

U.S. Must Lead Strong Multinational Response to Iran's Extortion Strategy

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KEY TAKEAWAYS

The Trump Administration should maintain its maximum-pressure strategy and build international support for stronger nuclear restrictions on Iran.

Iran's escalating uranium enrichment and clandestine attacks on oil tankers are clear reminders of the regime's malign intent.

Washington must lead a multinational coalition to defeat Iran's extortion campaign and to extract a more effective nuclear agreement.

Iran has openly breached the limits on uranium enrichment set by the 2015 nuclear agreement, and is escalating pressure on European signatories of the agreement to shield it from U.S. sanctions—which were re-imposed after the U.S. withdrew from the nuclear deal in May 2018. Tehran is raising the stakes of its nuclear blackmail campaign every 60 days by ratcheting up its nuclear efforts to extort concessions from France, Germany, and the United Kingdom; drive a deeper wedge between the United States and its allies; and gain bargaining leverage for eventual negotiations with Washington on the nuclear issue.

Iran's steadily escalating nuclear noncompliance has been accompanied by an intensifying campaign of maritime threats against gulf Arab oil exports. What Tehran wants is not only sanctions relief but unquestioned acceptance of its civilian nuclear program,

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which it has used in the past as a fig leaf to disguise its nuclear weapons program, and which it plans to use as a pretext for the future expansion of its uranium-enrichment activities.

Iran's efforts to wriggle its way out from U.S. sanctions through veiled threats, intimidation, and attacks on oil tankers and pipelines near the Persian Gulf are bound to fail. These tactics remind Europeans of why Iran's clerical regime is a bad actor that cannot be trusted. Iran's aggressive tactics and nuclear extortion should be a wake-up call for countries still clinging to the flawed nuclear deal, mistakenly presuming that Tehran will abide by international law or nuclear commitments that it repeatedly violated in the past and is violating now. The Trump Administration should maintain its maximum-pressure sanctions against Iran; lead a multinational coalition to defeat Iran's maritime intimidation campaign; and press Europeans to get on the right side, abandon efforts to shield Iran from sanctions, and join Washington in pushing for a more realistic nuclear agreement that would effectively address the threat of Iran's nuclear proliferation.

The Flawed Iran Nuclear Agreement

The 2015 nuclear agreement, formally named the Joint Comprehensive Plan of Action (JCPOA), legitimized Iran as a threshold nuclear power and did a better job of dismantling sanctions against Iran than it did in dismantling Iran's nuclear program. The JCPOA did too little for too short a period to curb Iran's nuclear weapons ambitions, while ignoring its ballistic missile program that was linked to those ambitions, as well as many other threats posed by Iran. As key JCPOA restrictions on Iran's uranium enrichment expire after 15 years, Tehran would have been free to ramp up enrichment to an industrial scale and position itself for a sprint to a nuclear breakout at its own convenience.¹ Iran's nuclear breakout time would have steadily diminished as these restrictions sunset, gradually reducing Tehran's breakout time to a few days after year 15.²

Iran's nuclear archive, a huge trove of official Iranian documents exposed in a major coup by Israel's Mossad intelligence agency, revealed by Prime Minister Benjamin Netanyahu on April 30, 2018, dramatically uncovered the existence of Iran's nuclear weapons program, the existence of which Tehran continues to deny. The documents underscored the fact that Iran never came clean about its nuclear weapons program, and never abandoned it, merely restructuring and downsizing it.

The nuclear archive revealed that Iran's nuclear weapons program, which it codenamed the Amad Plan, was much more advanced than the

Obama Administration knew before it negotiated the 2015 JCPOA. Iran sought to build five 10-kiloton nuclear weapons, develop ballistic missiles designed to deliver them, and prepare for an underground nuclear test. Rather than ending the Amad Plan in 2003, when Tehran came under growing pressure concerning its nuclear plans, Tehran restructured the plan as a smaller, more easily hidden operation. The nuclear archive exposed the shortcomings of the JCPOA's inspection requirements, the sunset of key nuclear limitations, and the failure to address Iran's continued work on nuclear-capable ballistic and cruise missiles. Most alarmingly, the nuclear archive indicates that Iran may have been in breach of its nuclear nonproliferation commitments before it openly began violating the agreement in July.³

The JCPOA also awarded premature sanctions relief to Tehran, which helped strengthen Tehran in the economic, military, and geopolitical spheres; tilted the regional balance of power against regional American allies; fueled Iranian imperialism; funded its aggressive intervention in Syria; and subsidized Iran's network of militant militias in Gaza, Iraq, Syria, and Yemen.⁴

Iran's "Strategic Patience" Gives Way to Maximum Blackmail

After the United States withdrew from the JCPOA in May 2018, Iran initially adopted a cautious policy described as "strategic patience" by Iranian officials.⁵ Tehran sought to withstand renewed U.S. sanctions, outlast the Trump Administration, and deal with what it hoped would be a new Administration after the 2020 presidential election. But the unprecedented strength of U.S. sanctions imposed under the Administration's maximum pressure campaign forced the regime to change course.

The Trump Administration went far beyond the sanctions imposed by the Obama Administration. It devised new sanctions and enforced the previous sanctions more firmly. After oil sanctions came back into force in November 2018, Washington further tightened oil sanctions on May 2, 2019, by eliminating waivers that allowed some countries to continue Iranian oil imports, slashing Iran's oil exports from about 2.5 million barrels per day in April 2018 to as little as 100,000 barrels per day by the end of July 2019.⁶

The State Department estimates that U.S. oil sanctions alone deprive the regime of roughly \$50 billion in revenue annually.⁷ The cut in oil revenues has exacerbated Iran's pre-existing economic problems, further undermining the oil-dependent and state-dominated economic system.

According to Iranian figures, which may underestimate the damage, Iran's economy contracted by 4.9 percent from March 2018 to March 2019, and is projected to shrink by an additional 5.5 percent in the year ending in March 2020. The official inflation rate has risen from 23.8 percent last year to 35 percent currently.⁸ Iran also has been hit by rising unemployment, higher food prices, bank collapses, wildcat strikes, and a plummeting currency. Clearly, U.S. economic sanctions have inflicted severe and growing damage to Iran's economy.

On May 8, 2019, the first anniversary of the U.S. withdrawal from the nuclear deal, Tehran announced that it would stop complying with portions of the agreement and warned that it would exceed limits on enriched uranium and heavy-water stockpiles unless the remaining parties to the nuclear deal—especially Britain, France, and Germany—found a way to protect Iran from U.S. oil and bank sanctions within 60 days, by July 7. That day a spokesman for the Atomic Energy Organization of Iran announced that Iran had begun enriching uranium above the 3.67 percent limit (enough to fuel commercial nuclear power plants) set by the JCPOA, and threatened to escalate enrichment to 20 percent purity.⁹ According to press reports, diplomats at the July 10, 2019, special meeting of the board of governors of the International Atomic Energy Agency (IAEA) were told that Iran had exceeded the JCPOA cap of 300 kilograms of enriched uranium on July 1 and was enriching uranium to 4.5 percent concentration.¹⁰

Iran's representative to the United Nations warned that Iran would take further actions: "If nothing happens in the next 60 days we will have to go to the third phase. The elements of the third phase are not known yet, but when it comes to that we will announce what we are going to do."¹¹ A spokesman for the Atomic Energy Organization of Iran warned on July 16 that "[e]nrichment is like a high-speed rail whose next station after 4.5 percent is 20 percent purity."¹² On August 5, the same official warned that Iran would take a "third step" in "approximately one month," but did not specify the nature of that step.¹³

To build a nuclear weapon, uranium must be enriched to 90 percent, but roughly 85 percent of the effort required to produce weapons-grade uranium is complete by the time it is enriched to 20 percent. Olli Heinonen, a former official at the IAEA, estimates that if Iran stays at 4.5 percent enrichment without adding more centrifuges, it could cut the time it needs to enrich enough fuel for one nuclear bomb from 12 months to 10 months if it decides to enrich the uranium further.¹⁴

Tehran warns that it will violate the JCPOA's caps one by one until it receives an economic payoff. This ultimatum strategy is flawed because

the more restrictions that Iran violates, the less willing Europeans will be to grant its extortion demands and refrain from triggering U.N. sanctions for JCPOA non-compliance. It appears that Iran is building leverage for eventual negotiations with Washington, while it strings the Europeans along to postpone U.N. sanctions as long as possible.

Iran's Maritime Threats

In addition to its threats to ramp up uranium enrichment, Tehran has escalated its thinly veiled covert campaign against Arab oil exports, particularly from Saudi Arabia and the United Arab Emirates, which are key members of the U.S.-led coalition against Iran. On May 12, four oil tankers moored off the coast of the United Arab Emirates in the Gulf of Oman were sabotaged with limpet mines. Two days later, Saudi Arabia's East-West Pipeline was attacked by an armed drone, forcing a temporary shutdown of the oil pipeline. Although Iran-backed Houthi rebels based in neighboring Yemen claimed that they had launched the attack, U.S. intelligence sources reportedly concluded that the drone attack was actually launched from Iraq, probably by an Iran-backed Shia militia.¹⁵

On June 10, in response to Washington's June 7 imposition of sanctions on Iran's petrochemical exports, Iranian Foreign Minister Mohammad Javad Zarif warned the United States that it "cannot expect to stay safe" after waging an "economic war" against Iran.¹⁶ Less than a week after the U.S. petrochemical sanctions, two petrochemical tankers carrying Arab petrochemical exports were sabotaged with limpet mines on June 13. Tehran continues to deny its involvement in all the attacks, but a U.S. Navy helicopter videotaped Islamic Revolutionary Guard Corps (IRGC) personnel removing an unexploded limpet mine from the hull of one of the ships.¹⁷ To minimize the chances of additional embarrassing revelations and to raise the stakes of the slow-boiling crisis, the IRGC then shot down a U.S. Navy surveillance drone on June 19 in international air space, falsely claiming that it had strayed into Iranian air space.

Iran raised the stakes again on July 19, when it illegally seized a British-flagged oil tanker, the *Stena Impero*, in the Strait of Hormuz. The proximate cause of the seizure undoubtedly was Iran's determination to retaliate for the British interception of the *Grace I*, a ship suspected of illegally smuggling Iranian oil to Syria in violation of European Union sanctions, while it was passing through the Strait of Gibraltar on July 4. Tehran may seek to exploit the latest seizure as a hostage to be exchanged for the *Grace I*, although Prime Minister Boris Johnson's new British government

has ruled out such an outcome. Regardless, Iran's state piracy is an extension of its strategy of coercion and retaliation against external powers that challenge its outlaw behavior.

Tehran's low-intensity warfare is a carefully calculated campaign of intimidation aimed at expanding Iran's leverage by exploiting the potential vulnerabilities of Gulf oil exports and tacitly threatening to escalate attacks against Arab oil-exporting countries and the interests of oil-importing countries. Tehran's goal is to force the Trump Administration to back down from its maximum-pressure campaign, by holding hostage the interests of oil importers and Arab oil exporters, in a bid to spread the pain and enlist them to push back against the Trump Administration.

Iran's maritime blackmail campaign is unlikely to succeed. Iran's attacks on oil tankers will not boost its own oil exports or solve its sanctions problems. In fact, it will make it more difficult to attain these goals. There is also an increasingly high risk that the attacks could backfire spectacularly by triggering a war with the United States, or a diplomatic backlash by oil-importing countries threatened by Iran's oil blackmail tactics.

Iran's Gray-Zone Offensive. Tehran's reliance on the covert use of force in the gray zone between war and peace is nothing new. Tehran has returned to some of the same tactics that it used to threaten international shipping during the so-called tanker war that evolved during the Iran-Iraq war from 1980 to 1988: covert mine attacks in international waterways. What is new is that the attacks occurred outside the Persian Gulf, demonstrating Tehran's greater strategic reach, and involved sophisticated naval commando operations rather than floating mines.

Despite its belligerence, Tehran does not want to trigger a full-fledged war with the United States. The limpet mines were placed above the waterline of all six tankers attacked in May and June, indicating that the intention was not to sink the vessels, but to expose a vulnerability that gives Tehran greater leverage. Iran's outlaw regime is signaling that if it cannot export its oil due to U.S. sanctions, Iran's Arab neighbors also will be denied the opportunity to export their oil, with damaging consequences for oil-importing countries and the global economy.

Iran is likely to further escalate its war of nerves on the maritime front to drive up oil prices, divide the U.S. from its allies, and eventually extract concessions for stopping its maritime terrorism. It seeks to raise tensions as high as possible without crossing the U.S. red line against attacks on Americans or American interests. By keeping the pot boiling with sporadic provocations, Tehran also reaps the domestic political benefit of rallying Iranians around the flag. Now that it is clear that the regime's popular

support and domestic legitimacy is declining, Tehran hopes to mobilize Iranian nationalism to shore up its crumbling base of support.

The mullah regime has ruled out negotiations with Washington until sanctions are lifted. But that demand is a non-starter. The regime knows that it will have to negotiate with Washington at some point if sanctions are ever to be lifted, but strongly prefers negotiating with a different President. Iranian leaders rejected an invitation to begin negotiations with the U.S. in a message delivered by Japanese Prime Minister Shinzō Abe in June and humiliated him with an attack on a Japanese oil tanker on the same day he was in Iran. Tehran also has rejected other U.S. offers to negotiate.

Iran's multifaceted pressure campaign also has a substantial political element to it. Hesamodin Ashena, an adviser to President Hassan Rouhani, warned that Iran could make Donald Trump a "one-term president": "We have unseated an American president in the past, we can do it again," he tweeted, referring to Jimmy Carter, who failed to win re-election in 1980, in part due to the Iranian hostage crisis.¹⁸ Tehran may seek to orchestrate some sort of replay of the 1979–1981 hostage crisis, perhaps by using proxy groups, such as Hezbollah or Iraqi militias, to kidnap Americans, hoping to discredit the Trump Administration before the next election.

The clerical regime's preferred outcome is a return to the JCPOA, which included easily reversible concessions on Iran's part in exchange for massive sanctions relief. It knows that President Trump will reject that, so it aims to damage him politically in the hope that he will be replaced by a more pliable leader in the 2020 presidential election. In the meantime, Iran is happy to coordinate as much as possible with Russia, China, and the Europeans in order to undermine the U.S. hard line policy and gain as much sanctions relief as possible.

Europe: A Critical Theater in the Confrontation with Iran

European countries are key trading partners, important oil markets, and sources of technology for Iran. They also serve as important partners in diluting the U.S. maximum-pressure campaign. The Europeans resent President Trump and are vexed by the extraterritorial secondary sanctions that Washington has used to halt European trade with Iran. Many European states prefer business as usual with Iran while they hope to postpone the coming nuclear crisis as long as possible, even if it means appeasing the clerical regime. To that end, they have sought to preserve the JCPOA, defuse mounting tensions, and furnish Iran with as much sanctions relief as possible.

The EU has created a special financial channel, the Instrument in Support of Trade Exchanges (INSTEX), that is designed to circumvent U.S. sanctions on some trade—initially for food and medicine. INSTEX undermines Washington’s sanctions strategy and could become more of a threat if Russia and China are allowed to participate. Tehran wants INSTEX to do much more, particularly to include oil sales and provide substantial credit facilities.

The EU hopes that the limited sanctions relief that it can provide will appease Tehran and slow down its escalating noncompliance with the nuclear deal. The EU, France, Germany, and the United Kingdom seek to preserve the JCPOA at all costs and have dragged their feet on triggering U.N. sanctions despite Tehran’s steadily mounting nuclear violations. They have failed to bring Iran’s JCPOA violations before the Joint Commission, a dispute mechanism composed of representatives from Britain, China, France, Germany, Russia, and the EU (the U.S. vacated its seat in the Joint Commission when it withdrew from the JCPOA). Once a violation allegation is made, the process could take up to 65 days, if not extended by consensus, before the U.N. “snapback” sanctions are applied.¹⁹

Europe’s Zombie Policy on Iran. By seeking to reward Iran despite its nuclear transgressions, the Europeans are aiding and abetting Iran’s extortion strategy in a naïve effort to preserve the flawed nuclear agreement. EU foreign policy chief Federica Mogherini proclaimed on July 15 that the “deal is not in good health, but it’s still alive. We hope and we invite Iran to reverse these steps and go back to full compliance with the agreement.”²⁰

Despite Mogherini’s hopes, the JCPOA is not alive. It is dead, but unburied. The EU’s zombie policy risks emboldening Tehran, encouraging its nuclear creepout effort, postponing the inevitable start of negotiations between Washington and Tehran, and prolonging tensions triggered by Iran’s provocations that could lead to war.

U.S. Policy Should Stay the Course

The Trump Administration has returned to a traditional U.S. policy in containing Iran, which was abandoned by the Obama Administration in its rush to reach an illusory and one-sided détente with Tehran. The Trump Administration has returned to the pre-Obama consensus on what Tehran needs to do to be treated as a normal country.²¹ Although this has led to strains in relations with European allies, it has helped to repair the damage inflicted by the Obama Administration to bilateral ties with Israel, Saudi

Arabia, and other Middle Eastern countries that face the most immediate threats from Iran.

The Administration's maximum pressure policy is working to penalize Iran's hostile regime, starve it of resources, diminish its ability to fund terrorism, force it to cut back its military budget, and help fuel domestic opposition to its costly intervention in Syria and troublemaking elsewhere.

The nuclear archive and Iran's escalating nuclear noncompliance have underscored why a new and more effective nuclear agreement is needed. The JCPOA left Iran's civilian nuclear program largely intact, subject to restrictions that Iran could easily and quickly violate if and when it deems that to be in its interest. The JCPOA's key restrictions on uranium enrichment sunset after 15 years, allowing Tehran to ramp up enrichment to an industrial scale and put itself on a patient path to nuclear weapons, if it positions itself for a final sprint to a nuclear breakout. On entering office, the Trump Administration recognized these weaknesses and risks of the JCPOA. Remaining in the deal would have bolstered the hostile clerical regime's economic, political, and military strength, while the nuclear proliferation threat posed by Iran would have grown over time.

The Trump Administration initially sought to negotiate changes in the agreement with its European allies. Those negotiations failed, in part because Tehran refused to change the agreement. The tensions that grew after Washington left the JCPOA in May 2018 therefore should not be blamed on President Trump's hard line policy, but on the soft and naïve band-aid approach that the Obama Administration took toward Iran's nuclear proliferation.²²

The Trump Administration has left the door open for diplomacy to resolve the Iran nuclear issue. President Trump stated that he was "ready, willing and able" to negotiate a "new and lasting deal" in his May 8, 2018, speech announcing U.S. withdrawal from the JCPOA.²³ The Administration has offered to negotiate without conditions, but Tehran insists that sanctions must be lifted first. Encouraged by European support, the regime is only delaying what inevitably must happen for it to escape suffocating sanctions.

Until Iran recognizes the necessity of diplomatic engagement with the United States, the Trump Administration's most urgent priority is to defeat Iran's maritime terrorist strategy. Washington has sought to mobilize a coalition of European allies, Arab gulf partners, and oil-importing nations to counter Iran's threats against oil tankers. India already has ramped up its naval deployments to protect Indian shipping in the Gulf of Oman. The United Kingdom has committed to participate, after its efforts to organize

a separate European naval operation after the July 19 seizure of the British-flagged oil tanker failed to attract adequate European support.²⁴

The tanker attacks are an outgrowth of the brewing nuclear crisis. In that context, President Trump's restraint in forgoing a military strike after the June 19 shutdown of the U.S. Navy surveillance drone is understandable. Although it sent a potentially dangerous signal in a part of the world where restraint often is equated with weakness, the decision to refrain from military retaliation undermined the false narrative that the Trump Administration seeks a war with Iran and put more pressure on allies and other interested states to push back against Iran's growing aggression.

Instead of a military response to the drone shutdown, President Trump opted to launch cyber attacks against computer networks controlled by the IRGC.²⁵ The Pentagon's Cyber Command reportedly launched three distinct cyber operations targeting command-and-control systems that the IRGC used to launch missiles and rockets; a computer network used by a spy group affiliated with the IRGC that was involved in the oil tanker attacks; and the communications network of Kataib Hezbollah, a pro-Iranian Iraqi militia controlled by the IRGC.²⁶

Another advantage of relying on cyber attacks rather than kinetic attacks is that it gives Tehran more rope with which to hang itself. Iran's attacks on oil tankers cannot reverse its deteriorating economic situation, but they will eventually trigger a more assertive international response, not only to Tehran's maritime threats but also to its JCPOA violations.

To counter Iran's aggressive intimidation strategy, which is likely to generate a protracted confrontation and possibly a war, the United States should:

- **Lead a Multinational Coalition to Defeat Iran's Maritime Intimidation Campaign.** Iran's attacks on international shipping and oil pipelines are an opportunity to mobilize not only a multinational response to Iran's maritime aggression, but also to its nuclear brinkmanship. Iran's sabotage campaign against Arab oil exports threatens the interests of European and Asian oil importers, particularly China, India, and Japan, much more than it threatens the U.S., which is much less dependent on Middle Eastern oil. This gives Washington an opportunity to enlist such oil-importing states in a broad coalition to protect shipping that will make the issue one of "Iran against the world," rather than just "Iran against the U.S.," which is Tehran's preferred scenario.

Washington has sought to mobilize international support for a maritime security operation to deter further Iranian attacks. As the U.S. works with allies and like-minded countries to plan such a mission, it should ensure that any task force is a coalition of the willing, includes strong British involvement, takes advantage of existing command structures, involves regional and Asian countries, and considers burden sharing in a creative way.²⁷ The U.S. could provide naval support, air support, intelligence, surveillance capabilities, and drone cover, but most of the escort operations should be conducted by other nations. Britain, Denmark, France, and the Netherlands have expressed an interest in participating. Saudi Arabia and other Arab oil kingdoms in the Gulf have indicated that they can provide warships or funding for the mission. Oil-importing countries that have a vested interest in the free flow of shipping in the Gulf also could contribute either way. But it will take American leadership to develop and implement an effective and coordinated international response. After the attacks on the British oil tanker, it is clear that a more urgent response is necessary.

On July 17, the State Department announced that Bahrain, a key U.S. ally, has agreed to host an international conference on regional maritime and aviation threats posed by Iran in October. Bahrain, which hosts the U.S. Fifth Fleet, also convened a maritime security meeting of interested nations in late July after the seizure of the British oil tanker. But the situation is deteriorating too fast to wait until October for a bigger international conference to address mounting maritime security issues. The Trump Administration should move up the date of the Bahrain conference to accelerate the development of a more robust multinational response. In the meantime, Washington should back the United Kingdom to the hilt in its ongoing confrontation with Iran and press other countries to follow suit.

- **Build International Pressure on Iran.** In responding to Iran's threats to Arab oil exports, the Trump Administration should act patiently to shape a supportive international environment for U.S. policy on the nuclear front, which is ultimately the crucial arena for containing Iran. The best way to deter further Iranian aggression and avoid a possible war is to enlist Arab, Asian, and European allies to join a U.S.-led diplomatic campaign to persuade Tehran that the only way to lift sanctions is through negotiations to resolve the nuclear issue.

The sooner that the Europeans reach the conclusion that the JCPOA is dead and cannot be revived, the sooner the negotiations on a new, more effective nuclear agreement can begin. Washington should use Iran's maritime attacks as a lever to pry the Europeans away from the JCPOA. Iran's high-seas terrorism and intimidation tactics give European allies ample reason to reconsider their soft and naive approach to Iran policy, and to join the U.S. in seeking a more binding agreement with longer lasting restrictions to preclude an Iranian nuclear weapons capability.

Another way of burying the dead JCPOA is to end U.S. nuclear waivers that allow foreign entities to cooperate with Iran's nuclear program. These nuclear cooperation arrangements give Iran's nuclear program a perceived legitimacy that they do not deserve. The Administration has already revoked two waivers that allowed Iran to export enriched uranium to Russia, and heavy water (a source of plutonium) to Oman, but in early August it renewed five waivers that allow continued foreign participation in projects at Iran's nuclear facilities.

As the current waivers expire, the State Department should end waivers related to Iran's uranium-enrichment facility at Fordow. The heavily fortified underground facility, constructed under a mountain to protect it from air attack, was built covertly for one illicit purpose: to provide weapons-grade enriched uranium for one or two nuclear weapons per year.²⁸ Yet under the JCPOA, Iran was *rewarded* for violating its nuclear commitments by being allowed to "repurpose" the fortified bunker, under restrictions that it can easily and rapidly discard. The Administration should also consider ending the waiver for the Arak nuclear reactor, which Tehran could use to generate plutonium for a nuclear weapon. Ending these waivers would help to delegitimize Iran's nuclear program and strip it of its international cover.²⁹

- **Build Internal Pressure within Iran on the Regime.** Since December 2017, five months before U.S. nuclear sanctions were reimposed, Iran has been roiled by a wave of sporadic protests against the regime's misguided economic policies, falling living standards, rising prices, corruption, and expensive foreign interventions that have diverted resources from domestic needs. These have been the largest protests since millions of Iranians flooded the streets in 2009 to protest

then-President Mahmoud Ahmadinejad's rigged re-election. Unlike the 2009 "Green Revolution" protests, which were led by urban middle-class and professional elites that long have chafed under the rule of the ayatollahs, the most recent rounds of protests have gained widespread support from working-class and poor Iranians from rural areas and provinces that formerly were considered to be strongly supportive of the regime.³⁰

The United States should support the rights of Iranians to voice their economic, political, and human rights grievances, and demand more from their own government. The U.S. should help to inform Iranians about how most of their economic problems are derived from the misguided priorities and aggressive foreign policy of the increasingly resented regime. It should expose and publicize the corruption, wealth, and hypocrisy of Iran's leaders and disseminate information about the billions of dollars the regime has lavished on its terrorist network and Syrian intervention, which have diverted resources from Iranians at home.

Such actions can drive up the long-term domestic costs and political risks that the regime must bear for continuing on its present course. But Washington cannot orchestrate regime change in Iran; it can only help to shape conditions that would make it more likely to happen.³¹ So far, the current wave of protests have been sporadic and spontaneous, often focused on local issues and grievances, with little evidence that it is developing into a coherent national movement under a common leadership.

President Trump repeatedly has disavowed a regime change strategy, and said on May 27, "We aren't looking for regime change—I just want to make that clear. We are looking for no nuclear weapons."³² In any event, a regime change is difficult to predict and a mistake to count on. The nuclear clock is likely running much faster than the regime change clock. But if the clerical regime implodes or collapses in a popular uprising, so much the better.

- **Boost U.S. Military Strength in the Region.** The Pentagon has deployed an aircraft carrier battle group, B-52 bombers, a Marine Expeditionary Force, Patriot missile batteries, and various other forces to the region to deter and defend against Iranian aggression.

At least 500 U.S. troops have been deployed to Saudi Arabia, the first official deployment there since U.S. troops withdrew in 2003 after the Iraq war. There are now about 35,000 U.S. soldiers, sailors, marines, and airmen in the Gulf region,³³ along with many more from Saudi Arabia, the United Arab Emirates, other members of the Gulf Cooperation Council alliance, and North Atlantic Treaty Organization allies.

Given the steadily escalating crisis and the prospect of a protracted confrontation with Iran, more U.S. military forces may be needed to protect the free flow of oil, reassure regional allies, and retaliate against Iran, if necessary. Moreover, maintaining a favorable balance of power is an indispensable condition for maintaining pressure on Iran. Sanctions alone are unlikely to stop Iran's nuclear weapons program, just as they failed to stop North Korea's march to a nuclear weapon. Ultimately, no agreement to limit Iran's nuclear weapons efforts can succeed unless it is backed by the credible threat of the use of force.

- **Seek an Effective Nuclear Agreement with Iran.** The Obama Administration played a strong hand weakly in its negotiations with Iran. It appeared to want a nuclear agreement more than Tehran appeared to want one, which gave the Iranians bargaining leverage that they shrewdly exploited. It made a bad situation worse by downplaying the military option and front-loading sanctions relief early in the interim agreement, which reduced Iran's incentives to make concessions. And, it accepted weak and limited duration restrictions on Iranian nuclear activities, which increased the likelihood that Tehran would position itself for a sprint to a nuclear breakout after 15 years.

The Trump Administration should be clear that it seeks a new deal, not a revised JCPOA. Washington should only offer limited sanctions relief during any negotiations to maintain maximum leverage on Tehran. Given Iran's long history of duplicity and nuclear nonproliferation violations, convincingly documented in the nuclear archive, the regime cannot be trusted to refrain from exploiting concessions made to advance its "civilian" nuclear program. The Administration should seek an agreement that would permanently bar Iran from acquiring nuclear weapons.

At a minimum, this would require: banning Iran from uranium-enrichment activities, reprocessing, and fabrication of its own nuclear

fuel; dismantling substantial portions of Iran's nuclear infrastructure, particularly the Fordow and Natanz uranium-enrichment facilities and Arak heavy-water reactor; performing robust inspections on an "anytime anywhere" basis and real-time monitoring of Iranian nuclear facilities; linking sanctions relief tightly to Iranian compliance; ensuring that Iran comes clean on its past nuclear-weaponization efforts; and clearly outlining a clear and rapid process for reimposing all sanctions if Iran is caught cheating.³⁴

Iran is sure to complain that such restrictions would infringe on its "right" to maintain a nuclear power program. But many countries—such as Argentina, Canada, South Korea, Spain, and Ukraine—have built much bigger nuclear power programs without insisting on uranium enrichment. Fuel rods for Iran's civilian nuclear program can be purchased from foreign suppliers at a much lower cost than any made in Iran. If Tehran rejects the proposal, it will expose the fact that it wants much more than just civilian nuclear power.

Negotiations should address the entire range of Iran's malign behavior, but should focus primarily on the nuclear issue and restrictions on ballistic missile development, an integral part of nuclear weapons programs. Negotiating a grand bargain on the entire spectrum of Iran's threatening activities is extremely unlikely, given the regime's Islamist revolutionary DNA. But it may be possible to make progress on the nuclear issue, particularly if the regime is convinced that its own survival depends on resolving that issue.

Iran is likely to refrain from serious negotiations until it sees who wins the next American presidential election. Until then, it may reject negotiations altogether, unless it is convinced it has no alternative to dealing with the Trump Administration.

If an adequate nuclear agreement can be reached, it should be laid out in the form of a treaty. Bipartisan congressional support is needed to sustain such an important long-term policy decision. The current crisis is an outgrowth of the fact that the Obama Administration signed off on a nuclear deal that it knew would not gain Senate approval.

Conclusion

Iran has embarked on a dangerous course. It seeks to escalate regional tensions and incremental nuclear brinkmanship to provoke a protracted crisis that it can exploit to deter increased sanctions and increase its bargaining leverage in future negotiations. To reach a satisfactory diplomatic solution, the Trump Administration must convince Tehran that if it continues on its present course, its hold on power will be jeopardized by economic exhaustion or a military conflict that it cannot win—and perhaps both.

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