thailand in February 2012 to avenge the killing of Iranian nuclear scientists, and subsequent planned attacks in Cyprus, Kenya, and Nigeria

■ Iranian cyberattacks on U.S. financial institutions, starting in January 2012, in response to sanctions and cyberattacks on its nuclear program

■ a terrorist attack on Israeli tourists in Bulgaria in August of 2012—one of many such attacks attempted by Hezbollah (both unilaterally and in conjunction with Iran) to avenge the February 2008 assassination of Hezbollah terrorist kingpin Imad Mughniyah

■ the assassination of a Saudi diplomat in Pakistan in May 2011, and the planned assassination of the Saudi ambassador to the United States later that year and of the Saudi ambassador to Egypt in January 2012, presumably to avenge Saudi Arabia's intervention in Bahrain to help quash protests by the largely Shiite opposition in March 2011

These are the most recent manifestations of the tangled web of covert campaigns and shadow wars that have now enmeshed Iran, the United States, and a growing roster of partners and co-belligerents on both sides. Some of these activities long predate the crisis over Iran's nuclear program, among them Iranian-sponsored attacks on U.S. interests in the region, Hezbollah attacks on Israeli targets overseas, and Saudi attempts to destabilize the Islamic Republic. Others have been integral to efforts to halt or slow Iran's nuclear program—U.S., British, and Israeli sabotage, U.S.-Israel cyberoperations, and the killing of Iranian nuclear scientists. And yet others, such as efforts to influence the outcome of Syria's civil war, have now become part of the mix.

The involvement of so many actors operating covertly and overtly, sometimes in concert and sometimes independently, and the gradual blurring of these covert campaigns and shadow wars, creates a heightened potential for crossover and inadvertent escalation. Washington needs to understand how Tehran perceives and is likely to respond to increased pressure and sanctions in order to avert an unintended military conflict or actions that might cause it to further accelerate its nuclear program.

TEHRAN'S RESPONSE CALCULUS

The Supreme Leader and many around him believe that Iran has been at war with the United States since the early days of the Islamic Revolution. They believe that the United States and its allies are trying to deny the Islamic Republic its "inalienable right" to nuclear technology through economic warfare and are seeking to overthrow the Islamic Republic by covertly fomenting a soft revolution. Tehran's response to these unprecedented challenges has been shaped by three principles that have long guided Iranian policy: (1) reciprocating perceived threats and pressures in a proportional manner; (2) employing indirection, ambiguity, and patience to manage risk; and (3) preserving tactical flexibility—backing off when necessary while seeking advantage elsewhere.

RECIPROCITY AND PROPORTIONALITY. Iran has frequently taken a tit-for-tat approach to relations with other countries, responding in kind to actions by its adversaries, at a level broadly commensurate to the perceived challenge. Khamenei formalized this longstanding principle in two recent speeches: an October 2011 speech at the Imam Ali Military Academy, in which he announced that Iran would answer "threats with threats," and his Nowruz 2012 speech (his major annual address), when he declared that "against an attack by enemies . . . we will attack them on the same level that they attack us." The latter statement could also be seen as signaling a desire to avoid escalation in the event of conflict.[1]

Thus, during the Iran-Iraq War, Iran answered Saddam Hussein's Tanker War and air raids on Tehran with attacks on shipping and rocket or missile strikes on Baghdad and other cities. And it repeatedly warned that if Iran could not export oil from the Gulf as a result of blockade or sanctions, then none of its neighbors would either (a warning it has repeated to this day).[2] Moreover, the regime has responded to sticky-bomb attacks on its nuclear scientists with similar attacks on Israeli diplomats in Georgia, India, and Thailand, and to economic sanctions and cyberattacks on its nuclear program with cyberattacks on the U.S. financial sector and Saudi and Qatari oil companies.

This insistence on reciprocity is rooted in Shia Islam's commitment to fighting "injustice," a determination to avoid a repetition of past humiliations experienced by Iran, and the rejection of perceived double standards rooted in a "third wordlist" strand in the Islamic Republic's ideology. And it builds legitimacy for Tehran's policies, since the Islamic Republic can say that it is only demanding the same rights that others demand for themselves.

It should be noted, however, that while Tehran has generally pursued its anti–status quo agenda in a way that reflects a sensitivity to risks and costs, it is occasionally prone to high-risk behavior—such as the Marine barracks bombing in Beirut in 1983, the Khobar Towers bombing in Saudi Arabia in 1996, and the planned assassination of the Saudi ambassador in Washington in 2011. For this reason, interactions with Iran always entail a degree of unpredictability.

INDIRECTION, AMBIGUITY, AND PATIENCE. Tehran prefers to avoid head-on confrontations and to deal with adversaries by indirect means (such as proxies) or unconventional methods, sometimes at a far remove in space and time from previous arenas of conflict. It does so in order to manage risk and reduce the potential for escalation.[3]

Thus, during the Iran-Iraq War, Iran countered U.S. convoy operations with covertly sown minefields, Silkworm missile attacks that skirted U.S. redlines, and small-boat attacks against unescorted vessels; in response to the murder of nine Iranian diplomats by the Afghan Taliban in August 1998, Iran ramped up support for the Northern Alliance; and in response to Saudi and UAE intervention in Bahrain in March 2011 to help quell unrest by the largely Shiite opposition, Iran attempted a series of attacks on Saudi diplomats in Pakistan, Egypt, and the United States.

TACTICAL FLEXIBILITY. Tehran has a decidedly mixed record of following through on threats; it will deescalate when its interests require it to do so (e.g., when faced with a firm show of force), but will often renew the challenge at a later date or in another location, under more favorable conditions. Thus, when the United States returned an aircraft carrier to the Gulf in January 2012 after Tehran warned against such an action, Iran failed to follow through on its threat yet subsequently attempted to shoot down an American UAV in the Persian Gulf in November of that year and again in March 2013.[4] Likewise, Ali Akbar Velayati (a senior advisor to Ayatollah Khamenei) warned Israel in January 2013 that an attack on Syria would be treated as an attack on Iran. When several days later Israeli aircraft bombed a convoy in Syria that reportedly included advanced surface-to-air missiles bound for Hezbollah, Iran did not respond.[5]

Likewise, while it sometimes seems like Iran is charging forward with its nuclear program (announcing the planned construction of ten underground enrichment facilities in August 2010 or the planned installation of advanced

IR-2 centrifuges in Natanz in January 2013), at other times it has quietly stepped back to avoid a crisis (converting stocks of 20-percent-enriched uranium to fuel plates for a research reactor in 2012 to skirt Israeli redlines and informing the International Atomic Energy Agency in November 2012 of delays in the completion of its research reactor at Arak) while it continues to make incremental progress elsewhere.

The tactical flexibility that characterizes much of Iranian policy is facilitated by the fact that Iranian officials often do not appear to be bound by past claims, threats, or commitments. These are often issued in response to the needs of the moment (to impress an audience, create an effect, or save face)[6] and are forgotten as soon as they are uttered.[7] Thus, Iran did not follow through on its threat in December 2011 to close the Strait of Hormuz when it was confronted by a firm American response. The threat did produce a spike in oil prices, however, which redounded to the Islamic Republic's benefit.

ESCALATORY PRESSURES

Despite U.S. efforts to manage the scope and intensity of ongoing covert activities and shadow wars, the current situation entails a heightened potential for inadvertent escalation.

Decisionmaking in Iran has been progressively concentrated since June 2009 in the hands of an increasingly narrow, insular circle around the Supreme Leader. The members of this inner circle adhere to a triumphalist interpretation of recent regional and world events. They apparently believe that liberalism, capitalism, and the post–World War II international order are in their death throes; that the United States is a war-weary power in decline, while Iran is a rising power whose capabilities have been bolstered by the slow but steady progress of Iran's nuclear and missile programs; that the demise of Israel is imminent; and that the Arab Spring (which Tehran has described as an "Islamic Awakening") will topple the remaining pro-American regimes in the region and bring to power Islamist regimes that are more closely aligned with Tehran's worldview.[8] This triumphalist narrative could tempt Tehran to launch more of the kinds of high-risk operations that they have launched occasionally in the past.

The potential problems created by this triumphalist outlook may be compounded by the apparent belief by some Iranian leaders that the country's doctrine of "resistance"—of never yielding to its enemies in the face of pressure and of fighting unceasingly for one's "rights"—has yielded important benefits since it was pursued by Iranian nuclear negotiators starting in 2005. It should

also be noted that the adherence of Hezbollah and Hamas to this doctrine of resistance contributed to the outbreak of three very destructive wars: between Israel and Hezbollah in 2006, and Hamas and Israel in 2008-2009 and again in 2012. These precedents do not bode well for Iran, should it continue its policy of nuclear "resistance."

Since June 2009, Tehran has promoted many less-experienced personnel to senior positions in the IRGC, as this organization assumed many of the functions formerly fulfilled by Iran's Ministry of Intelligence and Security at home and abroad.[9] Thus, it may not be a coincidence that a number of recent Iranian decisions and operations have shown a profound lack of sound judgment and professionalism,[10] including the planned assassination of the Saudi ambassador in Washington in late 2011, and the attack on the wife of the Israeli military attaché in New Delhi, India, in February 2012—a country that has consistently pushed back against sanctions on Iran. By any standard, these were risky, if not reckless, undertakings that may have been a byproduct of the aforementioned turmoil in Iran's security services.

Furthermore, some senior officials might welcome a conflict with the United States. Some see the Iran-Iraq War as Iran's "finest hour" and would like to rekindle the spirit of the Islamic Revolution and stoke Iranian nationalism for political purposes. To this end, they might undertake actions to advance personal political agendas or to force the hand of the government. Iran has a tradition of radical officials promoting their agendas by dramatic means, including the seizure of the U.S. embassy in November 1979 and the seizure of fifteen British sailors and marines in the Shatt al-Arab waterway in March 2007.[11]

Iran's policy of meeting "threat with threat" has further contributed to an escalation in tensions. In response to increased pressure by the United States and its allies, Iran ramped up the pace and audacity of its covert activities and terrorist operations in 2011, including terrorists attacks on Israeli and Saudi interests, cyberattacks on the American financial sector, attacks on American UAVs in the Persian Gulf, the transfer of increasingly capable arms to partners in the region, [12] and intensified support for the embattled Assad government in Syria. [13] Meanwhile, following a long string of operational failures in its effort to avenge the February 2008 killing of terrorist kingpin Imad Mughniyah, Hezbollah finally met with success with an attack on Israeli tourists in Bulgaria in July 2012[14]—a success that coincided with a series of thwarted attacks on Israeli targets in Cyprus, Kenya, and Nigeria.[15]

The United States has traditionally managed escalation with Iran through unilateral restraint. This policy, however, has taught Tehran that it can wage a

proxy war on the United States without risking a military response—and this policy of restraint may have emboldened Tehran to initiate the foiled attack on the Saudi ambassador in the United States. Were Iran to eventually succeed in striking at U.S. interests or at hitting foreign interests on American soil, the United States might finally feel compelled to respond militarily. There is a precedent for this kind of war through miscalculation: the 2006 Israel Hezbollah war. Between November 2005 and July 2006, Hezbollah attempted to kidnap Israeli soldiers on at least five separate occasions; when it finally succeeded, Israel declared war.[16] Afterward, Hezbollah chief Hassan Nasrallah admitted that had he known that the kidnapping attempts would lead to war, he would not have ordered them.[17]

Media leaks regarding joint U.S.-Israel offensive cyberoperations have further complicated matters. These leaks have made it more difficult for the United States and Israel to act with deniability in the cyberdomain, and both may now be blamed by third parties for cyberoperations they are not responsible for. Iranian cyberretaliation could heighten the potential for escalation if attacks cause more harm than intended, or if independent actors in Iran launch unauthorized attacks that are perceived as having official support.

Some of the means being employed in these covert campaigns and shadow wars—sabotage, cyberoperations, targeted killings, and terrorist attacks—are attractive because they afford their sponsors a degree of deniability. But this can lead to the blurring of identities between actors, and of boundaries between conflicts. Indeed, the 2011 plot to assassinate the Saudi ambassador in Washington is a good example of how an Arab-Iranian shadow war ensnared the United States. And the civil war in Syria may likewise yet ensnare Israel in what has heretofore been an internecine Muslim conflict pitting Turkey and several Arab states against Iran, Hezbollah, and their allies.

Finally, the Persian Gulf remains a potential arena for escalation, due to the tyranny of time and space. Iranian forces have occasionally harassed U.S. naval vessels in the Gulf, in addition to attempting to shoot down American UAVs there.[18] Likewise, Iran has occasionally sought to foment tensions in the Gulf when under pressure in order to raise oil prices (though this also harms its few remaining friends, which is why it does it so rarely).[19] The proximity in which Iranian and American forces operate in the Gulf makes such brinkmanship risky business and increases the potential for miscalculation during periods of tension, as occurred when the U.S. Navy accidently shot down an Iranian airliner in July 1988. Finally, the difference between what Iran claims as its territorial waters and airspace and what the United States recognizes as such adds

yet another layer of complexity, further increasing the potential for miscalculation.[20] Despite these risks, Tehran is likely to keep up pressure in the Gulf, which will therefore remain a potential U.S.-Iran flashpoint.

ASSESSING U.S. POLICY

U.S. policy toward Iran's nuclear program can claim a number of modest achievements, even as it has experienced a number of significant setbacks. Most important, the United States and its allies have delayed Iran's nuclear program by several years through sabotage and cyberwarfare. Moreover, Iran appears to have largely shelved its weaponization effort in 2003 in response to the perceived threat of a U.S. invasion, and it suspended enrichment at Natanz from 2003 to 2005 out of fear of a U.S. invasion—though it continued work elsewhere during this time.[21]

Furthermore, since the disclosure by the International Atomic Energy Agency of undeclared centrifuge enrichment plants at Natanz and Fordow in 2002 and 2009, respectively, there is no indication that Tehran is building additional undeclared clandestine facilities elsewhere at this time (despite declaring in November 2009 that it would build ten more underground facilities like that at Fordow).[22] It is not clear whether Iran has been deterred from doing so by the possibility that such facilities might be discovered, whether it has put on hold any plans it may have had to build additional clandestine facilities for other reasons, or whether it is building new sites that have not yet been discovered by foreign intelligence services—though if Iran believed it could resurrect its clandestine nuclear program without getting caught, it would likely do so.

Washington has also succeeded in preventing tensions between the United States, Iran, and their respective allies from escalating into an open conflict. As mentioned before, Iran did not follow through on threats to interfere with shipping in the Persian Gulf in December 2011 and January 2012, or to prevent a U.S. aircraft carrier from returning to the Gulf in January 2012. Was Iran simply rattling sabers in order to raise oil prices, or did it intend to follow through on these threats, only to back down when confronted by an American show of resolve? It is not clear.

Finally, following Israeli prime minister Binyamin Netanyahu's declaration in September 2012 that Israel's redline consisted of enough 20-percent-enriched uranium for one nuclear weapon, Iran has continued to convert enough of its stock of 20-percent-enriched uranium to oxide form and into fuel plates to remain well below the redline. It is not clear whether Tehran had intended not

to accumulate large quantities of 20-percent-enriched uranium from the outset or whether it has not done so to avoid crossing the Israeli redline.[23]

On the other hand, Tehran's nuclear program continues to make progress: it added 5,000 centrifuges during the past year and is introducing a more efficient generation of IR-2M centrifuges; it continues to build up its inventory of low-enriched uranium at both 3.5 percent and 20 percent; and it is moving forward with the construction of a plutonium production reactor at Arak. Overall, Iran continues to proceed toward its near-term goal of becoming a nuclear threshold state.[24]

NOTES

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2. Ruhollah K. Ramazani, *Revolutionary Iran: Challenge and Response in the Middle East* (Baltimore: Johns Hopkins University Press, 1988), pp. 13–18.

3. Iran's use of proxy terrorism as an instrument of foreign policy appears to be a corollary to the use of shadowy violent domestic pressure groups by Iranian politicians under both the monarchy and the Islamic Republic. Michael Rubin, *Into the Shadows: Radical Vigilante Groups in Khatami's Iran*, Policy Papers 56 (Washington, D.C.: Washington Institute, 2001), http://www.washingtoninstitute.org/uploads/Documents/pubs/PP_56_INTO_THE_SHADOWS.pdf.

4. Thom Shanker, "Iran Chases U.S. Drone over Persian Gulf," *New York Times*, March 14, 2013, http://www.nytimes.com/2013/03/15/world/middleeast/iran-pursues-us-drone-over-persian-gulf.html.

5. "Attack on Syria, Strike on Iran and Allies: Velayati," Press TV, January 26, 2013, http://www.presstv.ir/detail/2013/01/26/285606/attacking-syria-is-attacking-iran-velayati/.

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Press, 1991), pp. 8–33. Examples include frequent exaggerated claims of military-technical prowess—such as recent claims that Iran had produced its own "stealth fighter" (which proved to be a wooden mockup) and that it planned to build nuclear submarines and aircraft carriers. "Defense Official: Qahir-313 Home Made Fighter Jet to Protect Persian Gulf," Fars News Agency, April 16, 2013, http://english.farsnews.com/newstext.php?nn=9107161450; "Iran Plans to Build Nuclear-Fueled Submarines," Fars News Agency, June 12, 2012, http://english.farsnews.com/newstext.php?nn=9103081864; "Commander: Iran Plans to Build Aircraft Carriers," Fars News Agency, September 28, 2011, http://english.farsnews.com/newstext.php?nn=9007040435.

7.   It is not clear how this lack of concern with consistency affects how Iranian officials view statements by foreign leaders. In light of the tendency of U.S. officials to issue stern warnings that are not followed up on (e.g., that a North Korean nuclear weapon would be "unacceptable"), it is hard to avoid the conclusion that this is something of an American habit as well.

8.   See, for instance, Iranian president Mahmoud Ahmadinejad's annual speeches to the UN General Assembly since 2005, which elaborated on many of these themes.

9.   Borzou Daragahi, "Iran's President Purges Intelligence Ministry," *Los Angeles Times*, August 10, 2009, http://articles.latimes.com/2009/aug/10/world/fg-iran-intel10; Ali Akbar Dareini, "Iran Purges Intelligence Ministry Officials," *Guardian*, August 11, 2009, http://www.guardian.co.uk/world/feedarticle/8651387; Maziar Bahari, "118 Days, 12 Hours, 54 Minutes," *Newsweek*, November 30, 2009, http://www.thedailybeast.com/newsweek/2009/11/21/118-days-12-hours-54-minutes.html.

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6.

Policy Recommendations

FOR NUCLEAR DIPLOMACY to have a chance to succeed, Tehran must believe that it risks a military confrontation with Washington[1] if it continues to target American interests, interferes with freedom of navigation in the Persian Gulf, or continues to accumulate LEU and advanced centrifuges. Tehran must also believe that any clandestine attempt to sneak out or break out of the Nuclear Nonproliferation Treaty will be detected by the United States or its allies and that such a step would prompt a military response.

For such a threat to succeed, it must be credible, and it must be subtle and implied—playing on Tehran's paranoia—rather than overt and direct. And it is best conveyed by military measures that indicate Washington is preparing for a military confrontation with Tehran. Overt threats will likely backfire by causing Iran to further dig in its heels to avoid losing face, by engendering a public backlash by American opponents of a possible war with Iran, and by fomenting an open split among the P5+1.

Finally, Washington needs to sketch out the contours of a nuclear deal that would enable Iran to have a peaceful nuclear power program that does not pose a proliferation risk.[2] This means that Iran will have to accept stringent restrictions and safeguards as the practical expression of Ayatollah Khamenei's long-standing and oft-repeated fatwa banning nuclear weapons.[3] Washington will also need to promise sanctions relief (though terrorism-related sanctions will likely remain in place unless Tehran changes its policy here as well) and agree to not pursue regime change if Tehran accepts such a deal. This last point could prove particularly difficult; it will be hard for Washington to convince Tehran that it is not seeking regime change given that it cut a similar deal with Libya and then worked to overthrow Muammar Qadhafi when the Libyan people rose up against him.[4]

Such a package, however, would be an important confidence-building measure for Tehran, demonstrating that Washington is serious about defining a nuclear endgame that meets Iran's basic needs. And it will better enable Wash-

ington to make the case to the Iranian people and the international community that the United States and its P5+1 partners are pursuing a reasonable outcome to negotiations with Iran. Thus far, the United States has not done this; in fact, by not laying out the contours of a deal, it has undercut its negotiating position.

That said, there is no guarantee that the approach outlined here, entailing both larger sticks and carrots, will succeed in reviving a faltering diplomatic process. The following recommendations should be seen as necessary—but not necessarily sufficient—conditions for success, since Tehran may be willing to incur great risk and pay a very high price to become a nuclear threshold state or to get the bomb. So how might the United States employ the military and associated instruments of statecraft to enable effective diplomacy with the Islamic Republic of Iran?

ESTABLISH U.S. CREDIBILITY. Having eschewed, for three decades now, the use of force in response to Iranian-sponsored terrorism, the United States suffers from a credibility deficit vis-à-vis Iran. Both Democratic and Republican administrations have contributed to this state of affairs, although senior members of the Obama administration have compounded the problem by publicly deriding the efficacy of preventive military action, even as the president has asserted that "all options are on the table." For this reason, such claims have not resonated powerfully in Tehran.

For nuclear diplomacy to succeed, perceptions of American credibility are at least as important as perceptions of American capabilities. Absent a change in perceptions of U.S. resolve, tweaks to the U.S. force posture in the Persian Gulf will not alter Iran's threat perception. Here, Tehran's assessment of the mettle and character of the president and the mood of the American people is crucial.[5]

In his first term, the president invested too little in building relationships with leaders in the region, telegraphed excessive caution in his dealings with Iran, rolled out new policies—such as the "rebalance" to the Asia-Pacific region—that caused regional leaders to conclude that the United States was abandoning the Middle East, and reacted to crises in the Middle East (such as the uprisings in Egypt and Libya) in ways that unnerved friends and reassured enemies.[6] It is not enough for the president to assert that he does not bluff;[7] he must take the lead in repairing U.S. credibility. The president's efforts to "reset" relations with the leaders of Israel and key Arab allies early on in his second term are a good first step in this direction.

Moreover, senior advisors and cabinet members must not be permitted to undermine U.S. credibility.[8] On several occasions, Secretaries of Defense Rob-

ert Gates and Leon Panetta and Chairmen of the Joint Chiefs of Staff Adm. Michael Mullen and Gen. Martin Dempsey stated publicly that they believe preventive action would yield only ephemeral results, strengthen the Islamic Republic's hold on power, and destabilize the region.[9] Even if true (and there is room for debate here),[10] saying these things in public only reassures Tehran that it can continue on its current path without worry that its nuclear ambitions will be disrupted by a military strike. A good start, then, would be to "do no harm." The president should put an end to public statements by senior officials that undercut the credibility of the military option.

Washington must also take steps to undo thirty years of American policy that taught Tehran that it can engage in proxy warfare against the United States without risking a military response. To do so, it must demonstrate through words and actions that it is increasingly accepting of risk in its dealings with Tehran, and that the Islamic Republic can no longer get away with what it got away with in the past.[11] Washington must also quietly indicate to Tehran that it is prepared for the possibility of a military confrontation in response to acts of terrorism, attempts to disrupt shipping in the Gulf, or the continued accumulation of LEU and centrifuges.

To this end, the United States should visibly strengthen security around embassies and military facilities as well as take other steps that suggest it is preparing for the kind of turmoil that a confrontation with Iran might bring. The United States and its allies should also step up countersurveillance of Iranian intelligence personnel serving under diplomatic and nonofficial cover in the region in ways that will make clear to the latter that they are being watched and thus unable to plan or implement covert acts. And should nuclear negotiations continue to languish, the United States should do what it did in the wake of the 1996 Khobar Towers bombing in Saudi Arabia: identify to friendly nations Iranian intelligence operatives serving on their soil under diplomatic or nonofficial cover. This would hinder Iran's ability to retaliate in response to an Israeli or U.S. preventive strike.[12]

The United States should also further ramp up pressure on Tehran by more actively working to disrupt the activities of the IRGC's Qods Force, much as it has done with al-Qaeda during the past decade. In particular, the administration should seek the legal authorities needed to more systematically target the Qods Force with financial designations (including key facilitators, front companies, and financial institutions that enable its activities). It should seek the legal authorities needed to interdict on the high seas Iranian arms transfers to its proxies and allies. And in the event of a terrorist attack against U.S. personnel or inter-

ests by the Qods Force or its partners, the United States should engage in the lethal targeting of Qods Force personnel operating outside Iran (for instance, in Yemen, Syria, or the Sudan)—in much the same way it targets al-Qaeda personnel overseas.[13]

CENTCOM should continue to highlight the bilateral and multilateral exercises it holds with GCC states to demonstrate that the latter will serve as a force multiplier in any U.S. military effort, while the United States will enable the GCC states to operate as a coalition whose collective capabilities are greater than the sum of its parts. This will make it more difficult for Iran to dismiss the military capabilities of its Arab neighbors. Acting within a coalition will also lend legitimacy to any future military operations.

At the same time, Washington should also conduct exercises that demonstrate the offensive potential of U.S. forces in the region. Thus far, in its dealings with Iran, the United States has emphasized deterrence by denial. But it also needs to emphasize its ability to deter through punishment, lest Tehran conclude that it can calibrate and manage risks—which may make it more inclined to take chances vis-à-vis the United States.[14] Thus, while missile defense and mine countermeasure exercises are necessary elements of an effective deterrence policy toward Iran, they are not sufficient; it is also necessary to conduct exercises that simulate long-range strike operations and the projection of power deep into the adversary's territory.[15]

Tehran must understand that in the event of a confrontation, the United States will not necessarily respond in a predictable, symmetrical fashion (as it did with Iraq in the 1990s). Thus, a terrorist attack will not necessarily prompt limited strikes that are restricted to terrorist training camps, and provocations at sea may not jeopardize only the vessels that participated in these activities. Asymmetric tactics would force hawkish leaders in Tehran to question whether they can effectively manage the risk associated with a confrontational policy, thereby strengthening deterrence.

Furthermore, the United States should hold exercises that demonstrate its ability to rapidly surge forces to the region. This is especially important because in February 2013 the United States canceled the deployment of a second carrier to the Gulf due to budgetary pressures. Washington should offset the cancellation of that deployment with an increase in airpower in the region. Failing to do so could reinforce the impression among friends and adversaries alike that the United States is abandoning its Middle East allies.[16]

The canceled deployment of the second carrier, however, provides Washington with the ability to scale up the threat level vis-à-vis Tehran should it decide

later to send a carrier back. In that case, the second carrier should spend most of its time in the Gulf of Oman, where it would be much less vulnerable to an Iranian surprise attack during a crisis and much better positioned to wage an outside-in campaign to restore freedom of navigation in the Persian Gulf.[17] Repositioning the second carrier outside the Persian Gulf, moreover, would deny Tehran a tempting target in the event of a conflict, thereby reducing the potential for escalation.[18]

Finally, the United States should hold exercises involving B-2 bombers (which can carry the 30,000-pound Massive Ordnance Penetrator, or MOP) and should encourage media reports that highlight ongoing military preparations.[19] It should also publicize major milestones in the fielding and deployment of the upgraded version of the MOP, which was developed to deal with Iran's deep underground uranium-enrichment facility at Fordow.[20]

SHARPEN REDLINES. The concept of redlines is sometimes used to enhance the credibility of military threats and thereby strengthen deterrence. A number of problems, however, are associated with redlines. First, a government that defines a redline must be committed to action when it is crossed; failing to do so risks undermining its credibility and weakening deterrence. It is better not to annunciate a redline than to fail to respond when a redline is crossed.[21] Moreover, by defining a redline, a government implicitly defines the range of acceptable action by an adversary; this is not always in its interest. Finally, redlines that are politically viable may not be militarily tenable. Thus, the redlines annunciated by both Jerusalem and Washington regarding Tehran's nuclear program allow the Islamic Republic to engage in a broad range of activities that suit the interest of neither Israel nor the United States. For instance, by the time Tehran decides to build a bomb, its nuclear infrastructure could be so vast, dispersed, and hardened that an effective Israeli or American strike might no longer be possible.

In particular, the Obama administration's public redline regarding Tehran's nuclear program—that if Iran were to try to build a bomb, the United States would use all means at its disposal to stop it—provides the latter with a broad margin of maneuver, since it is not clear that the Islamic Republic intends to build a bomb at this time.[22] Rather, Tehran's plan may be to accumulate vast quantities of LEU (which is 75 to 90 percent of the way to HEU) while installing large numbers of first- and second-generation centrifuges, and perhaps eventually producing large quantities of plutonium at the reactor it is building at Arak. The goal would be to create a situation whereby it can achieve "nuclear

deterrence without the bomb" due to its possession of LEU stocks so large and gas centrifuge facilities so extensive that neither could be destroyed in a preventive strike by Israel or the United States.[23]

The current U.S. public redline effectively permits Iran to achieve this goal. For this reason, Washington should consider redefining its public redline to limit the amount of LEU on hand, and the number and quality of centrifuges that Iran can possess—or it should cease annunciating redlines as part of its policy toward Iran.

ACTIVELY PURSUE ASSAD'S DEMISE. Iran has invested significant resources and prestige in its efforts to save the Assad regime, and if only for this reason, the United States should actively work to shape the outcome of the Syrian civil war.

The Obama administration's understandable caution in dealing with the Syrian crisis—due to the potential risks and costs of military intervention, and concerns that intervention could undermine nuclear diplomacy with Tehran—may encourage Tehran to believe that Washington lacks the resolve to deal with Iran's nuclear program. This perception may be changing, as the second Obama administration has been more active in supporting the Syrian opposition, providing nonlethal and now lethal assistance, and facilitating the delivery of lethal aid by others.[24] The key is to provide sufficient support to the opposition to enable them to preserve their gains and reestablish momentum without diverting significant U.S. resources and attention from the slow-motion crises with Iran and North Korea that threaten vital U.S. interests.

Moreover, the Obama administration's reticence in responding to reports that the Assad regime has used small amounts of chemical weapons on several occasions risked undermining U.S. credibility vis-à-vis the Assad regime, Iran, and North Korea, and emboldening Tehran to further test Washington.[25]

The United States needs to consider whether more actively pursuing the demise of the Assad regime might undermine nuclear diplomacy with Iran, or cause it to accelerate its nuclear program. Thus far, U.S. restraint in supplying aid to the Syrian opposition has not yielded any benefits in terms of progress in P5+1 talks with Iran, nor has U.S. restraint inclined Tehran to withhold support for Damascus.[26] Accordingly, there is no reason for the United States to show continued restraint vis-à-vis the opposition. Furthermore, it is unclear whether U.S. military support for the Syrian opposition would influence Iran's nuclear calculus. Both Damascus and Tehran already believe that the United States—via its Arab allies—has been aiding the rebels for some time now, so it

is unlikely that the recent U.S. decision to arm the Syrian opposition will have an appreciable impact on Tehran's nuclear calculus.[27]

Finally, the United States should seek opportunities in the region wherever they may exist—Lebanon, Iraq, Turkey, Azerbaijan, Afghanistan, Yemen, or elsewhere—to roll back Iranian influence and increase pressure on the Islamic Republic.

COUNTER IRAN'S DETERRENT TRIAD. Iran's deterrent and warfighting triad consists of (1) antiaccess/area-denial (A2/AD) capabilities, (2) its ability to conduct terrorist attacks worldwide, and (3) its long-range strike capabilities (missiles, rockets, unconventional delivery means). Recently, it added a fourth leg to this repertoire: offensive cyberoperations.

Iran has also worked to strengthen its deterrent posture by a number of enabling activities. It has forged ties with foreign Shiite communities that might serve as external bases of support for Iranian policy by providing intelligence and partaking in terrorist operations, among other things. And it has supported the construction of oil and gas pipelines in the region to ensure that any disruption to its oil and gas exports have regional consequences.[28]

To effectively deter Tehran, the United States needs to counter each leg of its deterrent and warfighting concept so that the Islamic Republic will have a low degree of confidence in its ability to defend its vital interests in wartime, to inflict unacceptable harm on vital American interests, or to end a conflict on terms that enhance its deterrent posture. And Washington must take steps to counter the various enabling activities that strengthen this posture.

While the United States has made much progress in recent years in countering Iran's capabilities, important gaps remain:

- **Antiaccess/area-denial.** The United States has been playing catch-up in recent years in its efforts to counter Tehran's A2/AD capabilities, and while it is much better positioned today than it was a few years ago, it still has a way to go to counter the threat from naval mines, midget submarines armed with advanced torpedoes, small-boat swarms, suicide UAVs, and highly capable antiship cruise missiles.[29]

- **Terrorism.** The United States and Israel have been very successful in recent years in disrupting Qods Force and Hezbollah efforts to launch terrorist attacks against U.S. and Israeli interests, due to significant improvements in counterterrorism capabilities, enhanced international counterterrorism cooperation since 9/11, and the atrophy of Qods Force

and Hezbollah capabilities since the 1990s.[30] Nevertheless, Europe's refusal to designate Hezbollah as a terrorist organization allows the organization to conduct surveillance activities and planning for military operations in Europe, creating a major vulnerability.[31]

- **Long-range strike.** The United States and its Israeli and GCC allies have been investing significant resources in missile defense in recent decades (and, in the case of Israel, rocket defense as well). America and its GCC partners, however, still face major challenges: insufficient numbers of missile interceptors to deal with Iranian saturation tactics, gaps in the coverage of currently deployed missile defenses, the lack of an integrated regional missile defense architecture in the Gulf, and the lack of a capability to deal with the Iranian rocket threat.[32]

- **Cyberoperations.** Iran has increasingly come to rely on cyberoperations as a means of pushing back against the United States and its allies. Washington, however, has been extremely cautious in responding to recurring Iranian cyberattacks; because this is still a very new and largely undefined domain, the United States still lacks a defined strategy for dealing with cyberthreats and may lack the ability to protect its critical infrastructure against a sophisticated cyberattack. As a result, Washington wants to avoid steps that could lead to further escalation with Iran.[33]

And while the United States has been working to disrupt the construction of gas pipelines between Iran and its neighbors as part of its economic sanctions on Iran, it has not done enough to discourage countries from allowing their citizens to study in Iran, where some are recruited as spies or terrorists (see below).[34]

REINFORCE INTELLIGENCE ACTIVITIES. U.S. and allied intelligence services (with the help of disaffected Iranians) have been key to uncovering clandestine Iranian nuclear activities, such as the previously undeclared enrichment sites at Natanz and Fordow. The knowledge that key components of the Iranian program have been repeatedly penetrated by foreign intelligence services has likely caused Tehran to act with caution since.

To dissuade Iran from attempting to revive its clandestine efforts, Washington should reinforce three key notions: that the Iranian nuclear program continues to be penetrated by foreign intelligence services; that the regime would not be able to conduct a clandestine sneak-out or breakout without getting caught; and that if it did try to build a nuclear weapon, the United States would do whatever was necessary to thwart such an effort and to destroy its nuclear infrastructure.

In this way, the administration would make clear to Tehran that the only way to obtain sanctions relief, escape from its growing isolation, and avert the possibility of war is through a diplomatic solution.

AVERT UNINTENDED ESCALATION. The ongoing shadow war with Iran poses complex challenges for U.S. decisionmakers. Under unprecedented pressure, Iran has pushed back hard. Washington has, by and large, responded with restraint and caution, though experience shows that restraint is often perceived in Tehran as weakness and may invite new challenges. The key for Washington, then, is to find the right balance: to react firmly enough to discourage new challenges without provoking a dramatic escalation. This entails a significant degree of risk—but, then, so does the status quo.

Washington can do a number of things to limit the potential for unintended escalation. The United States should try to identify Tehran's redlines and avoid crossing them unless vital U.S. interests require it to do so. Thirty years' experience in dealing with the Islamic Republic points to the following as probable Iranian redlines:

- a cutoff of oil exports
- threats to its territorial integrity
- overt attempts at regime change
- an overt attack on Iran

Moreover, it is always important to leave Tehran a diplomatic and military "out" that enables it to back down while saving face. Tehran, however, will often follow such a tactical retreat by renewing the challenge at a later time under more favorable circumstances, or by posing a challenge somewhere else. Thus, it is important to anticipate the next challenge so that it may be deterred, thwarted, or countered. This is easier said than done, given that the broadening of the arena of competition in recent years between the United States and Iran and their respective allies gives Tehran more options than ever before.

Washington should therefore work to reduce areas of ambiguity that Tehran can exploit, in order to constrain Iran's freedom of action. Exploiting the cyber-domain's recent dramatic gains in attribution capabilities, Washington should "name and shame" Iranian individuals and entities involved in cyberattacks, and designate individuals and entities in accordance with the International Emergency Economic Powers Act, thereby barring them from education or business opportunities abroad. It should offer "S" visas (for aliens assisting law

enforcement) to Iranian cyberwarriors willing to assist investigations of Iranian cyberwarfare and cyberspying, and it should work to create an international consensus to sanction entities or governments that encourage or undertake cyberattacks on financial institutions.[35]

With regard to terror and subversion, Washington should publicize how Tehran recruits foreign students, engaged in religious studies in Iran, for intelligence and terrorist operations upon their return to their home countries. Hopefully this would convince these countries to discourage their citizens from pursuing religious studies in Iran. While this touches on a sensitive area, if Tehran is using religion as a cover for intelligence and terrorist activities, the United States should not be shy about highlighting that fact. Moreover, the aforementioned recommendation to identify to local authorities Iranian intelligence operatives serving abroad under diplomatic or nonofficial cover would dovetail nicely with such an approach and hinder Iran's ability to plan and execute terrorist attacks in the future.

As for intelligence operations, Washington should continue to take a forceful position on international freedom of navigation in response to Iranian attacks on UAVs in the Gulf and should continue combat air patrols in support of UAV missions. It should provide American UAVs with a self-defense capability (such as Stinger missiles), lest the November 2012 Iranian attack set a precedent that constrains American reconnaissance flights in international airspace.[36]

Finally, it would be desirable if direct communications existed between U.S. and Iranian commanders in the Gulf, in order to prevent an unintended conflict there. Iran, however, has repeatedly rejected such confidence- and security-building measures (CSBMs). Thus, when Chairman of the Joint Chiefs Adm. Michael Mullen broached the idea of a hotline between U.S. and Iranian military commanders in September 2011, his suggestion was roundly rebuffed by the head of the IRGC navy.[37] For Tehran, CSBMs would only confirm an unpalatable status quo, whereby U.S. warships can cruise off Iran's coast at will.

Nevertheless, the United States should continue to propose CSBMs; if Tehran were to unexpectedly reverse its position on them, so much the better, and if it continues to reject them, the world will see that Tehran is the principal obstacle to reducing tensions in the Gulf. Meanwhile, Washington should continue pursuing multiple channels for informally conveying messages to Iranian military commanders in the Gulf—both overtly and discreetly—in order to reduce the potential for miscalculation.

USE OUTSIDE-IN AND INSIDE-OUT APPROACHES TO PRESSURE. Thus far, the Obama administration has avoided playing on Tehran's worst fears: that outside powers are exploiting popular discontent and fissures in the regime to foment a soft revolution. The Obama administration has by and large avoided actions that could be perceived as meddling in Iran's internal affairs, presumably because it believes such an effort would undermine attempts to engage Tehran and because it would smack of regime change—the policy of the George W. Bush administration.[38]

However, Supreme Leader Ali Khamenei believes that the United States is already waging a soft war to foment a soft revolution against the Islamic Republic.[39] Therefore, it is not clear how Washington would hinder ongoing (but thus far unproductive) nuclear talks if it were to wage an active information campaign that exploits the Islamic Republic's domestic political vulnerabilities to increase U.S. leverage. A policy that supplements the current outside-in approach to pressuring Tehran with an inside-out approach that attempts to exploit popular discontent and fissures within the regime might, in the long run, prove a more effective way of securing U.S. interests.

Thus, if nuclear talks with Iran continue to languish, Washington should undertake an information campaign that employs every means at the U.S. government's disposal to play on the regime's paranoia and conspiratorial mindset,[40] its concerns about its vulnerabilities, and latent and overt fissures both within the regime and between the regime and the Iranian people. The aim would be to create a situation in which Tehran feels compelled to seek a diplomatic solution to the nuclear crisis in order to achieve not only sanctions relief but also a cessation of destabilizing information activities.[41]

The use of words, actions, and emotive images as part of a sustained campaign to shape the psychological environment in Iran is the greatest untapped source of U.S. leverage over the Islamic Republic. Such an information campaign would not only be compatible with efforts to engage Tehran but may be essential to the success of such efforts.

The campaign could consist of the following elements:

- criticizing the Islamic Republic's human rights record, especially violations of the rights of political prisoners, women, and ethnic and religious activists and minority groups (such as the Bahai), while championing the cause of individuals detained by the regime

- discrediting the Islamic Republic's "democratic" processes by exposing electoral manipulations, publicizing how the regime stacks the deck

in favor of its preferred candidates and against those not deemed sufficiently loyal to the system, and documenting the regime's transformation into an authoritarian theocracy backed by the IRGC[42]

■ exacerbating fissures within the regime, and between the regime and the people, by encouraging the dissemination of information regarding corruption among well-connected clerics, politicians, and IRGC officers and their children

■ highlighting how much money the Islamic Republic spends abroad to fuel conflicts in Syria, Lebanon, and Gaza at the expense of the needs of the Iranian people, the reputation of the Iranian nation, and Iran's standing in the Islamic world and among the world's democracies[43]

■ devoting more resources to helping the Iranian people to counter regime cybersurveillance and circumvent government firewalls so that they can obtain factual news about developments in Iran, and stay in contact with members of the Iranian diaspora

This is easier said than done, however, as U.S. capabilities to conduct such a campaign have atrophied in recent decades. Moreover, soft power is a relatively blunt instrument which is not easily mobilized in the pursuit of government policies—in part because so much of America's soft power resides in the private sector.

Thus, while parts of this campaign would have to be conducted by the U.S. government, Washington should leverage private-sector activities wherever possible. Private U.S. organizations and entities will have vastly more reach with many Iranians than does the U.S. government. In many cases, these organizations already have missions that would serve U.S. purposes as well: news outlets want to get information out; universities want to encourage contact, scholarly exchanges, and debate; entertainment companies want to provide music, videos, and movies that the people want but the regime despises. Washington could do a great deal to encourage and enhance such activities, such as facilitating travel abroad by Iranian entertainers, students, and professors. It should also consult with private organizations to identify barriers and formulate practical solutions, including ways to further tweak U.S. sanctions in order to facilitate people-to-people contacts.

The lack of an energetic information campaign remains the principal shortcoming of U.S. policy toward Iran. There is no guarantee that such a campaign—in tandem with diplomatic, economic, intelligence, military, and

cyberactivities—would cause Tehran to halt its nuclear enrichment program, abandon other problematic policies, or lead to a more open and democratic Iran. But any U.S. policy toward Iran that lacks a strong informational component will almost certainly fail.

NOTES

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9. See, for instance, U.S. Department of Defense, "Remarks by Secretary of Defense Leon E. Panetta at the Saban Center," news transcript, December 2, 2011, http://

www.defense.gov/transcripts/transcript.aspx?transcriptid=4937, and Gen. Martin Dempsey, interview by Fareed Zakaria, *CNN Global Public Square*, February 19, 2012, http://transcripts.cnn.com/TRANSCRIPTS/1202/19/fzgps.01.html.

10. See, for instance, Michael Eisenstadt and Michael Knights, *Beyond Worst Case Analysis: Iran's Likely Responses to an Israeli Preventive Strike*, Policy Note 11 (Washington, D.C.: Washington Institute, June 2012), http://www.washingtoninstitute. org/policy-analysis/view/beyond-worst-case-analysis-irans-likely-responses-to-an-israeli-preventive.

11. There is an academic debate regarding the degree to which failures to credibly deter a given adversary or other adversaries in the past may adversely affect the ability to deter a given adversary in the present. Some believe such failures do have an effect, while others believe that an adversary's perceptions of an actor's resolve and the military balance in the here and now are the decisive factors. In the case of the U.S.-Iran relationship, it is hard to avoid the conclusion that three decades of experience have influenced Iran's risk calculus vis-à-vis the United States. For a list of the major works on this topic, see Daniel W. Drezner, "Ten Things to Read about Reputation in International Relations," *Foreign Policy*, May 27, 2009, http://drezner.foreign-policy.com/posts/2009/05/27/ten_things_to_read_about_reputation_in_inter-national_relations.

12. Barbara Slavin, "Officials: U.S. 'Outed' Iran's Spies in 1997," *USA Today*, March 29, 2004, http://usatoday30.usatoday.com/news/washington/2004-03-29-sapphire-usat_x.htm; David Crist, *The Twilight War: The Secret History of America's Thirty-Year Conflict with Iran* (New York: Penguin Press, 2012), p. 409.

13. This menu of options is drawn from Colin Kahl, Raj Pattani, and Jacob Stokes, *If All Else Fails: The Challenges of Containing a Nuclear-Armed Iran* (Center for a New American Security, May 2013), pp. 45–46, http://www.cnas.org/files/documents/publications/CNAS_IfAllElseFails.pdf.

14. For instance, in explaining the deployment of additional forces to the region in 2012, a senior Defense Department official explained that "The message to Iran is, 'Don't even think about it.' Don't even think about closing the strait. We'll clear the mines. Don't even think about sending your fast boats out to harass our vessels or commercial shipping. We'll put them on the bottom of the Gulf." But such an approach permits Iran to decide what kind of losses it is willing to incur in order to achieve an objective, and thus by enabling it to calibrate risk, it may effectively lower the threshold for action by Iran. Thom Shanker, Eric Schmitt, and David E. Sanger, "U.S. Adds Forces in Persian Gulf, a Signal to Iran," *New York Times*, July 3, 2012, http://www.nytimes.com/2012/07/03/world/middleeast/us-adds-forces-in-persian-gulf-a-signal-to-iran.html?pagewanted=all.

15. Maj. Sonny A. Thompson, Jr., "Deterrence by Denial: The Efficacy of U.S. Missile Defense in the Persian Gulf as a Deterrent against the Iranian Regional Missile Threat" (master's thesis, U.S. Army Command and General Staff College, 2011), http://www. dtic.mil/cgi-bin/GetTRDoc?AD=ADA547467; Col. Eddie Boxx, "Countering the Iranian Missile Threat in the Middle East," PolicyWatch 1991 (Washington Institute for Near East Policy, October 18, 2012), http://www.washingtoninstitute.org/policy-analysis/view/countering-the-iranian-missile-threat-in-the-middle-east.

16. Michael Eisenstadt, "Getting Carrier out of the Gulf Good for U.S. Iran Policy," *Defense News*, March 10, 2013, http://www.defensenews.com/article/20130310/ DEFFEAT05/303100007/Getting-Carrier-Out-Gulf-Good-U-S-Iran-Policy.

17. Mark Gunzinger with Chris Dougherty, *Outside-In: Operating from Range to Defeat Iran's Anti-Access and Area-Denial Threats* (Washington, D.C.: Center for Strategic and Budgetary Assessments, 2011), http://www.csbaonline.org/wp-content/ uploads/2012/01/CSBA_outsideIn_ebook.pdf.

18. Michael Eisenstadt, "Getting Carrier out of the Gulf Good for U.S. Iran Policy," *Defense News*, March 10, 2013, http://www.defensenews.com/article/20130310/DEF-FEAT05/303100007/Getting-Carrier-Out-Gulf-Good-U-S-Iran-Policy. See, for instance, "IRGC Commander Reiterates High Vulnerability of U.S. Aircraft Carriers," Fars News Agency, April 28, 2012, http://english.farsnews.com/newstext. php?nn=8101301323.

19. The ideal report of this sort would not look like an authorized disclosure but rather like a leak by concerned officials seeking to prevent an unwanted war. See, for instance, Nick Hopkins, "Britain Rejects U.S. Request to Use UK Bases in Nuclear Standoff with Iran," *Guardian*, October 25, 2012, http://www.guardian.co.uk/world/2012/ oct/25/uk-reject-us-request-bases-iran.

20. Tony Capaccio, "Boeing's 30,000-Pound Bunker-Buster Improved, U.S. Says," *Bloomberg News*, January 14, 2013, http://www.bloomberg.com/news/2013-01-14/ boeing-s-30-000-pound-bunker-buster-improved-u-s-says.html.

21. Thus, following North Korea's first nuclear weapons test in 2006, National Security Advisor Stephen Hadley stated that the Bush administration would not draw a redline in response because "the North Koreans just walk right up to them and then step over them." David Sanger, "For U.S., a Strategic Jolt after N. Korea's Test," *New York Times*, October 10, 2006, http://www.nytimes.com/2006/10/10/world/ asia/10assess.html.

22. We are assuming here that the redline annunciated by President Obama during his third debate with Republican candidate Mitt Romney and never repeated since— that of a "breakout capability"—is not the administration's actual redline.

23. Thus, a study conducted by the U.S. Strategic Bombing Survey after World War II regarding the effect of Allied bombing on Germany's oil industry noted a "very rapid rate of recuperation" was "in part accomplished by cannibalizing equipment from badly bombed plants and from new plants under construction to keep other plants going." *United States Strategic Bombing Survey, Overall Report* (European War) (September 30, 1945), p. 42. While there are limits to such analogies, the bottom line is valid in this case: the more LEU and gas centrifuges Iran has, the more that are likely to survive a bombing and the quicker Iran could rebuild its nuclear infrastructure.

24. C. J. Chivers and Eric Schmitt, "Arms Airlift to Syria Rebels Expands, with Aid from CIA, *New York Times*, March 24, 2013, http://www.nytimes.com/2013/03/25/world/middleeast/arms-airlift-to-syrian-rebels-expands-with-cia-aid.html?pagewanted=all; Michael R. Gordon and Sebnem Arsu, "Kerry Says U.S. Will Double Aid to Rebels in Syria," *New York Times*, April 20, 2013, http://www.nytimes.com/2013/04/21/world/middleeast/kerry-says-us-to-double-aid-to-the-opposition-in-syria.html.

25. See chap. 6, note 11.

26. Louis Charbonneau, "Exclusive: Iran Steps Up Weapons Lifeline to Asad," Reuters, March 14, 2013, http://www.reuters.com/article/2013/03/14/us-syria-crisis-iran-idUSBRE92D05U20130314.

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28. Michael Eisenstadt, *The Strategic Culture of the Islamic Republic of Iran: Operational and Policy Implications*, Middle East Studies Monograph no. 1 (Marine Corps University, August 2011), pp. 4–5, http://www.washingtoninstitute.org/uploads/Documents/opeds/4e60ff471079a.pdf.

29. Adam Entous and Julian E. Barnes, "U.S. Bulks Up Iran Defenses," *Wall Street Journal*, February 25–26, 2012, pp. A1, A8, http://online.wsj.com/article/SB10001424052970204778604577243640137724400.html.

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31. Matthew Levitt, "Why Europe Should Ban Hezbollah," *al-Sharq al-Awsat* (London), March 18, 2013, http://www.washingtoninstitute.org/policy-analysis/view/why-europe-should-ban-hezbollah.

32. Michael Eisenstadt, "Missile Defense and the Islamic Republic of Iran: Contribution to Deterrence, Defense, and Crisis Stability" (presentation to the Polish Institute for International Affairs, February 14, 2013), http://www.washingtoninstitute.org/policy-analysis/view/missile-defense-and-the-islamic-republic-of-iran.

33. Ellen Nakashima, "U.S. Response to Bank Cyberattacks Reflects Diplomatic Caution, Vexes Bank Industry," *Washington Post*, April 27, 2013, http://www.washingtonpost.com/world/national-security/us-response-to-bank-cyberattacks-reflects-diplomatic-caution-vexes-bank-industry/2013/04/27/4a71efe2-aea2-11e2-98ef-d1072ed3cc27_story.html; Director of National Intelligence James Clapper, "Worldwide Threat Assessment of the U.S. Intelligence Community" (statement to the U.S. Senate Select Committee on Intelligence, March 12, 2013), pp. 1–3, http://www.intelligence.senate.gov/130312/clapper.pdf; National Academy of Sciences, "Terrorism and the Electric Power Delivery System," November 2012, http://sites.nationalacademies.org/xpedio/groups/depssite/documents/webpage/deps_073368.pdf.

34. For instance, several of the Khobar Towers bombers had pursued religious studies in Qom, Iran, before undertaking the attack on the U.S. barracks in Saudi Arabia in June 1996. See the U.S. government indictment of the bombers: U.S. District Court, Eastern District of Virginia, June 2001, http://www.au.af.mil/au/awc/awcgate/khobar/khobar_indictment.pdf. More recently, members of a Nigerian cell convicted of gathering intelligence for an attack on Nigerian, U.S., and Israeli personnel in Nigeria had been recruited and trained while studying in Iran. Jacques Neriah, "Iranian Shiite Terror Cell in Nigeria Followed a Familiar Pattern," *Jerusalem Issue Briefs* (Jerusalem Center for Public Affairs, March 5, 2013), http://jcpa.org/article/iranian-shiite-terror-cell-in-nigeria-followed-a-familiar-pattern/.

35. Stewart A. Baker, "The Attribution Revolution: Raising the Costs for Hackers and Their Customers" testimony before the Subcommittee on Crime and Terrorism, Senate Judiciary Committee, May 8, 2013, http://www.judiciary.senate.gov/pdf/5-8-13BakerTestimony.pdf. The United States, its allies, and the international community are still grappling with the international legal implications of offensive cyberoperations. For an attempt to apply current international and customary law to offensive cyberoperations, see *The Tallinn Manual on the International Law Applicable to Cyber Warfare* (Tallinn, Estonia: NATO Cooperative Cyber Defence Centre of Excellence, 2012), http://www.ccdcoe.org/249.html.

36. Eddie Boxx, Michael Eisenstadt, and Michael Knights, "Iran Threatens Aerial Freedom of Action in the Gulf," PolicyWatch 2004 (Washington Institute for Near East Policy, December 5, 2012), http://www.washingtoninstitute.org/policy-analysis/view/iran-threatens-aerial-freedom-of-navigation-in-the-gulf.

37. Jay Solomon and Julian E. Barnes, "U.S. Weighs a Direct Line to Iran," *Wall Street Journal*, September 19, 2011, http://online.wsj.com/article/SB1000142405311190 337400457657890787792046.html; Address by Admiral Mullen to the Carnegie Endowment for International Peace, September 21, 2011, http://carnegieendowment. org/2011/09/20/admiral-mike-mullen/57gg; "Iran Rejects U.S. Hotline Request," Fars News Agency, November 11, 2012, http://english.farsnews.com/newstext. php?nn=9107118530.

38. Another reason the United States may have avoided doing so is that such measures might be seen as a violation of the 1981 Algiers Accords, which ended the 1979–1981 hostage crisis with Iran and committed the United States to nonintervention in Iranian internal affairs. See "Declaration of the Government of the Democratic and Popular Republic of Algeria," January 19, 1981, http://www.iusct.net/General%20 Documents/1-General%20Declaration%E2%80%8E.pdf.

39. Karim Sadjadpour, *Reading Khamenei: The World View of Iran's Most Powerful Leader* (Washington, D.C.: Carnegie Endowment for International Peace, 2008), pp. 17–19, http://carnegieendowment.org/files/sadjadpour_iran_final2.pdf.

40. Ervand Abrahamian, "The Paranoid Style in Iranian Politics," *Frontline: Tehran Bureau*, PBS, August 27, 2009, http://www.pbs.org/wgbh/pages/frontline/tehran- bureau/2009/08/the-paranoid-style-in-iranian-politics.html; Ahmad Ashraf, "Con- spiracy Theories," *Encyclopaedia Iranica*, http://www.iranicaonline.org/articles/ conspiracy-theories.

41. This section draws heavily from Michael Eisenstadt, *The Missing Lever: Informa- tion Activities against Iran*, Policy Note 1 (Washington, D.C.: Washington Institute, March 2010), http://www.washingtoninstitute.org/uploads/Documents/pubs/Poli- cyNote01.pdf.

42. Saeid Golkar, *The Islamic Republic's Art of Survival: Neutralizing Domestic and For- eign Threats,* Policy Focus 125 (Washington, D.C.: Washington Institute, June 2013), http://washin.st/12EnUo4.

43. James Zogby et al., *Looking at Iran: How 20 Arab and Muslim Nations View Iran and Its Policies* (Zogby Research Services LLC, 2012), http://www.wilsoncenter.org/ sites/default/files/iranpollresultsreport.pdf; Andrew Kohut et al., *A Global "No" to a Nuclear-Armed Iran, Global Attitudes Project* (Pew Research Center, May 18, 2012), http://www.pewglobal.org/files/2012/05/Pew-Global-Attitudes-Project-Iran- Report-FINAL-May-18-2012.pdf.

7.

Conclusion

ALTHOUGH THE UNITED STATES and its allies have subjected Iran in recent years to unprecedented sanctions and other forms of pressure, a diplomatic solution to the nuclear crisis with the Islamic Republic remains elusive. If nuclear diplomacy is to succeed, Washington must supplement sanctions with the more effective use of its military, and of the informational and soft-power assets that Tehran really fears, to alter the Islamic Republic's cost-benefit calculus. The election of Hassan Rowhani as president only reinforces this point. By all appearances, international sanctions and other forms of pressure helped bring about his election, and continued pressure will be necessary if there is to be a diplomatic solution on terms that the United States and its allies can live with.

Washington must also address its credibility deficit vis-à-vis Tehran, which puts at risk all that it is trying to achieve in Iran and makes more likely precisely that which it is trying to avoid.

Having eschewed the use of force in response to Iranian-sponsored terrorism for more than thirty years now, Washington has effectively taught Tehran that it can wage proxy warfare against it without risking a military response. This apparently led Tehran to conclude in early spring of 2011 that it could assassinate the Saudi ambassador in Washington with impunity. Unless the perception is altered, Iran may attempt another high-risk action which, if successful, could bring about conflict with the United States.

Likewise, Washington has frequently responded with an abundance of prudence and caution to Iranian actions (such as the harassment of naval vessels in the Persian Gulf, cyberattacks on U.S. financial institutions, ramped-up Iranian support for the Assad regime in Syria, and the aforementioned plan to assassinate the Saudi ambassador) for fear that a more assertive response might undermine nuclear diplomacy or spark an unintended conflict. Such restraint, however, is seen in Tehran as a sign of weakness, and may cause Tehran to doubt U.S. claims that "all options are on the table" regarding its nuclear program.

A more assertive U.S. stance, therefore, may not only be a prerequisite for successful nuclear diplomacy, but it may also be necessary to prevent Tehran from eventually concluding that it has nothing to lose by attempting a nuclear sneak-out or breakout. And while the Obama administration may be reluctant to incur what it believes to be the heightened risks of a more assertive policy, there are risks involved in continuing with the status quo.

Thus, to set conditions for successful nuclear diplomacy, avert an unintended conflict with Iran, and deter a nuclear sneak-out or breakout, Washington needs to convince Tehran that it is now more acceptant of risk in its dealings with Iran; that it is no longer willing to eschew more assertive measures for fear that they will undermine nuclear negotiations or result in an unintended conflict; and that Iran can no longer get away with what it did in the past.

Most important, Washington must convince Tehran that it risks a military confrontation with the United States if it continues to target U.S. interests, attempts to disrupt shipping in the Gulf, or continues to accumulate LEU and advanced centrifuges—developments that would effectively transform Iran into a nuclear threshold state. Tehran should also understand that in the event of a military confrontation, the United States will not respond to Iranian challenges in a predictable and symmetric manner, and that it will respond with measures that could potentially destabilize the Islamic Republic. Tehran should consequently not place much stock in its ability to calibrate and manage risk in the event of a crisis.

In conveying this message to Tehran, direct, overt threats will not work; these will only cause Iran to dig in its heels to avoid losing face, and have a variety of other unintended consequences that could undermine the credibility of these threats. Threats should be subtle and implied, and should be conveyed mainly through measures calculated to play on Tehran's fears and paranoia. These might include

- steps to limit Tehran's ability to exert countervailing pressure on the United States and its allies through a variety of means, including cyber-operations;

- persistent pressure on Iranian intelligence operatives and proxies to disrupt their activities and/or limit their freedom of action;

- steps that demonstrate that the United States is actively preparing for the possibility of a military confrontation with Iran;

- ■ use of information activities and soft power to create internal pressures on the Islamic Republic in tandem with the external pressures already being brought to bear, and;

- ■ activities to roll back Iran's influence and undermine its allies throughout the region (such as the Assad regime in Syria), in order to deal it a series of geostrategic setbacks.

The cumulative impact of these measures should be to further ratchet up pressure and convey to Tehran that continuing with its nuclear program will put it on a collision course with the United States and large parts of the international community.

Finally, Tehran must be led to believe that its nuclear program has been penetrated by foreign intelligence services, and that any clandestine attempt to sneak out or break out of the Nuclear Nonproliferation Treaty will be detected by the United States or its allies, and would prompt a military response. In this way, the administration would make clear to Tehran that the only way to achieve sanctions relief, avoid more onerous pressures and additional setbacks to its regional position, and avert a potential war with the United States and its allies, is through a diplomatic solution that would meet Iran's professed desire for a peaceful civilian nuclear power program.

"Washington must convince Tehran that it risks a military confrontation with the United States if it continues to target U.S. interests, attempts to disrupt shipping in the Gulf, or continues to accumulate LEU and advanced centrifuges—developments that would effectively transform Iran into a nuclear threshold state. Tehran should also understand that in the event of a military confrontation, the United States will not respond to Iranian challenges in a predictable and symmetric manner, and that it will respond with measures that could potentially destabilize the Islamic Republic."