

ISSUE BRIEF

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The Iran Nuclear Deal: What the Next President Should Do *James Phillips*

The failure of Congress to halt the implementation of the Obama Administration's nuclear agreement with Tehran means that the U.S. is stuck with a bad deal on Iran's nuclear program at least for now. Iran's radical Islamist regime will now benefit from the suspension of international sanctions without dismantling its nuclear infrastructure, which will remain basically intact. Iran's path to a nuclear weapon is unlikely to be blocked by the Administration's flawed deal, any more than North Korea was blocked by the Clinton Administration's 1994 Agreed Framework.

The next President should not passively accept Obama's risky deal with Tehran as a *fait accompli*. Instead, he or she should immediately cite any violations of the agreement by Iran, its continued support for terrorism, or other hostile policies as reason to abrogate the agreement. The Bush Administration, faced with bad deals negotiated by the Clinton Administration, eventually withdrew from both the Agreed Framework and the Kyoto Protocol.

Rather than endorsing a dangerous agreement that bolsters Iran's economy, facilitates its military buildup, and paves the way for an eventual Iranian nuclear breakout, the next Administration must accelerate efforts to deter, contain, and roll back the

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influence of Iran's theocratic dictatorship, which continues to call for "death to America."

How the Next President Should Deal with Iran

Upon entering office, the next Administration should immediately review Iran's compliance with the existing deal, as well as its behavior in sponsoring terrorism, subverting nearby governments, and attacking U.S. allies. Any evidence that Iran is cheating on the agreement (which is likely given Iran's past behavior) or continuing hostile acts against the U.S. and its allies should be used to justify nullification of the agreement.

Regrettably, Tehran already will have pocketed up to \$100 billion in sanctions relief by the time the next Administration comes to office because of the frontloading of sanctions relief in the early months of the misconceived deal. Continuing to fork over billions of dollars that Tehran can use to finance further terrorism, subversion, and military and nuclear expansion will only worsen the situation.

In place of the flawed nuclear agreement, which would boost Iran's long-term military and nuclear threat potential, strengthen Iran's regional influence, strain ties with U.S. allies, and diminish U.S. influence in the region, the new Administration should:

1. Expand sanctions on Iran. The new Administration should immediately reinstate all U.S. sanctions on Iran suspended under the Vienna Agreement and work with Congress to expand sanctions, focusing on Iran's nuclear program; support of terrorism; ballistic missile program; interventions in Syria, Iraq, and Yemen; human rights violations; and holding of four American hostages (*Washington Post*

This paper, in its entirety, can be found at http://report.heritage.org/ib4468

reporter Jason Rezaian, Christian pastor Saeed Abedini, former U.S. Marine Amir Hekmati, and former FBI agent Robert Levinson, who has been covertly held hostage by Iran since 2007).

The new Administration should designate Iran's Islamic Revolutionary Guard Corps (IRGC) as a foreign terrorist organization and apply sanctions to any non-Iranian companies that do business with the IRGC's extensive economic empire. This measure would help reduce the IRGC's ability to exploit sanctions relief for its own hostile purposes.

Washington should also cite Iranian violations of the accord as reason for reimposing U.N. sanctions on Iran, thus enhancing international pressure on Tehran and discouraging foreign investment and trade that could boost Iran's military and nuclear programs. It is critical that U.S. allies and Iran's trading partners understand that investing or trading with Iran will subject them to U.S. sanctions even if some countries refuse to enforce U.N. sanctions.

2. Strengthen U.S. military forces to provide greater deterrence against an Iranian nuclear breakout. Ultimately, no piece of paper will block an Iranian nuclear breakout. The chief deterrent to Iran's attaining a nuclear capability is the prospect of a U.S. preventive military attack. It is no coincidence that Iran halted many aspects of its nuclear weapons program in 2003 after the U.S. invasion of and overthrow of hostile regimes in Afghanistan and Iraq. Libyan dictator Muammar Qadhafi, motivated by a similar apprehension about the Bush Administration, also chose to give up his chemical and nuclear weapons programs.

To strengthen this deterrence, it is necessary to rebuild U.S. military strength, which has been sapped in recent years by devastating budget cuts. The Obama Administration's failure to provide for the national defense will shortly result in the absence of U.S. aircraft carriers from the Persian Gulf region for the first time since 2007. Such signs of declining U.S. military capabilities will exacerbate the risks posed by the nuclear deal.

3. Strengthen U.S. alliances, especially with Israel. The nuclear agreement has had a corrosive effect on bilateral relationships with important U.S. allies in the Middle East, particularly those countries that are most threatened by Iran, such as Israel and Saudi Arabia. Rather than sacrificing the interests of allies in a rush to embrace Iran as the Obama Administration has done, the next Administration should give priority to safeguarding the vital security interests of the U.S. and its allies by maintaining a favorable balance of power in the region to deter and contain Iran. Washington should help rebuild security ties by boosting arms sales to Israel, Saudi Arabia, and other members of the Gulf Cooperation Council (GCC) that are threatened by Tehran, taking care that arms sales to Arab states do not threaten Israel's qualitative military edge in the event of a flare-up in Arab–Israeli fighting.

To enhance deterrence against an Iranian nuclear breakout, Washington also should transfer to Israel capabilities that could be used to destroy hardened targets such as the Fordow uranium enrichment facility, which is built hundreds of feet beneath a mountain. The only non-nuclear weapon capable of destroying such a target is the Massive Ordnance Penetrator (MOP), a precision-guided, 30,000-pound "bunker buster" bomb. Giving Israel these weapons and the aircraft to deliver them would make Tehran think twice about risking a nuclear breakout.

The U.S. and its European allies also should strengthen military, intelligence, and security cooperation with Israel and the members of the GCC, an alliance of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates, founded in 1981 to provide collective security for Arab states threatened by Iran. Such a coalition could help both to contain the expansion of Iranian power and to facilitate military action (if necessary) against Iran.

4. Put a high priority on missile defense. Iran's ballistic missile force, the largest in the Middle East, poses a growing threat to its neighbors. Washington should help Israel to strengthen its missile defenses and help the GCC countries to build an integrated and layered missile defense architecture to blunt the Iranian missile threat. The U.S. Navy should be prepared to deploy warships equipped with Aegis ballistic missile defense systems to appropriate locations to help defend Israel and the GCC allies against potential Iranian missile attacks as circumstances demand. This will require coordinating missile defense activities among the various U.S. and allied missile defense systems through a joint communications system. The U.S. should also field missile defense interceptors in space for intercepting Iranian missiles in the boost phase, which would add a valuable additional layer to missile defenses.

5. Deter nuclear proliferation. For more than five decades, Washington has opposed the spread of sensitive nuclear technologies such as uranium enrichment, even for its allies. By unwisely making an exception for Iran, the Obama Administration in effect conceded the acceptability of an illicit uranium enrichment program in a rogue state. In fact, the Administration granted Iran's Islamist dictatorship better terms on uranium enrichment than the Ford and Carter Administrations offered to the Shah of Iran, a U.S. ally back in the 1970s.

The Obama Administration's shortsighted deal with Iran is likely to spur a cascade of nuclear proliferation among threatened states such as Saudi Arabia, Turkey, Egypt, and the United Arab Emirates. Such a multipolar nuclear Middle East, on hairtrigger alert because of the lack of a survivable second-strike capability, would introduce a new level of instability into an already volatile region. To prevent such an outcome, the next Administration must reassure these countries that it will take military action to prevent Iran from gaining a nuclear capability as well as to deter Iranian military threats to their interests.

6. Expand domestic oil and gas production and lift the ban on U.S. oil exports to put downward pressure on world prices. In addition to sanctions, Iran's economy has been hurt by falling world oil prices. Its oil export earnings, which constitute more than 80 percent of the regime's revenue, have been significantly reduced. By removing unnecessary restrictions on oil exploration and drilling in potentially rich offshore and Alaskan oil regions, Washington could help to maximize downward pressure on long-term global oil prices. Lifting the ban on U.S. oil exports, an obsolete legacy of the 1973-1974 energy crisis spawned by the Arab oil embargo, would amplify the benefits of increased oil and gas production. Permitting U.S. oil exports not only would benefit the U.S. economy and balance of trade, but also would marginally lower world oil prices and Iranian oil export revenues, thereby reducing the regime's ability to finance terrorism, subversion, and military expansion.

7. Negotiate a better deal with Iran. The Obama Administration played a strong hand weakly in its negotiations with Iran. It made it clear that it wanted a nuclear agreement more than Tehran appeared to want one. That gave the Iranians bargaining leverage that they used shrewdly. The

Administration made a bad situation worse by downplaying the military option and front-loading sanctions relief early in the interim agreement, which reduced Iran's incentives to make concessions.

The next Administration should seek an agreement that would permanently bar Iran from acquiring nuclear weapons. At a minimum, this would require:

- Banning Iran from uranium enrichment activities;
- Dismantling substantial portions of Iran's nuclear infrastructure, particularly the Fordow and Natanz uranium enrichment facilities and Arak heavy water reactor;
- Performing robust inspections on an "anytime anywhere" basis and real-time monitoring of Iranian nuclear facilities;
- Linking sanctions relief to Iranian compliance;
- Ensuring that Iran comes clean on its past weaponization efforts; and
- Determining a clear and rapid process for reimposing all sanctions if Iran is caught cheating.

The Bottom Line

The nuclear deal already has weakened relationships between the U.S. and important allies, undermined the perceived reliability of the U.S. as an ally, and helped Iran to reinvigorate its economy and expand its regional influence. After oil sanctions are lifted, Iran will gain enhanced resources to finance escalating threats to the U.S. and its allies. The next Administration must help put Iran's nuclear genie back in the bottle by taking a much tougher and more realistic approach to deterring and preventing an Iranian nuclear breakout.

-James Phillips is Senior Research Fellow for Middle Eastern Affairs in the Douglas and Sarah Allison Center for Foreign and National Security Policy, of the Kathryn and Shelby Cullom Davis Institute for National Security and Foreign Policy, at The Heritage Foundation.