

Toward a Grand Bargain with Iran

Ted Galen Carpenter

Iran would be at or near the top of a list of countries Americans would least like to see have nuclear weapons, and the reason for apprehension has deepened dramatically in the past year with the election of President Mahmoud Ahmadinejad. Iran under the mullahs has always been a weird and ominous country, but the weirdness quotient has reached new levels. Iran is now headed by an individual who expresses the hope that Israel be wiped off the map and denies that the Holocaust ever occurred. Those are sentiments not found in civilized circles anywhere in the world.

With the increasingly probable failure of the negotiations led by the three leading powers of the European Union, the United States now hopes that international economic sanctions (imposed either by the United Nations Security Council or by an ad hoc coalition of like-minded nations) will cause Iran to give up its quest for nuclear weapons. That seems unlikely.¹ In any case, US policy makers need to consider the available options if sanctions fail. At that point, three options are the most prominent.²

One possibility is to launch preventive air strikes against Iran's nuclear installations. That is the most unwise strategy. At best, such strikes would delay, not eliminate, Tehran's program. There is also a grave risk that Iran would retaliate with terrorist attacks and perhaps more drastic measures.

1. Neil King Jr. and Marc Champion, "Nations' Rich Trade with Iran Is Hurdle for Sanctions Plan," *Wall Street Journal*, 20 September 2006, A1.

2. For a discussion of the full range of options, including sanctions and a campaign of subversion to achieve regime change in Iran, see Ted Galen Carpenter, "Iran's Nuclear Program: America's Policy Options," Cato Institute Policy Analysis no. 578, 20 September 2006.

Ted Galen Carpenter is vice president for defense and foreign policy studies at the Cato Institute.

Attacking Iran would also further inflame Muslim populations around the world, creating the very real prospect of a war of civilizations.

A second possibility is to reluctantly accept Iran as a member of the global nuclear weapons club and to rely on the deterrent power of America's vast nuclear arsenal. While that strategy is not without risk, the United States has successfully deterred other volatile and unsavory regimes, most notably Maoist China during that country's Cultural Revolution. Even if the United States is able to deter a nuclear Iran, however, there is still the danger of extensive nuclear proliferation in the Middle East region—something the United States would very much like to discourage.

The last option is to try to strike a grand bargain with Iran. Washington would give security assurances to Iran and offer to normalize diplomatic and economic relations in exchange for Tehran's commitment to open its nuclear program to rigorous, on-demand international inspections. Such an arrangement would enable Iran to use nuclear technology for the generation of electric power, but it would prevent any diversion of nuclear material from peaceful purposes to building weapons.

Preventive Air Strikes

Proponents of preventive military action typically cite the successful Israeli strike on Iraq's Osirak reactor in 1981 as a model for derailing the Iranian nuclear program. Some suggest that the United States undertake that mission on its own; others suggest that Washington encourage Israel to do so—a form of security outsourcing. In terms of the larger geopolitical consequences, it would be a distinction without a difference. Even if Israel undertook the task (either with US encouragement or on its own initiative), the United States would be blamed, given the close political ties between Washington and Tel Aviv. The perception of collusion would be deepened, because to reach targets in Iran, Israeli planes would probably have to overfly US-controlled Iraq.³ Clearly, they could not do that without Washington's approval.

3. Retired Air Force Lt. Gen. Thomas G. McInerney, now a Fox News consultant, concedes that the United States would have to grant the Israeli attack force the right to overfly Iraq: "They really can't do this without us." Quoted in Rowan Scarborough, "Israel Capable of Air Strike on Iran," *Washington Times*, 18 July 2006.

The drumbeat among American hawks for air strikes against Iran has redoubled since war broke out in July 2006 between Israel and the Iranian-supported Hezbollah in Lebanon. *Weekly Standard* editor William Kristol epitomizes those recommendations. He suggests “countering this act of Iranian aggression with a military strike against Iranian nuclear facilities.” And he is in a hurry, asserting that it “would be easier to act sooner than later.” Kristol is sanguine about the consequences: “Yes, there would be repercussions—and they would be healthy ones, showing a strong America that has rejected further appeasement.”⁴

There are numerous problems with the strategy of preemptive air strikes, whether they are conducted by Israel or the United States.⁵ Osirak was one, easily identified, above-ground site. There are numerous nuclear-related sites in Iran—many of which are in or near major population centers, maximizing the probable number of civilian casualties in an attack. Indeed, thousands of innocent Iranians would likely perish in a campaign of air strikes.

Moreover, there is no certainty that we have identified all of the relevant targets. There could be many other covert facilities, since Tehran has had nearly three decades to pursue its nuclear activities. Worst of all, some of the installations may be in reinforced, underground locations. Taking out such sites with conventional weapons would be problematic at best. Although some ultrahawkish types have apparently mused about using nuclear “bunker busters” for the required strikes,⁶ crossing the nuclear threshold is a momentous step that could come back to haunt the United States in multiple ways.

Even launching conventional strikes would be extremely dangerous. Contrary to Kristol’s optimistic assessment, there are likely to be highly negative repercussions. At the very least, Tehran would be tempted to cause even more trouble than it is already doing for US and British occupation forces in Iraq. The infiltration of a few thousand dedicated Revolutionary Guards to

4. William Kristol, “It’s Our War: Bush Should Go to Jerusalem—and the U.S. Should Confront Iran,” *Weekly Standard*, 24 July 2006.

5. For a detailed discussion of those difficulties, see Justin Logan, “The Bottom Line on War with Iran: The Costs and Benefits of Preventive War versus Deterrence,” *Cato Policy Analysis*, forthcoming.

6. Seymour Hersh, “The Iran Plans,” *New Yorker*, 17 April 2006, at www.newyorker.com/fact/content/articles/060417fa_fact. Hersh cites a “senior Pentagon official” who asserts that the Pentagon drew up a nuclear option against Iran. Several high-level military officials reportedly threatened to resign, however, unless that option was tabled.

assist pro-Iranian militias could accomplish that goal. The Iranian regime would also be tempted to unleash its ally, Hezbollah, on American targets throughout the Middle East. And there is always the risk that an attacked and humiliated Iran might do something incredibly rash, such as closing the Strait of Hormuz or launching attacks against Israel, triggering a massive regional crisis.⁷

In marked contrast to Kristol and other optimists, Charles Krauthammer is candid enough to admit that attacking Iran would produce extremely unpleasant consequences—even though he favors that course as the alleged lesser of two evils.⁸ According to Krauthammer, the costs of such an attack “will be terrible.” He predicts that oil prices would spike to at least \$100 and possibly as much as \$150 a barrel, triggering a global economic recession “perhaps as deep as the one triggered by the Iranian revolution of 1979.” Iran would shock the oil markets by closing the Strait of Hormuz, through which 40 percent of the world’s oil exports flow. Tehran could do this by scuttling its own ships, laying mines, or threatening to fire silkworm missiles at passing tankers. Although the US Navy could eventually reopen the strait, it would come at “considerable cost.”

Krauthammer concedes that Iran would likely activate its “proxies” in Iraq, notably Moqtada al-Sadr’s Mahdi Army. Many Iraqi and US troops would die as a result, and Iraq would suffer even greater political instability. Finally, Krauthammer admits that the United States would pay a high cost in diplomatic ill will, not only in the Muslim world, but in Europe and other regions as well. It is safe to assume that a hawk like Krauthammer is not overstating the likely adverse consequences of a US assault on Iran. Indeed, he may be understating them.

Perhaps the most bizarre incarnation of the air-strike thesis is the argument made by some American hawks that it would serve as the needed catalyst for regime change. According to that thesis, the Iranian people would be so enraged at the clerics for bringing destruction upon them that they would overthrow the regime. Kristol, once again, is the most explicit with that rationale. Asserting that “the Iranian people dislike their regime,” he pre-

7. For an overview of the difficulties the United States would likely encounter in attacking Iran, see Michael Duffy, “What Would War Look Like,” *Time*, 17 September 2006.

8. Charles Krauthammer, “The Tehran Calculus,” *Washington Post*, 15 September 2006, A19.

dicts that “the right use of military force . . . could cause them to reconsider whether they really want to have this regime in power.”⁹

The notion that populations will rise up against their government and make common cause with the country that is bombing them and killing their loved ones is based on dubious logic. Moreover, the historical record lends little support to the thesis. Despite massive bombing of Germany and Japan in World War II, the fascist regimes remained in power to the bitter end in both cases. US bombing of North Vietnam during the 1960s and early 1970s did not dislodge Ho Chi Minh or his successors from power. The North Atlantic Treaty Organization’s bombing of Serbia in 1999 actually caused Slobodan Milosevic’s popularity to *increase* for a time. It was not until later—and largely exploiting domestic issues—that the democratic opposition was able to get rid of him.

Bombing Iran would almost certainly be counterproductive for the goal of regime change. Iranians, like most other people, could be expected to rally around the flag if their country comes under attack. Nobel laureate Shirin Ebadi, an Iranian liberal critic of the clerical regime, likely expressed the views of most of her fellow citizens when she warned Washington not to attack Iran: “We will defend our country till the last drop of blood.”¹⁰ If that is the attitude of a pro-Western liberal Iranian, one can only imagine what the attitude would be of Iranians who were less hostile to the current government.

Finally, there is the probable impact on the rest of the Muslim world. If the United States attacks yet another Muslim country (which would make three in the last five years), Muslims from Morocco to Malaysia would believe that Washington is out to destroy their culture and religion. America’s troubles with the Islamic world do not yet constitute a war of civilizations, but attacking Iran could well produce that result. The military option is one that no rational US policy maker should consider.

9. William Kristol, interview on Fox News, 19 July 2006.

10. Quoted in “Nobel Winner: Iranians Would Defend Country to ‘Last Drop of Blood,’” *Chicago Sun-Times*, 22 April 2006.

Deterrence and Containment

An alternative to preventive war is to accept Iran into the global nuclear weapons club. The United States would then rely on its own vast nuclear arsenal to deter Iran from contemplating an attack on American targets or threatening important American interests. Admittedly, the presence of Ahmadinejad makes the deterrence option more nerve wracking than it would be otherwise. Having such an emotionally volatile and hate-filled individual as Iran's head of state understandably makes people wonder whether deterrence would work in this case.

That is a legitimate concern. It is worth remembering, though, that Iran's political system is fairly diffuse, and Ahmadinejad is only one actor among many in the clerical elite. Indeed, despite his lofty title of president, he had to submit several candidates before he induced the parliament to approve his nominee for oil minister. Other Iranian officials have openly disagreed with his policies, not only on the nuclear issue, but on other foreign policy matters as well.¹¹ Iran under Ahmadinejad is not a tightly centralized system like Germany under Hitler and the Soviet Union under Stalin, where one man's decision could plunge the nation into war.

The experience of dealing with Stalin is relevant in another way. The United States has successfully deterred other repugnant and bizarre regimes. Stalin was a genocidal psychopath, yet he was never so reckless as to attack a nuclear-armed America or even US allies in Western Europe.

Washington's experience with China in the 1960s and early 1970s is perhaps even more pertinent.¹² China became a nuclear power under Mao Zedong, a leader who exceeded even Stalin's record of genocide. Mao's publicly enunciated views on nuclear warfare also were alarming in the extreme.

11. Paul Hughes, "Mixed Views in Iran on Nuclear Strategy," Reuters, 5 February 2006; John R. Bradley, "Tehran Elite Turning on Extremist Presidency," *Washington Times*, 14 March 2006; Michael Slackman, "In Iran, a Chorus of Dissent Rises on Leadership's Nuclear Strategy," *New York Times*, 15 March 2006; Tony Karon, "Iran's President's Bark May Be Worse than His Bite," *Time*, 20 April 2006; and Abbas Milani and Michael McFaul, "Inside Iran's Fractured Regime," *Washington Post*, 25 June 2006, B5.

12. For a discussion of that episode and its relevance to today's concerns about nuclear-armed "rogue states," see Francis J. Gavin, "Blasts from the Past: Proliferation Lessons from the 1960s," *International Security* 29, no. 3 (2004–05): 100–35.

His boast that China could outlast the United States in a nuclear war of attrition so disturbed the other communist giant, the USSR, that Soviet leaders hastened to assure their American counterparts that such thinking in no way reflected the Kremlin's views.

China also emerged as a nuclear power on the eve of the Cultural Revolution. China during that orgy of fanaticism makes today's Iran look like a normal, even sedate, country. US policy makers were understandably very uneasy about China joining the ranks of nuclear-weapons states. Yet they rejected the advice of those inside and outside government who advocated military action to take out Beijing's nuclear program. Given the constructive changes that have taken place in China, and the important relationship that has grown up between Washington and Beijing in the past three decades, history has vindicated a policy of restraint. A similar policy of caution and deterrence may also pay off with Iran.

In any case, the obnoxious nature of the Iranian regime (or other rogue regimes) does not negate the underlying realities of deterrence.¹³ The United States has an enormous nuclear arsenal and the delivery systems to launch retaliatory strikes with pinpoint accuracy. Any government in Tehran, whether headed by Ahmadinejad or some other figure, would have to realize that an attack on America would be a regime-extinguishing event. Such an attack would be suicide, both politically and literally.

Yet many hawks make the assumption (usually with little or no evidence) that the Iranian government is not deterrable. Krauthammer, for example, insists that there is an unacceptable danger of "permitting nuclear weapons to be acquired by religious fanatics seized with an eschatological belief in the imminent apocalypse and in their own divine duty to hasten the End of Days." The mullahs, he argues, "are infinitely more likely to use these weapons than anyone in the history of the nuclear age. Every city in the civilized world will live under the specter of instant annihilation."¹⁴

What Krauthammer and other proponents of war fail to understand is that while nonstate actors that embrace terrorism may sometimes be suicidal, political leaders in established regimes almost never are. We have no cred-

13. See Jeffrey Record, "Nuclear Deterrence, Preventive War, and Counterproliferation," Cato Institute Policy Analysis no. 519, 8 July 2004.

14. Krauthammer.

ible evidence that the Iranian leadership is an exception to that rule. One would look in vain for incidents in which members of the Iranian political elite have participated in suicide missions.

Most people who reject a strategy of acceptance and deterrence tacitly acknowledge the improbability that Iran would launch a suicidal attack on the American homeland. Instead, a majority of the objections focus on other fears about Iranian misconduct. Those objections are based on several assumptions of varying plausibility.

Advocates of a hard-line policy toward Tehran argue that if Iran acquires nuclear weapons, it will use those weapons against its hated adversary, Israel. Fears of such a scenario have risen sharply in the past years following comments by Ahmadinejad that it would be a good thing if Israel were wiped off the map.

Such a comment is certainly reprehensible, but does it negate the long-standing realities of deterrence? Israel has between 150 and 300 nuclear weapons of its own. Even if Iran can go forward with its nuclear program, it will not be able to build more than a dozen or so weapons over the next decade—even assuming that the most alarmist predictions of the current state of the program prove valid. Moreover, Israel is moving to expand its submarine fleet to have at least one nuclear-armed submarine on station at all times, giving the country a secure second-strike capability.¹⁵ Once that process is complete, Tehran could not hope to launch a “decapitation” sneak attack based on the (already remote) possibility that Israel would be unable to retaliate. As in the case of contemplating an attack on the United States, it would be most unwise for Iran to contemplate attacking Israel. The same realities of deterrence apply, albeit on a smaller scale. In all likelihood, Iranian rhetoric about wiping Israel off the map is merely ideological blather. Israel has more than a sufficient capability to deter an Iranian nuclear attack.

The concern that Iran might pass along nuclear weapons to terrorist groups has slightly greater plausibility. Tehran does have a cozy relationship with a number of terrorist organizations in the Middle East, most notably Hezbollah. The pervasive assumption among American hawks is that if Iran

15. Walter Pincus, “Israel Has Sub-Based Atomic Arms Capability,” *Washington Post*, 15 June 2002, A1; and Ramit Plushnick-Mati, “Israel Buys 2 Nuclear-Capable Submarines,” Associated Press, 25 August 2006.

obtains nuclear weapons, sooner or later it would pass along one to a terrorist ally.

But how likely is it that Iran would make such a transfer? At the very least, it would be an incredibly high-risk strategy. Even the most fanatical mullahs in Tehran realize that the United States would attack the probable supplier of such a weapon—and Iran would be at the top of Washington’s list of suspects.

It is significant that Iran has possessed chemical weapons for decades, yet there is no indication that it has passed on any of those weapons to Hezbollah or to Palestinian groups that Tehran supports politically. Why should one assume that the mullahs would be more reckless with nuclear weapons when the prospect of devastating retaliation for an attack would be even more likely? The more logical conclusion is that Iran, like other nuclear powers, would jealously guard its arsenal.

Beyond the concerns about Tehran using its nuclear weapons in a reckless manner, prominent hawks insist that an Iran armed with nuclear weapons would seek to establish its hegemony in the Persian Gulf region and would seek to undermine US interests there and elsewhere in the world whenever possible. Edward Luttwak, a senior scholar at the Center for Strategic and International Studies, states that thesis starkly: “Given what Iran’s regime is now doing to attack American interests worldwide from Venezuela to Iraq even without the shield of nuclear weapons, it is irresponsible to do nothing and merely wait to see how they will behave when they feel more secure.”¹⁶ American Enterprise Institute scholar Reuel Marc Gerecht makes a similar argument: “We—America and Europe—have done an awful job confronting the clerical regime for its terrorism when the Islamic Republic wasn’t a nuclear power.” Given that record, he predicts that “the Europeans (certainly) and the Americans (probably) would be likely to blink and give way to Iranian intimidation backed by a nuclear threat, especially one that had a terrorist edge to it.”¹⁷

16. Edward Luttwak, “The Three Options,” *Cato Unbound*, July 2006.

17. Reuel Marc Gerecht, “Another Round,” *Cato Unbound*, July 2006. For contrary views, see Barry R. Posen, “We Can Live with a Nuclear Iran,” *New York Times*, 27 February 2006; and Christopher Layne, “Iran: The Logic of Deterrence,” *American Conservative*, 10 April 2006.

There may be some truth to the blackmail thesis. Iran might become more assertive in the geopolitical arena—especially in the Persian Gulf region—once it had a secure nuclear deterrent. The prospect of at least subtle blackmail becomes more likely if Tehran’s neighbors choose to remain nonnuclear, perhaps counting on the US nuclear umbrella to shield them from Iranian pressure. That would create a dilemma for the United States. Extended deterrence (protecting third parties from attacks) has always been more problematic than primary deterrence (protecting the United States from attack), since a challenging power might doubt that the US would really risk adverse consequences by putting its own security on the line for an ally or client.

Extended deterrence is especially problematic if the country being protected is only a marginal ally or client of the United States. Although Israel (and probably Saudi Arabia) would not fall into that category, other nations in the region do. Tehran might wonder whether the United States would really risk a major war with a nuclear-armed Iran merely to prevent some modest muscling of, say, one of the small Persian Gulf states.

Nevertheless, one can overstate both the probability and the effectiveness of blackmail. It is again useful to recall that analysts expressed similar fears about China’s behavior when it acquired nuclear weapons, yet Beijing’s behavior for the most part did not validate those fears. Although China did attack Vietnam in 1979, its conduct since the late 1960s has generally been less, rather than more, bellicose than it was when China lacked a nuclear capability. That episode illustrates the larger point that nuclear weapons are much more useful as a deterrent against possible adversaries than they are as a mechanism for intimidating those adversaries, much less for war-fighting purposes.¹⁸ There are indications over the past several years that the two newest nuclear powers, India and Pakistan, have reached that conclusion. As in the case of China after the 1960s, New Delhi and Islamabad

18. Kenneth Waltz, “The Spread of Nuclear Weapons: More May Be Better,” Adelphi Papers no. 171 (London: International Institute for Strategic Studies), 1981. Back in the 1960s, Thomas C. Schelling made the important distinction between deterrence and “compellence.” The latter is far more difficult to achieve than the former. Even the United States with its vast conventional and nuclear military capabilities has discovered that to be true, much to its chagrin. See Christopher Layne, “Impotent Power? Re-Examining the Nature of America’s Hegemonic Power,” *National Interest*, no. 85 (September–October 2006): 41–7.

appear to have become more cautious and restrained since they built nuclear arsenals. One cannot guarantee that Tehran would follow that pattern, but by the same token it is unwarranted to merely assume that the Iranian regime would engage in rampant blackmail.

Finally, those who favor a more confrontational policy toward Iran warn that if Tehran succeeds in its quest for nuclear weapons, other nations in the region will quickly do the same, creating an especially dangerous security environment. As in the case of concerns about possible blackmail, this fear has some validity. Because of the uncertain reliability of the protection afforded by the US umbrella for some US allies and client states in the Middle East, there is a very real prospect that if Iran develops a nuclear arsenal, sooner or later such countries as Saudi Arabia, Egypt, and Turkey might follow suit.

Indeed, Egypt may already be thinking along those lines. In late September, Gamal Mubarak, President Hosni Mubarak's son and political heir apparent, stated that his country needed to develop a nuclear program for power generation.¹⁹ Although he stressed that the program would be entirely peaceful, his proposal had all the earmarks of a hedging strategy. As we have seen with India, Pakistan, North Korea, and Iran, "peaceful" nuclear programs can easily become the foundation for a nuclear weapons program.

Whether additional proliferation would reach epidemic proportions and create the nightmare scenarios forecast by some analysts is uncertain. It is important to recall that pundits and even international relations experts have tended to overestimate both the probability and the extent of proliferation in the past. The conventional wisdom in the 1960s was that there would be as many as two dozen nuclear weapons powers within a generation.²⁰ Similar predictions took place in the late 1970s and early 1980s.²¹

19. Michael Slackman and Mona El-Naggar, "Mubarak's Son Proposes Nuclear Program," *New York Times*, 20 September 2006, A14.

20. In March 1963, President John F. Kennedy said that he was haunted by the fear that sometime in the 1970s the United States would "face a world in which 15 or 20 or 25 nations" possessed nuclear weapons. Quoted in Scott Sagan, "How to Keep the Bomb from Iran," *Foreign Affairs* 85, no. 5 (2006): 49.

21. Lewis Dunn and Herman Kahn, "Trends in Nuclear Proliferation," report prepared for the U.S. Arms Control and Disarmament Agency, Hudson Institute, May 1976; Ashok Kapur, "And Where We Go: Nth Powers of the Future," *Annals of the American Academy of Political and Social Science* (March 1977): 84; and William Epstein, "Why States Do—and Don't—Go Nuclear," *Annals of the American Academy of Political and Social Science* (March 1977): 17–9.

Moreover, it is not an established fact that nuclear weapons in the hands of a larger number of nations would necessarily be a bad development. Indeed, some respected international relations scholars have argued that nuclear proliferation might be stabilizing rather than destabilizing.²² Given its volatile political makeup, though, the Middle East is probably not the best region to test that thesis.

Admittedly, relying on deterrence is not an easy or comfortable course to advocate, but it is more realistic and less dangerous than preventive war. On balance, though, we should make every reasonable effort to dissuade Tehran from proceeding down the nuclear path. The best way to do that is to propose a grand bargain to the Iranian government.

Try for a Grand Bargain

We should make a serious diplomatic effort to get Iran to give up its quest for nuclear weapons. Washington should propose a grand bargain to Tehran. That means giving an assurance that the United States will not use force against Iran the way we did against such nonnuclear adversaries as Serbia and Iraq.²³ It also means offering restored diplomatic relations and normal economic relations. In return, Iran would be required to open its nuclear program to unfettered international inspections to guarantee that the program is used solely for peaceful power-generation purposes.

The strategy of offering a grand bargain also attempts to understand why Iran might be pursuing a nuclear-weapons program and what it is likely to take to get that country to choose a different course. Why would Iran want to build nuclear weapons? In attempting to answer that question, we need to look at why the vast majority of countries decide to remain nonnuclear. Only a small number have ventured down the path of creating a nuclear capability, and some of them have turned around while on that path. South Africa is a notable example.

22. See Waltz, "Spread of Nuclear Weapons"; and Scott Sagan and Kenneth Waltz, *The Spread of Nuclear Weapons: A Debate Revisited* (New York: W.W. Norton, 2002, 2d ed.). See also John Mearsheimer, "Why We Will Soon Miss the Cold War," *Atlantic*, August 1990, 39–40.

23. That is likely to be a key point in any bargaining with Iran. Sagan, 59.

There are important reasons why most nations choose not to acquire a nuclear-weapons capability. For one thing, it is very expensive. The opportunity cost to most societies is regarded as prohibitive. Occasionally, a poor country such as North Korea will be willing to make a nuclear weapons program the highest priority, but most governments will not make the sacrifice. A decision to go nuclear also has important adverse diplomatic repercussions. Trying to build a nuclear arsenal is not the way to win friends in the international community. The majority of governments become extremely agitated when a country seeks to break out of the nonproliferation system and become a nuclear weapons state, and any would-be nuclear power has to take that hostility into consideration. Finally, by trying to acquire a nuclear arsenal, a country may trigger or exacerbate a regional arms race and at the end of the process end up no more secure than it was at the beginning. In fact, it might be even less secure.

On the other hand, there are some important reasons why a country might decide to go nuclear. One reason is prestige. The global nuclear weapons club is a very exclusive association. All five permanent members of the UN Security Council are nuclear weapons states, and a sixth, India, is likely to become a permanent member of the council in the next few years. Countries that have nuclear weapons are treated differently from nonnuclear powers. Before they became nuclear powers in 1998, India and Pakistan were treated with less than a great deal of respect by other international actors. India was considered a chronic Third World underachiever, and Pakistan was considered a problem state—if not a potential failed state. Consider how those countries are treated now, since they have joined the nuclear weapons club. It is markedly different.

Another motive to go nuclear is to deter or possibly intimidate a regional adversary. That appeared to be a consideration for both India and Pakistan. India had long sought to overawe its smaller neighbor, and possessing a nuclear arsenal eventually became part of that strategy. Pakistan, in turn, concluded that it had to neutralize India's growing conventional military advantage as well as its new nuclear capability. A nuclear deterrent was the most decisive and cost-effective way to achieve that goal. Beyond its regional rivalry with Pakistan, India was also concerned about the rising military power of China. There was no question the perceived Chinese threat was a

factor in India's decision to go nuclear, as then minister of defense George Fernandes emphasized.²⁴

In addition to the motive of deterrence within a region, there is a potential motive of broader deterrence—especially against the United States. With regard to that factor, we need to be realistic about the unintended consequences of some US conduct. The United States has taken major military action on nine occasions since the end of the Cold War. That is an extraordinary record of belligerence, and although many Americans may think that those episodes were justified, other countries don't necessarily see it the same way. In particular, countries such as Iran and North Korea have seen how the United States has treated nonnuclear adversaries such as Serbia and Iraq, and that may have led to the conclusion that the only reliable deterrent to US coercion was a nuclear arsenal.

So what are Iran's possible motives to go nuclear? Prestige is certainly one consideration—that was a factor even when the shah was in power. But prestige does not appear to be the dominant reason in Iran's case today. Deterrence, both regional and extraregional, seems to be a more important consideration. The region in which Iran is located is volatile and hostile. Russia, Israel, Pakistan, and India all have nuclear weapons already, so regional deterrence issues probably loom large for Tehran.²⁵ Iran very likely is also reacting to US actions. President Bush's "axis of evil" speech, linking Iran to Iraq and North Korea, came as a prelude to an invasion and occupation of Iraq. A policy maker in Tehran (or Pyongyang) seeing his country linked to Iraq in that fashion might well assume that his country will also be on the US hit list at some point.

24. In a February 2004 lecture, Fernandes admitted that in the past, "I had qualified China as 'potential threat number one.'" Since India became a nuclear power, he noted that Indian-Chinese relations had warmed considerably. Quoted in C. Raja Mohan, "India Rethinks China Policy," *Hindu*, 26 February 2004.

25. There are also reports that Iran's neighbor, Pakistan, is building a large reactor that would enable the country to significantly expand its nuclear arsenal. Such a reactor could generate enough plutonium to build forty to fifty weapons a year. Joby Warrick, "Pakistan Expanding Nuclear Program," *Washington Post*, 24 July 2006, A1. US government officials, however, contend that the reactor in question will be "substantially smaller and less capable than reported." Quoted in William Broad and David E. Sanger, "U.S. Disputes Report on New Pakistan Reactor," *New York Times*, 3 August 2006, A6. Even the addition of a smaller reactor, though, could enhance Pakistan's nuclear capabilities.

Indeed, inflammatory statements such as the axis of evil speech are counterproductive. James A. Bill, professor emeritus at the College of William and Mary, notes, "Given the aggressive rhetoric both in America and in Iran, it is not surprising that the two countries are still at loggerheads. Because of their conflicting world views, neither state is willing or able to begin the communication process necessary for a rapprochement. The Iranians harbor a deep fear of the United States. American decision makers do little to alleviate those fears."²⁶

In addition to President Bush's hostile rhetoric, the United States has deployed its forces in ways that many Iranians find menacing. US troops are already in several Persian Gulf states and have been in the region since the first Persian Gulf war. Additional forces have now been deployed to some of the Central Asian republics, to Afghanistan, and of course most recently to Iraq. To leaders in Tehran, those moves look suspiciously like an encirclement strategy and worry Iran is the next target for US military action. Iran's apparent response in wanting to build nuclear weapons is not irrational; it is quite logical.

A grand bargain is the one offer that might induce Iran to abandon the quest for a nuclear arsenal despite the various powerful incentives to pursue that goal. Normalized relations, an end to economic sanctions, the removal of any threat of a campaign of forcible regime change, and a settlement of Tehran's multibillion-dollar financial claims are very appealing carrots that Washington can offer. But it is hard to imagine Iran giving up its long-standing effort to build a nuclear arsenal for much less than that package of incentives.

It is possible, though, that Tehran would spurn a proposed grand bargain, despite the attractiveness of the incentives. There are significant cultural barriers between the United States and Iran that make bargaining over any issue extremely difficult.²⁷ Moreover, the Iranian political elite still seems uncertain about whether even to seek a rapprochement with the United States.²⁸

26. James A. Bill, "The Cultural Underpinnings of Politics: Iran and the United States," *Mediterranean Quarterly* 17, no. 1 (2006): 29–30.

27. *Ibid.*, 23–33.

28. Sometimes even the same leader gives conflicting signals within the span of a few days. See the comments of Iranian Supreme Leader Ayatollah Al Khamenei in "Khamenei Dismisses Iran-U.S. Talks," Reuters, 27 June 2006; and Karl Vick, "Ayatollah's Moves Hint Iran Wants to Engage," *Washington Post*, 5 July 2006, A10.

Those who propose a grand bargain also have to acknowledge that Iran may be unalterably determined to join the global nuclear weapons club for reasons of prestige and security. But we will never know unless we make the offer.

If Iran turns down the proposal for a grand bargain, Washington's fallback position should be to rely on deterrence, despite the limitations of that strategy and its unpleasant side effect of creating incentives for greater nuclear proliferation. The one thing we should not do is start yet another war that would further destabilize the Persian Gulf region and threaten the lives and welfare of millions of people.