CARNEGIE COUNCIL for Ethics in International Affairs

Prospects for U.S.-Iran Relations

U.S. Global Engagement Seved Hossein Mousavian, David C. Speedie

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Introduction

DAVID SPEEDIE: Good evening, everyone, and welcome to the Carnegie Council. I'm David Speedie, director of the program on U.S. Global Engagement here at the Council. This evening our subject is perhaps one of the most, if not the most, vexatious of case studies for U.S. global engagement, that with the Islamic Republic of Iran.

We are truly delighted to have as our guest this evening Ambassador Seyed Hossein Mousavian. Very briefly, Ambassador Mousavian has been variously an Iranian policymaker, diplomat, journalist, and scholar—a Renaissance man—who, among other things, served on Iran's nuclear diplomacy team in negotiations with the United States and the International Atomic Energy Agency [IAEA] at various stages.

He has been editor-in-chief of the influential daily newspaper the *Tehran Times*. He has served at a high advisory level to presidents Rafsanjani and Khatami. He was his country's ambassador to Germany for seven years in the 1990s. He is currently a visiting research scholar at Princeton University's Woodrow Wilson School of Public and International Affairs, since 2009. He is the author of numerous articles and books, most recently *The Iranian Nuclear Crisis: A Memoir*, published by the Carnegie Endowment for International Peace earlier this year.

The format we've agreed upon is that Ambassador Mousavian will speak for about 15 minutes on a number of topics that he considers critical and central to the U.S.-Iran relationship; we may then have a brief conversation between ourselves; and then the bulk of the rest of the time will be for questions from the floor.

Welcome, Hossein, to the Carnegie Council.

Remarks

SEYED HOSSEIN MOUSAVIAN: Thank you very much.

First of all, I would like to thank you, David, and the Carnegie Council, for inviting me to this event, and also to thank all of you for participating in this dialogue.

Just very quickly, I would like to review some topics which are very important in my understanding of Iran-U.S. relations.

The first issue is the fact that, despite hostilities between the two administrations, two states, during the last 33 years, the Iranian nation has remained positive toward Iran-U.S. relations.

I do not need to talk for you about the anti-Americanism in Middle Eastern countries, in Arab streets, in Muslim streets. In Iran, the case is a little bit different. I believe this is a big asset for the future of Iran-U.S. relations.

Unfortunately, none of the U.S. administrations after the revolution have ever capitalized on this asset. I'm really worried, with the recent sanctions, which practically are targeting the the ordinary Iranian people, the civilians, I am worried the U.S. will put this asset at risk.

I was just reading recently a poll about Americans. I was very excited to see 79 percent of Americans are in favor of direct talks between Iran and the U.S. Sixty, 65 percent, even, are in favor of trade and economic relations between the two countries. I think this is also another asset, a big asset, which the Iranian government also should count and should invest in.

If the two administrations cannot have relations, perhaps the best they can do is they can open up every possible relation for nation-to-nation, people-to-people, civilian diplomacy. This, I am confident, after some years, would lay a foundation for a new Iran-U.S relationship.

The second issue is about state-to-state relations, administrations, governments. Despite the fact there is huge mistrust—if you want to call it mistrust or misunderstanding or miscalculation or misperceptions, whatever you want to call it—but the fact is there is mistrust and hostility between the two administrations continuously after 1979.

But for me it is very important to refer to this fact, that every administration in Tehran in the last at least 20 years—they have all approached the U.S. for a grand bargain, whether this has been Rafsanjani, a moderate president, or Khatami, a reforms president, or Ahmadinejad, who here in the U.S. they believe is a radical president. But they all have approached the U.S. administration for a broad dialogue, for a grand deal, which the U.S. has declined.

The third issue is about regime change. Prominent Iranian politicians are convinced the core policy of the U.S. since 1979 has remained regime change. They believe the U.S. is after regime change in Tehran.

Even with Obama's policies for engagement, when they see a president with an engagement policy impose the harshest sanctions and pressures ever against Iran, this is practically a vindication for their concept, their understanding, that it doesn't matter—a president like Bush or a president like Obama. As long as this perception remains, many former politicians whom I have met, they also confirm that, at least in practice, this has remained, this has been the core policy of all U.S. administrations.

My fourth point is about dual track policy. I personally would like to believe President Obama personally is not after regime change, his intention is not regime change. Even if I'm right, his dual-track policy is a big problem.

The dual track policy is the policy President Bush also was following. A president who believed Iran is the axis of evil was following dual-track policy, and the president who demonstrates engagement also follows the same policy. Even the whole Obama administration are proud to announce that they have been the most successful administration since 1979 to pressure Iran, to mobilize the international community against Iran, to orchestrate the toughest sanctions against Iran.

The fourth problem in my mind is with this policy. If the U.S. administration genuinely wishes for a real talk, a real change in the relations, at least for the period of engagement, they should put a halt on hostilities. You cannot follow both.

Specifically, unfortunately, on Iran at least, the U.S. is very developed. When it comes to sanctions, they are extremely prepared, organized; they know very well how to make sanctions—unilateral sanctions, multilateral sanctions, pressures. They know how to manage the United Nations Security Council. They know immediately within 24 hours how to manage legislations in the Congress. They know how to pressure the international community to follow the U.S.

But when it comes how to make diplomacy with Iran, they are really naïve. They really don't know how to change the counterproductive policy of the last 33 years. Therefore, when they say dual-track pressure and

diplomacy, in practice, 95 percent is pressure, 99 percent is pressure, and 1 percent or 5 percent is diplomacy. That's why it doesn't work. The minimum should be a balance.

The potential of Obama's administration has been concentrated on pressures and sanctions. During the election, this was a big issue. Obama was really proud that he has been able to organize the most comprehensive sanctions in the history against Iran.

The fifth point is the disputed issues. Certainly, there are disputed issues between Iran and the U.S.—from the peace process, to Israel, to terrorism. But at the same time, if not more, there are issues of common interest between the two countries. Unfortunately, during the last 33 years, the U.S. has been focused on disputed issues and they have not capitalized on the common-interest issues, except for a very short period of the Afghanistan affair in 2011, in which they cooperated. The result was terrific.

But I do not see a major cooperation between the two countries during the last 33 years on the issues of common interest. Even during President Obama's administration, he has been concentrated on the nuclear issue, which is a disputed issue. In practice, again, all common-interest issues have been hostage to the disputed issues.

Again, this is something we have to rethink. I'm talking about both administrations, in Tehran and in Washington. Definitely there is a mistrust, a mutual mistrust. Iranians also have their own legitimate reasons not to trust the U.S. But to create mistrust, to start from disputed issues, this is not a good starting point.

They need to start from the issues of common interest—in Afghanistan, definitely there are many issues of common interest; security and stability in Iraq; even the security of energy, stability and peace in the Persian Gulf; fighting drugs, drug trafficking. We can have a long list of common interests between the two countries.

If they change the course and concentrate on the issues of common interest, which immediately can create practical cooperation between the two countries, this would be a very good road to create trust between the two nations.

My sixth point is about a piecemeal approach. Whenever the U.S. has tried to approach Iran for rapprochement, they have been focusing on, introducing, proposing, a piecemeal approach. They have never approached Iran for a broad dialogue, while Iranians are looking for a comprehensive package, a dialogue on broader issues.

I believe Iranians are right, because all problems are not limited to the nuclear issue. They are not even limited to terrorism. We have many problems in bilateral relations, regional issues, international issues. That's why we need to sit together to discuss all issues, all concerns, that both parties have.

My last point is about Israel, which I believe is the most important obstacle in Iran-U.S. relations, because of a big misunderstanding or big mistake that Israelis have.

Israelis want to take Iran-U.S. relations as a hostage to Iran-Israel problems. They want first issues, problems, conflicts between Iran and Israel to be resolved, then they want the U.S. to have normal relations with Iran. Here is a big mistake.

I believe the only way to modify the Iranian position is rapprochement between Iran and the U.S. The course should be completely different, and vice versa.

First we need rapprochement between Tehran and Washington, because for Iranians the real national security threat is the U.S., not Israel. I mean they do not count on Israel that much. Iran is encircled by the military presence of the U.S.—in the Persian Gulf, in Bahrain, in Qatar, in Saudi Arabia, in Afghanistan, in Turkey, in Iraq, everywhere. That's why we need to think another way. And the Israelis also should change their policy and attitude.

Questions

DAVID SPEEDIE: That's a pretty panoramic view in 15 minutes, Ambassador. Let me just follow up briefly on a couple of things.

First of all, you said that there are misconceptions on both sides.

SEYED HOSSEIN MOUSAVIAN: Yes.

DAVID SPEEDIE: I should have said in introducing you that you have not always seen eye-to-eye with the powers that be in Tehran. That's an important part, I think, of your biography, as it were.

But elaborate a little bit on the misperceptions from Tehran toward the United States. And following up on that, elaborate also a little bit on the grand bargain. What might it look like?

Obviously, there has been some at least embryonic movement towards bilateral talks from both sides. The former deputy secretary of state Nicholas Burns called recently for "a direct channel for far-reaching proposals." That's getting close to the language of a grand deal or a grand bargain.

So please speak briefly to these two points, about the misconceptions in Tehran and the makeup of the grand bargain.

SEYED HOSSEIN MOUSAVIAN: For Tehran it is extremely difficult to understand how politics are made and led in Washington. When they see Obama is introducing an engagement policy, and as president of the United States proposes a direct negotiation with Iran without threats or pressure, and at the same time the most hostile legislation is passed by Congress, or when they read a *New York Times* report that the first months Obama came to office he signed a directive to increase covert actions against Iran, they are completely confused about what's going on. I was reading one of the speeches of the Iranian Supreme Leader saying that we don't know who is deciding in the U.S., who is the decision-maker, and we don't know what's going on there.

This is exactly the same problem Americans have. They say, "We don't know whom we should talk to in Tehran." I believe the situation in Tehran is a little bit, maybe more than a little bit, promising, because in Iran at least we have one ultimate decision-maker, and in Washington we don't.

Obama has been continuously challenged by pressure lobbies—I do not need to name them—Congress, and also the media, unfortunately, is very, very negative and completely one-sided against Iran.

On the broader deal, we have many issues, David, in our bilateral relations—legal issues, political issues, diplomatic issues. When we come to the region, we have Afghanistan, we have Lebanon, we have the peace process, we have Israel, we have Iraq, we have the security of the Persian Gulf, we have an energy issue. When we come to the international arena, we have terrorism, weapons of mass destruction, human rights.

For me, being involved in Iranian politics for more than a quarter-century, it is true during the last four or five years that nuclear is issue number one. But I never forget during the presidency of Rafsanjani, while there was no nuclear problem—we had weapons of mass destruction as a general problem—but then the peace process was a very key issue. Americans everywhere, every time they were raising Iran as threat number one for national security of the United States because Iran is disturbing the peace process.

During President Khatami's reign, terrorism was a big issue. The Khobar explosion in Saudi Arabia, for three, four, five years, took the lead blaming Iran.

In every period the U.S. has been able to bring up one subject—human rights, terrorism, or nuclear. Even if there is a solution to the nuclear issue, David, I'm sure Washington would be very proficient in finding another issue to raise and to make it the number one issue in order to continue their current policy.

That's why I believe we need direct talks first. Iranians have their own concerns about U.S. behavior and U.S. policies. In a fair direct talk, based on mutual respect, non-interferences, equal footing, they should sit together

and put all issues on the table, and start from the issues of common interest. The cooperations should start practically. They cannot solve all problems in one night, it's clear. Even they may need to continue negotiations for months. But at the same time, in parallel, they need to have some positive, constructive cooperation, which I believe are the issues of common interest.

Iran and the U.S., shoulder to shoulder, they are fighting against drug trafficking. Or even for the U.S., the War on Terror, war against al-Qaeda is still a priority issue in national security. For Iran it is the same, fighting al-Qaeda. When they, shoulder to shoulder, fight against terrorism, "allied," this would create a lot of trust and would help to conclude a broad deal together.

DAVID SPEEDIE: There's an irony, of course, in that the question of Iran pursuing a nuclear weapons program goes back to the Shah and the days when the U.S. was perceived as helping the Shah in that effort. That is, of course, as you say, the single most divisive issue.

You recently said something that's perhaps a little ambiguous, or at least I'd like you to elaborate on it, on the nuclear issue. You said, "There's no credible evidence that Iran has made a final decision to acquire nuclear weapons distinct from acquiring a nuclear weapons option." I would like to hear a little bit on that.

And also, obviously the current issue is whether Iran will go over the 20 percent level that currently exists and whether it will go back to the 5 percent that the U.S. and the West say it can live with. What's the system of putting the genie back in the bottle here, going from 20 back to 5? What is the basis of establishing the level of trust that would make that a credible option?

SEYED HOSSEIN MOUSAVIAN: First of all, David, this is an official report released by NIE, the National Intelligence Estimate, of the U.S. in 2007 and 2011, reiterating two or three major issues: first, Iran does not have a nuclear bomb; second, Iran has not decided to make a nuclear bomb; third, even if Iran decides to do so, it will take some years. Therefore, this is the U.S. assessment on the Iranian nuclear program.

From the IAEA point of view also, since the first resolution in September 2003 up to the last resolution—you know every three months they have one resolution, one report by the director of the IAEA—one sentence always has remained constant: "There is no evidence of diversion toward nuclear weapons." Although at the IAEA they have ambiguities, they have a lot of questions, technical questions, they have no evidence, because the Iranian nuclear program already, David, is under supervision. All the three major sites we have—heavy water in Arak, enrichment in Natanz, and the UCF in Isfahan—they are 24 hours, seven days a week under IAEA's cameras and supervised 100 percent. When they claim there is no evidence of diversion, this is because of their surveillance.

But coming back to your question, the main idea I have been working for the last seven, eight, nine, ten years, is how to resolve the nuclear issue. Today the 20 percent is a big issue. For the U.S. and for the P5-plus-1, the issue of capability of Iran is a big issue. Therefore, the P5-plus-1, the problem number one is with transparency. The United Nations Security Council, the IAEA, they are requiring more cooperation from Iran. If anyone needs, later we can elaborate more on this issue.

The second problem is with breakout capability. One of the measures that definitely can help tremendously to resolve the breakout capability is put a cap on enrichment in Iran at 5 percent. As long as Iran is enriching below 5 percent, definitely there would be no risk and threat for diverting the whole facility to a nuclear bomb. They are very much afraid today that Iran is enriching at 20 percent. They say in a short time Iran can go to 90 percent and they can make a bomb if they decided to do so.

DAVID SPEEDIE: What is that short time, roughly?

SEYED HOSSEIN MOUSAVIAN: This is a disputed issue. Israelis, they have their own assessment; Americans, they have their own assessment; Russians, they have a different one. But normally they are talking between six months to two years. I am not an expert, but this is what I have heard from different assessments.

That's why I have introduced as part of a comprehensive solution putting a cap at enrichment at the level of 5 percent.

DAVID SPEEDIE: A final question from the chair and then we will open up. Getting beyond the nuclear issue to the regional question, where Iran has, of course, its regional interests, concerns, priorities, and so on, you said recently on the issue of the recent Middle East conflict, Gaza, and the attacks on Israel, "The latest Israeli-Hamas duel occurred in a fundamentally different regional reality that will have major repercussions for Israel and Arab leaders, while Iran stands to gain the most." That's an intriguing thought. Would you develop it?

SEYED HOSSEIN MOUSAVIAN: For about two years, Prime Minister Netanyahu has been pushing the U.S., and even the Europeans, to go to war against Iran, and he was also threatening in case the U.S. is not ready, the Israelis would go unilaterally. I have always said this would be catastrophic, first for Israel, if they go to war with Iran.

But the recent event was a kind of interpretation of the risk for Israel. You saw Iranian drones over Israeli air space. It was a message. For the first time Tel Aviv was hit by missiles. They were able to intercept some of the missiles, but hundreds of missiles hit major cities, including the capital of Israel.

This missile, in the Iranian missile industry and technology and capability, this was peanuts. I mean Iranians, they showed the minimum, the lowest, to Israelis: "How vulnerable you are; therefore, it is better not to talk about war."

This was a new change. Israelis now understand that if they go to war with Iran, they would not be able to control Hamas or Hezbollah and the threats against Israel from their neighbors even within Palestinian soil.

QUESTION: William Verdone, University of Rajasthan.

My question is about the youth and the educational process and the economy. A lot of young people probably will feel very disenfranchised from what's going on outside their country. Is there any way that Iran could implode and bring down the current regime based on youth energy? Thank you.

SEYED HOSSEIN MOUSAVIAN: I don't believe so because, not only youth, the politicians, even oppositions, they are not after regime change.

Look at the situation after the disputed election of 2009. Everywhere you were reading about the Green Movement, when 3 million people came to the streets of Tehran. Many prominent foreign policy experts here in the U.S. wrote in 2009–2010 that regime change is inevitable.

When I was asked, I told them, "You are very naïve to think this kind of demonstration would bring a regime change to Iran."

Who are the leaders of the Green Movement? Khatami is a cleric. Karroubi is a cleric. Who is going to bring clerics down? The leader of moderates, Rafsanjani, is a cleric. The leaders of the conservatives are clerics. Clerics have their own differences, like the differences you have in Congress and in the White House in Washington. Regime change is not going to happen, believe me, because the Iranian nation, they want reforms, they don't want regime change. They had already done their revolution. They were the first country to bring revolution in 1979.

They are definitely not happy with the economic situation, it's clear. When I have been asked about sanctions, I very clearly say sanctions have hurt and would hurt the people. For the Iranian economy, sanctions are terrible. They are definitely are harming the Iranian economy, Iranian people.

But although the majority of Iranians want reforms, including the leader himself —I mean the leaders of opposition, the leaders of conservatives. If you read the parliament discussion in Iran, a great majority of 90 percent, 80 percent, of conservatives—if you read the debates within the Iranian parliament, you would

understand how even conservatives are strongly after reforms in the country—economic reform, political reform.

But a very, very small minority are thinking about regime change. The majority want stability in the country, they want the same system, but they want reforms within the current system.

QUESTION: Bob Perlman.

Perhaps you could explain, speaking of regime change, the Iranian government's position on Syria. Thank you.

SEYED HOSSEIN MOUSAVIAN: There is a lot of misinterpretation in the Western media. Of course, the scene over there is clear on Syria. The Eastern bloc, Iran, Russia, China, they don't want regime change. I mean they don't want regime change by force.

Here the Western countries, including Europe, the United States, Saudi Arabia with their regional allies, Turkey, they are mobilizing weapons, money, everything, to opposition in order to bring regime change.

But although Tehran is against regime change by force, because of the consequences, they support a free election supervised by the international community and to let the Syrian people decide.

This part of the issue has not been elaborated in the West. I could find very, very little on the fact that this was stated by the Iranian foreign minister. I think this is realistic, to go for a free election—opposition, supporters of Assad, all Syrians—under full supervision of the international community, let's say the United Nations. Let the Syrian people decide about their future, rather than each side sending weapons, which has led to civil war.

I am very much scared that Syria is on the verge of sectarian war. Syria definitely would collapse. It is not going to be limited to Syria; definitely, this would spill over in the region—Iraq, Lebanon, even Turkey, Saudi Arabia. Iran itself would be the least vulnerable country if sectarian war spilled over, and the Arab countries would be the most vulnerable.

QUESTION: Peter Russell. Thank you for your thought-provoking comments.

If we can take your principles of ways to negotiate and assume that the president is not seeking regime change, we might keep in mind some writers have suggested that back in 2009 Obama was thrown off course from pursuing negotiations because of developments in Iran, repression of the press and the opposition. Are we still subject or vulnerable to that even if negotiations get under way?

SEYED HOSSEIN MOUSAVIAN: No. I think that situation is over because, as I said, right after the 2009 election many assessments in the West were based on the idea that a very rapid regime change is plausible and is coming. That's why they were pushing even President Obama not to reach out to the Iranian leader, because they are extremely vulnerable and this would hurt the nascent movement trying to bring regime change. This was the wrong assessment. I think now the U.S., Europeans, the Western countries, they have understood they made a mistake, they had a wrong assessment.

Obama has demonstrated some intention for a new approach toward Iran. We are reading that they are going to propose a new constructive package. I don't know really about the details, whether this package is going to be about nuclear or about broader relations.

But I am convinced he will try once more. We want him to be successful. My seven points are just some points to help him, how he can be successful. I don't believe they are living in the same situation like fall 2009 or spring 2010.

QUESTION: Sondra Stein. Thank you so much.

If there was a grand bargain on the table, now if you look at the relationship between Iran and Israel, that

wouldn't do anything to the hostilities between Israel and Gaza and Hamas, et cetera—the perception that Iran is supporting Hezbollah and Hamas. How, in terms of a grand bargain, do you see Iran's relationship with Israel?

SEYED HOSSEIN MOUSAVIAN: About Hezbollah, Hezbollah was created after Israelis invaded Lebanon and occupied Lebanon for many years. This was the reason, this was the root cause of creation of Hezbollah. Definitely, Iran played a major role.

To be realistic, the only force that pushed Israel to leave Lebanon was Hezbollah. Otherwise they might have continued their occupation.

Therefore, we should go back to the root cause. If Lebanon is completely assured they would not be invaded by Israel and that Israel would respect the integrity and independence of Lebanon, if there is such an international arrangement, then there would be no need for Hezbollah to have weapons. This is the only reason they have weapons, to defend their land. Israel not only wants—they have invaded Lebanon many times. It is not only Iranians, but the majority of people in Lebanon, they support—even the current government, even the parliament—they support Hezbollah because they see them as the only force to secure their independence and to fight the invasion of Israel.

In a grand bargain, we should think about such ideas.

On Hamas, I believe, although Iran is against the two-state solution, I remember very well in the mid-1990s, when I was very much told by Europeans that Iran is the main obstacle to the peace process; otherwise Israelis and Palestinians could agree. I was telling them this is not true, this is a fabricated accusation against Iran to keep Iran threat number one.

Thank God, today everyone understands that Netanyahu is rejecting the two-state solution, and he rejected President Obama's overtures and policies for a resolution. It was a big chance in 2009, 2010, for a two-state solution. Palestinians were behind it; the majority of Arab countries were behind it.

That is why I believe that the real problem of Israel is not Iran; it is within Israel, the radicals, the orthodox, who don't want anything for Palestinians, and they rely only on their power, army, nuclear weapons, their aerospace powers, and the military. They would like to invade Gaza or Palestinian soil anytime they want. They want Palestinians to have no defense capability.

I really don't believe Iran is the major issue in the Palestinian-Israeli process. Even the majority of Western politicians, they understand where the problem is. The problem is in Tel Aviv, not in Tehran.

QUESTION: Jonathan Gage. I'm a Trustee at the Carnegie Council. In that capacity, thank you for being with us and sharing your thoughts and your time this evening.

I have a question about nuclear weapons. It's really three questions that are related. If I understood what you said this evening, it is your knowledge that Iran has not yet decided whether or not to make a nuclear weapon. I'm curious how you know that, why you are in a position to know that, on what basis.

Related to that, what would be the elements of a decision by Iran one way or the other, to do so or not?

Thirdly, so that we understand Iran better than we do now, who could actually make that decision, who would be empowered, who would need to be part of that decision?

SEYED HOSSEIN MOUSAVIAN: Jon, I just referred you to the U.S. assessment, the NIE, National Intelligence Estimate. Sixteen U.S. intelligence and security organizations of the U.S., they have this assessment that Iran neither has a nuclear bomb nor has decided to make a nuclear bomb. This is not my vision.

My understanding is that Iran has not been after a nuclear bomb and is not after a nuclear bomb.

If the international community believes that Iran enriched uranium for 18 years in secrecy, without letting the international community know anything about these activities, this means Iran could have made a nuclear bomb if they wanted to do so, without U.S. knowledge.

I have many reasons, Jon. As David mentioned, it was the U.S. who laid the foundation of a nuclear Iran. It was not the Islamic Republic. We should never forget that fact. The U.S. decided that Iran should have 23 nuclear power plants. The U.S. supported the Shah to have enrichment facilities, and they knew very well the Shah was after the nuclear bomb. It was very well known to Westerners.

Europeans also were joining the United States. France signed the enrichment agreement for \$1.2 million with Iran. Germany had the first nuclear power plant, Bushehr, in 1975, an 8 million deutschmark agreement. The U.S. built the first Iranian nuclear facility, Tehran research reactor, in 1967.

The revolution stopped all these projects. It was not the U.S. Right after the revolution, the revolutionaries decided to stop the ambitious nuclear projects of the U.S. and the Shah. They said, "This is an imperialistic plot against Iran to have the nuclear bomb, nuclear enrichment, everything." Therefore, you can understand, you should have in your mind, the first reaction of revolution toward the nuclear policy of the Shah and the U.S.

The thing the Iranians focused on, when I was in government, either in the mid-1980s—when Rafsanjani was the second power in the country, I was in Parliament as deputy—or in the 1990s, when I was talking as the ambassador to Germans— was finishing the Bushehr power plant. This power plant was already completed before the revolution, about 85–90 percent. The Germans had already received over 90 percent of the money.

Iran had to finish it. There was no other option. They said, "We will finish this power plant, but we don't want the U.S. proposal to have 23 power plants." They said, "We don't want to have reprocessing, we don't want to have enrichment." All projects were canceled.

But the Tehran research reactor already has been active since 1967 and Iran needed American fuel rods to run it. This is a nuclear facility producing the isotopes for those people who are struggling with cancer. It is a completely civilian medical project. In the early days or months of revolution, Iran paid the U.S. for fuel rods. The U.S. neither returned the Iranian money nor sent the fuel rods. Here Iran had a nuclear power plant without fuel rods.

The Bushehr power plant, they pushed the Germans, because the Germans told me very frankly in private that "This is U.S. pressure, we cannot complete it." They left no option.

At the same time, France also stopped the enrichment agreement with Iran, because it was supposed to have the enrichment to be done in France and provide fuel for the Bushehr power plant.

If France had not canceled the contract, and if Germans had completed their contractual commitment, Iran would have only one nuclear power plant, no enrichment, no centrifuges—nothing. Fuel should have come from France, that's it. This was the end of the story.

But the U.S. pushed France and Germany to stop enrichment, to stop nuclear power plants in Bushehr. They stopped exporting fuel rods—just in the early years of revolution; I'm not talking about 2010. They left no option, Jon, no option.

If you were the Iranian president, you would have done the same, to go for self-sufficiency, to finish the project, to build fuel rods for the Tehran research reactor, because the U.S. was able to orchestrate all the international community not to give fuel rods to Iran. They had to make the fuel rods.

They had to have enrichment in order to provide the fuel, because France declined to have enrichment on French soil. It was not supposed to be done on Iranian soil. The Shah had planned to have enrichment inside Iranian territory. But the revolution canceled all this.

My third issue is about the war, Jon. You remember Saddam Hussein used chemical weapons? Over 100,000 Iranians, either they were killed or injured by chemical weapons.

Unfortunately, Americans and Europeans, they provided material and technology for Saddam Hussein to use weapons of mass destruction against innocent Iranian people. Tens of thousands of people were killed or injured.

But when the military asked the Supreme Religious Leader—at that time it was Imam Khomeini you remember—to reciprocate based on the same religious belief, he prevented the Iranian military from reciprocating with chemical weapons.

My argument is here, Jon: when you have a war and your enemy is using weapons of mass destruction, killing tens of thousands of your civilians, and the religious leader stops you from reciprocating just because of religious beliefs, isn't this credible evidence for you? Do you want really more credible evidence?

Ayatollah Khamenei's *fatwah* is exactly like Imam Khomeini's *fatwah*. There is no difference. He issued the *fatwah* against all weapons of mass destruction in 2003, 2005, 2010, 2011. He repeated it even just some months ago. They really don't want them.

The big issue, David, is 20 percent. Everyone here, either they don't know the facts or they forget. Those events they know, John.

QUESTIONER: Then the question is, if it is an article of religious faith, then why would Iran just not say, "It's an article of religious faith; we will not make a nuclear weapon"?

SEYED HOSSEIN MOUSAVIAN: Iran already has said it many times, many times. Jon, just go read the full text of Ayatollah Khomeini's speech at the Summit of NAM [Non-Aligned Movement] meeting in Tehran. Two-thirds of the world's countries were represented at this meeting in Tehran, about 40, 50 heads of countries, 120 countries. He made exactly this statement in front of two-thirds of the international community.

QUESTION: You have outlined some of the elements that could form the basis of what you have called a grand bargain. You certainly have on a level of enrichment, you gave a specific idea; and also on the issue of Lebanon and Hezbollah feeling that the territorial integrity of Lebanon would be respected. So those would be two very major elements from the point of view, obviously, of the United States and its allies. And, obviously, there would be in any kind of grand bargain requirements from the Iranian side.

But what do you say specifically as what you would envisage would be the element on the issue of the two-state solution? I don't think it's adequate to say, "Well, it's a lot of the Israelis who don't want a two-state solution." That may well be true. But, as in all of these things, you have a syndrome of mistrust and you have to build confidence.

So my question to you is: What specifically in your perception—I realize you're not a spokesman for the Iranian government—but what specifically would be your perception as to the element of a grand bargain on what could be achieved with regard to the recognition of a two-state solution?

SEYED HOSSEIN MOUSAVIAN: First of all, I'm not speaking as representative of the Iranian government. I really have no post, no responsibility, just in my private capacity.

But based on my experiences, I believe, if there are Iran's assurances of no interferences, no obstacles, no disturbance against peace process, and respecting whatever compromise Palestinians and Israelis can agree on, this could be the end state.

Recognition of Israel is not an Iranian problem. The majority of Muslim countries, even the U.S. allies, do not recognize Israel. When Saudi Arabia does not recognize Israel, how do you expect Iran to recognize Israel? Therefore, forget recognition, because it is not an Iran issue. Maybe less than 10 Muslim countries recognize

Israel. About 50 countries do not recognize it. Even the majority of U.S. allies do not recognize Israel.

But what is the core accusation against Iran? Interference, creating obstacles against the peace process. If there is a grand bargain, not only on the Israel issue, this is not going to happen if they want to approach only on one issue.

I remember during the time of President Rafsanjani and President Khatami the position of Iran, supported by the Iran supreme leader, was that Iran would not interfere in the peace process, would not create obstacles, would not disturb. They have experience of these statements during 16 years of the presidencies of Rafsanjani and Khatami. You can find it.

Today, Iran proudly declares that they are supporting by military, finance, weapons—everything—the oppositions, because Netanyahu has been for three, four, five years advocating war against Iran. When he is pushing the international community to go to war, to strike Iran, Iran also is responding by supporting Hamas and Hezbollah with weapons.

But at the end, if there is a grand deal, if Iran promises it would not interfere, whatever Palestinians and Israelis agree together, Iran would respect.

On the nuclear issue, if they wanted to reach a solution, believe me, this is easy within 24 hours. They are supposed to meet each other, I heard, on the 15th of January. It could take them one hour to agree on the principles.

Iran can be committed to the maximum level of transparency of international agencies. Then the expertise they can define.

Iran can be committed, no breakout. What measures? One of them we discussed today, cap at 5 percent. But there can be a lot of other measures to secure, to guarantee no breakout, if the P5-plus-1 also would be committed on two issues: to recognize the legitimate rights of Iran on their Non-Proliferation Treaty for peaceful nuclear technology, including enrichment, like other member states of NPT, and if they would lift the sanctions, even gradually.

Two elements for the P5-plus-1, two elements for Iran. This is a principle of four elements. If they agree on the principles, then they can sit together and define the elements:

- How the sanctions should be, in what timetable they would be lifted.
- What measures Iran should have to prevent breakout capability.
- They may put some limits on both the level and capacity of enrichment.
- Transparency: What is the maximum level of transparency that internationally exists based on IAEA regulations. It's not difficult to find it.

DAVID SPEEDIE: I want to thank you all for coming. We have covered a formidable swath of territory. Please join me in thanking Ambassador Mousavian for his candor and insight.

Audio

Iran and the U.S. have a long list of common interests, including Afghanistan, stability in Iraq, and fighting drug trafficking. A good way to start creating trust between the two nations would be to cooperate on these issues, instead of always focusing on divisive ones like nuclear capability.

Video Clip

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