

ISP-202: CENTRAL CHALLENGES OF AMERICAN FOREIGN POLICY
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CASE 4: RED TEAMING IRAN'S SUPREME LEADER

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Due: March 10, 2008

Overview:

This case involves a new skill: “red teaming.” In order to “red team,” you assume the role of an advisor to your adversary and explore actions that will best advance his objectives. As noted in class, when the key finding of the December National Intelligence Estimate (NIE) on Iran was emerging, the intelligence community assigned a group to “red team” Iran’s behavior. They were asked to assume that Iran’s intention was to deceive the United States into concluding that the Iranian nuclear program had been halted. Although the red team made a persuasive case that Iran’s actions were consistent with this objective, the intelligence community ultimately rejected that hypothesis and came to the conclusion it reported.

Given the serious questions surrounding the Iranian nuclear program after the NIE, the President wants the National Security Council’s best estimate as to what Iran’s strategy will be going forward. National Security Advisor Stephen Hadley believes that the best way to think about Iran’s goals and assess its future actions is to step into the shoes of Supreme Leader Ayatollah Khamenei and try to see the world through his eyes. Although Iranian President Ahmadinejad is the public face of Iran’s nuclear efforts, Hadley knows that “the nuclear file” rests with the Supreme Leader. As a result, he has commissioned a number of “red teams” to assess the options available to Khamenei.

In order to ensure maximum coverage, Hadley has assigned each of the red teams a slightly different task. Whereas some of the other teams will consider the extent of Iran’s commitment to acquiring nuclear weapons and the impact of domestic politics on the Supreme Leader’s decision-making, your task is to focus on the Model I analysis of what path Khamenei will take assuming he has decided to acquire nuclear weapons. Specifically, Hadley asks you to assume that Khamenei has a clear operational objective: acquiring at least three nuclear weapons as rapidly as possible (and in any case by December 2009)* —without triggering a military attack that would successfully wipe out or severely retard Iran’s nuclear weapons program. Given this objective, Hadley wants you to prepare a “red team” memo articulating three strategic options Iran might pursue and an assessment as to which option the Supreme Leader is most likely to choose.

Hadley stipulates that you should assume that the March 2008 parliamentary elections in Iran and the Iranian presidential elections in 2009 will not change in any substantive way the direction of Iran on the nuclear issue. He then offers the following scenario to guide your analysis:

* Note that some of the hypothetical facts about Iran’s nuclear program in this scenario differ from the assessment offered by the NIE and IAEA reports. This variance is by design; Hadley wants you to analyze the “**worst case scenario**” in which the United States has underestimated Iranian technical capabilities. Key hypothetical sentences or paragraphs are marked with an asterisk.

Situation:

The date is March 3, 2008. All conditions relevant to the case are materially the same as they were on March 3, except for any hypotheticals introduced specifically in the case.

You are a foreign policy expert and longtime advisor to Iran's Supreme Leader, Ayatollah Khamenei. At a recent strategy meeting, the Supreme Leader declared that the Islamic Republic's vital national interests are:

1. Survival of the regime as an Islamic republic with its fundamental institutions and values intact;
2. The stability of Iran and its territorial integrity;
3. Prevention of a military attack upon Iran;
4. The enhancement of Iran's power, first within the region, and in time beyond.

The Supreme Leader has stated his judgment that these interests can best be advanced by Iran's acquiring a small arsenal of nuclear weapons (large enough to test one bomb while retaining other weapons to use in extremis). This must be done, he insists, in a way that avoids any provocation likely to trigger a military attack by Israel and/or the United States.

Before asking you to determine how best to achieve this goal, the Supreme Leader provides you with a quick update on the current state of Iranian nuclear capabilities. He begins by noting that the American NIE was correct on at least one account: Iran did indeed suspend the covert program to develop warheads for missiles in the fall of 2003. Khamenei ordered the suspension* because the U.S. discovery of the secret Natanz enrichment facility and Arak heavy water plant was made public in August 2002, and he believed that continuation of the warhead program risked provoking attack. Thus, Iran postponed further work on the warhead designs.

The suspension of the warhead program, however, did not signal a shift in Iran's determination to acquire nuclear weapons. Rather, it shifted the focus to acceptable overt programs, including the development of advanced missiles (with help from North Korea) and overt uranium enrichment (as permitted by the Non-Proliferation Treaty). This concentration on uranium enrichment reflects the government's recognition that acquiring weapons-grade material remains the principal hurdle to its bomb program.

Iran's efforts to produce weapons-grade material are on track. As reported by the IAEA, the Pakistani P-1 centrifuge line at Natanz has been operating with 3,000 centrifuges. Analysts calculated that the centrifuges were spinning intermittently at about 20% efficiency. According to the February 2008 IAEA report, Iran had 75 kilos of 4% low enriched uranium (LEU) as of December 2007. After three months of additional production, the Iranian stock is now at 140 kilos.* Although this figure is well short of the 1,950 kilos of LEU needed to create three bombs (650 kilos each), the Supreme Leader is encouraged by the fact that Iran has increased its rate of production significantly and will be able to produce 100 kilos of LEU per month going forward.*

In particular, the Supreme Leader is excited about the prospects for Iran's new generation of centrifuges, the IR-2. These next-generation centrifuges are substantially more efficient than the existing Pakistani-designed P-1s: Iran would need only 1,200 IR-2 centrifuges to produce enough weapons-grade uranium for a single bomb in one year. This is a marked improvement over the P-1

technology, which would require running 3,000 centrifuges consistently to produce a single bomb's worth of highly-enriched uranium (HEU) in a year. Production and operation of the IR-2 has advanced to the point that the initial cascade of these new centrifuges is operating.* Additional centrifuges are being installed at a rate that will create at Natanz a cascade of 1,200 centrifuges within six months, and 3,000 within 12-15 months.* The IR-2s are produced indigenously in Iran without any foreign components and Iran has the capability to produce these centrifuges at a much higher rate if necessary. As a result, Iran's indigenous production lines could produce enough IR-2s to supply a covert enrichment site, if such a decision was made.

Moving on to the sensitive issue of covert nuclear activities, the Supreme Leader reveals that Iran currently has no covert enrichment program. It has, however, prepared several locations at which a covert enrichment program could begin as soon as centrifuges are installed.* It has also made plans for plausible cover based on associated services, including electricity and transportation at current military bases as well as a site with ongoing mining operations. Given these precautions, the Supreme Leader believes that Iran can keep a covert site secret.

Having provided these background facts about the Iranian nuclear program, the Supreme Leader now turns to the broader question of Iran's strategic relationships and interactions with the rest of the world. He chuckles as he reveals the nickname for President Bush that he occasionally uses among close colleagues: "our unwitting Secret Agent 007." He muses, "Who was Iran's biggest enemy? Saddam Hussein. Who eliminated Saddam? President Bush! Who was Iran's number two adversary? The Taliban in Afghanistan. Who toppled the Taliban? President Bush!"

Although he acknowledges that President Bush's inclusion of Iran in the "axis of evil" grated on many, the Supreme Leader believes that these words were actually, in effect, a subtle substitute for serious action. He points to the fact that even though the U.N. Security Council sanctions have been tightened over time, they still amount to little more than gestures. The impact of these sanctions on Iran's ability to advance its core objectives and acquire the nuclear arsenal that the Supreme Leader desires has been minimal. Moreover, just as many Iranians began to worry about the possibility that the sanctions would be tightened to the point that they could severely constrain Iran, the December NIE anesthetized international urgency about Iran's nuclear activity and drastically reduced the likelihood that the Security Council will approve sanctions with real bite. Moreover, the Supreme Leader continues to be encouraged by reports from Beijing. The Chinese have indicated that while they are now doing everything possible to "make nice" to the U.S. to get through the 2008 Olympics, they are ready to proceed with major economic arrangements for the production of oil and gas that will be supplied to China.

Despite being sanguine that the international community will struggle to impose further sanctions on Iran for its enrichment activities, the Supreme Leader acknowledges that the economic situation in Iran is much graver than it should be, especially given the high price of oil. Privately, he derides Ahmadinejad for mismanagement of the economy, which has led to the near depletion of the emergency oil reserve fund, a rise in inflation from 12-19%, the rationing of petrol last summer, and a growing jobless rate that some estimate as much as 20%. Nevertheless, he has made clear to you that Iran is willing to weather more economic hardship if necessary to reach its objective of gaining the bomb.

The Supreme Leader remains wary of the potential for a military response from the United States or Israel. Having analyzed this issue carefully, the Iranian national security establishment is aware that the United States and Israel possess capabilities for bombing Iranian sites in a manner that would significantly delay Iran's acquisition of nuclear weapons. To counter such attacks, Iran has been developing a more robust deterrent by strengthening its ally Hezbollah (whom it believes defeated Israel in the 2006 war in Lebanon), demonstrating its capacity to kill what Hezbollah calls "American hostages" in Iraq through the supply of advanced IEDs, and reinforcing the international terrorist networks that allow Hezbollah to conduct attacks on Israelis, Americans, or others globally (as it did when bombing Israeli interests in Argentina in 1992 and again in 1994).

Although he is no betting man, the Supreme Leader likes his odds on the gamble that the United States will not launch a military attack before December 2009. With President Bush supporting Secretary Rice's push for a major step forward in the Israeli-Palestinian conflict, the Bush Administration is overloaded and thus likely to remain distracted. Khamenei is somewhat more concerned with the rhetoric emerging from the 2008 presidential candidates. Iranian analysts have tracked McCain's presidential debate statements that he would be much tougher on Iran; though many Iranians enjoy the Beach Boys, they were not amused by McCain's rendition of "Bomb bomb bomb, bomb bomb Iran" during a town hall meeting in South Carolina. At the same time, the Democrats have been almost as bad. Having watched several transitions in the United States, however, the Supreme Leader is confident that it will take any new administration a year to get its own act together, and that in any case, its priorities will begin with Iraq. This means that Iran can draw even greater leverage from its ability to manipulate events on the ground in Iraq. Though Iran has cooperated with the reduction in violence accompanying the surge by supporting the Maliki government (making it the only government in the region to support the elected Shi'a-dominated government there) and limiting the number of advanced IEDs, it has also demonstrated its ability to turn up the level of violence if necessary. Accordingly, American policymakers will have to tread carefully in threatening Iran militarily.

Israel, on the other hand, seems to be a more pressing concern. The Iranian security establishment carefully noted the Israeli national security community's unanimous declaration that an Iranian nuclear bomb would pose an "existential threat" that no government of Israel could tolerate. Their best judgment is that Israel is quite serious, particularly after Prime Minister Olmert declared that "under no circumstances and at no time can Israel allow anyone with malicious designs against us to have control of nuclear weapons that threaten our destruction." More recently, after the release of the December 2007 NIE, former Israeli Deputy Defense Minister General Ephraim Sneh reiterated the need for "harsher action against Iran" and maintained that Israel must "be prepared to forestall this threat on [its] own." One month later, Israeli Defense Forces Chief of Staff Gabi Ashkenazy reiterated that "the reality of a nuclear Iran is one which we cannot tolerate." A final decision about the likelihood of an Israeli preemptive strike is highly dependent on internal Israeli politics (Model III for Farsi readers of *Essence*). In this respect, though Iran cheered Israel's first defeat at the hands of an Arab foe when Hezbollah fought it to a standstill in Lebanon in 2006, some Iranian analysts worried that their terrorist friends had been *too* successful. Specifically, the concern was that the defeat would catalyze the collapse of the Olmert government and produce a new regime more inclined to launch a preemptive strike against Iran. In particular, they feared that if Netanyahu replaced Olmert, Israel would have a prime minister likely to pull the military trigger. But fortunately, Olmert has remained in power and Israeli politics seem paralyzed.

Ironically, Iranian analysts have concluded that Israel's attack on Iraq's Osirak reactor in 1981 actually advanced the date on which Saddam would have acquired a nuclear weapon—since he quadrupled the budget for this activity after the attack. Some members of the security establishment have indeed suggested that an attack on Iran's nuclear facilities would be good for the Islamic regime since it would unify the public behind the government. Nonetheless, the Supreme Leader's judgment is that attack must be avoided at almost all costs. Crucial to success in this effort will be to lull and deceive the Zionists and their great Satanic supporter.

Assignment:

You are to develop three strategic options for achieving the stated operational objectives: completing an arsenal of at least three nuclear devices/weapons by the end of the first year of the new American administration without provoking a military attack. You should outline these strategies in an options memo to the Supreme Leader and then recommend which course of action he should pursue. The interests, objectives, and options should be those of Iran, not the United States or any other parties. In writing the memo, you should take account of the background facts described above and in the readings. You should also do your best to internalize the assumptions and worldview of the Supreme Leader before making your recommendations.

Hadley reminds you that your memo should make sure to address the following:

- What is the current state of Iran's nuclear capabilities?
- Given its current capabilities, what are the different paths Iran can follow to acquire three nuclear bombs?
- Which acquisition process/strategy is most likely to avoid a military reprisal while still ensuring completion by December 2009?
- How should Iran avoid provoking the United States and Israel, or alarming the IAEA?

Logistics:

Memos and outlines should be submitted to the course website no later than 11:00 a.m. on March 10. In addition, you are required to bring two hard copies of the assignment to class. No late papers will be accepted.

Group presentations are to be no longer than 10 minutes. Groups must post their presentation to the course website and email a copy of their presentation to Graham_Allison@harvard.edu and Meghan_O'Sullivan@harvard.edu prior to 11:00 a.m. March 10 for their review.

For those students writing a memo or outline, you are permitted (not required) to attach an appendix no longer than one-half page that identifies questions of fact or analysis that you do not know the answer to, but you believe the individual writing the memo in the real world would be able to answer. These questions should relate to your analysis and/or recommendations. List the questions and then provide some indication as to who, where, or how these questions would likely be answered.