

MEMMO

Feb. 9, 2007

Iran Seeks Nuclear Weapons—Not Energy

Iran's claim that its enrichment of uranium aims solely to develop peaceful atomic energy rings hollow: Its nuclear program actually runs counter to its energy and economic interests. Tehran's claims are further discredited by its nearly 20-year effort to hide its program from the International Atomic Energy Agency (IAEA), its rejection of several generous offers to help build a peaceful Iranian atomic energy program and the continuing military links to its nuclear efforts. As Tehran continues to press ahead with its nuclear program in defiance of the U.N. Security Council, the United States and its allies must push for stronger sanctions to persuade Tehran to end its nuclear quest.

Iran's nuclear pursuit runs contrary to its energy and economic interests.

- Using nuclear power for electricity is far more expensive than oil and gas for Iran, which has 90 years of oil and 220 years of gas reserves at current production rates, according to a 2006 Department of Energy (DOE) report.
- It does not make economic sense to invest billions of dollars in uranium enrichment and heavy water facilities, as Iran is doing, when nuclear reactor fuel can be purchased much more inexpensively on the international market.
- Iran's claims that it is developing civilian nuclear power production capabilities to become energy independent are undermined by the fact that the regime only has enough domestic uranium reserves to support the country's proposed nuclear program for 10-20 years. However, these resources are more than enough to supply material for an arsenal of atomic bombs.
- Beyond the Russian-built Bushehr reactor, for which Moscow is supplying the uranium fuel, Tehran has not begun construction on any nuclear power plants to actually use the enriched uranium it seeks to produce.
- Iran's oil production capabilities will further decline and the regime will become increasingly dependent on foreign energy products such as refined gasoline if it continues to invest domestic capital in its nuclear program rather than in the country's ailing and inefficient oil and gas sectors.

Tehran has rejected several generous packages from the international community to help it develop a civilian nuclear energy infrastructure.

- Iran immediately rejected an extensive August 2005 proposal from Britain, France and Germany (EU-3) that included an offer of long-term assistance to Iran's civil atomic program, including nuclear fuel supply assurances.
- Russia last year also offered to set up a joint uranium enrichment center on Russian soil to produce nuclear fuel for export to Iran—an offer that Iran similarly rejected.

- Iran rejected last summer's proposal from the EU-3, China, Russia and the United States offering support to build energy reactors, cooperation on nuclear research and development and legally binding fuel assurances. The offer also included generous economic incentives, including foreign investment and favorable trade terms.

Iran's illicit activities demonstrate a military link to the nuclear program.

- The IAEA has found traces of highly enriched uranium (HEU)—the critical component needed to produce nuclear bombs—linked to the Lavisan-Shian military site, which the Iranians razed in 2004 to avoid inspection by the agency.
- The IAEA discovered that Iran has a document detailing procedures for casting highly enriched uranium into metallic spheres, a process useful only for building a nuclear bomb.
- Iran has not adequately responded to IAEA concerns related to Iranian experiments with Polonium-210, a radioisotope that can be used to trigger a nuclear chain reaction in nuclear weapons.
- Iran is currently upgrading its long-range Shihab-3 ballistic missile to carry a nuclear warhead. The missile is currently capable of striking Israel as well as American targets in the region.

The international community must continue to pressure Tehran in order to bring a halt to its nuclear development.

- The U.N. Security Council passed a resolution in December 2006 banning trade that could contribute to Iran's nuclear weapons program and freezing the assets of Iranians linked to the nuclear or ballistic missile programs.
- Iran is currently installing 3,000 centrifuges at its uranium enrichment facility at Natanz in defiance of the U.N. Security Council. Once the centrifuges are installed and working properly, the Iranians will have the capability to produce nuclear fuel for atomic weapons on an industrial scale.
- Despite calls by the international community for Iran to make its atomic program more transparent, Tehran recently banned 38 IAEA inspectors from entering the country.
- In light of Tehran's continued rejection of the global community's demand that it suspend its enrichment and reprocessing activities and provide greater transparency to the IAEA, the United States and its allies must push for further sanctions to end all nuclear cooperation with Iran.

Basic Facts Summary

- Iran's nuclear pursuits run contrary to its energy and economic interests.
- Tehran has rejected several generous packages from the international community to help it develop a civilian nuclear energy infrastructure.
- Many of Iran's illicit activities demonstrate a military link to the nuclear program.
- The international community must continue to pressure Tehran in order to bring a halt to its nuclear development.