

What's Wrong with the Iran Nuclear Deal and What Can We Do Now?

The Iran nuclear deal, formally known as the Joint Comprehensive Plan of Action (JCPOA), was reached on July 14, 2015 by the United States, the United Kingdom, France, Germany, Russia, China, the European Union (EU), and Iran.

Key Failings of the Iran Nuclear Deal:

1. The JCPOA does not confirm the peaceful nature of Iran's nuclear program and provides a clear pathway to nuclear weapons.

Sunset Clause

- The sunset provisions in the JCPOA mean restrictions on Iran's uranium-enrichment and plutonium reprocessing lift after 10 to 15 years. Iran is free to expand its nuclear program at that time to an industrial scale and introduce advanced centrifuges that can potentially reduce its "breakout" time – the time needed to produce enough weapons-grade uranium for a nuclear weapon – to a matter of weeks, if not days – "almost down to zero," according to President Obama.
- The JCPOA therefore merely "rents" Iranian arms control for a limited and defined period, after which Iran will be permitted to have an industrial-scale nuclear program with no limitations on number and type of centrifuges, or on its stockpiles of fissile material, buttressed by the economic benefits obtained through sanctions easing.

Inspections, Verification and Potential Clandestine Parallel Program

- The JCPOA does not require Iran to submit to "anytime, anywhere" International Atomic Energy Agency (IAEA) inspections of facilities and military sites where nuclear activities are suspected to have occurred. Iran, a serial cheater on its nuclear and other international obligations, can delay inspections of such facilities for up to 24 days, giving it significant time to hide evidence of covert nuclear activities.
- Key questions remain concerning Iran's undeclared nuclear activities.
 - The JCPOA prematurely and irresponsibly closed the IAEA probe into Iran's documented nuclear-weaponization efforts or the so-called Possible Military Dimensions (PMDs) of its nuclear program.
 - However, the IAEA concluded that Iran was actively designing a nuclear weapon through at least 2009. Iran's lack of cooperation with the IAEA probe makes it impossible to verify if Tehran has halted all such efforts.

- Consequently, the international community has an incomplete picture of Iran's nuclear program making it impossible to establish a baseline to guide future inspections and verification.

2. Iran accepts *temporary* nuclear restrictions in exchange for front-loaded, permanent benefits.

- Under the JCPOA, United Nations (U.N.) sanctions on Iran's ballistic-missile program expire after eight years after Implementation Day (January 2024), while U.N. restrictions on the transfer of conventional weapons to or from Iran terminate after five years (January 2021).
- In exchange for temporary restrictions on its nuclear program, Iran is receiving permanent benefits up-front.
- U.N. sanctions and some E.U. sanctions have been lifted, enabling Iran to access \$100 billion or more in previously frozen assets. Remaining EU sanctions will be lifted in less than 8 years.
- The U.S. ceased applying nuclear-related sanctions against foreign companies for doing business in Iran.
- Sanctions relief has revitalized the Iranian economy and reduced leverage to hold Iran accountable. Since the deal, Iran has signed over \$100 billion in contracts with foreign companies. Iranian economic growth and foreign trade have increased dramatically, while inflation has decreased sharply.

3. The deal emboldens and enriches an extremist anti-American terror state thereby furthering Iran's expansionist and destabilizing activities.

Regional Instability

- The windfall of sanctions relief has freed up tens of billions of dollars to finance Tehran's many destabilizing activities. Iran increased its military budget 145% over the course of President Rouhani's first term.
- Iran continues to be the world's leading state sponsor of terrorism, backing terrorist organizations Hezbollah and Hamas, both of which have been responsible for the deaths of American citizens.
- Iran has escalated its support to Syria's Assad dictatorship, which has killed hundreds of thousands during the Syrian civil war, enabling Assad to reverse key setbacks and turn the tide of war in his favor.
- Iran sponsors the violent extremist groups destabilizing Iraq, Lebanon, Yemen, and Bahrain.
- Iran continues to take Americans and other Westerners hostage, detaining at least five Americans and six other Westerners since the nuclear deal was reached.

- The Iranian regime brutally represses its own people and violates the human rights of ethnic, national, and religious minorities with impunity.
- Iran has test-launched at least 16 ballistic missiles since the JCPOA was reached. U.N. Security Council Resolution 2231, which implemented the deal, aided Iran's ballistic-missile program by replacing previous resolution language that said Iran "shall not" engage in ballistic-missile activities with weaker language that merely "calls upon" Iran not to test any ballistic missiles "designed to be nuclear capable."

Arms Race

- The deal fails to prevent Iran from developing nuclear weapons in the long term and weakens restrictions on Iran's ballistic-missile program and conventional-arms transfers. Consequently, Iran's regional adversaries, like Saudi Arabia, may race to counter Iran by getting their own nuclear weapons and ballistic missiles and to enhance their conventional-arms capabilities.
- Former Saudi Intelligence Minister Turki al-Faisal warned in 2015: "I've always said whatever comes out of these talks, we will want the same. So if Iran has the ability to enrich uranium to whatever level, it's not just Saudi Arabia that's going to ask for that. The whole world will be an open door to go that route without any inhibition." Thus, the chance of destabilizing regional competition and conflict has increased.

Core Recommendation: The JCPOA should be improved and pressure on Tehran increased.

- A better deal would verifiably:
 - Prevent Tehran from getting nuclear weapons permanently; and
 - End Iran's ballistic-missile program, sponsorship of terrorism, regional aggression; and gross human rights violations.
- In exchange, Iran could receive comprehensive sanctions relief and normalization of relations with the U.S.
- If Iran refuses, the U.S. should increase pressure on Iran in a gradational manner, which is in accordance with the terms of the deal. For example, the U.S. could start holding Iran accountable for its multiple violations of the deal to date, including:
 - Exceeding its allotted limit for heavy water;
 - Test-firing multiple ballistic missiles and exporting arms to proxies like Hezbollah, in defiance of U.N. Security Council Resolution 2231; and
 - Continuing its "illegal proliferation-sensitive procurement activities" at a "quantitatively high level," according to German intelligence estimates.

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- To increase pressure, the U.S. can designate the entire Islamic Revolutionary Guard Corps (IRGC) as a foreign terrorist organization, freezing foreign investment in Iran because of the IRGC's pervasive involvement in and control of the Iranian economy through front companies.
- Additionally, the U.S. President and Congress can enact legislation punishing sectors of the Iranian economy that support Iran's ballistic missile program.
- If Iran does not change course, the President should make clear he is prepared to impose a new round of comprehensive secondary sanctions against Iran—and then to walk away, with cause, from the deal.