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Senat No. 283 on Political Issues

**Special Report: Nuclear Proliferation
in the Middle East**

Main Conclusion:

1. If the international community does not demonstrate greater determination in its confrontation with Iran, it is reasonable to assume that Iran will become a nuclear power or, at the minimum, reach the stage where it will be able to continue its advance toward a nuclear military option according to its independent priorities.
2. A nuclear Iran will provide a rationalization for other countries to follow suit more actively even though, for them, achieving a nuclear potential entails more numerous difficulties.
3. The Nuclear Non-Proliferation Treaty is ineffective in cases of member states (such as Iran) intent on acquiring nuclear weapons.
4. In order to enhance its effectiveness, weapons monitoring instruments are required to take political interests and bilateral relations as well as weapons systems into account.
5. It is crucial for Israel to take these events seriously and to explore the implications of Iran's possible transformation into a nuclear power together with the subsequent attempts of other states in the region to acquire similar capabilities.

Introduction

Iran represents the main axis for exploration of nuclear proliferation in the contemporary Middle East. The eyes of the majority of the world, but especially nations located in the Middle East, are tensely focused on Iran in anticipation of how the crisis will be resolved and whether the international community's efforts to halt Iran will succeed. If Iran becomes a nuclear state (or arrives at the stage where its decision to become nuclear will reside exclusively within its own domain), such an event will represent a highly significant modification of the status quo in the Middle East, with far-reaching consequences for Israel and the entire region. Other than its impact on Israel, a nuclear Iran will furnish incentives to additional states in the area to significantly increase their efforts to follow in its footsteps despite the rockiness of the nuclear path, as the case of Iran has revealed.

It is important to stress that this review relates to nuclear proliferation on a national level only. The acquisition of nuclear weapons by non-state entities is a separate though related issue. Notwithstanding the lack of evidence to date of such spread, the issues, incentives and dangers inherent in such a scenario warrant a separate review. We must content ourselves to stating that some analysts take these threats very seriously whereas others argue that the possibilities of such an event are few, adding that terrorist organizations have still not taken advantage of the full potential of conventional means.

Nuclear Weapons in the Middle East: Current Status

As stated, we suspect that for the present, the most meaningful activity undertaken in the region with respect to the proliferation of nuclear weapons is limited to Iran. A swift glance indicates some activity in several states in the region but nothing approaching a military option. Two states – Iraq and Libya – have totally exited the arena, the first due to the 1991 war and the long-term monitoring regime installed as well as the threat of war materializing in 2002/03, the second due to the acceptance of a package of incentives offered by the Western powers in late 2003, following years of sanctions.

The three states most relevant to the purpose of this report are Egypt, Saudi Arabia and Syria. Egypt made a strategic decision in early 1980s not to expend resources for the development of a nuclear military option. However, the debate on the subject has continued for years, with voices still heard occasionally calling for a change in that. In the wake of an investigation conducted in Libya by the US, the UK and the International Atomic Energy commission (IAE) following the deal made in 2003, fear was aroused that Egypt had colluded with Libya in facets of nuclear development although no conclusive findings have been discovered to confirm those anxieties.

Nevertheless, some analyst are convinced that Egypt has acquired the capabilities – the knowledge and resources – needed to develop a nuclear program even though it lacks the political resolve to do so. This conclusion derives from the crucial 1998 statement on the issue made by Pres. Mubarak, in which he declared that at present, Egypt has no interest in becoming nuclear direction although, “in time, if nuclear weapons become necessary, we will not hesitate [to acquire them].”

With respect to Saudi Arabia, no evidence has been discovered regarding presence of the infrastructure required for independent development of a nuclear military capability. Nonetheless, Saudi Arabia has sufficient economy resources to purchase an off-the-shelf nuclear device or to acquire nuclear guarantees from another state. In the meantime, Saudi Arabia is quite distressed over the possibility of a nuclear Iran. Reports have thus appeared regarding its efforts to reach a nuclear understanding with Pakistan in the form of Pakistani nuclear weapons to be stationed on Saudi soil.

At least for the moment, no evidence of independent nuclear capabilities has been observed in Syria as well. Because Syria’s name has been indirectly linked with the Pakistani nuclear network headed by A. Q. Khan, it is quite possible that some assistance has been received from this source (this illegal network, which involves about 20 nations and firms throughout the world, dealt until recently in the secret sale of nuclear technology, components and programs). As a rule, Syria has preserved a very low profile in everything related to weapons of mass destruction.

How is Israel Perceived?

Before turning to a description of the Iran context and an analysis of the implications of its nuclear activity for other states in the region, the presentation warrants a short discussion of Israel’s nuclear image in the eyes of its neighbours in the region. How, then, is Israel perceived, what are the implications of its image as the sole nuclear state in the region and how much has that image influenced the incentives other states have had to follow its lead?

Israel is currently perceived by other states as a full-fledged nuclear state – an impression dating back to the early 1970s. There is little doubt that the neighbouring Arab states are unhappy with this state of affairs, to say the least. Nevertheless, the fact remains that the nuclear weapons attributed to Israel have yet to provided a meaningful incentive to the region’s states to invest large-scale efforts for the purpose of acquiring similar capabilities. This excludes, however, the initial attempts to do so by Egypt in the 1960s as well, perhaps, as those made by Libya during the 1970s and 1980s.

Egypt – When Egypt made the strategic decision to approach the US in the early 1980s, agreement to join the Nuclear Non-Proliferation Treaty (NPT) was part of the deal. Instead of trying to develop a nuclear capability independently, Egypt turned to a strategy of “Israeli disarmament”, that is, the attempt to convince and even force Israel to join the treaty, expose its capability and disarm.

Libya – According to reports disseminated during the 1970s, at one point, Moammar Kadafi has been intent on purchasing an off-the-shelf nuclear device to provide the Arabs with a deterrent against Israel. These efforts, however, bore no fruit. In any case, Kadafi’s statements on the issue were in effect addressed to the status of the Arab world rather than exclusively Libya. Hence, these statements hint at his true motivations for joining the nuclear community, specifically, to reinforce his status in the Arab world and not necessarily to deter Israel. When Libya decided to accept the terms of the Grand Bargain offered by the UK and the US in late 2003, and thus to disarm its non-conventional weapons capability, it was discovered that Libya had received nuclear assistance from the A.Q. Khan network. Libya’s nuclear program had only reached its preliminary stages at the time.

Iraq – Iraq’s nuclear activities during the 1970s and 1980s were not motivated by fear of Israel but from its desire to prove its “strength as a great power,” motivations that were limited to the acquisition of technological prestige and regional status.

Iran – Iran’s nuclear program, begun in the 1970s and more vigorously pursued during the Iran-Iraq war, has also been driven more by the politics characterizing the Persian Gulf (its rivalry with Iraq) than any fear of Israel.

With respect to Israel, other than the clear dissatisfaction with the nuclear intentions attributed to Iran primarily by Egypt, a considerable measure of resignation (if not acceptance) of her actions can in effect be observed among the other states in the region. The main factor contributing to this resignation is the fact that from the Arab point of view, Israel’s nuclear option is aimed at deterrence – a type of insurance policy should there arise a direct threat to its existence. Israel has displayed responsibility in the nuclear arena for many years; thus, despite the Arab rhetoric, which is replete with mentions of the threat that Israel poses, the Arab states do not appear to fear any Israeli-initiated nuclear attack. Israel’s nuclear capabilities essentially arouse more frustration than fear or anxiety. The Arab states are thus frustrated by the fact that the international community has displayed understanding regarding Israel’s nuclear deterrence policy.

The Arabs view the sympathy demonstrated toward Israel as an expression of an intolerable nuclear “double standard.” The sense of frustration they feel in the face of this attitude toward Israel is

aggravated by the fact that nuclear armament is perceived to be an expression of highly significant technological progress, a factor stressing the obvious qualitative gap separating the Arab states from Israel.

Paradoxically, several Arab states in the region may perceive the scenario of a nuclear Iran as more threatening or challenging than their current position vis-à-vis Israel. From their point of view, a change in Iran's status may upset the regional balance of power and be perceived as a ??nuclear “tipping point”. The consequent incentives for heading in the nuclear direction will thereupon be more meaningful than those previously related to Israel.

Iran's Nuclear Actions and Past Attempts to Stop Her

During the last three and a half years since discovery of two nuclear facilities (Summer 2002) Iran had not reported to the NPT, the NPT, the US and three European states – France, the UK and Germany (EU-3) – have invested numerous efforts to grasp the purpose of Iran's nuclear program and to convince Iran to abide by its obligations as a member of the NPT. Following the recent failure of EU-3 efforts, Russia joined the campaign. At present, it has become quite clear that Iran has not divulged full details of its nuclear program for the last 20 years, and that it operated contrary to NPT stipulations. After a lengthy period in which no agreement was reached among the entities (the NPT, the EU-3 and the US) dealing with the meaning of those violations and Iran's intentions, there is currently widespread agreement in the international community that Iran is apparently determined to develop a nuclear military option irrespective of its firm denials.

For some time, efforts have been made to locate the “smoking gun” in Iran that would provide evidence of an operative military program justifying the institution of serious punitive measures. In September 2005, one month after Iran had begun to convert uranium (in defiance of the 2004 agreement reached between Iran and the EU-3), the NPT's Board of Governors identified Iran to be in a state of *non-compliance* with the NPT treaty despite the inability to locate the said “smoking gun”. The decision to place Iran on the NPT's non-compliance list was based on a string of contradictions in Iran's position, a list of questions left unanswered regarding some of its activities in this arena, ??factors contributing to the collapsing trust. In February 2006, an emergency session of the NPT decided to report Iran to the UN Security Council, which had the authority to apply sanctions. The latest report issued by the IAEA's head, Muhammad Elbaradei, states that the agency was unable to reach any decisive conclusion regarding the nuclear program's peaceful character (as Iran had claimed) despite the inability to present clear evidence for its military purposes.

Analysis of Iran's behaviour during the last three years has created the impression that its cooperation in the nuclear field had been essentially tactical: Iran had cooperated with NPT and other international bodies only to the degree required to ward off any serious sanctions that might be imposed (such as transferring the issue to the Security Council). By doing so, Iran was able to preserve considerable freedom of action while continuing to further its program. Iran has succeeded in its objective so far as a result of the prolonged lack of unanimity regarding the interpretation of its behaviour.

Iran has been able to exploit to the maximum its relative advantage – as a determined nation, focused on a single interest opposite an international community that, by its very nature, exhibited different and often competing interests. Iran has acted with resolve and perseverance throughout this period in order to gain time to create the favourable conditions necessary for the next round of negotiations over the issue. If the bone of contention during Summer 2005 was nuclear conversion, that issue is no longer on the agenda. At present, the argument is limited to the need to stop enrichment. Thus, with respect to Russia's proposal to enrich Iran's uranium on Russian soil in order to ensure that the enriched uranium does not reach the weapons-grade level, Iran has been investing the majority of its efforts in an attempt to create a consensus regarding its right to carry out at least a small part of the process on its own soil. Recently, Albaradei was quoted as saying that the world may yet have to accept the fact that Iran will eventually enrich a small amount of uranium locally.

If these dynamics do not change, that is, if Iran successfully prevents the crisis and neutralizes the international community's intentions to act against it, Iran may well become a nation enjoying a nuclear military capability. Regarding estimates of how much time it will take for Iran to achieve that capability, estimates range between 1-2 years and up to 10 years or more. Questions about the conditions in which Iran will find itself and how much time it will require to overcome all the associated technological obstacles still remain open. However, it is clear that if Iran is to be stopped, the appropriate efforts should be initiated now, long before such a scenario materializes. So far, the fact that Israel is perceived as a nuclear power in the eyes of the world has had no affect on the determination that the US, Europe or Russia have displayed toward Iran. The main reason for this behaviour is apparently associated with the fact that contrary to Israel, Iran is a member of the NPT and suspected of not complying with its obligations. In addition, we cannot ignore the different conduct displayed by Israel as opposed to Iran in the international arena.

Responses by Other States in the Middle East

We can generally characterize the Arab world's response to the suspicions regarding Iran and to the international community's attempts to stop Iran over the last three years, as "thundering silence."

While it is agreed that the Arab states will perceive a nuclear Iran as threatening to the degree to which its policies will obligate them to attempt to follow its example, these same countries have maintained a very low profile regarding developments to date. Only during the last few months have voices begun being heard from the Persian Gulf, expressing their weighty fears regarding a nuclear Iran as well as requesting security guarantees (Kuwait has already turned to NATO with a request for emergency assistance should an accident occur at Iran's nuclear facility in Bushahr).

Although Egypt is undoubtedly quite uncomfortable with the prospect of a nuclear Iran, it has not expressed its fears publicly; instead, it has paradoxically chosen to express support for Iran's right to act in the area of uranium enrichment. Thus, at the NPT review meeting held in May 2005, Egypt positioned itself on Iran's behalf in opposition to the US attempt to focus the meeting's attention on suspicions regarding the Iranian program. Egypt assisted Iran in repelling the US attempts and to direct attention to those nuclear powers that are avoiding compliance with NPT obligations regarding the reduction of nuclear stockpiles. The motivation for the Egyptian behaviour can be found in the dissonance experienced by Egypt itself. On the one hand, as indicated, Egypt is not pleased, to say the least, about the prospects of a nuclear Iran; on the other hand, Egypt, which views itself as spearheading the coalition demanding that Israel disarm itself of its nuclear weapons, cannot object to nuclear activities by a Muslim country considering the lack of complaints directed at a nuclear Israel. Arguments against the supposed nuclear double standard are very powerful in the Arab and Muslim world; this position prevents Egypt from directing any criticism at Iran despite its fears and the challenge that Iran presents to Egypt's regional status.

As stated, the Persian Gulf states have recently become alarmed; at the annual meeting of the Gulf Cooperation Council (GCC) in December 2005, considerable time was devoted to the implications of a nuclear Iran and to the threat posed not only from geographic proximity of Iran's nuclear facilities but also from the fear of possible Iranian retribution against its neighbours should the US attack Iran's nuclear facilities. An interesting idea raised on that occasion, one that earned the attention of official bodies, concerned creation of a zone free of weapons of mass destruction in the Gulf (a Gulf WMDFZ) as the first step in the creation of a similar framework throughout the Middle East.

Will the Arab states in fact respond with greater alacrity to achieve a nuclear military capability in the future? It appears that very weighty incentives would be required for Saudi Arabia and Egypt to do so – for instance, fears of a direct threat on the part of Saudi Arabia, or risks of losing its pre-eminence in the Middle East on the part of Egypt. (Non-Arab) Turkey may also be motivated to enter the arena. Reports have been obtained on Turkey's preliminary attempts to acquire an independent

nuclear infrastructure despite the numerous obstacles that might impede a decision to go nuclear, especially at a time when international attention is focused on the issue.

The remaining piece to be added to this portrait is the wild card represent by potential access to off-the-shelf nuclear technology and programs through the international nuclear network. Since exposure of A.Q. Khan's network, some of its operations have apparently ceased but difficulties remain in ascertaining just how much. In these circumstances, it would be reasonable to assume that purchase of ready-made components is still possible.

How Can We Stop these Developments?

As a first step, it would be worthwhile examining the position and role of the international regime for the prevention of nuclear proliferation. To date, all Middle East states – excluding Israel – have signed the NPT. That is, any state initiating acquisition of a nuclear military option or nuclear weapons will by definition be accused of non-compliance with the treaty's international stipulations. Hence, how can the treaty thwart nuclear proliferation in the Middle East? Is it at all within the treaty's power to halt proliferation?

The case of Iran obviously exposes the treaty's weaknesses: Considering the fact that Iran is suspected of nuclear military activity and that it is a member of the NPT, the treaty has obviously not fulfilled its intended role of preventing proliferation. One avenue for confronting the treaty's weakness was formulated more than a decade ago upon realization in the 1980s that Iraq had reached an advanced stage in its development of a nuclear capability despite the "clean bill of health" awarded by the NPT. After the 1991 Gulf War, it was decided to try to improve the treaty by introducing an "additional protocol" amendment that would delegate more trenchant authority to the NPT with respect to monitoring nuclear activity conducted within the territorial confines of member states. However, the decision to join the "additional protocol" is voluntary, and no member can be constrained to do so.

Ideas are still being raised regarding possible improvement of the NPT's capacity to discover infringements and respond effectively. However, it appears that the problem lies deeper: The NPT was not originally intended to treat the problem of states determined to acquire nuclear arms. This incapacity rests on the attempt to formulate the treat in such a way that its success as a preventive device would considerably depend on the parties' agreement to the concept that nuclear weapons posed a source of insecurity within the international system. That is, the treaty does not relate to the interest that any particular state might have to acquire nuclear weapons because it assumes that membership per se expresses each state's own interest in remaining non-nuclear. However, the

security values that could accompany acquisition of nuclear weapons – in the sense of a deterrent capability – are quite obvious, and there is no reason why other states might not choose to acquire such advantages for the sake of their security. A treaty that focuses solely on *capability* (i.e., weapons systems) and its eradication without considering the *interests* that associated in acquiring such systems will always be limited in its effectiveness. A state determined to arm itself with nuclear weapons, even if it is party to a non-proliferation treaty, will find the loophole enabling it to arm itself. In the case of the NPT, the main loophole is the right of non-nuclear societies to enrich uranium for civilian purposes because the same societies can (secretly) redirect such activities to military purposes.

Another important question pertains to the role of other key players in the international system. States such as the US, the EU-3 and now Russia have joined the effort to halt Iran. The question is, how successful will these states be in overcoming the gaps found in the treaty and formulate a more precise and effective policy for preventing proliferation. Up to now, these states appear not to have had much success with Iran, but we are still in the early stages of the process. The issue hangs on the degree to which expression can be given to political interests and to bilateral, inter-state relations within the rules governing international behaviour in response to nuclear developments. These rules should go beyond treatment of the issue solely from the level of potential capability.

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