



Oral evidence: [UK policy towards Iran](#), HC 904

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Members present: Sir Richard Ottaway (Chair); Mr John Baron; Sir Menzies Campbell; Ann Clwyd; Mike Gapes; Mark Hendrick; Sandra Osborne; Andrew Rosindell; Sir John Stanley; Rory Stewart

Questions 145-194

Witnesses: **Professor Alan Johnson**, Senior Research Fellow, Britain Israel Communications and Research Centre, and **Oren Kessler**, Middle East Research Fellow, the Henry Jackson Society, gave evidence.

Q145 Chair: May I welcome members of the public to our third evidence session on our short inquiry into UK policy towards Iran? I am delighted to welcome Professor Alan Johnson, senior research fellow at BICOM, the Britain Israel Communications and Research Centre, and Mr Oren Kessler, a research fellow specialising in the Middle East, from the Henry Jackson Society. Is that the right description?

Oren Kessler: It is.

Q146 Chair: A warm welcome to you both. We appreciate your taking the time to come and see us.

Since an agreement was reached on the joint action, there has been a lot of chat, comment and observations. Do you see this as a real window of opportunity?

Professor Johnson: I do. I think it is important that the west responds positively to an opening. Diplomacy is preferable to alternatives. Having said that, I tend to agree with John Kerry, who says that a bad deal is probably worse than no deal. Attention should therefore focus on what a good deal looks like, where this is an interim deal. The real task is to ensure that the final deal is a good deal.

There are some good parts of this deal, I think. The clear commitment that there will not be nuclear weapons built, in the joint statement, is important. The inspections regime is much enhanced, which is important. I think there has been a pause button placed on the programme. All that is to the good. But there are concerns that, unless there is substantial movement from where the interim deal leaves us, to the final deal, it leaves Iran as a threshold nuclear state, on the edge of being able to make a dash. That is really, I guess, Israel's main concern—that Iran is taken far back from that threshold status. That is the challenge, I think, for the next year.

Oren Kessler: I would have to say that, in my view, it is more of a bad deal than a good one. I would outline four major problems with it. No. 1, the right to enrich is essentially implicitly recognised, and this is how Iran has touted it, to its own public. This is despite six UN Security Council resolutions explicitly not recognising that so-called right.

Secondly, on Arak, the facility where plutonium could be produced, the Security Council demanded a complete construction freeze. This deal only calls for no reprocessing to take place and for the plant not to be commissioned. That in itself is essentially a meaningless concession, because the Iranians had only planned to commission it later this year, anyhow.

Thirdly, weaponisation. There is no mention of weaponisation, no mention of Parchin, the military facility, and tests that are believed to have been conducted there.

Lastly, it allows Iran to continue with research and development on enrichment and advanced centrifuges.

I think these are four major points that the joint plan of action omits.

Q147 Chair: And we will explore those points in a minute.

One of our witnesses last week said to us that, if Congress voted for sanctions—that is not the same as saying they were re-imposed—it would be a set-back. Do you agree?

Oren Kessler: I do not. I think that it is sanctions that have brought Iran to the table in the first place. It is not that I would call for sanctions right away. I would give the allotted six months time to play out. But the threat—the possibility of sanctions—is exactly the kind of thing that will persuade Iran to comply with the terms of the joint plan of action.

Q148 Chair: And do you think there is a role for diplomacy?

Oren Kessler: Certainly. The western negotiators have taken a dual-track approach for the past several years: negotiations and pressure; negotiations and sanctions. There is logic and utility in that. But, again, I would endorse both, not simply one.

Professor Johnson: In terms of sanctions from Congress, there is a real dilemma here for policy makers. President Obama's view is that it will scupper a deal if they are introduced, even though they might be deferred to the future. That is a real concern and something to be aware of. On the other hand, those people who argue that Iran is where it is because of the leverage that sanctions provided have a strong case to make, and they would make the case that, therefore, they need to continue. I think our own Foreign Secretary has talked about the need to persuade Iran that greater sanctions will intensify until the agreement is reached. He said that in Parliament in November, I think. That is right. That is the right kind of middle ground. Whether you introduce this or that sanction at a particular moment, that is the principle, really: to let Iran know that sanctions will intensify until there is a good deal.

Q149 Chair: Of course, President Obama said he would veto them.

Professor Johnson: He did, yes.

Q150 Sir Menzies Campbell: If we can describe the circumstances of recent months as an “opening”—as neutral an expression as I can find—how far do you work on the election of President Rouhani?

Professor Johnson: I think it is an important development. I was talking to Aluf Benn, chief editor of Haaretz newspaper, and I was sceptical. He said to me, “Everyone was sceptical about Gorbachev to begin with.” He said that Gorbachev, too, was the blood and bone of the regime and that he was an insider, but it was partly through that status that he could get something done.

Our discussion was along the lines of, well, Gorbachev had made the judgment that there was a fundamental failure of the old system and it needed radical reform. Is that where Rouhani is? I think at the moment, the evidence is that he is not there. In terms of the changes that he has introduced since he has come in, I think domestically, there has been little change. Noises have been made, but in terms of actual changes, there has been none. Executions have gone up. A dissident who was a poet was executed only recently.

Regionally, I don’t think we have seen any change in Iran’s attitude towards the Syrian conflict or supporting Hezbollah. I think the regional agenda seems to be pretty much the same. We are hearing a new tone on the nuclear issue, and it is important for the west to explore that as far as possible, but we must not be starry-eyed about Rouhani.

Rouhani is an open book. He has written about 7,000 pages of memoirs, books and articles, and you can read them all going back. He is not a hard person to read. We included a section of his 2011 memoir in our written submission, and this was his pitch to the Iranian people. He said, “Look, I know how to get the sanctions off our back without really giving up the programme. Look at what I did in 2003-04.” The quote is, “As we were talking in Tehran with the negotiators, that allowed us to build the nuclear facilities in Isfahan.” That was his pitch to the Iranian people.

The challenge for the P5+1 this time round is to ensure that there is not a repeat of 2003-04, where limited concessions from Iran produced a halting of the momentum from the west, which produced an uptake of the programme again from Iran. That is the challenge.

Oren Kessler: I share Alan’s scepticism. With the Gorbachev analogy, Gorbachev did not have a Supreme Leader to answer to. That is one main difference.

I remind the Committee that in a way we have been here before: we had Rafsanjani and Khatami. Nothing of substance has really changed, on the nuclear file or in general, in Iran’s foreign or domestic policies.

I would describe Rouhani as the consummate regime insider, if anything. This is a man who has followed Khomeini since the 1960s. He is a man who, at age 18, escaped into Iraq to see Khomeini, went to France with Khomeini, and came back with Khomeini. Again, there is a difference in tone, but I don’t see much of a substantive change.

Q151 Sir Menzies Campbell: So what should our attitude be towards them? You were both pessimistic—one a little more qualified than the other, but you were both pessimistic.

Professor Johnson: I think we should test, explore what is possible and push forward with the negotiations, but I do not think we should do it in a spirit of anything other than a lot of scepticism.

I think the scepticism is reasonably based. It is based on past experience of an Iranian approach to the negotiation process, which is to give way when pressure is at its greatest, but to exploit openings when the pressure is at its weakest. Rouhani himself said, “Look, those people who were sceptical of me in allowing a temporary pause in 2003-04, look at what I achieved.” In our written submission, we list them all, including Natanz and some of the yellow cake procedures. Lots of other elements of the process were pushed forward when they were suspending some of the uranium enrichment. So we should have a lot of scepticism about the process.

Having said that, it is certainly the case that there are tensions inside the regime. Rouhani made a speech only a few days ago that state TV would not allow on the air. Rouhani, interestingly, through using social media, put some pressure on, and eventually the speech appeared on air.

I don’t think that that is just a façade; I think there are tensions in the regime. It may be that parts of the regime are looking at the model, the isolation that Iran is in, and the state of the economy, and saying, “We need to find a different way.” If that is the case, the west should certainly be a partner to moving them into that different way, for sure, but it should be done in a spirit of real scepticism.

Q152 Sir Menzies Campbell: Mr Kessler, can I come back to your expression of regime insider? Given the scenario that Professor Johnson has just narrated, it would presumably have to be a regime insider who would be able to exert the kind of pressure that allowed that speech eventually to be put on television. If he was a regime outsider, then he would be unlikely to exercise that kind of pressure.

Oren Kessler: This is true, but it is also the case that if he weren’t an insider he wouldn’t be President in the first place. Some 678 presidential candidates were disqualified and only six were approved, so 99% were blacklisted and only a very small number were let in. I would argue that you do not even have to go back to 2011 to find the sorts of quotations that make one sceptical about whether this is the kind of man with whom business can be done. In May 2013, he said on the campaign trail, “We cannot say that we want to eliminate the tension between us and the USA, but we can have interactions even with the enemy.” I would argue that the enmity towards the west, and particularly Americans—Foreign Minister Zarif has made similar comments—is so ingrained in the Islamic Republic’s ethos that the west has to recognise and come to terms with it. Alan talked about not being deluded.

Q153 Sir Menzies Campbell: I have one more question. Presumably we have to recognise that we are not going to turn Iran into a European-style democracy overnight, or perhaps ever. If there is a sign of movement, is it not worth approaching it, albeit with scepticism, with some kind of drive and push towards something approaching normalisation of relations?

Oren Kessler: I would respectfully argue that normalisation is not realistic.

Q154 Sir Menzies Campbell: So we throw our hands up and say that nothing can be done?

Oren Kessler: No. I do not think it is one or the other. The UK and the US can talk to Iran, and they can talk to Rouhani. I think engagement is reasonable.

Q155 Sir Menzies Campbell: All right. I will settle for engagement.

Oren Kessler: In my view, even engagement is a bit of a stretch, but I am not against talking. I do not think normalisation is realistic.

Professor Johnson: May I add one brief point? I think the challenge to policy makers in the UK and elsewhere is that, as we engage and approach those parts of the regime that want to strike a new tone, we should always bear the Iranian people in mind. Workers' protests, intellectual protests and student protests are taking place, and there are divisions within the elite. I accept that finding a way, verbally to begin with but also in other ways, to stand for democracy and pluralism in Iran while maintaining negotiations is a challenge, but it is a challenge that should be taken up. Some Israeli policy makers will say that their slight concern is that, because of the enthusiasm and momentum that have been produced by the P5+1 deal, it is possible to hear people talking about and moving rapidly on to a grand bargain with Iran. Some Israeli policy makers would say, "Let's just hold on. That is not where Iran is at. It is not actually looking for a grand bargain. Its regional policies are completely unaffected, and its domestic policies, if anything, have latterly been worse. Let's just slow down and not look too quickly for a grand bargain with Iran that is not on offer."

Q156 Chair: Professor Johnson, on that point, you talked a moment ago in answer to Sir Ming about the events in 2003-04 and how Rouhani was able to say one thing to the negotiators and another to the public. Would you describe that as a failure of the diplomacy at that time?

Professor Johnson: I have been following the Committee's discussions on that question, and I know you have been exploring it with other witnesses.

Q157 Chair: It was the E3 in those days, wasn't it?

Professor Johnson: Yes. You could say that, to some extent, we are back where we were back then with an offer of a pause in return for sanctions relief or engagement. Why wasn't it seized then? I know that some people talked to the Committee about US intransigence, but if that is so, we now have Obama reaching out his hands, so intransigence is off the table. Some people talk about the US and the EU being in different places and how that is difficult, but we now have the P5+1 talking with relative unity.

There is a third factor, which is that we need to bring forward the lesson that needs to be taken from that period: Iran responds to pressure. The pressure in 2003, whatever we think of that pressure, was the American talk of an axis of evil and the idea that there was potential for moving on from Iraq to Iran, which I think was the real cause of Iran's seeking out those contacts and a new way forward. As the US bled in Iraq, Iran saw it and saw that the possibility of the intervention programme rolling on into Iran was taken away. That is the point at which Iran resumed its programmes, exited from the additional protocol and so on. The lesson I would take from that, whatever other lessons there are, is the importance of keeping up an intense sanctions regime and keeping up the pressure on Iran as part of what will make the negotiations succeed.

Q158 Mark Hendrick: Do you believe that Iran intends to manufacture nuclear weapons, or does it just intend to get to the point where it can demonstrate that it has the capability?

Oren Kessler: I would argue that Iran seeks to become a threshold power. Its behaviour over the past decade and a half, or more, points quite clearly in that direction. It insists that its nuclear programme is for civilian purposes—well, neither Arak nor Fordow lend themselves to civilian purposes, quite simply. I think that it intends to get to a point where it can break out, as it were, without the IAEA or negotiators noticing. Whether it intends to go that extra mile and produce a weapon, time will tell, but I think it certainly wants the capability to make that decision for itself.

Professor Johnson: I would make a distinction between a strategic decision to get a weapon and an operational decision. I think that the strategic decision was taken a long time ago. I agree with Oren that if you look at the component parts of the programme and try to make sense of them for a country that seeks a civil nuclear energy programme, they simply do not make sense. They make sense in the context of a nuclear weapons programme—not all of them, but important parts. I therefore think that that strategic decision has been taken.

I do not think that an operational decision to push ahead has been taken, and that is part of the tension. Israel certainly thinks that the strategic decision is the key one, and that the development of the programme towards touching distance of breakout—being a threshold state—is the red line. Other states will think of the red line as the operational decision. The concern about that is that, as I think Ehud Barak said, we do not want it to be a case of, “It’s too early, it’s too early—it’s too late.” Those are some of the tensions in the relations.

Q159 Mark Hendrick: How close do you believe Iran is to breakout capacity and how would you define such capacity?

Oren Kessler: Olli Heinonen, the former No. 2 at the IAEA, has estimated that they were about two weeks away—he made that estimation several months ago. The joint plan of action has now pushed that back slightly, but in my estimation we are talking about something as small as perhaps three months. For the region and the world to breathe easy, in my opinion Iran would have to be pushed back to at least a year—six months to a year at the very least. We are quite far from that. It could take up to a year to manufacture the delivery capacity, but again, if Iran decides to put nuclear weapons in the back of a truck or on a mule or donkey, you cut out that entire process. I would say that it is a matter of weeks or months at this point.

Professor Johnson: Most estimates that I hear would be talking in the region of months. They have that kind of feed—they already have that enriched uranium supply. They have 19,000 centrifuges, of which 5,000 are advanced, and the new set of new-generation centrifuges that they introduced in December, which I think are some 15 times more advanced than the ones that they began with. Look at the kind of missiles they already have to carry bombs: the Shahab that they currently have goes 2,000 km, and I think that in the past 48 hours or so they announced the successful test launch of a ballistic long-range missile with radar-evading capabilities. Taking all that into account, you are looking at a state that, even at this point, is pushing ahead—even though there is a P5+1 deal—with those aspects of the programme that it can push on with.

Without getting into specific dates, I think that the challenge is to push that country, which is approaching nuclear threshold status, as far back as possible from that status. If you are talking about a year or more, you are then in a situation in which a decision to break out—the operational decision—can be met by the international community with, first, detection; secondly, a diplomatic response, not a last-minute military response; and thirdly, if necessary, other actions can be taken. That is not where Iran currently sits; the challenge is to push it back from where it is now.

Q160 Mark Hendrick: How much do you believe that the interim measures in the joint plan of action have delayed Iran's breakout capability?

Professor Johnson: As I said before, I would not want to take a wholly negative attitude towards the joint plan of action. There are a lot of positive things in there. It is not nothing to have the statement that under no circumstances will Iran seek nuclear weapons. For Iran to sign an agreement that says that is significant. I think Mark Fitzpatrick's estimate that it has doubled the time to break out is reasonable. That makes sense. He also makes the additional point that—in football terms like a six-pointer almost—if that plan had not happened, we would not just be where we were, the time involved could have halved. That is significant.

The verification regime is much tougher and involves daily inspections, cameras and access to places that we were not allowed to go to before, but not access to everywhere. That is good. We need to make the point that the sanctions relief is limited—though we can debate the precise degree. The core of the sanctions regime remains in place. Even though we are debating precisely what the relief is, we know for sure it is equivalent to \$30 billion in oil revenues for a six-month period, which is significant. All of that is to the good.

The point about the deal is that at the moment the right to enrich is there; the stockpiles have not been taken out; the centrifuges have not been dismantled; the weaponisation infrastructure is untouched; R and D on advanced centrifuges continues; partitioning is not mentioned. So there is a long, long way to go before you can say that the international community is actually pushing Iran back from threshold.

Oren Kessler: You asked for numbers. A reasonable estimate would be that we were about a month and a half away from the production of a nuclear weapon, leaving aside delivery, before the joint plan of action. Now, as Alan said, it has been doubled to about three months. A reasonable objective would be to get that schedule back to about a year.

Q161 Mr Baron: May I press you both a little bit on what you see as Iran's intention regarding a nuclear weapons programme, and the evidence supporting it? Perhaps Iraq casts a long shadow. There is no shortage of circumstantial evidence but very little hard evidence.

What do you say to the public testimony of Mr Clapper and General Petraeus last year to the Senate? Together they represent 17 intelligence services of the US, and they said that there was no evidence as far as they were concerned that Iran had a nuclear weapons programme; there was no evidence that Iran had taken the decision to instigate one; and, if they did, the US felt confident that they could detect it early enough.

Professor Johnson: In terms of the decision, I would again raise the distinction between a strategic decision to build the programme, which takes a long time and the

accumulation of multiple forms of expertise and hardware. I think Iran has been engaged in that for a long period and has made significant progress in it. I think the fact that they reached that strategic decision is indisputable, but I would agree that I do not think an operational decision has been reached to push on and break out, and certainly no decision to use. That is certainly the case.

In terms of Iran's intentions, it is worth again trying to understand the nuclear programme and the widening out from that. Without wanting to demonise a country at all, but looking at the nature of the regime, its ideology, its history and record, we have to attend to those things even as we seek to reach out and exploit existing openings.

This is a peculiarly ideologically driven anti-Western regime. It was only a few days ago that the US had to walk out of a conference in Tunisia when Ali Larijani—not one of the conservative hardliners but the Speaker of the Parliament—made a speech in which he called Israel the cancer of the Middle East. The American representatives had to walk out. From an Israeli perspective, they hear words like that and think it is a regime that has to be stopped.

The intentions also have to be judged in terms of the fact that Iran projects power. It is not a country that is just self-defensive. It projects power in the form of very active organisation, funding and direction of proxy forces. There is the destabilisation of a moderate state like Lebanon; the funding and support for Hezbollah, who currently have 60,000 rockets aimed at Israel; the destabilisation of the Palestinian national movement, I would argue, pushing forward Hamas and Palestinian Islamic Jihad; and rockets falling on southern Israel from those places.

Q162 Mr Baron: We know that, and those are very valid points that you make, but we are trying to focus narrowly on the nuclear weapons programme. I come back to the point of hard evidence. I could put to you the flip argument: according to the 17 intelligence services in the US, Iran has not actually contravened the NPT, because the NPT, as you well know, allows you to undertake an element of research, experiment and even enrichment, as long as you do not get to the point where you say, "We're going to build a nuclear weapon."

Professor Johnson: There are other things we can point to. The IAEA has a series of reports, of which November 2011 is one, saying, "Look, we don't have a smoking gun here, but we have a series of pieces of circumstantial evidence which suggest to us that there is a serious case for worrying about whether Iran is developing a weaponisation research programme."

We are looking at facilities that seem to have no rhyme nor reason to them, buried 220 feet underground in a mountain, very small and with a limited number of centrifuges in them, which in terms of a civil nuclear programme is next to useless but is pretty good if what you really want to do is refine something at 5% up to 90% and create weapons-grade. I accept the case that we are talking about—these various pieces of evidence and putting together a picture—but without wanting to ruin a terrible joke, if it walks and talks like a nuclear programme, it probably is one. Most analysts around the world would say it probably is a nuclear weapons programme in that sense.

Oren Kessler: Just to clarify the question, are you referring to the national intelligence estimate?

Q163 Mr Baron: I am referring to their public testimony to the Senate last year, in their official capacity as head of the combined 17 intelligence services.

Oren Kessler: Sure. I would argue that intelligence is certainly not infallible. The most famous national intelligence relating to Iran, of course, was in 2007, when they claimed that the weapons programme had been stopped about four years prior, but with time it emerged that that simply could not have been the case. Once Fordow was unveiled in 2009, US intelligence said, “Oh yeah, we’ve been watching that.” Then people said, “Well, why didn’t you mention that in 2007?”

You mentioned the NPT. There is a bit of argument over what it allows and does not allow, but if it allows peaceful enrichment, it is only for countries that are in compliance with the rest of the terms of the NPT. Iran is clearly, by any measure, not in compliance. It is not judged to be by the IAEA, and it is in violation of its UN Security Council obligations. To argue that it can pick and choose from the NPT what it wants and does not want is the wrong way to go about it.

Q164 Mike Gapes: Can I probe—this is really for the record—the issue of breakout capacity or capability? I suppose you could argue that Brazil or Japan could have a breakout capability. Any country which has an advanced nuclear power industry could. The issue, then, is what kind of country they are and whether you can believe them and, as John Baron said, what their intentions are. Is the real concern here that the nature of the Iranian regime is such that unless they significantly improve their relations with the rest of the world, there will always be a fear, not just in Israel but potentially in Arab countries as well, that within a short period of time they might breakout and get a nuclear weapon?

Oren Kessler: I would agree entirely. It is the nature of the regime that instils fear in the hearts of Israel, the Arab Persian gulf states, European countries and the US. Pakistan and India both have nuclear weapons, don’t they? But everyone is fearful of Pakistan’s weapons and not India’s, except perhaps Pakistan.

Sir Menzies Campbell: The Pakistanis are.

Oren Kessler: They certainly are. But aside from that, it is not a global problem, is it? Yes, I would say that is exactly the issue. It is a regime that is quite explicit about wanting to overturn the international world order. It is the No. 1 supporter of state-sponsored terrorism, and it is a blatant human rights abuser at home. It has given very little cause for confidence or comfort that it would be a responsible nuclear actor.

Professor Johnson: I will not repeat the points about regime, all of which I agree with. There are two other points, though. I think the level of development of components is relevant, in the sense of ability to generate fissile material. It is not just about the stockpile; it is about the pursuit—the active, energetic pursuit—of advanced research to create new generations of centrifuges, which only seem to make sense in terms of a nuclear programme, and the hardened facilities deep underground which they are trying to immunise. You immunise a programme from attack if it is a nuclear programme and you think you are going to be assaulted. So there are the components also, the nature of them and where they have been sited. Add one other factor, in terms of why I think Iran is different. An Iranian bomb will start a nuclear arms race in the Middle East. It is likely that the first response would be

from Saudi Arabia. Whether they would go off the peg to Pakistan or not has been mooted, but it is possible. Other countries that would feel the need at least to explore their ability to follow would be, I think, Egypt and possibly Turkey.

Once you have got a Middle East which has that kind of multi-polar nuclear world, notions of deterrence, containment and diplomacy all become much more difficult. It is that combination of the advanced components, the regime type and the danger of sparking off a nuclear arms race in the Middle East which make Iran different.

Q165 Rory Stewart: Moving on to US attitudes towards Iran, there seems to have been a significant shift in US attitudes towards Iran, or a significant shift in the analysis. Just to go through it sequentially, would you first comment on what the two of you feel is a mistake in a particular US view of Iran? Are you able to characterise a view of Iran which you think is mistaken? Are you able to define a particular theory about Iran or way of thinking about Iran which you think has been unproductive or dangerous?

Professor Johnson: One thing I would say is that there has been a lurch in policy. Whether that is always the best way to conduct policy, I am not sure, but certainly we have gone a long way from the freedom agenda to leading from behind. We have gone a long way from the kind of hubris which you could associate, in my view, with the Iraq intervention, to the perception at least of a real uncertainty about whether either to arm the rebels in Syria or to make an intervention around the chemical weapons strike. So there has been quite a journey in American policy.

Arguably, the policy towards Iran has taken a similar journey. Another criticism of the Committee has been that in 2003-04, there was not sufficient engagement. Some people now worry that there is a bit of a rush towards engagement and so on. That would certainly be part of the criticism that I would make, the sort of lurching quality of the policy.

Q166 Rory Stewart: Let us say that there is a position that you disagree with. Could you define what the assumptions behind that position would be—the beliefs about Iran that are entailed or the beliefs about American power that are entailed? How would you characterise the position of your opponents, as it were?

Professor Johnson: Let me take one more run at that. Speaking personally, US leadership is still required in the world. It is still the indispensable nation and I am not so sure that the policy of leading from behind has been wholly successful. For instance, an earlier intervention in the Syrian conflict, which might have only been galvanised by America, might have produced a very different outcome. I am not talking about a naive view that we can introduce democracy tomorrow, I am talking about a more realistic intervention, pulling together the kind of coalitions which the earlier George Bush was able to do.

I do not think we live in a world in which it is possible for America to vacate that role and it will be a dangerous world if it does. So one of my criticisms of America would be that. If what we are looking at with the P5+1 deal is an extension of that, if we are looking at an America which wants to leave the region and pivot to Asia, if—I keep saying “if”—we are looking at an America that wants to make a grand bargain on its way out, then I think there is something to worry about, which is the nature of the regimes which will be left strengthened in the wake of that exit.

Q167 Rory Stewart: Mr Kessler, what do you feel is the theory behind the position? For example, is the theory of the White House now that the benefits of a military strike against Iran would massively be outweighed by the costs and the risks? In other words, they think that all they could do is delay the programme, that in fact it would enflame instability in the Middle East and would be counter-productive. What are the basic assumptions behind the new theory that is driven towards the joint plan of action?

Oren Kessler: I think the Obama Administration has been quite clear. Even before President Obama was elected he has been quite clear. He said several times he was elected to end wars not to start them. Alan mentioned the pivot to east Asia and the US economic problems. It has been quite out in the open that this Administration is not seeking further conflict in the Middle East, and that includes Syria, that includes Iran, and it includes the draw-downs in Iraq and Afghanistan.

Q168 Rory Stewart: So what is their specific theory about the Middle East—about US power in the Middle East, about the regional politics of the Middle East? Presumably it is not simply a question of economics or east Asia; there must also be an analysis from the Administration specifically about Iran and the options available to the United States in relation to Iran.

Oren Kessler: Can I get clarification on your question? Your question seems to imply that the Administration has, not a hidden, but a sub-surface goal that you would like me to elucidate.

Q169 Rory Stewart: I am presuming that what you call a lurch in policy represents a distinctive new analysis of the position—in other words, that you would be able to formalise what their assumptions about the regime are, what the assumptions about US power are, what their assumptions about options are, which you presumably disagree with.

Oren Kessler: I think there are officials in this Administration who believe a grand bargain is possible—who believe that a grand bargain was possible a decade ago but the Bush Administration missed it, who believe perhaps that Iran is a national actor like any other, that pursues its national interests and has reachable objectives and goals, and that there is a middle ground that can be reached. But those are analyses with which I disagree.

Professor Johnson: Again, responding to your question as to what is going on, I think something else is happening here, which I would be personally more favourable towards. I think there is a real chastening of American foreign policy. I think the idea that it is possible to use force and project force into the Middle East in order to effect long-term cultural, political change—I think the chastening after Iraq has been the realisation of how limited—not limited to nothing, but limited—that ability is, and how it is a power which is much better effected in partnership with allies, and much better effected with partners on the ground, and it is long term, and it often takes forms which are not militarily based.

My personal reading of Obama is that he is that kind of a chastened commander-in-chief who does not believe in the assumptions that were part of the freedom agenda, and so on, of the past, and he has tried to pursue that policy. I personally think, in pursuing it, there is a danger of going too far the other way, and I think an opportunity in the early stages of the Syrian civil war was a case in point, where, rather than intervening and pulling a coalition together and acting with real leadership, he missed that opportunity.

Q170 Rory Stewart: Very finally, given the US position and the kind of negotiating position they came up with in the end with Iran—the kind of concessions they made, the kind of approach they took—how do you think the French and the British come out of that? Do the French come out of it looking tougher, more realistic and ambitious, the British come out of it looking less ambitious? How would you mark the other players in this?

Oren Kessler: “Tougher” might not be the word I would use, but I would give credit to the French position, yes. There are reports that perhaps a worse joint plan of action would have been drafted if not for French intervention, as it were. It is thanks largely to the UK and France that the EU has implemented such crippling sanctions, really, in 2012. Since then, I would argue that France has taken a “tougher” position. The UK has essentially, I would argue, toed the Obama Administration’s line on Iran, on engagement, on giving diplomacy a chance, etc., and you could argue that the UK has even taken a less firm line than the US, for example on Syria. Of course, this Committee knows that Prime Minister Cameron’s initiative of military intervention in Syria was voted down in the House of Commons, much to the Obama Administration’s disappointment.

Q171 Mike Gapes: May I take you to the content and implications of the joint plan of action? You both referred with some scepticism to the history and why we should have some doubts about what the Iranian agenda actually is. Do you see this plan of action as simply a means to halt the development of the Iranian programme? In a sense, you both implied that it is better to have put things back a few weeks from where we might otherwise have been, but that is not a long-term solution, is it? Given the difficulties that there might be in getting a long-term agreement, is there an argument that it might just be better to stick with a six-month agreement and roll it on for another six months, and then another six months, so that there is a perpetual series of interim agreements whereby you are keeping Iran away from that final point, but you are not able to get a total agreement of the kind that would be necessary?

Professor Johnson: In a word, I think no. The first problem with that approach is that I think everyone knows how hard it is to build up a sanctions regime and how people who are looking to exploit it have to be pushed back and told, “No, we really mean it. You can’t do that.” That psychologically builds up over time; people get the sense that the countries implementing the regime are serious and they mean it.

Already, just in the P5+1 deal before we are really into the negotiations that will begin shortly, we have seen that the psychology of the sanctions regime has changed a lot. We have seen it go from Iran believing that things are getting worse and worse under sanctions to it thinking that things are getting better. The danger is not so much about the size of the hole punched in the sanctions regime; it is the psychology of lots of people visiting. I think we have had French aeroplanes going over, Italians looking for business, Germans and so on, and that will continue. It is much harder to put a sanctions regime back together once it has started to degrade, and my fear would be that a series of rolling six-month deals would do that.

The other concern, especially from a lot of people in the Israeli security echelon, is, “Look, it isn’t clear what the P5+1 thinks the final deal looks like.” That concerns us. It isn’t clear if the P5+1 has agreed red lines. That is concerning, and it isn’t clear when the endgame is to come. Those kinds of concerns can leave people thinking, “Is the P5+1 considering

leaving Iran on the edge of nuclear breakout or not?” That would be of great concern, certainly to Israeli policy makers.

Oren Kessler: The scenario that you have laid out—of indefinite roll-overs of this six-month agreement—is the likeliest scenario, but I say that with a measure of disappointment and even trepidation. It is far from an ideal scenario to keep kicking the can down the road, as they say. If that is the scenario that plays out, it is highly possible that, with each six-month roll-over, the conditions get better for Iran and worse for the P5+1. I think it is imperative to pursue just the opposite course, whereby if it is the case that we have a series of interim agreements, Iran gives more than it gets each time. I reiterate that the method to achieve that is sanctions, if necessary.

Q172 Mike Gapes: But clearly, from the Iranian point of view, they will not agree to a deal that tightens the sanctions regime at each stage; they will want fewer sanctions, or less rigorous sanctions, at each point if the process is going to continue. Otherwise they do not gain anything from it, do they?

Oren Kessler: The danger is that you have a situation in which Iran says, “Well, you’d better sign this interim deal otherwise we will keep continuing towards enrichment.” There is a form of blackmail there. That just underlines the imperative of signing as substantive and comprehensive a deal as possible, and not settling on these further interim deals.

Q173 Mr Baron: It will not surprise you to learn, as this Committee seeks a balanced series of witnesses and views, that you two are on the more hawkish side of things, although there are perhaps minor variations between you. May I just press you both on what you would find acceptable by way of a deal with Iran? You touched on it in your introductory comments, but could we just go into a little more detail? Would you support in principle a long-term deal that allowed Iran to enrich, provided that there was a sufficient inspection regime put into place? If so, what sort of detail would you want to be attached and to see flushed out?

Oren Kessler: Arguing for a complete cessation of enrichment, while nice, is unrealistic at this point.

Q174 Mr Baron: At this point, but I am talking about a long-term deal.

Oren Kessler: Given how far we have come, I would say that it is unrealistic in the long term. I think the Americans realise that and I think the Israelis realise that, even if they publicly insist on no enrichment. That is the baseline position. The acceptable amount of enrichment would be very small and would have to be under very tight supervision.

On the specifics of a comprehensive deal, for a long time, the western negotiators insisted on, as I think Mark Fitzpatrick mentioned, shut, ship and—help me out here.

Professor Johnson: Stop.

Oren Kessler: Stop, shut, ship. Stop the enrichment; ship out the highly enriched uranium—I’m blanking here.

Professor Johnson: And shut the site.

Oren Kessler: And shut Fordow. Now, Fordow is where I would start with a comprehensive deal. The IAEA has confirmed that there has been 20% enrichment there, which is too small for a civilian programme. Fordow should be closed—full stop. Secondly, Arak should be left incomplete; it cannot be allowed to be finished. Thirdly, the number of centrifuges should be limited. There should be full accounting of where and what type they all are. There is then the ship element, so the highly enriched uranium should be shipped out. Lastly, implementing the additional protocol would give the IAEA the monitoring and surveillance that it needs.

Professor Johnson: I have some general points and then some more specifics, but I will be brief because I have probably already said some of this. In general, a good deal looks like a programme that has been rolled back to the point where if a decision is taken by Israeli policy makers, it is possible for the international community to detect that, to use diplomacy and to act to stop it, which means pulling Iran back from being a threshold state. How that is translated is for the detail of the negotiations. You translate that aspiration to take it back a year into specific agreements around the fissile material, the number of centrifuges and the level of advancement of those centrifuges. With an agreement around that kind of hard detail, you have some operationalisation of the general principle.

On top of that, a good deal will also need transparency. As I think Lord Lamont told the Committee, transparency is very important, including with a reapplication of the additional protocol. Even if the AP itself is not applied, the agreements between the P5+1 and Iran should certainly have all the component parts of the additional protocol, which means a more invasive monitoring and verification regime. That is important. We need to clarify the scope of the nuclear weapons research activity that is taking place. Transparency is vital. Rolling back of enrichment capacity is also absolutely central to any kind of deal.

Next would be abandoning certain infrastructure and facilities. Abandoning Arak as a heavy-water reactor is possible. I am no physicist, but I am told that the conversion of Arak to a light-water reactor might form the substance of much of the discussions. The IAEA monitoring of Arak is important to ensure that that takes place and that no reprocessing—the process that turns spent fuel into weapons-grade plutonium—facility is built. Fordow, the fortified, 220 metre-deep underground facility, should be dismantled in exchange for more comprehensive sanctions relief. A deal around that, which pushes Iran back from nuclear threshold status, which has a tough, transparent verification regime, which takes down the enrichment capacity significantly and which closes those two central facilities is the shape of a good deal—certainly from an Israeli point of view.

Q175 Mr Baron: Okay; that's fine. Thanks for making your position absolutely clear. What you are suggesting could well and truly—particularly the severe scaling back of enrichment, which certainly is not the language in Tehran at the moment—be a step too far. I suggest that you look back over the past 10 years. A series of opportunities to seize the moment have been missed. Is this one of those moments? If you go back 10 years, the best intelligence sources would suggest that Iran had perhaps 100 centrifuges. Today, it has nearly 20,000. Ten years ago, we had a chance to cap enrichment at 3%; intelligence services suggest that it is perhaps closer to 20%. If we do not seize the moment now, in securing a deal that does not quite go as far as you want, such as rolling back enrichment to the extent you have just highlighted, we could look back in 10 years and wish we had—as we are now doing when we look back 10 years from today.

Professor Johnson: I think that is the question. I was struck by the evidence you were given by Mark Fitzpatrick, as a real expert, which was quite pessimistic. The bit of his evidence that struck me was the sheer gap between the two sides, even though there is a lot of warm feeling at the moment and an interim deal has been struck. We are in that moment. If you look at the positions of the two sides, the gaps are very large indeed.

He told the Committee: “The west wants deep cutbacks, elimination of the vast majority of centrifuges” and the closure of Fordow and Arak. Iran does not want to dismantle anything or give up its capability to produce nuclear weapons. It is willing to make tactical adjustments, but only to gain time. In exchange, Iran wants all sanctions lifted. At this point in time, at least, there are big gaps between the two.

Q176 Mr Baron: But, Professor, can I put to you that you suggest—certainly in some of the measures you highlighted—that quite a dramatic roll-back in enrichment is going to make those gaps even wider and that we risk, with that sort of approach, missing the opportunity of freezing where we are now in respect of Iran’s capability and, perhaps, looking back over time and, with experience, realising that that was a good deal?

Professor Johnson: I am sorry; I may have misunderstood your question. I agree with Oren. We should not expect the Israeli Government to ask for less than UN Security Council resolutions publicly—we might not hear that. What would make life a lot easier all round would be if there was an enrichment capacity of 3% to 3.5% on Iranian soil. If that was the case, it would certainly address some issues around Iranian national pride and identity, which I know you have also been talking about as a Committee, because I think there are about 17 countries with nuclear energy programmes that do not enrich in situ, so it would get that. It would be some sort of symbolic gesture towards the question of the Iranian national project and so on. But it would be a limited capacity, if there was a tough, transparent regime. That is something in the air, yes.

Oren Kessler: I would agree with what Alan said. Given the gaps between the two sides, I would argue that a valiant effort is being made. I would not argue that this is a missed opportunity.

Q177 Mr Baron: A final question. We talked earlier—Professor Alan Johnson made the point—about your fear that a nuclear Iran would instigate an arms race in the region. If you look around the region, there is also no shortage of countries that have nuclear weapons. Does that not bear in the calculation at all—the fact that countries such as Pakistan and Israel are members of the nuclear family, as far as we can tell, but are not signatories to the NPT?

Professor Johnson: The Israeli Government’s posture of nuclear ambiguity has been in place for about 40 years now and certainly has not caused a nuclear proliferation in the region and has not been a factor of aggression in the region—provoking other countries and so on—so I think Iran is very different from that case. It is a country that has used a civilian programme to develop an illegal nuclear weapons programme and has been caught twice—and is pursuing one, I would say, still. It has an agenda; it has openly threatened its neighbours. One of the things that we do have to keep coming back to is that it is not necessarily the hardliner. Rafsanjani, I think, in 2001, said, “Israel is a one-bomb country; we’re not. We could sustain two or three and recover.” There is a debate about a winnable

nuclear war going on in a country that is on the edge of gaining a weapon, so that is what makes Iran very different.

Q178 Sir Menzies Campbell: If pessimism triumphs over limited optimism and the efforts at negotiation fail, there are two other possibilities: the maintenance of sanctions—we have discussed that—and an alternative that has not been discussed today, although it has been discussed on other occasions, which is the possibility of a military strike.

Given that the distances are much greater than on any previous occasion when Israel has taken a military strike, the shelters are hardened and there are multiple sites, is a military threat from Israel and/or the United States credible?

Professor Johnson: Our organisation, BICOM, invited over Amos Yadlin, who was the head of intelligence for the Ministry of Defence for many years and is now the head of the Institute for National Security Studies think-tank in Tel Aviv. He has the very long answer and the very short answer. The short answer is: it is doable. It is not a bluff, and Israel has the capacity. Israel does not want to do that and, if it is ultimately necessary, it does not want to act in isolation, but it is doable. I do not think that if the deal and negotiations break down, we are all automatically talking about military strikes.

Sir Menzies Campbell: I understand that.

Professor Johnson: It is interesting what it depends on. If the negotiations come to an end but we remain where we are now and there is a freeze, more or less, over arrangements in terms of the production of enriched uranium and so on, there will be much less pressure on Israel to act. If, however, the negotiations come to an end and Iran returns to resume its programme, I think there will be a build-up of pressure in Israel for it to act.

There have been practices, funding, scenario-planning and intensive discussions and negotiations with American planners, and the Israeli Prime Minister has said that they reserve the right to act if—if, if, if—negotiations and diplomacy fail and if it looks as if Iran is about to break out. So, yes, it is doable.

Q179 Sir Menzies Campbell: How would you define “doable”? Does that mean that you can send half a dozen aircraft and that they can be 50% successful, or does it mean 100% success? It is a word, if I may say, that is full of inherent ambiguity.

Professor Johnson: I think you are looking at something very different if America is participating with allies. I think then you are looking not at a one-night operation, but a campaign. That would be different.

Most policy makers seem to think it would be different if you were looking at Israel acting alone. I do not think it would have the ability to mount such a long campaign—that is for sure—but they would say that no one thought that Israel could take eight F-16s and knock out the Osirak reactor in '81 in Iraq, but it did it. Not even the Americans who built and sold them the eight F-16s thought they could do it, but they did it, so Israel has a way to get things done and thinks it can get this one done if, ultimately, it comes to it and it is not a bluff. However, they do not want to be there and they do not want to do it in isolation.

Q180 Sir Menzies Campbell: There are those who argue that they could do it in Fordow, for example, only if they had the massive ordnance penetrator—the 30,000 lb bomb—and only America has that.

Professor Johnson: And some people think that the massive ordnance penetrators themselves will not do it—you can find analysts who believe that—and they would need things like fly-over rights and refuelling rights over safe countries.

Q181 Sir Menzies Campbell: Refuelling has often been an issue of some controversy. Does Israel have the capacity to refuel in those circumstances? Would that not require the United States?

Professor Johnson: One interesting development at the moment is, in part in response to the P5+1 deal, that the Iranian assertion in the region is, without overplaying it at all, that certain shared interests and discussions are apparently emerging between Israel and some of the Sunni Arab states that are alarmed at Iran's nuclear programme. Saudi Arabia, we know, has used columns in newspapers to say, "We are going to have a much more assertive policy ourselves if this is the way the west is going to treat Iran." It might well be that fly-over rights and refuelling rights do emerge. I do not know at the moment, but that is possible.

Oren Kessler: Part of your question referred to credibility and not just capacity. I would remind the Committee that, in 2010, Prime Minister Netanyahu and Defence Minister Barak essentially ordered the military establishment to take the highest level of military preparedness. He was argued down from the cliff by the head of the army and others who rejected it. In 2012, Netanyahu was again reportedly preparing for a strike, and this time it was the US that talked him out of it. So I think credibility is certainly there. Capacity and capability is another question, but I think Israel has surprised the world before. Alan mentioned the Osirak reactor in Iraq, and you could mention the Syrian reactor, the attack on which has been attributed to Israel. You could even mention the Entebbe raid back in '76 in Uganda. No one expected these attacks, no one could have envisaged them and no one foresaw them, but they happened and they were successful. I would not put it past Israel, neither in terms of capacity nor in terms of credibility.

Q182 Sir Menzies Campbell: And the political consequences of such an attack.

Oren Kessler: In Israel; in the US—

Sir Menzies Campbell: In the region.

Oren Kessler: It is difficult to say. Iran has quite openly threatened to attack Israel and to attack US installations. You may have seen that there was a simulation on Iranian TV just this week of an attack on Tel Aviv and the USS Lincoln in the Persian Gulf—a very exact and explosive visualisation of what would happen. It is difficult to predict exactly how things would unfold. I am not a prophet but, despite its apocalyptic leanings, I do not think that Iran has an interest in sparking world war three.

Professor Johnson: I want to make two points, the first going back a question. I do not think that there is a scenario in which a military attack gets rid of the whole programme for ever and a day, but I do not think any of the military planners think that. Oddly enough,

all the planners are talking, at one level, about political change within Iran, but they are talking about the timetable of that change not exhausting itself before reaching thresholds. Ehud Barak would say that even in attack, the objective is delay so that you push Iran away from actually having the bomb in its hands to give more time for the people of Iran to effect reform and change in Iran. That is the point of an attack, and when I say that it is doable, what is doable is the notion of delay that Barak talked about.

In terms of the consequences, the reason why it is not the best option—why it is the last resort—is because there would be without question a response from Iran and a response, probably, from Hezbollah in the north, and they would be severe. There are different estimates as to whether they would overwhelm Iron Dome and the Arrow missile defence system. It is a system as yet untested against hundreds of rockets coming over at once, so that is a serious concern. When we talk to Amos Yadlin and others, they would say that there was every reason to think that the response from Iran and its instructions to Hezbollah about its response would be limited, because that is not the end of the exchanges, to put it bluntly. There would be a third round of exchanges; it would not simply be that they would get to fire off everything that they have got at Israel and not get anything back. They would have to calculate whether it was in their interests to launch rockets at Israel in response.

Q183 Mr Baron: May I press you on this? We have talked in some detail about Israel's capability to strike, and we have talked about the consequences. May I bring you back to your direct positions on whether it would be a good idea and whether it would achieve its goal? I think we all accept that knowledge cannot be destroyed, and there are many who believe that if you were to undertake a pre-emptive strike, if the Iranians were conducting a nuclear weapons programme it would not stop them, and if they were not it might encourage them to take one up. Meir Dagan, the former head of Mossad, has said that it would be a stupid idea. Let me ask you this direct question. In the absence of any concrete evidence that a nuclear weapons programme was being undertaken by Iran, can you foresee circumstances that you believe would justify a pre-emptive strike?

Professor Johnson: As I cast my answer, I would want to say that I am not an Israeli policy maker and I do not speak for the Israeli Government.

Chair: May I interrupt at this point? We are running short of time and we would be grateful if you could keep your answers brief.

Professor Johnson: I will be very brief. Our senior research fellow Mike Herzog, who was chief of staff to Barak, says that this is the toughest decision since the inception of the state. You are right to point out that there is a real debate between the military and security at the highest levels, past and present, about whether to strike. Not whether to prevent Iran getting the bomb—there is not a containment option particularly among the top levels—but there is a real debate over when we strike, who we strike with and how we strike. There is a real debate, then. You are quite right, Meir Dagan, who was point man on Iran for around 10 years and no peacenik by any means at all, is very sceptical about the utility of a strike, so is Giora Eiland, who was IDF strategist and so on.

Q184 Mr Baron: We are very short of time. Can I have a yes or no to that question? If there was no concrete evidence of a nuclear weapons programme, are there any circumstances that you believe could justify a pre-emptive strike?

Professor Johnson: If there was no operational decision that Israel could point to and say “There has been an operational decision to strike”, no one is talking about making a strike at that point. The point at which Israel would feel the need to strike is if the programme looks as if it is seriously on the edge of break-out and the possibility of a strike upon Israel is real.

Oren Kessler: You mentioned Meir Dagan, the former head of Mossad. I would just note that he did say that in the current circumstances it is a “stupid idea”. But he also said that the only time there would be a strike is if “the knife is against the neck”. If, metaphorically speaking, the knife were against Israel’s neck, I think it would strike, and I think it would have a legitimate reason to.

Q185 Mark Hendrick: When I spoke to Mark Kirkpatrick in the middle of last year, he thought there might be a strike before the end of last year. Given the point Mike Gapes made about trying to get six-month rollovers and delaying what some people might see as the inevitable, this cat and mouse can’t seem to be going on for ever. Do you not think that if it is not inevitable it is highly possible? Given the fact that Israel’s red lines are different to the rest of the international community’s about what break-out capability is, and the fact that it could take maybe only a month for them to break out, sooner or later Israel will take that action and carry out a pre-emptive strike.

Oren Kessler: It is possible. I suppose that underscores the necessity of reaching a comprehensive deal to avoid that potentiality. I wouldn’t rule it out, no.

Q186 Mark Hendrick: Is it probable or is it inevitable?

Oren Kessler: Is it probable that Israel will strike? That I cannot answer.

Professor Johnson: Israel has said it will take whatever action is necessary to defend the citizens of the country. It is aware that it faces a country in which the Supreme Leader, for instance, in recent speeches—some of them while the negotiations were taking place—talked of Israel as a “rabid dog”, “Israelis should not be called humans” and a “cancerous tumour”. It is a regime that is engaged in holocaust denial and which has said Israel should be “wiped off the map” or “erased from the page of time”, depending on your translation. So it faces a regime that talks in terms of a particular kind of anti-Semitism—eliminationist anti-Semitism—wanting to become armed with a nuclear weapon.

As Israel watches that develop, it wants the international community to reach a diplomatic settlement with Iran. It wants a tough sanctions regime and tough diplomacy to talk the Iranians down and get them back from the threshold to a place where the international community can detect and stop a decision to make a bomb. That is what it wants to do.

Q187 Mark Hendrick: Is it probable or inevitable?

Professor Johnson: I wouldn’t think it is inevitable at all. I think we are in play with a negotiation and a diplomatic process. Israel wants to see that succeed over the course of the next year, and its definition of success is not the humiliation of Iran by any means at all, it is the adherence to UN resolutions and to push Iran away from the possession of a nuclear weapon.

Q188 Sandra Osborne: Professor Johnson, you mentioned Mark Fitzpatrick. After the joint action plan was signed, he blogged: “Those who call for more sanctions in the mistaken belief that adding more pressure will induce Iran to ‘cry uncle’ and give up uranium enrichment do not understand Iran well at all. Political and social dynamics make such capitulation impossible ... Proud countries do not succumb to pressure by giving up the technology that has become a symbol of national sovereignty”. How susceptible do you think Iran is to coercion?

Professor Johnson: I have made the case here that Iran responds to pressure. I think it responded to the pressure of a potential American attack in 2003, and I think it has responded to the pressure of sanctions in this case. I read that from Mark Fitzpatrick. I was also struck by other parts of his testimony, in which he suggested that the enrichment facility at Fordow may be dismantled if the west offers more sanctions relief. So he seems to have at least an opening to the idea about this relationship between Iranian concessions and sanctions relief. If sanctions were simply useless, I do not know why he would have made that case.

There is a whole series of other arguments. Professor Ansari talked to you about Iran being driven by the sanctions regime. Robert Cooper talked about sanctions being a powerful force. Amos Yadlin, whom I referred to earlier, said, “Look, the west has leverage, and it has it because of the sanctions.” I do think that is the case. We are talking about oil revenues that have really plummeted and serious popular pressure on a regime that is faced with a way of carrying on that is simply unsustainable. I think that is why the regime came back to the international community, looking to make a deal.

We talked earlier about whether additional sanctions at this point would be helpful, and about that as a policy dilemma. We need to keep Iran in the process but keep the pressure up. The general principle outlined by the British Foreign Secretary is right, which is that sanctions and pressure should be intensified until the deal is complete. I think that principle is a good one.

Oren Kessler: I know we are short on time, but I would agree with Alan. The Iranian economy is hurting extremely badly. I would reject this notion that sanctions have played out—that they have been useful until now but there is no further utility in them. I would agree with Alan.

Q189 Sandra Osborne: What is your assessment, then, of the effect on the Iranian economy of the limited unfreezing of sanctions that is taking place, and what is the basis of that estimate?

Oren Kessler: It has been significant. It has been tremendous. The rial is up; inflation is down. There is no doubt that it has been a tremendous boon to the Iranian economy. The danger, of course, is that if Iran does not comply with the joint plan of action, it is aware that that windfall could be reversed. There needs to be a serious, legitimate possibility that that will indeed be the case. It is not that Iran’s nuclear concessions are reversible but the sanctions are not. The sanctions need to be capable of being reapplied.

Professor Johnson: We have the stabilisation of the currency; Iranian Ministers able to make speeches at Davos saying, “We are open for business”; that being taken up by Europeans seeking trade and so on; humanitarian channels have opened up. However, we

talked earlier about the need to be accurate about this. The core of the sanctions regime remains in place, which I think it should do. That should be released stage by stage as negotiations proceed. That is also true. We did have a concern that if the sanctions regime is degraded too much too quickly, it is very hard to put it back together again. It takes a lot of political will and international co-ordination to put a sanctions regime together. It is much easier to take it apart. So caution, and as the Americans say, “the more you give, the more you get” are probably the watchwords here.

Q190 Andrew Rosindell: Can you tell us if there is an international appetite to strengthen the sanctions? Do you feel that that would have an effect?

Oren Kessler: I don’t think anyone is talking about strengthening sanctions at the moment. What is being discussed, in the US Congress for example, is strengthening sanctions if and when Iran reneges on this interim agreement. Is there an appetite? There are certainly business interests here in Europe—particularly in Germany, France and elsewhere—and in east Asia, to revive trade with Iran. This is the world’s largest largely untapped market. We discussed psychology earlier, in terms of the effect of reducing sanctions on Iranian psychology. There is also the psychology of the business interests about whether Iran is open for business or not. I think psychology is something that is very difficult to change and very difficult to reverse.

Professor Johnson: I think that what the sanctions regime is trying to do is to pose the Iranian regime with a choice. It says, “You can have one of two things. You can either sustain your economy and your regime, or you can have a nuclear weapons programme.” Without entering into the detail of this or that sanction, the point about sanctions is to make sure that that is still the choice that the regime faces, and that it does not degrade to the point where it doesn’t feel it has to make the choice. As we talked about earlier, that is Rouhani’s specialism. With his expertise from 2003-04 as the lead negotiator, his pitch to the electorate last time in Iran was, “I am the man who can take that choice away. I know how to do it. I know how to divide Western opinion. I know how to make small concessions and get large gains in return. We won’t be faced with this choice between our economy and regime on the one hand, and our nuclear weapons programme on the other.” Decisions that are made about sanctions should bear that in mind and try to keep that choice the regime in Tehran.

Q191 Andrew Rosindell: If sanctions have helped to bring Iran to the negotiating table, do you feel that had the EU been as strong in this respect as the United States, that might have accelerated this process?

Oren Kessler: I would argue that the EU has been if not as strong then extremely close to the US position. It did take a while—it took many years—but since 2012 EU sanctions have been essentially, in most substantive respects, equal to US sanctions. I think the EU deserves tremendous credit for that. I think it was the US Congress and the EU, rather than the US Executive in the person of President Barack Obama, that led that charge, that led that initiative; absolutely.

Q192 Andrew Rosindell: But only from 2012, you say.

Oren Kessler: Well, there was a slow—too slow, in my opinion—progression, but there was a progression to that end as more and more details emerged of Iran’s nuclear programme and of its concealment. The EU has said quite clearly that Iran has concealed

elements of its nuclear programme. That culminated in 2012, when those sanctions were effectively matched. I absolutely think the EU decision had a tremendous part to play in bringing Iran to the table.

Q193 Sir John Stanley: As you know, the primary responsibility of this Committee is to scrutinise the policies of the British Government, so could each of you give us your assessment of the performance of the present British coalition Government in dealing with the threat of Iran becoming a nuclear weapon state? In particular, could you tell us whether you agree or not with the positions on this key issue that the British Government has taken up, and whether the British Government has done things that you approve of or whether possibly it has failed to do things that you would wish the British Government to do?

Professor Johnson: I would like to start off in praise of the British Government. I think it has been a team player within the P5 plus 1, but within the P5 plus 1 it has played a leading role in pushing for the kind of sanctions regime that I have just discussed, which poses a real choice to the regime. Hats off to the British Government for that, absolutely. I think it has an opportunity in the future, within the P5 plus 1, to continue playing that role. France has demonstrated to us that each individual country can shape the agreements that emerge.

If we look ahead, obviously there is a process ongoing now of slowly regaining diplomatic relations with Iran. There is a non-resident chargé d'affaires. That is the level we are at, which seems appropriate. I think it would be reasonable to say, "Don't leap." There are lots of unanswered questions. A lot is untested at this point. We have heard lots of words; we are at the stage now where we say what actions are delivered. So in terms of ratcheting up that diplomatic relationship, I think it would be wise to wait and to consider what happens.

I'm not saying the British Government does this at all, but a piece of advice would be that it isn't just about the nuclear issue with Iran. The nuclear issue is overwhelmingly important, for obvious reasons, but in terms of British interests—the support for Assad, the support for Hezbollah, the support for terrorist groups, the attacks on western interests, the attempted assassinations of ambassadors—there is a whole raft of issues with Iran that don't just come down to the nuclear file. Our relations with Iran should include all of that very much as well, I think.

Oren Kessler: I would also start by giving credit to the UK Government, particularly for the sanctions, as I mentioned. Britain and France certainly took the lead on that. In terms of where I would perhaps have criticism, Alan mentioned Syria, and many in this country and in Washington were disappointed by the UK's failure to intervene there forcefully and robustly. I would agree that when you look at Iran, the nuclear element is one part of it—one very important one—but you cannot ignore its incredibly destabilising foreign policy, regional policy, its threat to energy flows, its threat to British and western allies in the Gulf and elsewhere, its intervention in Yemen and Bahrain—the list goes on and on. And human rights within Iran are not something that can be papered over. Shirin Ebadi, the Iranian rights activist, referred to the nuclear file and human rights as complementary halves and said that you have to look at both; you cannot look at them in isolation. I agree completely.

Q194 Chair: When it comes to restoring diplomatic relations with Iran, should it be once we have got something on the table, should it simply be once we have got assurance about the safety of the staff, or should there be some other criteria involved?

Professor Johnson: I confess that I am no expert on the means by which Foreign Offices gradually reconstruct relations. The principle should be to bear in mind that we want to believe that it is an honest negotiation with honest interlocutors who really want to make progress. We have a history in which Iranians have negotiated in bad faith, and there has been concealment and duplicity. In 2009 and 2002, facilities were found that were not admitted to, and so on. That is the backdrop against which we need to be cautious about restoring relations.

This may be a small point, but there is lots of potential for good cultural relations between the British Museum and the National Museum of Iran, and among universities. There are civil society links that could be looked at and advanced alongside and in addition to Foreign Office links, which would all be to the good. It is a civilisation in which people are very educated. A lot of people there love British universities, including Rouhani himself, who went to Glasgow university. It is a very advanced culture in terms of cinema, culture, media, theatre, literature and so on, so I am sure that a whole host of civil society links can be forged to improve relations between the UK and Iran. However, the main central political relationship should be cautiously advanced in the light of achievements in the process.

Chair: Interesting answer.

Oren Kessler: I agree that the emphasis should be on caution. I would argue that there have to be specific markers that need to be met for relations to be thawed out between the UK and Iran. For example, on one of the joint points of actions adhered to, Olli Heinonen and others have referred to Iran as already playing games with the JPA—the joint plan of action—looking for loopholes in it and twisting the wording around. If after six months we see that it has been largely adhered to—that is a big if—that could be the basis for a slow thawing, but again, very cautiously.

Chair: That is really interesting. Thank you both very much indeed. That was a great session, and it rounded off our exploration of this difficult subject. On behalf of the Committee, I thank you for your time.