

IRAN: A threat bigger than Wall St

Contributed by Greg Sheridan, Foreign editor, The Australian
Saturday, 27 September 2008

IRAN is a problem from hell. The next US president, be it Barack Obama or John McCain, is going to have plenty to worry about: the Wall Street financial crisis, the war in Afghanistan, Pakistan's internal crisis, the relentless military build-up of China and the temptation it will soon have of trying to retake Taiwan militarily. But you can be sure of this. At some stage during the next presidency, Iran will blow up into a full-scale crisis that will dominate global politics and that may indeed be more important even than the other problems listed above.

The new president will have one modestly useful extra resource, a bipartisan report commissioned by two former US senators and written primarily by Middle East expert Michael Rubin of the American Enterprise Institute. The Weekend Australian has obtained a copy of the report, to be released later this week. Before I got the report, I had a long discussion with Rubin.

Rubin is a Republican, but the report he wrote was the consensus work of a bipartisan taskforce that includes Dennis Ross, Obama's key Middle East adviser.

The report is sobering and in some ways shocking reading. It begins baldly: "A nuclear weapons capable Islamic Republic of Iran is strategically untenable."

It points to the disastrous consequences of an Iran with nuclear weapons: "Iran's nuclear development may pose the most significant strategic threat to the US during the next administration.

"A nuclear ready or nuclear-armed Islamic Republic ruled by the clerical regime could threaten the Persian Gulf region and its vast energy resources, spark nuclear proliferation throughout the Middle East, inject additional volatility into global energy markets, embolden extremists in the region and destabilise states such as Saudi Arabia and others in the region, provide nuclear technology to other radical regimes and terrorists (although Iran might hesitate to share traceable nuclear technology), and seek to make good on its threats to eradicate Israel.

"The threat posed by the Islamic Republic is not only direct Iranian action but also aggression committed by proxy. Iran remains the world's most active state sponsor of terrorism, proving its reach from Buenos Aires to Baghdad."

In one sense the report is ostensibly optimistic. It argues: "We believe that a realistic, robust and comprehensive approach - incorporating new diplomatic, economic and military tools in an integrated fashion - can prevent Iran from acquiring nuclear weapons capability."

However, it is unclear whether the report's authors really believe this is possible. It would have been inconceivable to write a report saying without qualification that the game is up, nothing can be done short of direct military action. It would also have gone against the problem-solving, optimistic grain of American public life.

But the report provides overwhelming evidence for pessimism.

For a start, it states quite plainly that no approach can work on Iran that is not much, much tougher on the economic sanctions front, so that the cost to Iran of continuing to pursue nuclear weapons becomes too great, while the incentives of normalisation would become correspondingly more attractive to Tehran. But the report makes it clear that tougher sanctions cannot possibly work without the full co-operation and enthusiastic implementation by not only the US but the European Union, Russia, China and the other Persian Gulf states.

In what is a spectacular understatement, the report drily notes that recent events in Georgia may make Russian co-operation more difficult to achieve.

In our discussion, Rubin told me he thought the Russians might feel themselves to be in a win-win situation.

If they continue to sell the Iranians nuclear technology, they make a lot of money and frustrate the Americans. If the US or Israel ultimately strikes at Iran's nuclear facilities, it will do two things that will please Russia. It will cause great international discomfort for the US, thus lessening any US pressure on Russia over human rights, its treatment of Georgia or other such issues. And it will drive up energy prices when Russia is a huge exporter of energy, thus making Russia even richer.

Long-term, enlightened self-interest would see the Russians recognise the dangers they too would ultimately face from a

nuclear-armed Iran, but so far that long-term, enlightened self-interest has been notably lacking in the Russian governing class.

The report is an impressive document and deeply realistic. It recognises the real possibility that the strategy it proposes will not work. It is very difficult to imagine achieving the degree of international unity that would be required even to put the strategy into effect.

And even if that international unity is achieved and the strategy implemented, Iran's rulers may decide to go ahead with their nuclear weapons ambitions anyway.

One of the strongest pessimistic indicators in the report is that there is universal intelligence and diplomatic agreement that Iran was working hard on a nuclear weapons program during the period of its maximum apparent moderation under the reform president, Mohammed Khatami, when it also had the maximum international engagement since the revolution of 1979.

The report states: "The 2007 (US) National Intelligence Estimate's finding that the Islamic Republic maintained a nuclear weapons program until 2003 coincides with the European Union's period of critical engagement and former Iranian president Khatami's call for a Dialogue of Civilisations." The report further notes a recent statement by Khatami's former spokesman, Abdollah Ramezanzadeh, that a strategy of insincere dialogue on Iran's part allowed it to import technology for its covert nuclear program.

Rubin says there is significant criticism within Iranian leadership circles of President Mahmoud Ahmadinejad for his confrontationist rhetoric and frequent threats against Israel, not because of ideological opposition to them but because they attract Western pressure. Rubin believes that Ahmadinejad, though significant, is not the real power in Iran. This is shared between the military Revolutionary Guard and the supreme religious leader, Ayatollah Ali Khomeini.

Rubin believes that the Revolutionary Guard has become so powerful, and has infiltrated itself into so many positions of power, that it is fair to describe Iran as having undergone a kind of creeping military coup.

He is impatient with the unreality of much of the Western commentariat's analysis of Iran. When people say it would be better to have a strategy of deterrence against Iran than to try to prevent it from acquiring nuclear weapons, he wonders if they really know what deterrence means. The strategy of deterrence means the credible threat to deliberately inflict certain death on hundreds of thousands of people if Iran commits a nuclear transgression.

Similarly, the strategy of containment means that Iran's neighbours must be militarily equipped to fight Iran successfully should it attack until US military intervention can arrive.

Kuwait was not able to do this against Iraq when it invaded nearly two decades ago. Kuwait collapsed within hours and this required eventually a much bigger US military intervention.

Rubin does not think a military strike is a good option. It may require 1400 sorties to be successful and unless the US, or Israel, was willing to repeat the strike over the years, it might delay rather than eliminate Iran's nuclear program. And it could have all kinds of other consequences.

For example, Iran could attack Iraq's oil facilities, which produce two million barrels of oil a day.

However, the military option has to be there to give diplomacy any chance at all.

Finally, Rubin notes the divergence between European, US and Israeli views of the Iranian threat. The Europeans see Iran's nuclear program as a grave threat to the nuclear non-proliferation regime.

The US sees Iran's nuclear ambitions as strategically unacceptable but not ultimately a threat to the US's existence. Israel sees a nuclear armed Iran as representing the threat of annihilation to the Israeli people.

If that is really Israel's view, and if international diplomacy cannot stop Iran going nuclear, an Israeli military strike must eventually be more likely than not.

The problem from hell.

<http://www.theaustralian.news.com.au/story/0,25197,24408271-7583,00.html#>