Nuclear Weapons and Iran's Global Ambitions

Troubling Scenarios

Ash Jain

Policy Focus #114 | August 2011

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Front cover: Iran's Supreme Leader Ayatollah Ali Khamenei and a group of Revolutionary Guard commanders at a gathering of Basij paramilitary forces in Tehran, November 2007. (AP Photo)

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Executive Summary

THE IMPLICATIONS OF a nuclear Iran have been much debated among policy analysts. This study explores how a nuclear-capable Iran might use its nuclear status to advance its interests and objectives. It outlines five scenarios that focus on areas where Iran has been actively engaged in its own region and beyond: the Gulf, Iraq, the Levant, Latin America, and, more broadly, terrorist activity directed against the United States. The analysis describes potentially realistic and specific ways in which a nuclear-capable Iran might seek to project power and influence through means that are beyond its power today. The intention is not to suggest that Iran is certain or even likely to act in the ways described; rather, it is to illustrate the risks and consequences to American strategic interests of the possible acquisition of a nuclear weapons capability by a regime determined to advance its long-term strategic objectives.

Iran's Worldview and Strategic Aspirations

The motivations of the Islamic Republic have been the subject of much speculation. But based on Iranian activities on the ground and statements by regime officials themselves, it is possible to make some informed judgments about Iran's strategic aspirations.

Iran's global ambitions. Despite struggles over power and authority, Ayatollah Ali Khamenei and President Mahmoud Ahmadinezhad appear to share an underlying worldview that motivates their approach to foreign policy. This worldview is marked by three broad themes: (1) Western liberal democracy and capitalism are failed concepts that are destined to collapse; (2) the United States is an illegitimate regime, driven by imperialistic and materialistic impulses that will lead to its ultimate decline; and (3) Iran's mission is to replace the current international order with a new paradigm grounded in the ideals of the Islamic Revolution.

Iran's regional objectives. Given Iran's relatively limited global influence, its far-reaching aspirations may come across as fanciful and perhaps even delusional. However, these global objectives provide inspiration for Iranian power projection within its own region, where the country's influence is more pronounced. Iran appears to be focused primarily on three regional objectives: (1) building Gulf Arab support for Iran's interests, (2) supporting the emergence of pro-Iranian governments in Iraq and Lebanon, and (3) challenging Israel's existence.

Despite its grand ambitions, Tehran faces significant constraints. On a global scale, Iran lacks the economic and military might to challenge U.S. power. Within its own region, considerable obstacles hinder Iran's efforts to counter U.S. influence. Domestically, too, the Iranian regime continues to face widespread unrest. Yet, emboldened by a powerful military and security apparatus, and guided by a sense of "manifest destiny," Iran remains determined to challenge U.S. leadership around the world. The acquisition of a nuclear weapons capability could allow Tehran to enhance its influence in meaningful and significant ways.

Iranian Nuclear Scenarios

▶ **Scenario 1: Iran pressures Gulf states to reduce or end the U.S. military presence.** Iran's acquisition of nuclear arms is likely to prompt Gulf states to seek stronger defensive measures against Iran and, possibly, protection under a U.S. nuclear umbrella. Alternatively, some states—independently or under the auspices of the Gulf Cooperation Council (GCC)—might seek to establish their own nuclear weapons deterrent. However, while potentially effective in deterring direct Iranian aggression, such measures may be of limited value in preventing Iran from engaging in certain types of asymmetric or subversive activities. For example, shielded by a nuclear capability, Iran could seek to initiate disputes over the extraction of oil and gas reserves, funnel assistance to Shiite extremists, and engage in plausibly deniable terrorist attacks.

Gulf efforts to contain and deter Iran could escalate tensions in the region and increase the risk of violence and conflict. Over time, one or more Gulf states might attempt to reduce tensions by seeking ways to accommodate and appease Tehran—at least on issues not considered vital to their security. One means of accommodation could involve reducing or eliminating the U.S. military presence in their countries, as Tehran has long demanded, making it difficult for the United States to provide a robust deterrent posture against a more assertive, nuclear-capable Iran. Gulf states might also feel compelled to draw down their support for moderate political actors in the region or parrot the Iranian line with regard to oil production quotas from the Organization of the Petroleum Exporting Countries (OPEC).

▸ **Scenario 2: Iran establishes a defense partnership with Iraq.** Iran's efforts to influence political developments in Iraq since the fall of Saddam Hussein have produced mixed results. Nevertheless, by leveraging the enhanced psychological benefits it would likely derive from a nuclear weapons capability, Iran might intensify efforts to reinforce Iraq's inclination to accommodate Tehran. A future Iraqi government—under pressure from a nuclear-capable Iran—may feel increasingly compelled to appease Tehran by not only requiring the withdrawal of all remaining American combat troops, but also limiting any future U.S. training role. Iraq might also scale back or cancel plans for weapons purchases from the United States, further reducing U.S. political leverage.

Similarly, the Iraqi government, under heightened pressure to accommodate Iran, could align itself more closely with Tehran on regional and international issues. If radical Shiite groups, such as the Sadr Movement, succeed in obtaining greater control over a future Iraqi government, Iraq might find itself pressured to establish greater security and defensive cooperation efforts, including, for example, through joint military exercises and other initiatives. At some point, Iraq may also feel compelled to turn to Iran—as well as suppliers such as Russia and China—for weapons purchases.

▸ **Scenario 3: Iran extends its nuclear umbrella to encompass Hizballah and Hamas.** Buoyed by its nuclear weapons capability, Iran's leaders might look to extend an implicit nuclear umbrella to Hizballah and Hamas. Such an action could mean that a military conflict between Israel and either group could escalate into direct conflict with Iran, forcing Israel to act with greater caution in initiating preemptive or retaliatory strikes against its adversaries. Protected by a nuclear deterrent, Iran or Syria might also seek to transfer increasingly sophisticated weapons to Hizballah or Hamas, including, at some point, radiological dispersion devices (or "dirty bombs") or possibly even chemical weapons. The net effect of a more restrained Israel is that, over time, Hizballah and Hamas would continue to enhance the strength, sophistication, and accuracy of their military arsenals, potentially diminishing the overwhelming military advantage that Israel enjoys today.

While mutual deterrence between Iran and Israel may prevent conflict for some time, the Israelis may find themselves increasingly on the defensive against an enemy that is willing to directly target civilians and risk greater civilian casualties on its own side as it pursues its ideological aims—leading to a bloodier and more destructive outcome the next time Iran or its proxies decide to provoke a conflict. Another potential impact of Iran's acquisition of a nuclear weapons capability is the strengthened popular appeal of the resistance cause in the Arab world. Such a shift would allow Hizballah to further consolidate political power in Lebanon and Hamas to gain greater political support among Palestinians.

▸ **Scenario 4: Iran and Venezuela expand strategic cooperation.** Iran has been seeking to expand its growing network of anti-Western regimes in different parts of the world, and has in recent years solidified relationships with several countries in Latin America, particularly Venezuela. Although the nature of the relationship between Iran and Venezuela is unclear, the two countries have established a strategic partnership aimed at challenging U.S. "imperialism" and appear to be moving toward cooperation in the security arena. Despite their

eagerness to showcase an anti-American front, Iran and Venezuela make for somewhat strange bedfellows. But if their commitment to cooperate remains strong, the Iran-Venezuela axis, backed by Iranian nuclear weapons, could have serious consequences for the United States.

For example, a nuclear weapons capability could allow Tehran to heighten its support for its terrorist contacts, with Venezuela emerging as a safe haven for Iran-backed terrorist groups seeking to threaten the United States. In addition, Iran might be willing to risk transferring increasingly lethal and sophisticated weapons systems to Venezuela, including ballistic missiles. It is also possible that Iran might one day be prepared to transfer sensitive nuclear technology and, though perhaps unlikely in the near term, even nuclear weapons to Venezuela. An emboldened Venezuela, backed by a nuclear Iran, could stoke instability in Latin America by using its newfound political and military influence to expand its "Bolivarian Revolution" and help consolidate Iran's anti-Western alliance.

▶ **Scenario 5: Iran facilitates terrorist attacks against the United States.** Iran remains the world's "most active state sponsor of terrorism," and its terrorist capabilities—both regionally and globally—are formidable. Although, apart from Iraq and Afghanistan, Tehran has in recent years avoided direct attacks against the United States, Iranian leaders might reasonably conclude that nuclear capability would shield the Islamic Republic from direct military retaliation, thus allowing it to expand its use of terrorism. To be sure, attacks against core U.S. interests that could be traced directly back to Iran would likely provoke some form of retaliation against Iranian interests. But nuclear weapons in the possession of rogue regimes have historically served as an effective military deterrent.

Terrorist attacks targeting U.S. interests at home or around the world could not only result in injury or death to significant numbers of Americans, but also constrain U.S. freedom of action. Having deterred the United States from using military force to prevent its nuclear acquisition, Iran might feel empowered to use terrorism to deter other U.S. actions that it opposes. This could include, for example, interdicting Iranian ships suspected of carrying illicit materials; preventing fuel supplies to Iranian aircraft; maintaining military assistance to Egypt, Israel, or the Gulf states; or engaging in military intervention in a place that Iran deems objectionable. Faced with credible Iranian terrorist threats, U.S. officials could be compelled to reconsider the risks involved in taking action that could provoke an Iranian response.

Policy Implications

While the outcomes described by these scenarios are by no means certain, or perhaps even likely, they illustrate the risks and uncertainties facing the United States if Iran were able to achieve a nuclear weapons capability. If any one of these outcomes were to result, it could significantly complicate U.S. interests.

Given the Islamic Republic's far-reaching ambitions, a nuclear weapons capability—coupled with its existing hard and soft power assets—could have profound implications:

- Iran does not appear to be seeking a direct military confrontation with its adversaries—and unless facing an imminent threat to its survival, the regime appears unlikely to attack an adversary using nuclear weapons. Rather, Iran would more likely use a nuclear capability in a manner consistent with its longstanding pattern of behavior—to demoralize its adversaries through subtle intimidation and power projection.

- Perceived as a rising, hegemonic force in the Middle East, Iran could use a nuclear capability to enhance its political leverage over its adversaries in the region. Faced with subtle forms of intimidation, Iran's Gulf neighbors, including Iraq, might feel increasingly compelled to appease Iran and accommodate its interests in ways that could be detrimental to the United States.

- A nuclear-capable Iran could help strengthen and expand the Iran-led resistance front across the Middle East—raising its public stature and reinforcing the expanding power and influence wielded by Iran's

allies in key states, including Lebanon, the Palestinian territories, and Iraq.

- By raising the risks and costs associated with potential retaliatory strikes, an Iranian nuclear weapons capability could allow Tehran to transfer increasingly advanced weapons systems to its terrorist allies in the Levant—enhancing these allies' asymmetric capabilities and, over time, eroding the overwhelming military advantage thus far enjoyed by Israel. Iran might also be prepared to transfer ballistic missiles and sensitive nuclear technology to rogue regimes around the world—particularly in Latin America—that share its anti-American and anti-imperialist worldview.
- A nuclear-ready Iran could limit U.S. freedom of action in meaningful ways. Once Iran crosses the nuclear threshold, it will have gained a significant instrument of leverage that could permanently foreclose certain U.S. options in dealing with Iran. As a result, the United States could be forced to tolerate greater acts of Iranian-sponsored violence and terrorism in the Middle East and beyond.
- Deterrence and containment of a nuclear-ready Iran could prove difficult, complicated, costly, and potentially ineffective. With its own nuclear deterrent, and through the extension of security guarantees, the United States might succeed in deterring Iran's use of nuclear weapons, as well as direct military aggression against its allies. But preventing increasingly lethal arms transfers, asymmetric violence, intimidation, terrorism, and subversion—all Iran's strengths—could pose a much greater challenge.

For the United States and its allies, preventing Iran from acquiring a nuclear weapons capability must remain a top priority. Ongoing sabotage operations could help delay Iranian nuclear progress, but the results of such efforts may be short-lived. Beyond this, stemming Iran's nuclear activities will likely require increasingly intrusive and politically difficult measures. But garnering domestic and diplomatic support for stronger international sanctions—on, for example, Iranian oil exports—will be a heavy lift. At some point, the costs and risks of more coercive options—including military strikes against Iranian nuclear facilities—may have to be weighed against the costs and risks of allowing Iran to obtain a nuclear capability.

1 | Introduction

WHILE THE WORLD'S ATTENTION has been focused on the wave of pro-democracy uprisings taking place across the Middle East, the Islamic Republic of Iran has continued to make gradual but significant progress in its nuclear program. Despite technical setbacks, Iran has increased the number of centrifuges operating at full capacity to over 5,000, and has now amassed enough low-enriched uranium to develop several nuclear weapons.[1] In addition, according to U.S. and British officials, Iran has likely resumed work on nuclear weapons design[2] and carried out covert tests of ballistic missiles capable of carrying nuclear warheads.[3]

The implications of a nuclear Iran have been the subject of much debate among policy analysts. Many contend that a nuclear-capable Iran would constitute a dangerous development, unleashing a cascade of proliferation in a region already roiled in extremism and unrest. Armed with a nuclear capability, Iran would behave more aggressively: subverting and intimidating its neighbors or perhaps even risking a nuclear confrontation in an ideologically driven quest for regional domination. A 2009 Washington Institute Presidential Task Force Report[4] outlined some of the potential risks of a nuclear-armed Iran:

> In the hands of the Tehran regime, an actual nuclear weapon or the capacity to produce one quickly could profoundly destabilize the region. Given the past behavior of Iranian radicals, Iran on the nuclear brink could exacerbate fears among Gulf Arab states of sabotage and subversion, particularly across the Sunni-Shiite divide…Iran's threats and actions could push oil prices up and intimidate its Gulf neighbors to bend to its will on issues ranging from border disputes to the presence of third-party military bases throughout the Gulf. Beyond the Gulf, radical groups in Syria, Lebanon, and Gaza, all allies of Iran, would be emboldened by Iranian nuclear progress…Shielded by a nuclear deterrent, Iran might be emboldened to step up its support to terrorist groups. In the worst case, Iran might share its technology and nuclear material with its radical friends.

Others suggest that these threats have been grossly exaggerated. According to this view, even if Tehran gained a short-term psychological boost from achieving a nuclear weapons capability, the overall impact on the region would not be overly dramatic. Iran would still find itself constrained in its ability to achieve its hegemonic ambitions, confront Israel, or expand its influence in a Sunni-dominated Middle East.[5] Moreover, a nuclear Iran could be effectively deterred and contained by the United States and its regional allies, just as the Soviet Union was during the Cold War. In a recent *Foreign Affairs* article, James Lindsay and Ray Takeyh describe the potential limitations of a nuclear Iran:[6]

> Going nuclear would empower Iran, but far less than Tehran hopes…Any efforts to destabilize their Sunni neighbors would meet the same unsuccessful fate as have similar campaigns in the past…Paradoxically, a weapon designed to ensure Iran's regional preeminence could further alienate it from its neighbors and prolong indefinitely the presence of U.S. troops on its periphery. In other words, nuclear empowerment could well thwart Iran's hegemonic ambitions.

Clearly, a nuclear Iran would add another layer of complexity to an already complicated region. But given the opaque nature of the regime's decisionmaking, it is difficult to predict with any certainty how Iranian behavior would be impacted by a nuclear weapons capability. The purpose of this analysis is to explore various scenarios in which Iran might try to use its nuclear status to advance its interest and objectives. The scenarios that follow focus on the five areas where Iran has been actively engaged within its own region and beyond: the Gulf, Iraq, the Levant, Latin America, and terrorist activity directed against the United States more broadly.

This study describes potentially realistic and specific ways in which a nuclear-capable Iran might seek to project power and influence through means that are beyond its power today. The intention is not to suggest that Iran is certain or even likely to act in the

ways described. Rather, it is to illustrate—through reasonably plausible scenarios—the risks and consequences to American strategic interests of the possible acquisition of a nuclear weapons capability by a regime determined to advance its long-term strategic objectives.

2 | Iran's Worldview and Strategic Aspirations

AN ASSESSMENT OF THE potential consequences of an Iranian nuclear capability depends to a large extent on one's interpretation of the regime's foreign policy objectives. Nuclear weapons under the control of an essentially pragmatic regime, driven primarily by a desire to protect and deter outside attack, would present a very different circumstance from that of an ideologically oriented regime seeking to expand its global influence. While the motives for Iran's behavior have been the subject of much speculation, it is possible to make some informed judgments about the country's strategic aspirations.

Some analysts suggest that despite Tehran's sometimes charged rhetoric, the revolutionary fervor that marked the early days of the Islamic Revolution has been supplanted by a largely pragmatic and defense-oriented national security orientation.[7] Despite seeking to enhance its regional influence commensurate with its size, power, and historical role, Iran's primary motivation—it is suggested—is to ensure that no outside power can threaten its survival. Proponents of this view maintain that Iran's buildup of conventional and asymmetric military capabilities, as well as its support for militant groups across the region, are not aimed at undermining regional security, but at deterring and preventing hostile actions by Israel or the United States.

Such a view of Iran's foreign policy, however, is inconsistent not only with Iranian activities on the ground but with the longstanding public statements of its own leaders.

Iran's Islamic Revolution was predicated on a well-articulated set of ideological principles, and it does not appear that Ayatollah Ali Khamenei—the country's ultimate decisionmaking authority on foreign policy and national security issues—has sought to depart from these principles in any meaningful way.[8] Both he and President Mahmoud Ahmadinezhad have repeatedly outlined a worldview that suggests that Iran's strategic aspirations go far beyond mere defense against outside threats.[9] Through numerous letters to world leaders, speeches before the United Nations, and remarks and statements at home and abroad, Ahmadinezhad, who often sets the tone of Iran's foreign policy, has offered an often reflective and intellectual narrative that provides insight into the far-reaching nature of the regime's long-term strategic ambitions.

Iran's Global Ambitions

Despite ongoing struggles over power and authority, Khamenei and Ahmadinezhad appear to share an ideological worldview that motivates their fundamental approach to foreign policy. This ideology is marked by three broad themes:

1. Western liberal democracy and capitalism are failed concepts that are destined to collapse. Both Khamenei and Ahmadinezhad have consistently expressed the view that liberalism and capitalism are responsible for the ills plaguing humanity today, a philosophy that, according to Ahmadinezhad, has "produced nothing but frustration, disappointment and a dark future" for humanity.[10] On another occasion, he wrote: "Liberalism and Western style democracy have not been able to realize the ideals of humanity. Today, these two concepts have failed. Those with insight can already hear the sounds of the shattering and fall of the ideology and thoughts of the liberal democratic systems."[11] In his mind, these failed visions have resulted in the range of sociological conditions facing the West, including inequality, oppression, illicit drugs, poverty and "social gaps."[12]

In an address to the UN, Ahmadinezhad elaborated that driven by the "predominance of its materialistic interests," liberalism can be sustained only by spreading inequality and a need to "bring the entire world under its control and impose its will on other nations."[13] Ahmadinezhad has gone further to explain the linkage between capitalism and the West's interference in other nations:

> Presently the existing global structures are based on materialistic philosophy. According to [this] philosophy, full diminution [sic] over all the world affairs

> and wealth, profit, and maximum pleasure and power has [sic] been set as the prime target and... must be realized using all possible ways and means. Telling lies, making deceit...exercising military power, using even weapons of mass destruction and nuclear arms, interference in internal affairs of other countries...are all permitted...Based on this philosophy the worst behaviors against human beings and the most violent dictatorship are permitted."[14]

The global system established to promote democracy and capitalism is seen by Iran's leaders as unsustainable, and the recent global financial crisis is proof that the capitalist system is approaching its demise: "Capitalism and capitalists will soon join history in the future. Signs of their collapse are quite clear," Ahmadinezhad recently stated.[15]

Khamenei, too, has articulated his belief that liberal Western governments have failed due to the whims of capitalism and self-interest, which deny justice to millions:

> Islam disapproves of the Western model of economic development, which brings about economic growth and increases the wealth of certain levels of society at the cost of impoverishing and lowering the living standards of other social strata.[16]

He believes it is only a matter of time before liberalism falls: "The school of Marxism has collapsed and the sound of the West's cracking liberal democracy is now being heard."[17]

2. The United States is an illegitimate regime, driven by imperialistic and materialistic impulses that will lead to its ultimate decline. Described routinely by Iran's leaders as a "Satanic power,"[18] a force of "global arrogance,"[19] and the "devil incarnate,"[20] the United States is perceived as a cruel, greedy, and sinister power bent on imperialism and global oppression. As stated by Khamenei:

> It is natural that our Islamic system should be viewed as an enemy and an intolerable rival by such an oppressive power as the United States, which is trying to establish a global dictatorship and further its own interests by dominating other nations and trampling on their rights. It is also clear that the conflict and confrontation between the two is something natural and unavoidable.[21]

Iran's anti-imperialistic and anti-American philosophy has been a consistent and enduring feature of Iranian foreign policy and is grounded in a reading of history that sees the United States—the leading force behind the establishment of the liberal world order—as overwhelmingly responsible for the immoral and corrupt state of mankind. Speaking at the 2009 UN Conference on Racism, Ahmadinezhad, referring to the United States, explained:

> Over the last centuries, humanity has gone through tremendous suffering and pain...[During] the period of the slave trade, innocent people in the millions were [captured] and separated from their families to be taken to Europe and America...The coercive powers imposed two wars on Europe...horrific wars claimed 100 million lives and left behind massive devastation...Victorious powers called themselves conquerors of the world, while ignoring the rights of other nations by the imposition of oppressive laws and international arrangements...They are simply thinking about maintaining power and wealth. They couldn't care any less about the people of the world and even about their own people.[22]

Iran's leaders believe that "the arrogant regime in the United States is the biggest obstacle against the cause of the prophets."[23] In announcing a series of "World without America" conferences in Tehran in 2005, Ahmadinezhad declared that the "accomplishment of a world without America . . . is both possible and feasible...God willing, with the force of God behind it, we shall soon experience a world without the United States."[24]

More recently, an editorial in *Kayhan,* a hardline Tehran newspaper considered close to Khamenei, argued that America's demise will ultimately come about not through direct confrontation but rather—like the former Soviet Union—through gradual attrition and the eventual liberation of the American people from a government Ahmadinezhad sees as controlled by "capitalists," "imperialists," and "Zionists."[25, 26]

3. Iran's mission is to replace the current international order with a new paradigm grounded in the ideals of the Islamic Revolution. Iran's leaders have

repeatedly expressed their determination to overturn the current international system—which they perceive as unjust and immoral. Speaking before the UN General Assembly, Ahmadinezhad called for "structural and fundamental" change in the world, and made clear that Iran is prepared to "mobilize all its cultural, political, and economic capabilities" to build a new international system.[27] Later, he declared, "We have a plan to change the world, to reshape the balance of oppressive [power] in the world, and to [change] the unilateral and discriminatory world order...and we are progressing step by step [in implementing] the plan."[28]

While vague in terms of describing its form, Iran's leaders see the values of the Islamic Revolution as providing universal inspiration for a new international system. Proposing a "return to monotheism," Ahmadinezhad has called for "setting up a new international economic order based on human and moral values and obligations."[29] The alternative to liberalism is a system that "espouses with the belief in the oneness of the Almighty God, follows the teachings of His messengers, respects human dignity and seeks to build a secure world for all members of the human community."[30] Speaking to an audience of religious students, he was even more explicit about the role of Islam that Iran sees in transforming the international system: "Islam is...a universal ideology that leads the world to justice. We don't shy away from declaring that Islam is ready to rule the world. We must prepare ourselves to rule the world."[31]

Iran's leaders have made clear that the new world order would limit American and Western influences and overturn "the arrogant policies of the world."[32] Emphasizing the need to restructure the UN, Ahmadinezhad has called for the "establishment of a common global system that will be run with participation of all nations of the world."[33]

Iran's Regional Objectives

Given Iran's relatively limited global influence, these far-reaching ambitions may come across as fanciful, perhaps even delusional. Nevertheless, they provide inspiration for Iran's power projection within its own region, where the country's influence is more pronounced. Iran appears to be focused primarily on three regional objectives: building Gulf Arab support for Iran's interests, supporting the emergence of pro-Iranian governments in Iraq and Lebanon, and challenging Israel's existence.

▶ **Pliant Gulf Arab states supportive of Iranian interests.** A longstanding Iranian goal has been to end American influence in the Gulf and to co-opt Gulf leaders into supporting Iran's broader regional ambitions. Iran's vehement criticism of the Bahraini government's crackdown on Shiite protestors and Saudi Arabia's military intervention is indicative of the regime's deep-seated antipathy to the Sunni Gulf monarchies. And although the regime has often sought to reassure its neighbors of its friendly intentions, it appears to view the Western-backed Gulf Cooperation Council (GCC) governments as fundamentally illegitimate. A 2007 editorial in *Kayhan*, for example, accuses Sunni Gulf states of being "illegal regimes" established through "direct intervention of the forces of arrogance."[34] Moreover, in light of Iran's self-declared mission to "extend the sovereignty of God's law throughout the world,"[35] Arab suspicions that Iran may once again seek to challenge Saudi custody over the holy cities continue to linger.

In addition, Iranian leaders have repeatedly declared their interest in bringing the Gulf states into an Iran-led regional security framework. In 2006, for example, Iran's then defense minister Mostafa Mohammad Najjar offered a regional defense pact as a guarantor of Persian Gulf security.[36] Laid out in more detail by a representative of Ali Khamenei, such a pact would include Iran, the GCC states, and Iraq, and would be focused on joint security projects as well as "ending the arms race in the Gulf"—a reference to the termination of American military assistance. Ahmadinezhad, too, recently warned Gulf states of a continued U.S. military presence in the region.[37]

▶ **Iran-allied, anti-American regimes in control of Lebanon and Iraq.** Iran's leaders view Lebanon and Iraq as battleground states in their efforts to end American involvement in the region. By leveraging its influence within the Shiite communities, Iran has sought to

bring about pro-Iranian regimes in both countries as a counter to American influence. In Lebanon, Iran has been working closely with Syria, Hizballah, and other Lebanese factions to permanently establish a government supportive of the Iran-led resistance axis. According to current defense minister Ahmad Vahidi, Iran hopes to supplant the United States as the main provider of security assistance to Lebanon.[38] With Hizballah's allies now in control of Lebanon's government—notably the defense and interior ministries—Iran appears to be moving closer toward such an outcome.

Iran has also sought to end U.S. involvement in Iraq; as Khamenei recently stated, "May God get rid of America in Iraq so that its people's problems are solved."[39] Tehran regards Iraq as a natural partner in its "popular resistance front" against Israel and the West.[40] Led by a sectarian Shiite government, Iraq could provide an important geostrategic link to Iran's allies in Syria and Lebanon, and a potential platform from which to leverage its influence across the Arab world. As the withdrawal of U.S. forces continues, Iran aims to capitalize on Baghdad's growing sense of vulnerability in order to induce Iraq's leaders to rely on an Iranian "defense umbrella" for its future stability.[41]

▶ **Challenge to Israel's existence.** Through sustained military and political pressure, Iranian leaders have consistently sought to challenge the existence of the state of Israel. This aspect of Iranian policy does not appear to be driven by domestic considerations,[42] nor solely by a desire to build popular support in the Arab street. Iranian opposition to Israel's existence appears to stem instead from a firm conviction that the Jewish state is a fundamental manifestation of Western influence in the heart of the Middle East.

Noting that "Zionism is a Western ideology and a colonialist idea,"[43] Ahmadinezhad contends that following World War II "the victorious powers...resorted to military aggression to make an entire nation homeless on the pretext of Jewish sufferings" and "sent migrants from Europe and the U.S. to establish a totally racist government."[44] Reinforcing this perspective, Iran's former parliamentary speaker Gholam Ali Adel has suggested that "England, then America, wished to have control over the Islamic world...therefore...they established an artificial, false and fictitious entity called Israel."[45] Ahmadinezhad has stated that the elimination of Israel would help Iran achieve its broader goals in the region because it would "pave the way to the appearance of Islam's power in successful management of global [matters]."[46]

Iran's calls for the destruction of Israel, however, are not aimed at the physical annihilation of the Jewish people, nor does Iran appear to be seeking a direct military confrontation with Tel Aviv. Rather, Ahmadinezhad and Khamenei have both called for a longer-term process of continual cycles of asymmetric warfare—described by analysts as the al-Muqawama doctrine—using proxies to demoralize and wear down the Israeli people, and ultimately force their "Zionist leaders to return to their homes, and to restore Palestine to its original owners."[47] Iran has repeatedly called for a referendum to decide the future of all those living within the pre-1948 Palestinian borders:

> There is only one solution to the issue of Palestine... This solution is to hold a referendum with the participation of all native Palestinians, including Muslims, Jews and Christians, the Palestinians who live both inside and outside the occupied territories...Without this, the Palestinian issue would not be settled.[48]

Iran's support for Hizballah, Hamas, and other armed militia groups is aimed in part at weakening Israeli morale and forcing the imposition of such a referendum. At the same time, Iran seeks to delegitimize the Jewish state and inspire its overthrow "by the storm of wrath of the Palestinian people and free nations."[49]

Iran's Strategy to Achieve Its Objectives

Despite its far-reaching ambitions, Tehran faces significant constraints. On a global scale, Iran lacks the economic and military might to challenge U.S. influence. Its economy is less than one-fortieth the size of that of the United States, and its defense budget is seventy times less than that of the Pentagon. Despite its sizable military forces, Iran remains vulnerable to devastating or even regime-threatening attacks by the

United States and its allies if Washington were to be sufficiently provoked.

Closer to home, the regime's early hopes of kindling Islamic revolutions throughout the Muslim world failed to materialize, and despite its pronouncements, none of the recent uprisings across the Middle East appear to be inspired in any way by Iran. Meanwhile, Israel is still the region's strongest military power, and all Arab states in the Gulf and the Levant, with the notable exception of Syria, have established close military ties with the United States. Even in Iraq, Iran's intensive campaign to pressure Baghdad to reject the U.S.-Iraq Security Agreement in 2008 resulted in failure. To some extent, Iranian influence has been self-limiting, and as former U.S. ambassador to Iraq Ryan Crocker expressed it, "The harder they push, the more resistance they get."[50]

Internally, too, the Iranian regime faces a range of serious challenges. The Green Movement galvanized support among hundreds of thousands of Iranians who took to the streets to voice their opposition to the Islamic Republic. And although the regime appears to have suppressed it—at least for now— the opposition movement maintains a large political following, particularly among young people, and remains a major concern for leaders of the Islamic Republic. In addition, Iran's economy—already ravaged by years of mismanagement and corruption—continues to struggle in the face of mounting international sanctions and financial restrictions.

Nevertheless, emboldened by a powerful military and security apparatus and guided by a sense of "manifest destiny," Iran remains well-positioned to project power and influence—both regionally and internationally. Tehran—strategically patient, cautious, and opportunistic—appears to be taking a long view, with an emphasis on making steady, incremental gains. The regime's strategy appears focused on at least five distinct areas:

▶ **Strengthening its conventional military deterrent.** Iran has worked assiduously over the years to develop and expand its ballistic missile arsenal, which Tehran regards as "an integral part of its strategy to deter—and if necessary retaliate against—forces in the region, including U.S. forces.[51] In addition to possessing a large inventory of antiship cruise and short-range missiles, Iran has developed several medium-range ballistic missiles, including an extended version of the Shahab-3 that is capable of reaching Israel and central Europe. Iran has also reportedly tested a multistaged solid-fuel missile, the Sejjil, as well as a space launch vehicle.[52] According to the Pentagon, Iran could have an intercontinental ballistic missile capable of reaching the United States by 2015.[53]

▶ **Building its asymmetric and terrorist capabilities.** Iran has built an extensive network of paramilitary groups and terrorist organizations on which it relies to extend its projection of influence. Through the Qods Force, an elite unit of the Islamic Revolutionary Guard Corps (IRGC), Iran engages in paramilitary operations to support extremists and maintains operational capabilities around the world, including a well-established presence in the Middle East and North Africa and, in recent years, an increased presence in Sub-Saharan Africa and Latin America.[54] In addition, Iran continues to arm terrorist and militant groups who align with its strategic interests, including Hizballah, Hamas, Palestinian Islamic Jihad, the Taliban, as well as Shiite extremist groups in Iraq. According to U.S. officials, Iran has also entered into a "secret deal" with al-Qaeda, allowing the terrorist network to channel funding and operatives through its territory.[55] Iran has sought to leverage the threat of violence and subversion to pressure or intimidate other nations, while maintaining plausible deniability as it simultaneously pursues diplomacy to achieve its goals.

▶ **Leveraging soft power and public diplomacy.** A key element of Iran's strategy involves persuading the Islamic world—the *umma*—that the Islamic Republic supports their struggle against oppression, dictatorship, and Western-backed imperialism. To this end, Iran has invested significant resources in its propaganda machinery, establishing television networks in Arabic (al-Alam), English (Press TV), and even Spanish (Hispan TV). In addition, Iran has attempted to exploit economic and cultural ties to local populations to enhance

its leverage—an effort that has been particularly successful with certain Shiite communities in Iraq, Lebanon, and Afghanistan.[56]

▶ **Solidifying its regional "resistance front."** Seeing itself as the "vanguard of the Islamic world,"[57] Iran has sought to consolidate and expand its resistance front against Israel and the United States. Ahmadinezhad has proclaimed that this front, which encompasses Syria, Hizballah, and Hamas, is being strengthened in the region as "the waves of free nations willing to join the resistance [are] spreading every day."[58] Despite the exaggerated rhetoric—neither Turkey nor Qatar, as Iran has claimed, is truly supportive of this front—momentum appears to be on Iran's side, as it continues to gain influence in Lebanon and Iraq (though this could change dramatically depending on events within Syria). Citing the front as a means to counter American influence, Khamenei recently stated that "America is the main opposer to the axis of resistance.[59]

▶ **Establishing a global coalition of anti-American allies.** Iran has been seeking to establish a network of anti-American allies beyond its region, hoping to gain leverage in its bid to challenge the current international order. These efforts have met with limited success. Ahmadinezhad has garnered close ties with leaders of a small number of mostly pariah states in Africa and Latin America, including Venezuelan president Hugo Chavez, Bolivian president Evo Morales, Belorussian leader Alexander Lukashenko, and Sudanese president Omar al-Bashir. As Ahmadinezhad proclaimed during one of the frequent visits by Chavez, "If . . . my brother Chavez and I and a few other people were once alone in the world, we [now] have a long line of revolutionary officials and people standing alongside each other."[60] Though still nascent, Iran's strategic partnerships with some of these countries are focused on strengthening military, intelligence, and security cooperation—with the United States viewed as the common enemy.

The acquisition of a nuclear weapons capability may be another critical element of Iran's strategy to advance its long-term objectives—allowing it to magnify its capabilities in each of these five areas and, as discussed in the next chapter, enhance its influence in meaningful and significant ways.

3 | Iran as a Nuclear Weapons State

IRANIAN OFFICIALS HAVE consistently denied that they are seeking to develop a nuclear weapons capability. Some Iranian scholars have, in fact, suggested that the use of nuclear weapons—or perhaps even their possession—is prohibited under Iran's interpretation of Islam.[61] Given the opacity of Iranian decisionmaking, it is difficult to be certain how Tehran might view the potential utility of acquiring nuclear capability. Still, given the scope of its global ambitions and enormous investment in nuclear activities over the past three decades, it is reasonable to assume that Tehran might see nuclear capability, if not the actual deployment of a nuclear weapon, as a useful component in its bid for enhanced power and influence. A 2006 *Kayhan* editorial hinted at Iran's intentions:[62]

> North Korea has built a [nuclear] bomb before the Americans' eyes...and no one has managed to do anything...What this means precisely is that *if any country*...concludes, for political or security reasons, that it must have nuclear weapons, it will ultimately succeed in implementing its wish—even if the whole world doesn't want it to."

As Iran approaches a threshold nuclear capability, it could adopt any of several potential models. One possibility is for Tehran to conduct a nuclear explosive test and declare itself openly as a nuclear weapons state, as North Korea did in 2005. Another possibility is for Iran to secretly develop and deploy nuclear weapons while maintaining official denials that it is doing so—a posture that Israel continues to employ to this day. As an alternative, Iran could establish a breakout capability—whereby it curtails its enrichment and weaponization efforts at a certain point, with the assumption that it could develop and deploy a nuclear warhead within a very short time (e.g., six months or less) after deciding to do so.[63] Upon developing a nuclear capability, Iran would almost certainly seek to expand and disperse its arsenal to enhance its survivability and maintain a second-strike capability.[64]

The scenarios that follow focus on areas in which Iran has been seeking to expand its influence and achieve its aspirations: (1) in the Gulf, where Iran has long sought greater influence and control, (2) in Iraq, where Iran has been working assiduously to build partnerships with a Shiite-led government, (3) in the Levant, where Iran has sought to strengthen its allies and proxies to mount a challenge against Israel, (4) in Latin America, where Iran has been quietly building a platform to extend its influence, and (5) through terrorism directed against the United States more generally. This list is not exhaustive; Iran has had an active presence in other regions, including Africa and central Asia. But the scenarios here suggest places where a nuclear weapons capability might have a particular impact on Iran's ability to directly threaten important U.S. strategic interests.

Each of these scenarios is built around existing trends and dynamics and grounded in Iranian strategic intentions. These are not worst-case scenarios, nor are they necessarily the most likely. Rather, the hypothetical events described are intended to illustrate reasonably possible outcomes that warrant serious consideration when evaluating the potential impacts of an Iranian nuclear weapons capability. Other potential outcomes are discussed in the analysis that follows each scenario.

The focus here is on Iranian behavior and activities—that is, the extent to which Iranian leaders might consciously seek to leverage a nuclear capacity toward achieving their long-term objectives.[65]

Underpinning each of these scenarios are the following assumptions:

1. Iran has hypothetically achieved a nuclear weapons capability—at least in the form of a breakout capacity—and has dispersed in sufficient quantities fissile material, nuclear weapons components, and/or nuclear warheads to ensure their survival in the event of an outside attack.

2. Tehran's national security objectives extend beyond simply defending against outside threats to the Islamic Republic; Iran is seeking to expand its ideological influence in the Middle East and ultimately challenge U.S. and Western dominance of the international system.

3. Iran's leaders are rational, in the sense that they are not seeking to launch a suicidal nuclear attack against an adversary; rather, they are seeking to use a nuclear weapons capability to maximize power and influence in pursuit of their foreign policy goals.

Even with complete information, positing scenarios and projecting how a nation might behave under varying circumstances involves a significant degree of speculation. The goal here is to contribute to the current discourse by grounding such speculation in the context of available sources and reasonable extrapolation.

The outcomes described in these scenarios could conceivably occur months, years, or perhaps even a decade or more after Iran has achieved a nuclear weapons capability.

▶SCENARIO 1: Iran pressures Gulf states to reduce or end the U.S. military presence.

Empowered by its presumed nuclear credentials, Iran intensifies pressure on Arab Gulf states to reduce or end an American military presence and join an expanding Arab network in support of Iran's regional goals. While conducting a large naval exercise in the Persian Gulf, Iran's president reissues a call for Arab states to join a proposed Iran-led regional security organization. Later, a senior Bahraini official is assassinated in Manama—and a local Shiite extremist group with alleged ties to Iran is implicated in the attack. Tensions flare as Saudi Arabia threatens retaliation, while Tehran denies responsibility and warns that the region will suffer if its interests are harmed. The Gulf effort to present a united front eventually falters after Qatar—seeking to reduce tensions and placate Iran—offers to terminate U.S. access to al-Udeid Air Base. Kuwait and Oman follow by reducing the U.S. military presence in their countries—while privately urging the United States to stand up to Iran.

Iranian Objectives and Activities

Tehran has long sought to counter American influence in the Persian Gulf. Having abandoned overt attempts to undermine Gulf monarchies, Iran has worked to pursue cordial relationships with these regimes while subtly reminding them of its influence and capability to harm their interests. Iran's specific objectives appear to be focused on inducing Gulf states to endorse, or at least acquiesce to, Iran's regional priorities—a concerted resistance front against Israel, a sectarian Shiite government in Iraq, and a preeminent Iranian voice on GCC economic and security issues. Ultimately, Tehran seeks to end the U.S. military presence in the Gulf and induce the regime's Sunni neighbors to join an Iran-led regional defense framework.

U.S. Interests at Stake

The United States has several interests in the Gulf region that could be jeopardized by Iran's acquisition of a nuclear capability, including the following:

- Close security relationships with each of the Gulf states, grounded in efforts to cooperate against extremism and ensure a steady and reliable supply of oil.
- A significant military presence, including a host of army, air, and naval bases in various Gulf countries, as a lever of force projection in the Persian Gulf.
- Diplomatic support from Gulf states for U.S. regional goals, including support for a two-state solution to the Israeli-Palestinian conflict, financial and other assistance for the Palestinian Authority (PA), support for moderates in Lebanon, and, more recently, support for NATO operations in Libya.

Impact of a Nuclear Capability

Iran's acquisition of a nuclear weapons capability may initially prompt Gulf states to seek stronger defensive measures against Iran and, possibly, protection under a U.S. nuclear umbrella. Alternatively, some states—independently or under the auspices of the GCC—might seek to establish their own nuclear weapons deterrent, either through indigenous programs or, in the case of Saudi Arabia, with assistance from Pakistan or Egypt. With confidence in the United States likely to be shaken over a U.S. failure to prevent Iran from obtaining nuclear weapons, and given lingering discord over the perceived U.S. abandonment of former Egyptian president Hosni Mubarak and the GCC military intervention in Bahrain, the Saudis may be even more inclined to consider their own nuclear option.

Yet the impact of such deterrent and containment measures is uncertain. While they may succeed in deterring direct aggression, they may be of limited value in preventing Iran from engaging in certain types of asymmetric or subversive activities. Iran is likely to avoid openly provocative actions that could alienate Arab public

opinion, invite international condemnation, or prompt a direct retaliatory response. But shielded by nuclear weapons, Iran might seek new opportunities to *indirectly* or implicitly threaten the security or financial interests of Gulf monarchies, confident that these actions will ultimately diminish Gulf resolve to resist Iranian dictates. Such actions could include initiating disputes over the extraction of oil and gas reserves, funneling assistance to Shiite extremists, or engaging in plausibly deniable terrorist attacks.

While the GCC may stand firm and united—at least initially—in the face of such threats, it is possible that, over time, one or more Gulf states might attempt to reduce tensions by seeking ways to accommodate and appease Tehran, at least on issues not considered vital to their security. Such an inclination would not be unprecedented. Qatar's diplomatic overtures to Iran and financial support for Hizballah in recent years appear intended to ameliorate a strengthening Iranian regime.[66] Other Gulf states have also sought to showcase friendly diplomatic relationships with Tehran by inviting President Ahmadinezhad for handshakes and diplomatic visits and issuing statements welcoming cooperation in a range of areas.[67] Although Iran's perceived support for Shiite protestors in Bahrain may have halted this trend for now, if faced with a nuclear Iran, certain Gulf countries may come to see accommodation as a better alternative to the increasing risk of military, or even nuclear, confrontation.

As a result, potential consequences for the United States include:

- **Increased risk of violence and military conflict.** As it looks for plausibly deniable ways to intimidate and subvert Gulf monarchies, an emboldened Iran could decide to direct terrorist attacks in the Gulf, possibly even targeting U.S. interests. Moreover, Gulf efforts to contain and deter Iran could escalate tensions in the region and increase the risk of violence and conflict. A military confrontation between Iran and the Gulf states—both potentially armed with nuclear weapons—could have drastic consequences. While crisis diplomacy might succeed in containing its impact, any such confrontation could seriously undermine regional security, disrupt global energy supplies, and threaten global economic and financial stability. U.S. military intervention might also be necessary at some point—though this could be complicated in the face of a nuclear Iran.

- **Diminished U.S. military presence.** Some Gulf states may eventually seek to appease Iran by reducing or eliminating the basing of U.S. military forces in their countries. The United States maintains a significant presence in the Gulf, with roughly 27,000 U.S. forces deployed at an array of bases and sites.[68] While Gulf states have quietly welcomed the presence of U.S. forces as a wedge against Iran, they have also been concerned that such a presence could provoke a backlash on the domestic front and potentially spark extremist violence. Indeed, such concerns have prompted Gulf states—including Saudi Arabia—to limit U.S. military operations on their soil in the past.[69] The loss of overflight rights or access to Gulf air and naval bases—whether sporadic or permanent—could have a deleterious impact on the U.S. ability to project force, carry out intelligence missions, and maintain freedom of navigation in the Gulf.[70]

- **Reduced support for U.S. regional priorities.** Some Gulf states might seek to accommodate Iran by drawing down their support for moderate political actors in the region, including the PA[71] and the March 14 coalition in Lebanon. Certain states might go even further—for example, by following Qatar's lead in providing funding to Hizballah, Hamas, and other Iran-backed groups.

- **Manipulation of oil markets.** Another way Gulf states might accommodate Iran is by acceding to pressure to parrot the Iranian line on oil production quotas and pricing for OPEC.[72] The impact of such actions, however, might be mitigated by Saudi Arabia's likely efforts to counter Iranian oil-price manipulation.

▶SCENARIO 2: Iran establishes a defense partnership with Iraq.

Invigorated by its nuclear prowess and growing prestige within the Iraqi Shiite community, Tehran embarks on a concerted effort to end Baghdad's continuing reliance on American military support. Muqtada al-Sadr—now leading an increasingly powerful coalition of Shiite political parties—reasserts his demands for an end to Iraqi security cooperation with the United States. Under pressure from this coalition, Iraq's prime minister takes action to dismiss remaining U.S. training forces and announces that Iraq will look to countries other than the United States for future weapons procurement. The prime minister later accepts Tehran's offer to sign a new defense pact—leading to the initiation of Iran-Iraq military exercises and the development of a joint early-warning air defense network against Israel.

Iranian Objectives and Activities

Since the fall of Saddam Hussein, Iran's political objectives in Iraq have focused on uniting Iraq's Shiite parties in order to ensure their control so that the Iraqi government is sympathetic to Iranian interests. In addition, Iran has sought to counter the U.S. military presence in Iraq and compel full withdrawal of all remaining American troops. In the longer term, Tehran appears to be seeking to persuade the Iraqi government to end security cooperation with the United States and support Iran's regional goals, including joining its resistance front against Israel.[73]

In pursuit of these objectives, Iran has sought to establish cordial relationships with Iraqi Shiite politicians while simultaneously supplying money, weapons, and training to select Shiite militant and terrorist groups in Iraq, including Sadr's Promised Day Brigade, Kataib Hizballah, and Asaib Ahl al-Haqq (AAH). In addition, the IRGC Qods Force uses Lebanese Hizballah to provide training, tactics, and technology.[74] Despite the often complicated relationship between Tehran and Sadr, Iran appears to be working to exert greater influence on the leader—perhaps seeking to replicate the Iranian relationship with Hassan Nasrallah, the Lebanon-based head of Hizballah.

U.S. Interests at Stake

The United States has several strategic interests in Iraq:

- Maintaining support for a stable, secure, and democratic Iraq. Given the enormous U.S. expenditure of military and financial resources, Washington has a key interest in ensuring a successful outcome in Iraq.[75] The emergence of a secure, democratic, and peaceful Iraq would be seen as a major accomplishment for the United States and could help reestablish U.S. credibility and prestige in the region.

- Building a strategic partnership with Iraq. The United States has an interest in building a longer-term strategic partnership with Iraq and has been looking to Baghdad as a future partner in efforts to counter extremism and promote peace and security across the region.

Impact of a Nuclear Capability

Iran's efforts to influence political developments in Iraq over the past several years have produced mixed results. Nevertheless, relying on a combination of hard and soft power, Iran remains well positioned to have a significant influence on Iraq—one that could be strengthened by a nuclear capability.[76] One possibility is that a nuclear-capable Iran might feel free to take greater risks in instigating violence in Iraq—especially if American troops maintain a continuous presence there. But as has happened in the past, an openly aggressive stance toward Iraq could undermine Iran's influence with the Iraqi government and force the latter to continue to look to the United States to help guarantee its security.

Rather than take an aggressive stance toward Baghdad, Iran might leverage the enhanced psychological benefits it would likely derive from a nuclear weapons

capability to intensify efforts aimed at reinforcing Iraq's inclination to accommodate Tehran. Given Iran's history of support for violent proxies in Iraq and the long, porous border shared by the two countries, Iraqi leaders are already well aware of Iran's ability to cause mischief. Having successfully challenged U.S. red lines regarding its nuclear capability, Iran would be seen as a rising, hegemonic power in the region, potentially heightening Iraq's sense of vulnerability to malevolent Iranian influence and forcing Baghdad to further accommodate Iranian interests.

In addition, a nuclear capability could enhance Iran's prestige and political leverage with radical Shiite parties in Iraq. As reflected by its role in brokering a new coalition government in 2010, Iran has already established the expectation that it will play a critical role in the selection of any future Iraqi prime minister. Backed by a nuclear Iran, groups such as the Sadr Movement may gain popular support and potentially enhanced political clout in Iraq's parliament or governing coalition—providing Iran with even greater influence over future Iraqi decisionmaking.

The net effect is that, faced with a nuclear Iran, Iraqi leaders could find themselves under even greater pressure to accommodate Iranian interests on key political issues in ways that could be detrimental to the United States. The potential consequences include:

- **Diminishing U.S. security cooperation.** The fate of a continued U.S. presence in Iraq lies in the hands of the Iraqi government, which is currently considering an extension beyond the end of 2011. But a future Iraqi government—under pressure from a nuclear-capable Iran—may feel increasingly compelled to appease Tehran by not only requiring the withdrawal of all remaining American combat troops, but also limiting any future U.S. training role in the country. Iraq might also scale back or cancel plans for weapons purchases from the United States, further reducing U.S. political leverage. At an extreme, Iraq could end security cooperation altogether. The loss of Iraq as a security partner would represent a significant strategic setback for the United States.

- **Ending Iraq's role as regional partner.** Along with possibly weakening security ties between Iraq and the United States, intensified pressure to accommodate Iran could lead the Iraqi government to align itself more closely with Tehran on regional and international issues. For example, Iran might look to Iraq for support in the Arab League on issues relating to the Israeli-Palestinian peace process or Hizballah's role in Lebanon, or at the United Nations on issues relating to sanctions against Iran.

- **Strengthening an Iran-Iraq military partnership.** Despite public statements affirming the need for closer ties, Iraqi leaders have resisted Iranian requests to initiate meaningful cooperation on security and defense issues. However, with an Iraqi government looking to accommodate an increasingly powerful Iran, this dynamic could change, especially if radical Shiite groups such as the Sadr Movement succeed in obtaining greater control over a future Iraqi government. For example, Iran might seek to establish a transit corridor through Iraq for weapons transfers to Syria and Lebanon, as well as persuade Baghdad to join it in conducting military exercises and cooperative defensive efforts (e.g., an early-warning air-defense system against Israel). At some point, Iraq might also feel compelled to turn to Iran—along with other suppliers such as Russia and China—for future weapons purchases.

▶SCENARIO 3: Iran extends its nuclear umbrella to encompass Hizballah and Hamas.

Buoyed by its nuclear weapons breakthrough, Iran declares that it will employ the full range of its defensive capabilities to protect its allies in Lebanon and Palestine from armed attack—suggesting that it is prepared to retaliate directly against Israel with a devastating attack if Israel launches an all-out assault on Hizballah or Hamas. In addition, Tehran deploys several dozen Sejjil-2 surface-to-surface ballistic missiles capable of delivering nuclear warheads to any location within Israel. Unconfirmed reports suggest that the IRGC may also be seeking to transfer a small number of radiological dispersion devices to Hizballah.

Iranian Objectives and Activities

Since the 1979 Islamic Revolution, Iran's primary objective in the Levant has been to undermine the legitimacy and security of the state of Israel. To accomplish this goal, Iran has invested heavily in Hizballah and Hamas, transferring hundreds of millions of dollars to each of these organizations and steadily enhancing the strength and sophistication of their respective arsenals.[77] Iran probably views Hizballah's asymmetric capabilities as an important component of its deterrent strategy against potential U.S. or Israeli military strikes.

In addition to enhancing the military capabilities of Hamas and Hizballah, Iranian assistance has been aimed at strengthening these organizations' political base of support and building the cause of the "resistance front" to mount a political challenge against Western-leaning forces in Lebanon and the Palestinian territories. In the longer term, Iran appears to be seeking to maintain and intensify pressure against Israel through continual cycles of asymmetric warfare—with the end goal of forcing the "Zionist regime" to collapse or accept Tehran's demands for a referendum open to all inhabitants of pre-1948 Palestine regarding a future Palestinian state.

U.S. Interests at Stake

The United States has several interests in the Levant:

- Ensuring the security of Israel. As a longstanding democratic ally in the Middle East, Israel represents a priority for the United States—and helping to protect the state against terrorism and other violence are important U.S. concerns.
- Maintaining the viability of a two-state solution. The United States has long sought to promote a peaceful end to the Israeli-Palestinian conflict through the establishment of a viable independent Palestinian state, backed by Arab governments at peace with Israel.
- Supporting moderate, democratic governments in the region. The United States has sought to support the establishment of moderate, pro-democratic governments in Lebanon and the Palestinian territories, and the defeat of radical, violent ideologies represented by Hizballah and Hamas.

Impact of a Nuclear Capability

To date, Iran has avoided direct involvement in Israeli military conflicts involving Hizballah or Hamas. However, shielded by a nuclear weapons capability, Iran may be prepared to take greater risks to advance its objectives in the Levant. One possibility is that Iran's leaders could extend an implicit nuclear umbrella to Hizballah and, though perhaps less likely, Hamas.[78] This could range from an open declaration by Iranian leaders threatening direct military retaliation by Iran in the event of an Israeli action against Hamas or Hizballah, to a more vague statement of support for its allies in the Levant—but one implying that Iran is prepared to intervene in any future conflict against Israel.[79] To enhance the credibility of such a deterrent threat, Iran might at some point seek to deploy missiles armed

with conventional or possibly even nuclear warheads in Syria or Lebanon.

While risky, such a scenario must be seriously considered given Iran's ideological commitment to challenging Israel's existence. Iranian leaders would probably prefer to avoid a direct military confrontation with Israel, but they may be willing to extend such a defensive umbrella if they believe that it stood a reasonably good chance of deterring Israel from future attacks against Iran's allies.[80] Iran might feel particularly compelled to intervene in this manner in the event that Hizballah or Hamas were facing a devastating Israeli assault.

Consequences for U.S. interests in the Levant could be significant, and include:

- **Limiting Israeli freedom of action.** Israeli strategic culture places a high value on the ability to conduct retaliatory strikes for attacks against Israeli citizens, as well as to take preemptive action to prevent certain arms transfers that cross Israeli red lines. Already, the threat of escalating conflict has forced Israel to accept the transfer of certain precision-guided missiles, antiaircraft systems, and, reportedly, Scud ballistic missiles.[81] But in the face of a nuclear-capable Iran, Israel might be forced to act with even greater caution in initiating preemptive or retaliatory strikes—given the potential of these strikes to escalate into a direct conflict with Iran.[82]

  As a result, Hizballah and Hamas may feel more free to engage in low-level military actions against Israeli civilians, potentially including more frequent rocket attacks, targeted assassinations, or suicide bombings. Furthermore, an Iranian nuclear capability could induce Tehran or Syria to transfer increasing numbers of sophisticated weapons to Hizballah or Hamas. A particularly dangerous escalation could involve the potential transfer to Hizballah of radiological dispersion devices (or "dirty bombs") or even chemical weapons. While attempting such transfers would be provocative, Tehran might calculate that the psychological impact on the Israeli population and the deterrent effect on the Israeli military would be significant enough to warrant such risks.

  Because the possible costs are so great, some analysts have suggested that Israel would necessarily act to prevent such transfers, even if it meant risking nuclear brinkmanship. But given the catastrophic consequences that could follow from misjudging Iran's behavior, Israeli officials would be placed in an extraordinarily difficult predicament. In situations in which intelligence regarding suspected transfers of weapons or responsibility for attacks was less than foolproof, Israel might well be forced to err on the side of restraint to avoid a potential showdown.[83]

  The net effect of a more restrained Israel is that, over time, Hizballah and Hamas would continue to enhance the strength, sophistication, and accuracy of their military arsenals, potentially diminishing the overwhelming military advantage that Israel enjoys today. Mutual deterrence may prevent conflict for some time. But Israel may find itself increasingly on the defensive against enemies that are willing to directly target civilians and risk greater civilian casualties on their own side as they pursue their ideological aims—leading to a bloodier and more destructive outcome the next time Iran or its proxies decide to provoke a conflict.[84]

- **Strengthening the resistance axis.** Another potential impact of Iran's successful acquisition of a nuclear weapons capability is the strengthened popular appeal of the resistance cause in the Arab world. Hizballah and Hamas would likely trumpet a nuclear Iran as evidence of the growing strength of the resistance movement and weakness of the United States, Israel, and the West, given that the latter could not prevent such an outcome. Such a development could significantly demoralize Arab moderates and spur fence-sitters to join what appears to be an inevitably victorious resistance front.[85]

  An emboldened resistance could also allow Hizballah to further consolidate political power in Lebanon and permanently weaken the March 14 camp. For its part, Hamas might gain greater political support among Palestinians, increasing its political

leverage vis-à-vis Fatah and potentially weakening the PA's authority to pursue a negotiated solution to the conflict with Israel. Hamas might also be in a stronger position to scuttle any potential peace agreement by initiating terrorist attacks or gaining enough political clout to force Palestinian moderates to permanently abandon efforts toward a two-state solution.

▶SCENARIO 4: Iran and Venezuela expand strategic cooperation.

Having announced their intention to challenge U.S. hegemony and establish a new world order, Iranian and Venezuelan leaders enter a series of agreements intended to deepen strategic cooperation between their two nations—including the establishment of a mutual defense pact. Meanwhile, intelligence reports indicate that IRGC Qods Force and Hizballah operatives have established joint training facilities in Venezuela and are actively seeking to expand operational terrorist cells capable of attacking the United States. With IRGC officers providing onsite support, Caracas also prepares to deploy several dozen Shahab-3 medium-range ballistic missiles capable of reaching the United States. Other reports suggest Iran may be planning to transfer sensitive nuclear technology to the Venezuelan government.

Iranian Objectives and Activities

Iran has been seeking to expand its growing network of anti-Western regimes in different parts of the world, and has in recent years solidified relationships with several countries in Latin America, with Venezuela marking the cornerstone of these efforts. Chavez and Ahmadinezhad have established a self-declared "axis of unity"—a close strategic partnership centered on a shared interest in challenging U.S. imperialism, capitalism, and "global arrogance."[86] Having exchanged visits on numerous occasions, both leaders have declared their desire to work cooperatively in establishing a "new world order."[87] Iran appears to be investing in Venezuela as a platform for the projection of Iranian power in the Western Hemisphere.

Although the nature of the relationship between Iran and Venezuela is unclear, the two nations appear to be moving toward cooperation in the security arena. In April 2008, they entered into a memorandum of understanding pledging "full military support and cooperation,"[88] and according to a Pentagon report, the IRGC Qods Force has increased its presence in Venezuela.[89] U.S. officials have also raised concerns about potential Iranian shipments of unmanned aerial vehicles to Venezuela.[90] The establishment of a direct Iran Air flight from Tehran to Damascus to Caracas as well as a direct shipping line between Iran and Venezuela have added to concerns about the extent of their military cooperation.[91]

Venezuela also appears to be serving, at least to some extent, as a locus for Iran-backed terrorist groups. U.S. officials have expressed concerns about Hizballah's activities in Venezuela, leading to the designation in 2008 of two Venezuela-based Hizballah supporters.[92] Reports also indicate growing contacts between Venezuela and Middle Eastern terrorist groups, including Hizballah, Hamas, and Palestinian Islamic Jihad—although the nature and purpose of these activities remain opaque.[93]

In addition, Iran and Venezuela—at least in rhetoric—have indicated an interest in working together on nuclear issues. The two countries signed an agreement in 2008 formalizing efforts to "cooperate in the field of nuclear technology,"[94] and a senior aide to Chavez recently stated that Iran was helping detect and test uranium deposits found in remote areas of Venezuela.[95] In September 2009, Chavez announced an agreement enlisting Russia's help in developing a civilian nuclear reactor as well as plans to establish a "nuclear village" with technological assistance from Iran[96]—though Chavez later claimed he had decided to call off the country's nuclear plans.[97]

U.S. Interests at Stake

The United States has several important interests in Latin America:

- Denying support for terrorist networks. The United States has a strong interest in preventing Latin America from being used as a hub for terrorist operations. Hizballah, which was responsible for two major terrorist attacks in Argentina in the 1990s,

has long relied on Lebanese diaspora communities in Latin America for financial support. The United States has also been working with Colombia to pressure Venezuela to stop providing a safe haven for the Revolutionary Armed Forces of Columbia (FARC), a U.S.-designated terrorist organization.

- Countering nuclear and missile proliferation. The United States has sought to limit the proliferation of nuclear and ballistic missile components and technology in Latin America, and has a particularly compelling interest in ensuring that such items are kept out of the hands of rogue regimes.

- Promoting democracy and free trade. The United States has been keen to promote democracy, open markets, and free trade throughout Latin America. Despite successful democratic transitions across the region, the United States has noted growing setbacks in countries like Venezuela, where Chavez has acted to tighten his grip on power by abolishing term limits and restricting the ability of opposition movements to challenge his rule.

Impact of a Nuclear Capability

The impact of an Iranian nuclear weapons capability will depend on how far Iran and Venezuela are prepared to go in deepening their strategic relationship. Despite their eagerness to showcase a solid anti-American front, the two nations make for somewhat strange bedfellows—an ideologically driven Islamic regime joining forces with an opportunistic, flamboyant, and often self-promoting Latin populist. But if the two nations' commitment to cooperate in confronting "American imperialism" remains solid, and assuming Chavez overcomes his current bout with cancer, the Iran-Venezuela axis, backed by Iranian nuclear weapons, could be worrisome for the United States.

The consequences could include:

- **A safe haven for Iran-backed terrorists.** Shielded by a nuclear weapons capability, Iran could feel empowered to escalate its support for its terrorist connections in Latin America. Supported by Iran, Venezuela could emerge as a safe haven for Iran-backed terrorist networks aiming to threaten U.S. interests in the Western Hemisphere. Such a haven could also be used as a launchpad to facilitate sustained entry of Hizballah or other terrorist operatives into the United States.[98]

- **Nuclear/ballistic missile proliferation.** A nuclear-ready Iran might be willing to take greater risks in transferring increasingly lethal and sophisticated weapons systems to Venezuela. Iran, for example, could seek to transfer ballistic missiles to Venezuela to help strengthen its conventional missile deterrent capabilities.[99] Iran might also be prepared to transfer sensitive nuclear technology to Venezuela, as well as provide technical assistance and advanced centrifuges to help Chavez establish an ostensibly civilian nuclear program.

  It is also conceivable—though perhaps unlikely, at least in the near term—that an emboldened Iran could contemplate the transfer of nuclear warheads or component parts to Venezuela.[100] Such a move would be risky and provocative—potentially leading to a showdown with the United States along the lines of the Cuban Missile Crisis. But if Venezuelan and Iranian leaders were convinced that such a transfer would significantly advance their strategic aspirations and could be completed secretly, without advance U.S. detection, they might be willing to take such a risk. The two countries might reasonably conclude that if the United States was unwilling to risk military retaliation to prevent Iran from obtaining nuclear weapons, then Washington would be even less likely to risk military action against a nuclear-capable Iran—or against a Venezuela that was potentially shielded by a nuclear-capable Iran—for such suspected transfers.

- **Deepening anti-American axis in Latin America and beyond.** Backed by a nuclear capability, Iran and Venezuela could use their enhanced political and military influence to expand their nascent anti-imperialist alliance. Iran has sought to establish closer relationships with other anti-American leaders in Latin America,[101] including those in

Bolivia, Cuba, Ecuador, and Nicaragua—all of whom belong to Chavez's Bolivarian Alliance for the Americas. Especially noteworthy in this regard are the growing political, economic, and security ties between Iran and Bolivia.[102] Down the road, Iran could also seek to replicate its multifaceted relationship with Venezuela by deepening existing partnerships with other anti-Western regimes across the globe, including North Korea, Belarus, and Sudan.

▶SCENARIO 5: Iran facilitates terrorist attacks against the United States.

As reports mount of new atrocities against the people of Darfur, the United States and its NATO allies begin serious consultations on imposing a no-fly zone over Sudan. Iran's president declares his adamant opposition to military intervention in Sudan—a longstanding Iranian strategic partner—and warns that the West will pay a heavy price if such an action proceeds. As NATO foreign ministers convene in Athens, suitcase bombs detonate in the lobby of a resort hotel in the Greek islands popular among American tourists, killing dozens. Though Iran denies any involvement, subsequent information reveals that al-Qaeda operatives—with possible logistical support from Hizballah—were behind the attack. With intelligence reports suggesting plans for further attacks in Europe, NATO indefinitely postpones a decision on a no-fly zone over Sudan.

Iranian Objectives and Activities

Throughout its history, the Islamic Republic of Iran has used terrorism as a tactic to advance its diplomatic and foreign policy objectives.[103] The primary target of Iran-backed terrorist activity has been Israel, but past attacks have targeted Americans as well. Such actions include the Hizballah-orchestrated attacks against the U.S. embassy, consulate, and Marine barracks in Beirut in 1983, and against U.S. armed forces at Khobar Towers in Saudi Arabia in 1996. More recently, Iran has concentrated its support for violent insurgent groups in Iraq and Afghanistan that have targeted local leaders and civilians, as well as U.S. civilian and military personnel.

Iran remains the world's "most active state sponsor of terrorism,"[104] and its terrorist capabilities—both regionally and globally—are formidable. According to a Department of Defense report, "Iran has methodically cultivated a network of sponsored terrorist surrogates capable of conducting effective, plausibly deniable attacks against...the United States."[105] In addition, former U.S. intelligence chief Dennis Blair has stated that Hizballah might consider attacks against the homeland "if it perceives that the U.S. is threatening its core interests."[106]

Iranian support for terrorist groups capable of targeting U.S. interests appears aimed at (1) countering the presence of U.S. forces in the region, (2) providing a deterrent against a potential U.S. or Israeli military attack against Iran, including a preemptive strike against its nuclear facilities, and (3) more broadly, maintaining an asymmetric challenge to U.S. power and influence in the Middle East and beyond.

U.S. Interests at Stake

- Preventing terrorist attacks. The United States has bolstered its intelligence collection and homeland security efforts in order to detect and prevent terrorist attacks against U.S. interests around the world and at home.

- Maintaining freedom of action. The United States seeks to preserve freedom of action to conduct foreign policy activities and pursue national security interests without being constrained or deterred by threats of violence or terrorism.

Impact of a Nuclear Capability

Outside Iraq and Afghanistan, Iran has refrained over the past fifteen years from conducting terrorist attacks against Americans. Iranian leaders may have concluded that the potential benefits of carrying out such attacks have not been worth the risks—which include provoking direct U.S. military retaliation, additional economic sanctions, and/or further diplomatic isolation. But the acquisition of a nuclear weapons capability might alter Iran's risk calculus in this regard.

Iranian leaders might reasonably conclude that a nuclear capability would shield the Islamic Republic from direct military retaliation, thus allowing it

to expand its use of terrorism. Following a terrorist attack, U.S. military action to force a regime change, for example, would almost certainly be off the table (except perhaps in response to an Iranian attack using weapons of mass destruction). Other potential forms of retaliation, including a direct military attack on Iran, could be risky, and in the absence of timely evidence demonstrating clear Iranian involvement, U.S. retaliation against a nuclear-capable Iran would be especially unlikely.

Recent incidents indicate the difficulties of confronting an unpredictable nuclear adversary. In 2008, after the terrorist attacks in Mumbai, India refrained from seriously considering conventional military strikes against Pakistan because of the latter's nuclear capability.[107] Similarly, South Korea chose not to respond to North Korean attacks against Yeonpyeong island or the sinking of the *Cheonin* for fear of sparking retaliation. To be sure, nuclear-armed states are not immune from attack,[108] and attacks against core U.S. interests that could be traced directly back to Iran would likely provoke some form of retaliation against Iranian interests. But nuclear weapons, in the possession of rogue regimes (e.g., the Soviet Union, China, North Korea), have historically served as an effective military deterrent.

The escalating risks of terrorism facilitated by a nuclear-capable Iran could result in the following:

- **Injury or death to American civilians and damage to the U.S. economy.** Successful terrorist attacks targeting U.S. interests at home or abroad could result in injury or death to significant numbers of Americans. In addition, attacks against physical infrastructure (e.g., Gulf oil tankers or refineries) or cyber-attacks against sensitive commercial or financial websites could have significant economic consequences for the United States and its allies.

- **Constraining U.S. freedom of action.** Having successfully deterred the United States from using military force to prevent Iran's acquisition of nuclear weapons, Tehran might feel empowered to use terrorism as a means to deter other U.S. actions that it opposes. Faced with credible Iranian terrorist threats, U.S. officials might feel compelled to reconsider the risks involved in taking actions that could provoke an Iranian response, such as interdicting Iranian ships suspected of carrying illicit materials; preventing fuel supplies to Iranian aircraft;[109] maintaining military assistance to Egypt, Israel, or the Gulf states; or engaging in military intervention in a place that Iran deems objectionable.

- **Diminishing confidence in U.S. ability to protect allies.** The continuing threat of terrorist attacks against the United States could serve to diminish confidence in U.S. leadership among U.S. allies. If the United States is unable to prevent or deter terrorist attacks against its own interests, U.S. allies in the Gulf, Iraq, and elsewhere that are even more vulnerable to potential Iranian attacks would have little faith in U.S. security commitments and guarantees. Such a result could further intensify pressure among allies to accommodate a nuclear-capable Iran.

4 | U.S. Policy Considerations

ON A VISIT TO THE Middle East in 2008, then presidential candidate Barack Obama said that a nuclear Iran would be a "game-changing situation."[110] Obama's comments focused on the potential cascade of proliferation that might follow an Iranian nuclear breakthrough. Such a cascade could lead to the unraveling of the nuclear nonproliferation regime—raising serious risks of an unintended nuclear conflict in an already volatile region.

But the scenarios discussed in this study suggest that a nuclear Iran could have far broader consequences. While the outcomes described by these scenarios are by no means certain, or perhaps even likely, they illustrate the risks and uncertainties facing the United States if Iran were able to achieve a nuclear weapons capability. If any one of these outcomes were to result, it could significantly complicate U.S. interests.

Given the Islamic Republic's far-reaching ambitions, a nuclear weapons capability—coupled with its existing hard and soft power assets—could have profound implications:

- Iran does not appear to seek direct military confrontation with its adversaries, and unless it faces a direct and imminent threat to its survival, the regime seems unlikely to attack an enemy using nuclear weapons. Instead, Iran could seek to use a nuclear capability in a manner consistent with its longstanding pattern of behavior—to demoralize its adversaries through subtle intimidation and power projection.[111]

- Perceived as a rising, hegemonic force in the region, Iran could use a nuclear capability to enhance its political leverage over its adversaries in the region. Faced with subtle forms of intimidation, Iran's Gulf neighbors, including Iraq, might feel increasingly compelled to appease Tehran and accommodate its interests in ways that could be detrimental to the United States.

- A nuclear-capable Iran could help strengthen and expand the Iran-led resistance front across the Middle East—raising its public stature and reinforcing the expanding power and influence wielded by Tehran's allies in key states, including Lebanon, the Palestinian territories, and Iraq.

- By raising the risks and costs associated with potential retaliatory strikes, a nuclear weapons capability could allow Tehran to transfer increasingly advanced weapons systems to its terrorist allies in the Levant, enhancing their asymmetric capabilities and, over time, eroding the overwhelming military advantage thus far enjoyed by Israel. Iran might also be prepared to transfer ballistic missiles and sensitive nuclear technology to rogue regimes around the world—particularly in Latin America—that share its anti-American and anti-imperialist worldview.

- A nuclear-ready Iran could limit U.S. freedom of action in meaningful ways. Once Tehran crosses the nuclear threshold, it will have gained a significant instrument of leverage that could permanently preclude certain U.S. options in dealing with Iran. As a result, the United States could be forced to tolerate greater acts of Iranian-sponsored violence and terrorism in the Middle East and beyond.

- Deterrence and containment of a nuclear-ready Iran could prove difficult, complicated, costly, and potentially ineffective. With its own nuclear deterrent and through the extension of security guarantees, the United States might succeed in deterring Iran's use of nuclear weapons, as well as direct military aggression against its allies. But forestalling increasingly lethal arms transfers, asymmetric violence, intimidation, terrorism, and subversion—all Iran's strengths—could pose a much greater challenge.

For the United States and its allies, preventing Iran from acquiring a nuclear weapons capability must remain a top priority. The Obama administration's early attempts to negotiate with Iran over its nuclear program have failed to bear fruit; indeed, it seemed highly unlikely from the outset that Iran would be willing to bargain away such a critical component of its national security strategy. Despite four UN Security Council resolutions, international sanctions have not deterred Iran from moving forward on its nuclear program. Moreover, Tehran appears to have found ways to mitigate the impact of recent sabotage efforts, including the Stuxnet virus that reportedly targeted computers at Iranian nuclear facilities.

Ongoing sabotage operations could help delay Iranian nuclear progress, but the results of such efforts may be short-lived. Beyond this, containment of Iran's nuclear activities will likely require increasingly intrusive and politically difficult measures. International sanctions on Iran's oil exports, for example, could have a potentially crippling impact on the Iranian economy, but garnering domestic and diplomatic support for such an action will be a heavy lift—especially while world leaders continue to focus on recovering from the global economic recession. At some point, the costs and risks of more coercive options—including military strikes against Iranian nuclear facilities—may have to be weighed against the consequences of allowing Iran to obtain a nuclear capability.

5 | Conclusion

IN RECENT WEEKS, statements and news accounts out of Iran have been unusually forthright in characterizing the regime's nuclear activities. While denying Iran intends to develop nuclear weapons, Ahmadinezhad, for example, recently declared that if Iran "want[s] to make a bomb, we are not afraid of anyone…and no one can do a damn thing."[112] This statement followed an article published on the website of an IRGC research center bearing the title "The Day after Iran's First Nuclear Test Is a Normal Day" and setting forth hypothetical news headlines describing a successful Iranian nuclear weapons test. Further, the story suggested such an event would create a "sparkle of national pride and strength."[113]

The motivation behind this unprecedented openness is unclear. On the one hand, Iran could be attempting to create distractions during what has been an especially difficult period for the Islamic Republic and its allies. Iran was forced to stand by idly as Saudi forces suppressed Bahraini Shiites; the Special Tribunal for Lebanon issued indictments against Hizballah members; Hugo Chavez was forced to undergo treatment for cancer; and Syria continues to struggle against an unrelenting anti-regime protest movement. The situation in Syria represents a particularly worrisome development for Tehran—the collapse of the Asad regime would be a serious setback, undermining Iran's ability to provide weapons and support for its allies in the Levant and dramatically reversing momentum gained in recent years to expand the resistance front.

On the other hand, Iran's increasing openness with regard to its nuclear program could reflect renewed confidence as it nears the nuclear threshold. Iran has defied the international community and continued its enrichment activity—increasing its centrifuge capacity and reaching higher levels of low-enriched uranium than ever before. At the same time, it continues to make progress on weaponization efforts, as well as efforts to develop longer-range ballistic missiles that could be capable of carrying nuclear warheads. Recent Iranian statements about the nation's nuclear and military advances could be designed to create an air of inevitably about a nuclear-capable Iran, while at the same time assuaging policymakers at home about potential international retaliation.

Iran's acquisition of a nuclear capability is by no means inevitable, and U.S. officials suggest that Tehran is at least a year or more away from crossing this threshold.[114] But preventing this outcome demands that the United States refocus its priorities on the Iranian nuclear challenge and lead the international community in forging more robust and coercive policy options in the months ahead.

Notes

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military operations, economic aid, diplomatic operations, indigenous security forces, and other services in Iraq. See *The Budget and Economic Outlook: An Update,* CBO (August 2010), p. 15. In addition, nearly 4,500 U.S. military personnel have lost their lives since the war began. See, for example, http://icasualties.org/.

76. See Fred Kagan, "Iraq Threat Assessment: The Dangers to the United States, Iraq, and Mideast Stability of Abandoning Iraq at the End of 2011," American Enterprise Institute, May 24, 2011.
77. Intelligence and Terrorism Information Center, "Iranian Support of Hamas," Israel Intelligence Heritage and Commemoration Center, January 12, 2008, http://www.terrorism-info.org.il/malam_multimedia/English/eng_n/pdf/iran_e004.pdf.
78. Prime Minister Netanyahu has publicly expressed concern about an Iranian nuclear umbrella over Hizballah and Hamas. See Jeffrey Goldberg, "The Point of No Return," *The Atlantic*, September 2010, http://www.theatlantic.com/magazine/archive/2010/09/the-point-of-no-return/8186/4/.
79. For further discussion, see Jacquelyn K. Davis and Robert Pfaltzgraff, *Iran with Nuclear Weapons: Anticipating the Consequences for U.S. Policy* (Institute for Foreign Policy Analysis, September 2008).
80. See Barry R. Posen, Barry Rubin, James M. Lindsay, and Ray Takeyh, "The Containment Conundrum: How Dangerous Is a Nuclear Iran?" *Foreign Affairs* 89, no. 4 (July–August 2010), pp. 160–168. See also Dima Adamsky et al., "The War over Containing Iran: Can a Nuclear Iran Be Stopped?, *Foreign Affairs* 90, no. 2 (March–April 2011), pp. 155–168: "Even vague statements of Iranian support for its allies might be interpreted as confirmation of a nuclear umbrella, and therefore cause Iran's proxies to behave as if backed by an Iranian commitment."
81. "Hizbullah Admits Receiving Syrian Scuds," *Jerusalem Post,* April 15, 2010, http://www.jpost.com/MiddleEast/Article.aspx?id=173217; Andrew Lee Butters, "Syrian Saber-Rattling Has U.S. Concerned," *Time,* April 15, 2010, http://www.time.com/time/world/article/0,8599,1981955,00.html.
82. Adamsky et al., "The War over Containing Iran."
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84. See also Jeffrey White, "If War Comes: Israel vs. Hizballah and Its Allies," Policy Focus no. 106 (Washington, D.C.: Washington Institute for Near East Policy, September 2010), p. 3.
85. See Adamsky et al., "The War over Containing Iran."
86. "Chavez in Iran for Talks to Expand Oil, Gas Cooperation," *Jerusalem Post*, October 19, 2010, http://www.jpost.com/International/Article.aspx?id=191951.
87. "Iran and Venezuela Agreed on Need for Global Changes towards Justice," Islamic Republic News Agency, October 21, 2010, http://www.irna.ir/ENNewsShow.aspx?NID=30031500&SRCH=1.
88. U.S. Attorney Robert M. Morgenthau, "The Link between Iran and Venezuela: A Crisis in the Making?" remarks at the Brookings Institution, September 8, 2009, http://www.gfip.org/index.php?option=com_content&task=view&id=257&Itemid=74.
89. U.S. Department of Defense, "Unclassified Report."
90. "WikiLeaks: U.S. Believes Iran Shipping UAVs to Venezuela via Turkey," *Latin American Herald Tribune,* n.d., http://www.laht.com/article.asp?ArticleId=380783&CategoryId=10717.
91. See U.S. State Department, *Country Reports on Terrorism 2009,* p. 189, and "Iran Establishes Direct Shipping Route to Venezuela," *Tehran Times,* October 13, 2008, https://www.zawya.com/marketing.cfm?zp&p=/story.cfm/sidZAWYA20081013045354/ir/_establishes_shipping_route_to_Venezuela?cc.
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