

MEMMO

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Continuing Iranian Defiance Demands Crippling Sanctions

The United States and its allies should prepare a swift campaign of crippling sanctions in response to Iran's rejection of diplomatic overtures and Tehran's blatant threats to expand its nuclear efforts. The Obama administration is warning Iran that it has until the end of the year to demonstrate its seriousness to end its illicit nuclear pursuit. If Iran refuses, the United States and the international community must quickly move toward an overwhelming sanctions regime to persuade Iran to suspend its nuclear weapons quest.

Iran has rejected American and international diplomatic overtures to solve the dispute over its illicit nuclear program.

- Iran's supreme leader Ayatollah Ali Khamenei has expressed opposition to holding serious negotiations with the United States, saying such a move would be "naïve and perverted."
- Iran announced plans to build 10 uranium enrichment sites throughout the country, a dramatic expansion of its enrichment efforts and a sign of the non-civilian nature of the regime's nuclear program. The United States has one enrichment facility for 65 nuclear power plants; Iran's one nuclear power plant, Bushehr, is not even operational yet.
- Iran's rejection of the International Atomic Energy Agency (IAEA) proposal, backed by the United States, France and Russia, to process for Iranian use a portion of its LEU outside the country demonstrates Iran's unwillingness or inability to conduct serious negotiations.
- While Iranian negotiators agreed to the proposal in principle, Tehran has rejected the deal and declared it will begin enriching its LEU to levels closer to what is needed for making weapons—in direct contravention to U.N. Security Council requirement to suspend all enrichment activity.
- Iran has continually used talks with the international community to distract attention from the main requirement of the international community—the long-overdue suspension of its enrichment of uranium, mandated by five U.N. Security Council resolutions.



Secretary of Defense Robert Gates said he expects new Iran sanctions soon.

Top U.S. officials and the IAEA have signaled that Iran is becoming more brazen in its rejection of international cooperation.

- Iran's illegal actions and its unwillingness to negotiate forthrightly with the international community have pushed the IAEA's Board of Governors, including China and Russia, to issue a rare resolution of censure condemning Iran's lack of cooperation.
- The Board of Governors demanded that Iran halt construction at its recently revealed military enrichment facility on an Iranian Revolutionary Guard Corps (IRGC) base near Qom and freeze all uranium enrichment.

- Outgoing IAEA chief Mohamed ElBaradei admitted that the agency has reached a “dead end” with Iran and said unless Tehran begins to cooperate with the Agency, it would be unable to verify that Iran’s nuclear ambitions are peaceful.
- Secretary of Defense Robert Gates on Dec. 11 said he anticipates “significant” new sanctions on Iran. “I think that you are going to see some significant additional sanctions imposed by the international community, assuming that the Iranians don’t change course and agree to do the things they agreed to at the beginning of October,” he said.

Iran continues to steadily advance its nuclear weapons program.

- Iranian centrifuges continue to operate at the Natanz enrichment facility and construction of the Arak heavy water reactor is ongoing.
- Iran has now produced more than 3,300 pounds of low-enriched uranium that—if further enriched to a weapons-grade level—is nearly enough fuel for two nuclear weapons.
- If Iran has undisclosed nuclear facilities beyond the recently revealed enrichment facility near Qom, the known amount of Iran’s LEU could be significantly augmented.
- An IAEA inspection of the facility revealed that the site’s small size makes it unsuitable for any commercial purpose but is appropriate for the enrichment of uranium for nuclear weapons.
- Tehran also has made major advances in its medium-range ballistic missile technology, recently test-firing a series of missiles, the most advanced of which represents a technological leap in Iran’s ability to target U.S. military bases in the region, European allies and Israel.

Iran’s rejection of negotiations and continued violation of Security Council resolutions requires the United States to impose crippling new sanctions.

- Iran’s rejection of U.S. and international engagement efforts combined with Tehran’s refusal for more than three years to meet the requirements of the U.N. Security Council leave the international community no option but to implement stringent new sanctions on the Iranian regime.
- While the United States should continue efforts to positively engage Iran in serious, constructive negotiations, Iran’s behavior demands the U.S. seek a new resolution in the Security Council to impose additional sanctions on Tehran.
- Given the protracted nature of Security Council negotiations—more than 20 months have passed since the Council last sanctioned Iran—and the likelihood new U.N. sanctions alone will not change Iran’s calculus, the United States should move quickly to impose its own sanctions.
- American sanctions must be overwhelming in order to change the dynamic with Iran and alter the thought process of Iranian leaders. The urgency of Iran’s advanced nuclear program means that the time for incremental action has passed.
- A broad U.S. sanctions campaign should target the leadership of the Iranian regime with travel bans, assets freezes, and additional sanctions on IRGC-related entities. The Iranian financial sector, as well as its insurance, shipping, transportation and manufacturing industries should all be subject to harsh new penalties.
- Passage by Congress of legislation that sanctions the sale and export to Iran of refined petroleum products and other similar legislation is critical. With Iran forced to import up to 40 percent of its gasoline and diesel, limiting the country’s access to such products would have a dramatic economic effect and could force the regime to change course.