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Iran's Nuclear Ambitions: Confronting a Common Security Challenge

Ambassador Gregory L. Schulte, U.S. Permanent Representative to the UN, Vienna and the International Atomic Energy Agency

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The United States and Europe face a common security challenge, one we must address both through the United Nations and through our own robust diplomacy. This is the challenge posed by the nuclear ambitions of Iran -- a country whose leaders blatantly defy their international obligations; a country whose shadow spreads ominously across the Middle East. We have a common interest in preventing Iran's shadow from taking the shape of a nuclear cloud.

Today I would like to explain:

- Why Iran's nuclear activities concern the International Atomic Energy Agency.
- Why the nuclear ambitions of Iran's leaders challenge our common security.
- How the United States and Europe must deploy a full range of non-military measures to confront this security challenge.

Iran's Failure to Cooperate with the IAEA

Mohammad ElBaradei, the Director General of the International Atomic Energy Agency, has submitted report after report on Iran's nuclear program. Last November's report, like previous reports, highlighted Iran's failure to open its full range of nuclear activities to Agency scrutiny and to meet the Agency's specific requests for information, sampling, and

access to facilities and individuals. Iran has limited where inspectors can go and denied entry to a large number,

including ones with specific expertise on Iran's nuclear program. Iran has declined interviews with key individuals. Iran has refused Agency requests to upgrade monitoring capabilities.

By refusing full cooperation, Iran has failed to answer troubling questions. Let me give three examples:

- First, Iran has failed to satisfy IAEA concerns about ties to the A.Q. Khan network. This illicit trafficking network was not a purveyor of peaceful technology. Rather it was the most sinister of black markets, selling nuclear weapons technology -- from blueprints to manufacturing equipment -- to countries like North Korea and Libya when it was seeking nuclear weapons.
- Second, Iran has failed to meet the IAEA's request to turn over a document from the A.Q. Khan network on machining uranium metal into hemispheres. The IAEA reports that

such a document is only relevant to fabricating components for nuclear weapons. Iranian authorities refused to hand over even a copy of this document. Instead, they confiscated and destroyed an IAEA inspector's notes on its contents.
- Third, Iran has failed to explain apparent connections between undeclared uranium conversion activities, the testing of high explosives -- a critical element of any nuclear weapon program -- and the design of a missile warhead. These apparent connections, together with other ties to Iran's military, suggest what the Director General has called a "military-nuclear dimension" to Iran's nuclear program.

Last weekend, Iran took five IAEA ambassadors on a tour of a nuclear facility at Esfahan. With due respect to my colleagues, IAEA ambassadors are diplomats not technical experts.

And two of the ambassadors, from Cuba and Sudan, are closely aligned with Iran. This was a publicity stunt -- not a serious show of openness.

Rather than inviting ambassadors, Iran should be inviting inspectors, and giving them access to all facilities, individuals, and information required by the IAEA. Rather than showcasing noncompliance, Iran should be suspending activities of concern. Such serious steps are the real ways to regain international confidence.

On February 21, the Director General is due to provide another report to the IAEA Board and UN Security Council. Unless Iran's leaders choose serious steps over publicity stunts, the Director General will likely have to repeat what he reported last November: That after three years of intensive verification, the IAEA remains unable to certify the peaceful nature of Iran's nuclear activities.

Iran's Two Paths to the Bomb

The main technical hurdle between a leadership bent on acquiring nuclear weapons and assembly of those weapons is acquisition of fissile material: highly-enriched uranium or plutonium. Iran is developing the capability to produce both.

At a pilot plant in Natanz, Iran is working to master the technology to enrich uranium and preparing to start large-scale operations.

Natanz is not a normal commercial enterprise. Until revealed to the world by Iranian dissidents, Iran's authorities tried to disguise it as an agricultural research center. The large, underground enrichment halls were hidden from overhead observation. The entrance to these underground halls and their power supply were cleverly masked. The blueprints for the centrifuges being installed there were procured illicitly through the A.Q. Kahn network.

Once the complex at Natanz was exposed to the world, Iran's leaders claimed it was needed to enrich uranium for nuclear power reactors. But Iran has no nuclear power reactors. The one power reactor under construction at Bushehr will receive fuel from Russia. And Iran has yet to present a credible program for any follow-on reactors.

Seventeen countries with nuclear power purchase their fuel on the international market rather than making the expensive and unnecessary investment in uranium enrichment. Iran could do the same, especially now that Germany with the UK and France have offered legally-binding assurances of fuel supply. Instead, Iran is defiantly pushing ahead with uranium enrichment.

We are currently in the middle of Iran's national holiday, called the "Ten Days of Dawn," which culminates on February 11, the anniversary of the 1979 revolution. Iranian authorities have told the world to expect a major nuclear announcement at this time. Most analysts suspect it will involve the first steps toward large-scale uranium enrichment in the underground halls at Natanz. In fact, Mohammed ElBaradei has confirmed that Iranian technicians are moving ahead rapidly toward installing a 3,000-centrifuge capability.

Three thousand centrifuges, once operating successfully, could produce enough highly-enriched uranium for a nuclear weapon in less than a year. Alternatively, and perhaps more worrisome, successful operation of these centrifuges could help Iran develop and hide a covert enrichment capability at a location unknown to the IAEA. The Iranian ambassador to the IAEA hinted at this strongly in a recent meeting with developing countries. He told them that centrifuges could be operated in an area as small as an apartment -- and that Iran is a very big country.

Meanwhile, near the city of Arak, Iran has inaugurated a heavy water production plant and is building a 40-megawatt heavy water reactor. Iran claims that the heavy water reactor at Arak will be used to produce medical isotopes. Experts dismiss this claim. Light water reactors, not heavy water reactors, are the global standard for medical isotope production. Moreover, an existing research reactor in Tehran is already underutilized for this purpose.

What worries the UN and the IAEA are that heavy water reactors are well suited to produce plutonium for nuclear weapons. In fact, a 40-megawatt reactor, like the one Iran is building at Arak, could produce enough plutonium for one or more nuclear weapons a year.

Because of this concern, country after country has turned down Iran's request for assistance in building the heavy water reactor at Arak. In November, the IAEA Board refused to approve Iran's request for assistance in building the reactor.

Because of the serious concerns about Iran's nuclear activities, the UN Security Council has required that Iran suspend all enrichment-related and reprocessing activities, including research and development, as well as work on heavy water-related projects.

Iran's leaders, unfortunately, have failed to comply with these Security Council requirements. They now seem determined to take steps toward large-scale enrichment. Thus, on February 21, the Director General will likely report that Iran is in even deeper violation of its international obligations.

The Threat Posed by Iran's Nuclear Ambitions

Iran's nuclear activities are not consistent with a program that is peaceful, and more and more countries are convinced it is not. More and more governments have come to the same conclusion: That Iran's nuclear program -- with its history of secrecy and violations, its ties to the A.Q. Kahn network, its connections to Iran's military -- is actually a cover for developing nuclear weapons.

The pursuit of nuclear weapons by the leadership in Tehran threatens Iran's neighbors and threatens the wider world community. In the Middle East, Iran's influence is rising. The fall of the Taliban and Saddam, increased revenues from the high price of oil, the electoral victory of Hamas, and the perceived success of Hezbollah in attacking Israel all extend Iran's shadow.

Iran's shadow is falling over the Gulf states, which fear Iran's increasing influence and are concerned about worsening tensions between Shia and Sunni Islam.

Iran's shadow is falling over Middle East peace. Iran is the one country that opposes the vision of two states -- Palestine and Israel -- living side-by-side, in peace and security. Instead, it has called for one of those states to be wiped off the map, and it has provided training and arms to extremist elements in Lebanon and the Palestinian territories.

And Iran's shadow is falling over Iraq, where Tehran supports violent extremist and sectarianism calculated to thwart efforts toward national reconciliation. Iran, with Syria, is allowing terrorists and insurgents to use its territory to move in and out of Iraq and is helping to train and arms militants who are killing coalition forces and innocent civilians.

Iran's growing influence coincides with a generational change in Tehran's leadership. President Ahmadinejad's administration, staffed largely by second-generation hard-liners imbued with revolutionary ideology and deeply distrustful of the West, is using more assertive and offensive tactics to spread Iran's influence. Under the Ahmadinejad government, Iran is enhancing its ability to project military power, primarily through ballistic missiles and naval power, to deter potential adversaries and dominate the Gulf. Imagine those same leaders armed with nuclear weapons.

A nuclear-armed Iran could embolden its leaders to advance their ambitions even more aggressively across the Middle East. Even without detonating a single nuclear weapon, the mere possession of an atomic arsenal could encourage Iran's leaders to employ their conventional forces and step up terrorism to advance their regional ambitions.

At a time when we badly need Middle East peace, a nuclear-armed Iran could pose an even greater threat to the entire peace process. Indeed, a nuclear-armed Iran would pose an existential threat to the very existence of one party to the process: the democratic state of Israel.

A nuclear-armed Iran could cause neighboring countries to re-evaluate their nonproliferation commitments. This could

spark a nuclear arms race in one of the world's most volatile regions. This could destroy the Nuclear Non-Proliferation Treaty, a cornerstone of international peace and security.

This frightening scenario poses a clear threat to our common security. It necessitates common action, both through the United Nations and by the US and EU in concert.

A Path to Peace

Our goal is to stop the nuclear arming of Iran through diplomacy that is resolute, sustained, and global. We have worked with Europe, Russia, China, and other like-minded countries to present Iran's leaders with a clear choice. The negative choice is for Iran's leaders to maintain their present course, ignoring international concerns and their international obligations.

The positive choice, the constructive choice, the choice that would most benefit the Iranian people, is for Iran's leaders to cooperate and to take credible steps to assure the world that their nuclear activities are solely peaceful. This must start by Iran meeting IAEA and Security Council requirements to suspend activities related to uranium enrichment and plutonium production. Iran suspending these dangerous activities would allow negotiations to begin on a package of incentives offered last June by six Foreign Ministers from Europe, Russia, China, and the United States.

The package offers substantial economic, political, and technological opportunities for Iran. In the nuclear field, these include:

- reaffirmation of Iran's right to nuclear energy in conformity with its international obligations;
- support for building new light-water reactors, using state-of-the-art technology;
- participation in a joint uranium enrichment venture in Russia; and
- legally-binding assurances of fuel supply for future reactors.

The package also opens the prospect for political dialogue and economic cooperation beyond the nuclear field.

To show our full commitment to diplomacy, the United States offered to join in the negotiations, but only if Iran suspends the activities of concern.

Reinforcing Diplomacy

Unfortunately, Iran's leaders have spurned this six-country offer and ignored the requirements of the Security Council. Thus in December, the Security Council adopted Resolution 1737 and backed diplomacy with an initial set of Chapter VII sanctions.

Let me be frank: From the U.S. perspective, the Security Council took too long and produced too little. Nevertheless, the new resolution is significant for three reasons.

- First, after many months of hard work, the resolution was adopted unanimously. Russia and China voted affirmatively. "Non-Aligned" countries like Congo, Ghana, Peru, and Tanzania voted "yes." So did Qatar, the Council's Arab member.
- Second, the resolution places Iran among the small number of countries under Chapter VII sanctions. Iran's leaders, have further isolated themselves and the Islamic Republic from the international community. They have put their country in the same class as North Korea and Sudan -- certainly not a place of envy.
- Third, this initial set of sanctions are limited -- but real. They target equipment, training, and technology, including dual-use equipment. They target specific civil and defense entities involved in Iran's nuclear and ballistic missile programs. They target specific individuals like General Safavi, commander of the Islamic Revolutionary Guard Corps and an active proponent of Iran's nuclear program.

While President Ahmadinejad dismissed the resolution, the imposition of sanctions, and the prospect of more, have sparked an open debate in Iran about the wisdom of the leadership's policies. Prior to Resolution 1737, Iranian commentators questioned Iran's nuclear policies only obliquely and sporadically. Since Resolution 1737 and President Ahmadinejad's poor showing in local elections, even Iran's most widely-read newspaper has published an article criticizing the President for subjecting Iran to Security Council action.

Resolution 1737 asks the IAEA Director General to report in sixty days -- by February 21 -- on Iran's cooperation and compliance. In the meantime, and until Iran's leaders meet the Council's requirements, the world community must take three courses of action.

- First, UN member states must take immediate action to implement the initial sanctions imposed by Resolution 1737.
- Second, the UN Security Council must stand ready to consider additional measures once it receives the Director General's report.
- Third, like-minded countries must impose a full range of non-military measures to reinforce the pressure on Iran's leadership to comply with the resolution.

In fact, pressure is already mounting. Even before adoption of Resolution 1737, governments, companies, and the market were imposing "de facto sanctions" penalizing Iran's government for its bad behavior and bad economics. Europeans banks have been limiting their transactions with Iran. Multinational corporations have been holding back investments. Countries have limited investment in Iran's oil field development.

These "de facto" sanctions are having economic and political effect. Iran's government is heavily dependent on oil exports -- and Iran's oil exports are heavily dependent on international investment. Iran's oil minister recently admitted that it was increasingly difficult to find foreign partners. In the meantime, inflation and unemployment remain double digit, despite promises by President Ahmadinejad to improve the standard of living.

This has reinforced those in Iran questioning the government's policies. In a remarkable step, 150 of 290 members of Iran's parliament recently signed a letter blaming President Ahmadinejad for high unemployment and inflation. This

letter constitutes the first step required for parliament to remove the president from office.

We welcome the swift action by the European Union to implement Resolution 1737. We also welcome that the European Union is going beyond Resolution 1737 in two areas: first, by banning completely any travel by the 12 designated individuals; second, by banning completely any trade in the designated equipment and technology, even for items with non-nuclear uses.

But, faced by the defiance of Iran's leadership, the European Union and European countries can do more -- and should do more -- to bolster our common diplomacy. Why, for example, are European governments using export credits to subsidize exports to Iran? Why, for example, are European governments not taking more measures to discourage investment and financial transactions?

Iran's nuclear ambitions pose a clear security challenge. To head off this threat, Europe should be using the full range of non-military measures at its disposal. This non-military campaign should direct political, economic, communications, and other non-military pressure at Iran's leadership and those who can influence them.

A non-military campaign, if serious and sustained, and supported by other like-minded countries, has the potential to succeed against a regime that has failed to deliver on its economic promises, that needs foreign investment to sustain government revenue, and that faces increasing opposition at home.

Getting Iran's Leaders to Make the Right Choice

Iran's leaders have a choice. They can continue to move to large-scale enrichment, as Iran's president has defiantly proclaimed. Or Iran's leaders can celebrate their country's nuclear achievements during the "Ten Days of Dawn" -- then suspend those of international concern. This would allow the Security Council to suspend further action and Iran to pursue a negotiated outcome, one that would provide peaceful benefits and address global concerns.

We hope that Iran's leaders will make the right choice. We hope that they will listen to those in Iran calling for a review of nuclear policy. But Iran's leaders seem impervious to diplomatic demarche and limited Security Council action. They jail dissidents, rather than listen to their advice.

To succeed in face of this defiance, diplomacy must be resolute and global. The United States and Europe must be united and back our diplomacy with a full-fledge non-military campaign aimed at convincing Iran's leadership to give up their dangerous nuclear pursuits.

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