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Iran's Nuclear Program: The Diplomatic Challenge

**Presentation by
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I am pleased to be working with a part of the UN that just received the Nobel Peace Prize. The Peace Prize recognizes the contribution of the International Atomic Energy Agency to confronting one of today's most dangerous threats: the proliferation of nuclear weapons. Today there are three major threats to the world's nonproliferation regime: terrorists, North Korea, and our subject tonight - Iran.

Tonight I will speak about Iran's determined pursuit of atomic weapons -- a pursuit its leaders continue even in the face of growing international concern. And I'll speak about next week's meeting of the IAEA Board of Governors when Iran, once again, will be on the agenda.

But first, I'd like to talk about why nuclear proliferation is a threat to all countries, and what we can do together to protect against the threat.

Nuclear Proliferation Threatens All Countries

There is a tendency among some of my diplomatic counterparts to assume that nuclear proliferation threatens only a small set of developed countries. There is perhaps no one better to correct this thinking than the UN Secretary-General. Earlier this year, Kofi Annan said:

“I firmly believe that our generation can build a world of ever-expanding development, security and human rights.... But I am equally aware that such a world could be put irrevocably beyond our reach by a nuclear catastrophe in one of our great cities....

Imagine, just for a minute, what the consequences would be. Tens, if not hundreds, of thousands of people would perish in an instant, and many more would die from exposure to radiation.

The global impact would also be grave.... Carefully nurtured collective security mechanisms could be discredited. Hard-won freedoms and human rights could be compromised.

The sharing of nuclear technology for peaceful uses could halt. Resources for development would likely dwindle. And world financial markets, trade and transportation could be hard hit, with major economic consequences. This could drive millions of people in poor countries into deeper deprivation and suffering....

In our interconnected world, a threat to one is a threat to all.... If this is true of all threats, it is particularly true of the nuclear threat.”

We agree with the Secretary-General. Nuclear proliferation, especially when allied with terrorism, poses one of the greatest threats to our world today. Terrorist groups like al Qaeda have shown a clear and determined interest in obtaining the most deadly of weapons. And illicit trafficking networks, like the one organized by A. Q. Khan, can provide the technology, equipment, and even warhead designs.

Khan’s global network is now out of business, thanks to good intelligence and close international cooperation. But we must guard against future illicit networks, operating with or without the support of

states, and trading in the most deadly of commodities. And we must not allow well-financed terrorist groups to access black markets of nuclear terror. A nuclear device, whether stolen or improvised, would be the ultimate suicide weapon.

Confronting the Proliferation Threat

The United States, acting with the European Union and other countries across the globe, is confronting this threat:

- President Bush and other G-8 leaders launched a Global Partnership to help countries secure and eliminate weapons of mass destruction.
- President Bush launched the Proliferation Security Initiative to interdict shipments of deadly arms and material at sea, in the air, or on land.
- President Bush signed an Executive Order to block the assets of individuals and entities engaged in this commerce of death and destruction.

The United Nations, the IAEA, and all member states must also act. Last year the UN Security Council adopted Resolution 1540, which was then endorsed by the UN General Assembly. This resolution requires all states to criminalize proliferation, to enact strict export controls, and to secure sensitive materials within their borders. UN member states should meet these requirements cooperate fully with the 1540 Committee in New York.

Here in Vienna, the IAEA recently launched a new Committee on Safeguards and Verification. That Committee will examine ways to strengthen the safeguards regime. Its work will need to consider lessons from A.Q. Kahn and his global network of associates, including here in Europe.

Preventing a Nuclear-Armed Iran

At the IAEA, we worry about denying terrorists the most deadly of weapons. We also worry about denying the most deadly of weapons to the most dangerous of countries. Iran is a case in point.

Iran is ruled by a theocratic regime that suppresses freedom at home, including through political killings and the widespread use of torture. This year's elections were sadly consistent with this oppressive record. While they had the trappings of democracy, an unelected few denied the candidacy of thousands.

Tyranny at home is matched by terror abroad: Iran tops the list of state sponsors of terrorism. Iran provides funding, safe haven, training, and weapons to a variety of terrorist groups. Its Islamic Revolutionary Guard Corps and Ministry of Intelligence and Security have helped plan and support numerous terrorist acts. Among the terrorists backed by Iran are those most actively seeking to sabotage international efforts for Middle East peace. Allowing this regime to be armed with nuclear weapons is a recipe for political blackmail, regional instability... or worse.

A country that threatens “death” to other countries must be denied the most deadly of weapons.

Some argue that Iran has a right to nuclear technology. Some also argue that there is no definite proof that Iran is developing nuclear weapons. As a signatory of the Non-Proliferation Treaty, Iran does indeed have the right to the peaceful use of nuclear power. But Iran does *not* have the right to use the *pretense* of a peaceful program to disguise a nuclear weapons effort.

Let’s look at the facts:

- Iran has a long record of lying, covering up, and withholding information on its nuclear activities. This is not the sign of a peaceful program.
- Iran’s nuclear program has unexplained ties to its military. This is not the sign of a peaceful program.
- Iran obtained equipment and technology from the A.Q. Kahn network. The A.Q. Kahn network is not known for peaceful applications of nuclear technology. It specialized instead in secretly providing technology, equipment, and know-how for nuclear weapons programs to countries like Libya and North Korea. This is not the sign of a peaceful program.
- Iran tried to hide equipment for enriching uranium at a remote, underground facility disguised as an agricultural center. Iran completely bulldozed one facility before allowing access to IAEA inspectors. This is not the sign of a peaceful program.

- Iran claims its enrichment activities are necessary for nuclear power. However, Iran's one nuclear power plant has not yet opened. When it does, it will be supplied with Russian fuel. This is not the sign of a peaceful program.
- Even if Iran builds multiple nuclear power plants, the international market can supply plenty of fuel at a markedly lower cost than enriching it in Iran. Yet Iran insists on building costly enrichment facilities in the face of international opposition. This is not the sign of a peaceful program.
- Even using the most generous international estimate, Iran does not have enough deposits of natural uranium to enrich into fuel for even a small power program. The deposits are sufficient, however, to enrich into weapons-grade material for a sizeable stockpile of nuclear weapons. This is not the sign of a peaceful program.

The United States strongly supports the peaceful use of nuclear technology. That is why we are the largest contributor to the IAEA's Technical Cooperation Program, giving 130 million dollars for projects in over 100 countries since the year 2000. That is why our Department of Energy is blending down over 17 metric tons of highly enriched uranium -- salvaged from U.S. disarmament efforts -- to back up fuel assurances for countries interested in nuclear power but willing to forego the enrichment and reprocessing capabilities that give us such concern in Iran. We support peaceful use, as provided under the Non-Proliferation Treaty. But NPT members have no business claiming this right if they fail, as Iran has, to respect their international obligations.

At its meeting in September, the IAEA Board of Governors considered Iran's long history of failures to report and failures to cooperate. The Board formally found Iran noncompliant with its safeguards obligations. Under the IAEA's Statute, this requires a report to the UN Security Council. The Board found an even more serious reason to notify the UN Security Council: the absence of confidence in the peaceful nature of Iran's nuclear program.

Despite these two reasons to notify the UN Security Council, the Board decided to defer a decision on the timing and content of such a report. The Board called, instead, for Iran to act in three areas:

- first, to cooperate fully with IAEA inspections;
- second, to resuspend the conversion of uranium ore to uranium hexafluoride, the raw material for uranium enrichment; and
- third, to restart the negotiations which it had terminated with the EU3.

The Board's message to Tehran was clear: Demonstrate progress in these areas, and you can influence the content and timing of a report. In one week, we'll be looking closely for progress. To date Iran's record is somewhere between poor and sadly mixed, with cooperation grudging and uranium conversion continuing.

Let me be clear: If Iran fails to demonstrate progress, a report to the UN Security Council is a means not an end. Our overriding goal is to convince the leadership in Tehran to move off the dangerous course they have set. Indeed, a report to the Security Council would not be the end of diplomacy. It would be part of diplomacy. Rather than supplanting the IAEA effort, the Security Council would reinforce it -- for example, by calling on Iran to cooperate with the Agency and to take steps the IAEA Board has identified to restore confidence, and by giving the IAEA enhanced authority to investigate all Iranian weaponization efforts.

As we meet the proliferation challenge posed by Iran, our strength lies in unity. It was international cooperation that shut down the A.Q. Kahn network. It was international cooperation that convinced Libya to give up its nuclear weapons program. And it was international cooperation that brought North Korea back to the negotiating table. International cooperation remains essential in dealing with Iran. Today, Iran's leadership should be receiving a consistent signal from the European Union, the United States, the Russian Federation, and other concerned countries. We hope that Iran's leaders will listen -- rather than continuing to isolate themselves and their country through strident speeches and threatening acts. The people of Iran deserve better. Nuclear proliferation is a threat to all countries. And none of us -- particularly those in range of Iran's growing inventory of missiles -- can risk an Iran armed with nuclear weapons.

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