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NEGOTIATING WITH IRAN: HOW BEST TO REACH SUCCESS

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PROCEEDINGS

MR. PIFER: Okay, good morning. My name is Steven Pifer. I'm a senior fellow here at the Brookings Center on 21st Century Security and Intelligence, and it's my pleasure to moderate today's panel discussion on dealing with Iran and the Iranians.

Western concerns about Iran's nuclear ambitions go back about two decades, and although Iran claims the right under the Nonproliferation Treaty to civil nuclear activities and civil nuclear technologies, including enrichment for nonweapons purposes, there are concerns about where Iran is going. And in fact, Iran's continued actions in enrichment contravene U.N. Security Council resolutions, which have called for Iran to suspend those activities.

Now, Iran's actions over the last 15 years have provoked a number of questions about how far it wants to go in the nuclear field, and this includes questions such as Iran did not disclose its enrichment centers until they were revealed by others. Iran has an enrichment program that appears to be inconsistent with one nuclear reactor at Bushehr, particularly when Iran has a contract with Russia whereby Russia has agreed to provide enriched fuel for that reactor. There are also questions about Iran's continued efforts to develop ballistic missiles, which is the preferred weapon for delivery of a nuclear weapon. And

finally, there are questions about Iranian work in weaponization of nuclear material and Iran's failure to work with the International Atomic Energy Agency to explain these activities. The assessment of the U.S. intelligence community has been that Iran has not made a decision to acquire a nuclear weapon but that it seeks to be in position so that with its enrichment activities and other capabilities, that it can move very quickly to do so if and when it did make that decision.

Now, the European Union 3, which has been the European Union plus Germany, France, and Britain, began a dialogue with Iran already back in 2004 to try to dissuade Iran from some of the more worrisome nuclear activities. That process evolved and by 2009 you had China, Russia, and the United States involved. It's now referred to as the EU3+3 or the P5+1 depending on whether you look at it from a European Union angle or a U.N. angle. But there's been a dialogue going on for about nine years in fits and starts. Over the last several years you've seen growing sanctions on Iran. In 2010, the U.N. Security Council approved a resolution which among other things applies an arms embargo on Iran, and since then the West and other countries have applied additional financial and economic sanctions on Tehran.

Now, the last round of negotiations took place in Almaty in February -- February 26-27 -- and the reports afterwards seem to suggest

some degree of cautious optimism by both sides. Last month experts met

in Turkey and the negotiations in Almaty will resume on Friday and

Saturday when the EU+3 or the P5+1 will come together with the Iranian

negotiators.

So as we look towards that we're delighted here in this panel

today to talk about what works in dealing with Iran, how best to negotiate

with them, what does not work, and we're delighted that we have Javier

Solana and Gary Samore here to help us shed some light on these

questions.

Just a very brief introduction, Javier Solana is a

distinguished fellow here at the Brookings Institution, but before that a

very long and distinguished diplomatic career, including the Spanish

Foreign Minister, NATO Secretary General, and the European Union's

High Representative for Common and Foreign Security Policy. And it was

in that capacity that from 2004 until 2009 he led the EU effort, the

negotiating effort with Iran.

Gary Samore is executive director for Research at the Belfer

Center at Harvard, but from 2009 up until early this year he was a special

assistant to the president and the White House coordinator for Weapons

of Mass Destruction, which meant he was both at the center of American

policy on Iran but also had opportunities to sit across the table from

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Iranian negotiators.

So we'll have opening comments from our two panelists and then open the floor to questions. Javier, do you want to start us off?

MR. SOLANA: Okay, thank you. Thank you very much for inviting me to participate in this debate. As has been said, I was in charge of the negotiation for a long period of time and in 2009 from 2003 when I was the first visitor to Tehran with a plan and at that time a plan of the European Union. So from 2010 to today I have been less in charge, though I follow very closely and I maintain some lines of communication with Tehran, I don't have any responsibility from there on.

Let me start a little bit reminding how this started because I think it's very important to have a perspective of how the whole process has gone. What to my mind has been the most important moment in the movement from Iran may have taken place. Why it hasn't happened? And at the last moment I will say how I see the next steps that to my mind could be taken in order to put the process in place with all the difficulties, many difficulties that we have in front of us.

But let me start by 2003. 2003 was the first time that three foreign ministers from the European Union and myself went to Tehran and we signed an important agreement at that time with Khatami, the president, and our interlocutor was Rohani that disappeared from the

picture immediately. But it was important that we sign what we called the Tehran Agreement that it had two points basically. Tehran will stop * would not start at that time. We had to start very little their capabilities and we will give Tehran the facilities for whatever they wanted, peaceful use of nuclear energy and also economic help.

The commitment also of Tehran was to sign something very important with the additional protocol attached to a Nonproliferation Treaty. That went for a year and everything went okay, but at the general elections after Khatami when Ahmadinejad rose to power he was a little changed and they denounced the Tehran agreement. And they denounced the Tehran Agreement. They didn't sign at the end the additional protocol and the whole thing would not succeed.

When Ahmadinejad rose to power, it was a long time, some time, a couple years, a year and a half without much contact. Then we had with Ahmadinejad, with the supreme leader, and he appointed somebody with whom we did most of the negotiation, which is the president, the actual president of the parliament, a man called Ali Larijani. He is somebody you can talk to him well, you can get engaged. For me it was a difficult part of the negotiation but to a certain extent a rational part of the negotiation.

Now, to make a long story short I will tell you it started from

you have to suspect and we will offer you something. We at the time thought that would be impossible. They did not suspend any rights that they had to the number. If the treaty would be maintained it would be against their dignity. And remember two words which are very important with negotiations with Iran. One is the word *taberu*, in person, which is dignity. In a way it has other significance but the most important significance is dignity. And the other is *malahad*, which is self-interest. And you have to find an agreement between dignity and self interest. And those two words, you listen to them over and over again. And the questions that have not been able to find are an equilibrium between these two countries. Whenever they ask for dignity we could not give it to them. They ask today. They are accepting something against their self interest, like sanctions. Since we don't give enough dignity they were ready to accept as something against (inaudible). So keep that in mind because we will come again to talk about that.

Now, the two most important moments * and I said two when we offer a new proposal, which is "freeze-for-freeze". You will stop your centrifuge that you have it the day of the agreement and we will not take the sanctions out but we will maintain the level of sanctions at the same level. That was an interesting proposal that was understood by Larijani at the beginning but the end, as you know, that failed. It failed why? They

didn't want to take a position to stopping to assemble centrifuge. It was giving up and they were not ready to give up any right. So then we continued with that and we presented in Tehran a more centralized "freeze-for-freeze" program, and together with another (inaudible) from energy, from other cooperation with Iran in other fields. And the most important thing is that proposal that I took with me was signed by everybody. For the first time it was signed by Condoleezza Rice, the minister for the European Union always signed the letters, but this very letter was signed by Condoleezza Rice also. And that was really a certain shock for them that the Americans got into the picture in a much more clear manner with the signature of the secretary of state. We thought that that would give some oxygen to the process, but as you know, that was a failure. President Putin went to see the supreme leader, taking the support in my proposal, and as you know, the result of that was a failure. Not only a failure on the proposal but a failure that Larijani, the negotiator was forced out of his position. So we were without a solution and without a negotiator. So picture that moment with all the effort that we have done.

Then they appoint a new negotiator, which is Jalili, which is the actual negotiator still, which doesn't have to my mind the capacity to negotiate. He's just somebody who tells you what he has received the morning before he goes to the meeting but he doesn't have the flexibility

of going into real negotiations.

So there we went until Geneva. 2009 was a very important meeting. For the first time in the accompaniment in the negotiation, one American physically. And that was Bill Burns, the undersecretary of state today. And that was a very good meeting. I provided for a meeting, a bilateral meeting between Jalili and Bill Burns that wasn't bad. We thought we had agreed on the swap of enriched uranium to 20 percent, take it out, enrich it outside the country, but at the end of the day (inaudible) much more information about that because at the continuation of that it was already (inaudible) proficient and it was a failure. But I do think that at that time it was the moment in which I have seen a closer possibility of an agreement. And I think if you analyze probably that period of time, even in Tehran was the sentiment that that was possibly to get an agreement. We agreed formally but (inaudible) for 48 hours. In those 48 hours the whole thing was broken. But again, it was the moment in which we were close.

Now, let me tell you the problems I see in front of us. I see in front of us several problems. One, a (inaudible) of calendars. We have elections in Tehran before the summer. It will be very difficult to get something going before those presidential elections. At the same time we have pressure from Israel -- well, we don't know -- I don't know exactly

how has been the agreement between Netanyahu and President Obama, but whatever the time which is left will be short. It will not be very long.

The second big problem that we have is Syria. I don't think it will be possible to move on Tehran without (inaudible) Syria. Syria has a relationship with Tehran really, really deep. I heard somebody in Syria tell me our relation with Tehran is deeper even militarily than the relation that exists between two members of NATO. So they really have a very intense relationship. And without solving that problem it will be very difficult to get the negotiation moving. For Tehran, Syria is a very important actor. And for that we need to get all the pressure possible from Russia. Russia is the player probably that can get out all these situations in Syria. But remember, we have two problems which link Tehran and Syria, and we have the P5 together in one in principal Iran and separated in the other which is Syria. So we have a pretty bad situation. That is what I think we have in front of us.

The other thing that I would like to mention, the third thing I would like to mention is sanctions. Sanctions have to review before the end of the summer and today we have been able to put tough sanctions on Iran that hit their economy but still maintaining the price of oil at the level which is supportable. Now, that is because 4 percent of the spare oil production that still exists is there, but imagine that for a moment the

economy goes a little bit better, the global economy. There are more

needs of oil. Still, as you know, Iran is selling gas in particular to China at

a very low cost. If the economy grows globally, it will be very difficult to

stop the most important thing that we have to stop, that Iran does not

export any oil at all if they are going to make really all the sanctions. And

that will come really to China if China (inaudible) not to keep on buying oil

and gas from Iran.

So we have a really complicated picture in front of us. I think

that the Iranians are really concerned. They know that they have gone

against self-interest as far as the economy is concerned, but still they

haven't found the manner which will give them the capacity to save their

face or to come out of these negotiations with dignity. They keep saying

always and always the same -- we don't want to be a nuclear power; we

want to be recognized as a regional power. This is the line in which they

really continue to say whenever you meet with them and enter into the

debate.

I'll stop here. We have many, many more things to say but

Gary has many more things from the White House that I cannot speak on

behalf of.

MR. PIFER: Gary.

MR. SAMORE: Thank you, Javier.

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Well, Javier, I think, has done a very good job of describing the ups and downs, the frustrations and the difficulties of trying to negotiate a nuclear deal with Iran over the past decade, and my expectation is that those ups and downs and difficulties and frustrations are going to continue for the foreseeable future. Why? First of all, there's just a fundamental difference among the parties on what the objective of these negotiations are. From the standpoint of the United States working through the P5+1, we're trying to limit Iran's capacity to produce nuclear weapons by physically limiting their ability to produce fissile material and by increasing means of monitoring their nuclear program so that we can detect future efforts to cheat and build secret facilities. That's our objective.

From Iran's standpoint the objective is exactly the opposite.

They want to create the capacity to produce nuclear weapons, which means having an unrestricted program to produce enriched uranium with as little monitoring as possible, whatever is required by the NPT. So both sides have a very different view and national interest in terms of what we're trying to achieve.

Secondly, there's a fundamental disconnect in terms of what I would call the legal framework that the P5+1 and Iran approach these negotiations. From the standpoint of the P5+1 the onus is on Iran to

demonstrate that its program is peaceful by complying with the various U.N. Security Council resolutions and IAEA resolutions that call on Iran to do certain things, including suspension of some parts of their nuclear program, cooperate with the IAEA, and so forth. From Iran's standpoint, these U.N. Security Council and IAEA acts are not considered legitimate. From Iran's standpoint they are not required to comply with any of these resolutions. They should be treated like any other NPT party in terms of enjoying an extensive civil nuclear program under IAEA safeguards.

So from a legal perspective the two sides are approaching this negotiation from a very different standpoint. Given these fundamental differences and interests and perspective the theory of the P5+1 has been to try to at least get agreement on some modest measures that would limit Iran's nuclear program in some ways in exchange for limiting sanctions in the hope that that would create confidence and create a context that would make it possible to try to negotiate a more comprehensive agreement and at the same time slow down the nuclear program.

But even in this very modest area the two sides are very far apart in terms of the quid pro quo. Both sides accept the basic concept that we're talking about -- limits on the nuclear program in exchange for limits on sanctions, but when you get down to the details they're very far apart. The P5+1 are asking for pretty substantial actions on the part of

Iran in terms of limiting their nuclear program -- shutting down Qum, stopping production of 20 percent, shipping out a large portion of the 20 percent stockpile that Iran currently has in exchange for some modest but concrete sanctions relief. In exchange, the Iranians are demanding total lifting of all sanctions in exchange for stopping a production of 20 percent, something that they could reverse overnight.

So even in terms of the quid pro quo for a sort of modest step there's a long way to go before the two sides could come to an agreement. So I don't expect there to be an agreement certainly before the presidential elections in Iran in June. Nonetheless, I think both sides have an interest in keeping this process alive so I would expect the talks to continue. And there may be some incremental progress in terms of a slight narrowing of these big differences among the parties but I don't think it will come to an agreement.

At the same time I think even if there isn't a formal deal, I do think the Iranians are exercising some constraints on the program for political reasons, mainly because in my view their supreme leader is focusing right now on managing the presidential elections and does not want to have to deal with a foreign policy crisis. So, for example, the Iranians are deliberately converting enough of their 20 percent enriched uranium to oxide form in order to stay below the red line that Prime

Minister Netanyahu identified last September at the U.N. So for the time being it appears as though the Iranians for political reasons are deliberately slowing down those parts of the program that they fear could trigger either more sanctions or even a military strike. Now, that may change after the presidential elections but for now there seem to be some limits on the program.

For the future I think the most important question is whether or not it's possible to increase the current level of sanctions by cutting even further the market that Iran enjoys in terms of its oil exports and that's a real question. Up till now the sanctions have been remarkably successful in terms of limiting Iran's oil exports because there have been alternative sources of oil and so Iran's main customers -- China, India, Japan, Korea -- have been willing to cut back and that has had a substantial impact. Whether that can continue in the future is very uncertain. It will depend upon the global balance of supply and demand for oil. It will depend on economic activity, whether there's an economic recovery and what impact that has on oil, but that question of Iran's oil exports, that's their greatest concern. And if it's possible for additional cuts to be made I think it makes it much more likely that there can at least be an interim agreement that would limit further sanctions in exchange for some limits on the nuclear program and potentially create a basis for

trying to negotiate a comprehensive agreement. Even if that negotiation fails it still creates some breathing room in terms of limiting the program and slowing down the nuclear clock and making a military attack less necessary.

I'll stop there.

MR. PIFER: Great. Thank you, Gary.

Let me put one question to both of you. There have been times where I think, Javier, you referred to 2009 where the Iranians did agree to basically transfer out their stockpile of (inaudible) they've enriched to 20 percent in return for them getting fuel for their research reactor. But the Iranians walked back from that deal within a couple of days. So it appears that within Tehran there are differences in how to engage this question. How does that show up at the negotiating table? Are these visible there?

MR. SOLANA: Yes. Yes. Okay, 2009 was important for many reasons. Remember in September 2009, it was discovered another facility for enriched uranium which was not known. They have not declared to the agency. And the international P5 plus the Europeans found through intelligence that that was going on. We had information about that before September but it was made public at the meeting of the General Assembly of 2009. That was a big shock for Iran to really have to

amend the speech. Ahmadinejad was in the General Assembly saying that they were peaceful, et cetera, et cetera. It was discovered, it was made public that they had another facility that had not been declared. And that left Iran, with some of his friends let's say, frustrated with that discovery. Now, that's the first thing.

The second thing is that for the first time -- Obama was already in power -- and for the first time the United States allowed an American to be at the table. As I said before it was Bill Burns and we arranged for him to have a bilateral talk in Geneva. The meeting was in Geneva. And it went very well, as I said, the climate was very good and we agreed on something very important for Iran because Iran at that time was running out of fuel at 20 percent to put it into the reactor which creates isotopes for medicine. Historically, Argentina had been the country that would put the enriched uranium into the reactor to produce isotopes. And that was a difficult moment for them and we accepted to be ourselves to put that but we had to get out of the country the same amount that we put in. Okay? One enriched and the other -- we put enriched and we had to take (inaudible).

And so there are two elements that are leading to facilitation in the relations. But as you know and I said, we had a good meeting. We had a press conference separated myself and Jalili with an agreement that

we would not contradict each other. That was okay. It was perfectly done

and we thought -- at least I thought that we celebrated really. Gary knows

what happened the day after, two days after. A big battle inside Tehran.

A big battle inside Tehran and, well, the supreme leader at the end didn't

accept the deal. And that was the end. For me that was the end. I

finished there with that frustration. I have maintained with Larijani some

talks and Larijani is not the best friend of Jalili, as you can imagine.

Larijani is now running for president. He is an important figure. Let's see

how he behaves if he is selected president. But at the end of the day, the

supreme leader is the one who has it.

And one of the big problems with negotiating with a country

which has a structure of power so difficult -- religious, civilian, et cetera --

is who is the interlocutor. We have our system of naming interlocutors but

on the other side you may not match the interlocutor with the other

interlocutor. So this is another added complication for the negotiations in

my mind.

MR. PIFER: Gary?

MR. SAMORE: Well, I agree with that. The decision-making

process inside Tehran is very obscure, and I think it probably makes it

much more complicated in terms of trying to reach an agreement

especially because, you know, the political competition among the various

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figures in Iran becomes intertwined with the nuclear negotiations. And so for certainly the 2009 episode was a good example where President Ahmadinejad was clearly in favor of the deal, and I think to some extent the opponents were motivated. Aside from the merits of the agreement, they were motivated by a desire to try to prevent him from taking credit for making progress. But the collapse of the 2009 deal I think was a critical turning point, at least in terms of what the administration's perceptions were. It demonstrated how difficult it would be to get even a very modest agreement -- and this was an extremely modest agreement -- and shifted the president's policy to one that emphasized increasing pressure as a way to gain leverage and purchase. And of course, we then embarked on a very difficult six-month negotiation for another U.N. Security Council resolution. And at the very last moment, as most of you will remember, Brazil and Turkey and Iran announced an agreement which was viewed in the White House really as a pretty transparent effort to try to delay the sanctions. So we went ahead with those sections. And since then we and the Iranians have been locked in this sort of spiral where we keep increasing sanctions. As the negotiations make no progress, they keep going ahead with their nuclear program, and both sides are trying to build up bargaining leverage. We haven't reached the point yet where some kind of an agreement that would relax the sanctions and the nuclear

activities is possible.

MR. PIFER: Okay. Let me go ahead and open the floor to

questions. If I could ask, please wait for a microphone to arrive. And if

you could state your name and affiliation.

Let's start right here.

SPEAKER: My name is Chido Mi. I am a Washington

correspondent for South Korea's (inaudible) agency. Good to see you

here.

I've got a question for Mr. Gary Samore. Actually, today the

Washington Post reported about speculation on nuclear ties between Iran

and North Korea. What is your assessment of the problem?

And also, I'm sure but let me ask you about North Korea's

nuclear test last month. (Inaudible) questions whether it was a plutonium

or uranium-based nuclear test. What is your opinion about that also?

Thank you.

MR. SAMORE: Well, as to what kind of material was used in

the test, I don't think we know. The test didn't vent, so there was no way

to measure whether it was plutonium, you know, or highly enriched

uranium. So it could have been either.

In terms of nuclear ties between Iran and North Korea, I'm

not aware of any but it's something I think we have to be concerned about

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because we know there's an extensive -- certainly extensive cooperation

in the missile area and one could imagine that North Korea could provide

substantial assistance to Iran in terms of enrichment. I expect that the

North Koreans are considerably more advanced than the Iranians are in

terms of mastering centrifuge technologies so I think it's something we

have to keep a very close eye on. And we know that North Korea in the

past has been willing to sell nuclear technology and materials such as the

reactor they were building in Syria.

MR. PIFER: Okay. Right here.

MR. MORELAND: Howard Moreland, private citizen.

What is our rationale for threatening war against Iran in order

to perpetuate the Israeli monopoly on nuclear weapons in the Middle

East? And why is a nuclear weapon-free Middle East not part of the

discussion?

MR. SOLANA: Well, it has been. It has been part of the

discussions. Remember in 2009, the same General Assembly in which

we -- well, it was made clear the other facility that was a secret (inaudible),

it was the first time that the prime ministers of different countries of the

Nonproliferation Treaty had a summit. It was the first time in I don't know

how many years. And one of the agreements of that summit is to try to

work hard in two years to get the possibility of beginning a discussion

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about a free trade zone in the Middle East.

As you know, the secretary general had to appoint somebody to prepare the summit. It has not taken place but 2009 was the moment in which motion in that direction was started. I think it will continue, though in 2013 they were to have the second phase. It didn't take place for lack of agreement among the most important players who have to follow it. But it's something which is already on the table for the first time. I never imagined that that would have been in 2009 but it was. President Obama put it on the table in the first General Assembly which, as I said, for the first time it was a meeting at the highest level of the signatory members of the Nonproliferation Treaty and that was on the agenda.

MR. SAMORE: I would just add I think President Obama has explained in speeches and interviews why he thinks a nuclear-armed Iran is unacceptable from the standpoint of U.S. national interests. The risk that it would lead to further proliferation in the region, the risk that a nuclear armed Iran would threaten our allies, both Israel and the Saudis and others, the risk that a nuclear armed Iran might on purpose or inadvertently provide weapons of fissile material to terrorists. So I think the president has in his mind a very clear basis on which to say, as he has said, that he will use any means necessary, including military force, to

stop Iran from having nuclear weapons.

The fact that Israel has nuclear weapons is really a separate

issue and as Javier has said, there is a process to try to achieve progress

towards a nuclear weapons-free zone in the Middle East. That obviously

is not going to bear fruit anytime soon, especially given current

circumstances in the region. But all countries, at least in theory, support

such a nuclear weapons-free zone, including Israel. The question is what

kind of conditions would be necessary before you could actually put that in

place. And clearly, the conditions in the Middle East are not right for that

now.

MS. SLAVIN: Barbara Slavin from the Atlantic Council and

Al-Monitor.com. Good to see both of you gentlemen back.

I have two questions; I'd like your views on both. First, do

you think as long as we're talking to the Iranians we won't be bombing

them, so in that sense talking has value? And also, the Stuxnet virus,

which if the New York Times is to be believed the Obama administration

inherited from the Bush administration, was it a legitimate use of force

against Iran? Thank you.

MR. SOLANA: Very difficult questions, both.

Now, on the virus, I think that -- how would I say? I think the

most important mistake of the virus was to recognize who had done it. I

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think for a long time the virus was there and nobody knew who was the father or the mother of the virus and suddenly I don't know why for the sake of prestige that somebody decided to claim who was the virus, what was the virus, what was the company who had put it in? Et cetera, et cetera, et cetera, et cetera. So that goes to the heart of your question because if legitimacy -- if you are the first who put the virus in cyberspace you're lost completely because you are the one who recognizes that you have attacked already. I think it's a mistake. But anyway.

Now, the second thing I would like to say, and I'm convinced of this. It may not be everybody is convinced. I think that the level of consistency and coherence of the P5 is diminishing. And it's diminishing first because of Syria. Remember that Syria, China, and Russia are not in the same place as Americans and the Europeans, and that is an important issue. It's not a minor issue because as I said before, Iran and Syria is very important. It has an important relationship. If we are not together, it will be more difficult to (inaudible).

Now, I'm very concerned that as time goes by the P5 are getting less concerted action in many issues, not only Syria. I was surprised the other day in South Africa the statement -- the level of the statement that the BRICs made. For the first time I thought the idea of a different (inaudible) that one is to blame not only the economy but also

international affairs was very clearly stated.

I think for the third and the last question, the question of the level of energy and the price of energy in the markets is going to be very important, and we have an opening after 2014 according to the latest estimates that I have seen. In order to have the (inaudible) production to be maintained at 4 percent of the total production. And if the global economy grows a bit the level of the cuts to maintain the level of Iran down it will be very difficult to be maintained without a great spike in price.

It's true that part of the equilibrium has been maintained by shale gas. Shale gas has held very much and in order to maintain the volume of gas into the market and maintain the prices down. But if the economy grows there is a point of equilibrium in which the prices may go - that is something that the Chinese don't want, nobody wants, but for that not to take place the Chinese will have to stop the volumes of imports that they are doing still from Iran.

MR. SAMORE: And I would say the primary factor that determines whether or not military force is used is not what's happening around the diplomatic table; it's what's happening on the ground. You could imagine a situation where the diplomacy continues fitfully without making any progress but the Iranians are cautious and careful to avoid taking actions that might trigger a military strike. And I think that's actually

the situation we're in now. The question is whether or not the supreme

leader continues to exercise caution and whether or not he accurately

anticipates what kind of actions might trigger a strike.

MS. SLAVIN: And Stuxnet?

Stuxnet, I don't think I'll comment on but I will say that I think

that this is a game where very, very high national security stakes are at

play, and both sides are using all the levers of power they have available

to them in order to try to achieve their interests.

MR. PIFER: Gary, let me follow up on that question or the

first question about negotiation and military action. I think one of the

concerns that has been expressed in the West is that Iran engages in the

negotiations, drags out the talks, but as they do that, in fact, they get

closer to the capability where they could fairly quickly deploy a nuclear

capability.

Is there some sort of thing that you would want to see

coming out of these negotiations this weekend that might be a signal that,

oaky, there is, in fact, a decision on the part of Tehran to actually try to

find a solution as opposed to use the talks? What would be sort of your

minimum take-away from the Almaty discussions that would say maybe

there is an indication that Iran does want to find a solution?

MR. SAMORE: Well, I have such low expectations of what's

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going to come out of this next round of talks that I think it's a mistake to try

to set the bar. I mean, if they agree to another round of meetings that will

be the process continuing. But I think that it really is unrealistic to expect

that there be some kind of breakthrough in these talks.

Look, both sides are using the diplomacy for their own

purposes. I mean, the Iranians use diplomacy in an effort to try to show

that there's progress and therefore no further sanctions are justified. And

to the extent that it looks like there's progress it helps maintain the value

of the rial, the U.S. and the P5+1 use diplomacy in order to demonstrate

that Iran is being intransigent and unreasonable and therefore more

sanctions are required. And that process is going to continue. I mean, at

some point if this next round of talks don't produce results, the U.S. and

the EU will be looking for additional sanctions in order to increase

pressure.

MR. GORDON: Michael Gordon, New York Times. I have a

question for Gary.

You mentioned the restraint that Iran is pursuing. Can you

address the new centrifuges that they're also pursing and what the

strategic implications are for a breakout scenario in the military sense, and

also what policy challenges they pose in the sense that can Iran get to a

place where they can take action faster than the international community

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could respond.

MR. SAMORE: Right. It's a very good question and there are lots of different ways of looking at these scenarios, but basically there are two ways Iran could produce highly enriched uranium, weapons-grade uranium. One is to use facilities that are under IAEA inspection, and that's the so-called breakout scenario where they would either deny the inspectors access or they would kick out the inspectors and then as quickly as possible produce enough highly enriched uranium for a nuclear device. Right now they are probably at least a couple of months away from being able to do that once a decision is made. As they increase capacity as they put in more centrifuges, more efficient, more powerful centrifuges like this new generation, they might be able to squeeze down that breakout time to a couple of weeks or even less. And in that case it's at least theoretically possible that they could move and produce enough highly enriched uranium for a bomb before the international community could act. I think they're still probably a couple of years away from having that kind of capacity because they need to put in a lot more of these more advanced centrifuges in order to do that.

The other scenario, which I think is much more plausible, is what we call sneak out, that they would build a secret facility and then produce weapons-grade uranium taking their time and then once they

have enough they would be in a position to confront the world with a fete accompli. We know that that second approach is the one Iran favors because twice now they've tried to build secret enrichment plants -- first Natanz and then Qum. And my guess is that at some point in the future they will try to build another secret enrichment plant because that approach from their standpoint poses much fewer threats. If they try to breakout using a facility that's under safeguards they run the risk that it would be detected and the U.S. or Israel or others would act against it, would destroy that facility before it could achieve, you know, before it could produce enough weapons-grade uranium.

But the question that Michael is raising is the right one -- that if we continue for a couple more years with this current pattern, the Iranians can get closer and closer to having a credible breakout capacity and they'll use that as a threat. They will threaten that unless certain things are done, unless this sanction or that sanction is lifted they'll be forced to take action and that will become a more credible threat. But I don't think they're there now. I think they're still too far away from being able to move quickly for that to be a credible threat.

MR. SOLANA: The weaponization process, which is not a simple thing to do -- one thing is to have enriched 90 percent or 80 percent but then you have to make a bomb. It's not a trivial thing to do it

but two processes which are separate. You can continue working on the weaponization and be very advanced in the weaponization, even if you don't have the 90 percent already achieved. Therefore, it may be a crossing point which is shorter than we expect the actual (inaudible) of the bomb.

MR. SAMORE: Yeah. I agree with that. The only thing I would add is that we have -- we probably have greater capacity to detect and prevent the production of weapons-grade material as opposed to detecting and preventing weaponization. That's not to say that it's impossible to detect that but it's much more difficult because it can be done with a fewer number of people in facilities that are easier to hide.

MR. PIFER: But would it be fair to say on the weaponization question, I mean, if the Iranians want to go for a very basic nuclear weapon -- I mean, the weapon that was used on Hiroshima was never tested, but if they want to go and actually develop a more advanced weapon that could be put on a ballistic missile then it's a much more sophisticated question and would it be fair to assume they would probably want to test before they actually believe that that capability existed?

MR. SOLANA: My sense is yes. They have to test. Tests may be done through the computer, et cetera, but I don't think they have the capacity. A country that has already the capacity can test the next

level of bombs without doing a real test. But the last example we have is

North Korea and Pakistan. They had to do the test. And today, with the

level of information that we have and the capacity of intelligence that we

have, I think that that's impossible not to be detected to my mind. I think

this is almost impossible not to be detected. The capacity of intelligence,

the number of satellites looking at Iran, et cetera, it would be very difficult

for the test not to be detected.

MR. SAMORE: I mean, this is another good example where

the Iranians have imposed political constraints on the program. They had

a very extensive, a comprehensive weaponization program which was

detected and which was revealed and they stopped it in 2003. At some

point in the future I could easily imagine them starting that program again

in hopes that they would be able to achieve a lot of the preparation work

necessary for a nuclear test. And I agree that ultimately it's likely that they

would conduct a nuclear test in order to demonstrate that they have a

credible nuclear capacity.

MR. PIFER: Okay. We'll take a question in the back here.

MR. BEERY: Brian Beery, Washington correspondent for

Euro Politics.

I'm just wondering with all of the heating up of the rhetoric in

North Korea and the military maneuvers what impact that is going to have

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on the Iran nuclear talks, the E3+3 process. Will it somehow suck the

momentum out of it because North Korea looks to be more of an urgent

threat at the moment or could it have somehow a positive effect?

MR. SAMORE: I don't think it has any impact at all. I mean,

all of the P5+1 countries are capable of dealing with several different

problems at the same time, so I really don't think it's likely to have a big

impact. I think to some extent Korea is a good example where there's

pretty good cooperation. Certainly among the U.S. and China and Russia,

all of us want to avoid a military conflict on the peninsula. But I don't think

that necessarily translates into greater cooperation on Iran.

MR. PIFER: Okay.

MR. LEVINE: Edward Levine, former Senate staff member.

If the supreme leader is the key to getting Iran to agree to

sensible negotiations and if he has a particular concern for Iran's dignity

as the word was used, what thought has been given to enlisting help from

some third party whose mere presence would accord some of that dignity

to Iran and also create a channel to the supreme leader?

MR. SOLANA: Well, that was tried with Turkey. Turkey is a

country that (inaudible) the formal format, the P5+1. I have been talking to

the Turks a lot and they have been used, but as you know the last intent

with Brazil was that it was supposed to be -- we considered it was a little

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bit of a ploy; that it was not going to succeed and it was better not to do it. Maybe we were wrong but at the time that was the position. Turkey then separated very much from the negotiation. Maybe now with the position that they have taken new with Israel, maybe another (inaudible) with Turkey may be used, but I cannot imagine another country. The supreme leader doesn't talk to leaders which aren't Muslims, with one exception. He met with Putin in the moment in 1997, I think it was, when he went to defend the "freeze-for-freeze" in front of the supreme leader. He was received by the supreme leader together with Larijani. It was a failure. Larijani was thrown out of the negotiation and Putin could not convince the supreme leader of the "freeze-for-freeze."

So I cannot imagine any other person or other leaders that can have a good relationship with the supreme leader with the exception of countries which are Muslims, and probably Turkey continues to be the most at hand. Don't forget that Turkey now has difficulties also for their position in Syria. Turkey is a country which is against the regime in Syria which Iran is the big supporter. So it's difficult to find a perfect, new interlocutor. I think it is best to maintain the ones we have. And to my mind, they precipitate as much as possible some bilateral (inaudible) between the United States and Iran. They have been without (inaudible) for a long period of time. It's very difficult to negotiate without a warming-

up process or bilateral talks. That is my position.

MR. SAMORE: We can't really psychoanalyze the supreme leader, but in my view I think dignity is less important a factor than (a) he wants to have a nuclear weapons capacity, and (b) I think he views the nuclear issue as part of a much broader struggle with the United States. I mean, he believes that the United States is trying to destroy the Islamic Republic and we're using the nuclear issue in order to try to achieve that through political and economic pressure. And the irony is that because in my view the supreme leader has obstructed the negotiations, he has, in fact, created a self-fulfilling prophecy. We are, in fact, seeking economic sanctions which could potentially pose a threat to the survival of the regime if there's enough public unhappiness with the economic damage that the supreme leader has brought upon his own country and also through their mismanagement.

MS. JAKES: Hi, thanks. Lara Jakes with Associated Press.

Javier, you've spoken a lot this morning about how Syria and the P5 negotiations are intertwined. I'm wondering what effect U.S. military intervention in Syria might have on some of the negotiations, not only recognizing that this would likely be viewed as hostile by Tehran but also the effect that it would amount to a proxy war with Russia and the Chinese would likely follow the Russian lead. So if you could talk a bit

about that I would appreciate it. Thank you.

And Gary, if you'd like to chime in I'd be interested. Thank you.

MR. SOLANA: I cannot speak with knowledge. I mean, I'm not an (inaudible). The only information I have is information that I used to have and information I have through friends which are engaged.

I think the United States has not taken a more active role in Syria from the beginning because they didn't want to disturb the possibility -- I mean, to give them the space to negotiate with Tehran. They probably knew that getting very engaged on the (inaudible) even militarily could contribute to a break in the potential negotiations with Tehran. Nowadays the situation will be different because the situation within Syria is much worse than it was at the beginning. I happened to meet yesterday by coincidence on the train coming from New York the president of the Red Crescent of Syria that was coming from New York from talking to the secretary general and coming here to inform. And he was telling me that the situation is really catastrophic from all points of view. He told me also that he didn't think the chemical bombs were moved. That is what he told me. I asked him directly if he had -- they have a very good network in the country but the situation on Syria I think is a bit much -- way much worse and probably closer to the end. Now, how big the push has to be done,

how much the Russians.

Now, let me be very -- I think we have not played the Russian card sufficiently tough. Remember that Russia, when they put the (inaudible) on Syria they justified for the excessive use on the sanctions of Libya, the military action on Libya. You remember that. But also they said that they had topics to be discussed bilaterally with the United States. One of them was missile defense. And missile defense has been almost resolved with the fourth phase being thrown back -- I mean, forward how many years I don't know. So that has not been played sufficiently strong I think with Russia. I think with Russia we have -- we need to be much more engaged in order to resolve the Syrian question and at the end the question of Tehran. That is a concern that I have.

I was in Moscow the week before this one -- no, two weeks before this one -- and I met with Putin, with Medvedev and I see a sentiment which is not better. It's not better vis-à-vis the relationship with the United States, Syria, et cetera. And my fear is that it may get cooler with relation to Tehran and we may break an agreement that the P5 has been maintaining. The P5 has been a miracle really. The manner which has been maintained for such a long period of time in agreement.

Now, the moment of sanctions, we passed the moment of sanction together which was very difficult, very, very difficult, but I don't

see the level of constructive work. Together I think it's diminishing.

MR. SAMORE: You know, I would say you can argue it either way but in the end I think the collapse of Assad makes a nuclear deal more likely because the supreme leader will feel more isolated, under greater pressure, more likely to make tactical concession in order to relieve further isolation and pressure. Of course, that's not going to change his fundamental interest in acquiring a nuclear weapons capability. I think it will confirm for him that the best way to defend himself against countries like the United States is to have that capacity. But at least in terms of near-term tactical decisions, I think the more he feels isolated and threatened the more likely it is he'll make some modest concessions in order to have some kind of interim agreement.

SPEAKER: How serious do you take the anti-missile fatwa by Ayatollah Khamenei? Is it real or a joke?

MR. PIFER: Anti-missile or anti-nuclear?

MR. SAMORE: Anti-nuclear.

MR. PIFER: Anti-nuclear.

MR. SOLANA: I don't know.

MR. SAMORE: I mean, I don't, you know, know much about Shia theology but I think it certainly would provide a useful political basis on which the supreme leader and the Iranian government could justify

some limits on the program, and I think we would certain -- we, I mean the

P5+1 -- would certainly welcome if the Iranians want to construct a theory

for why they're accepting some limits on their nuclear program because

it's consistent with the -- I mean, if there's fatwa then obviously that would

be welcome. But whether it actually constrains activities I doubt because I

think my impression anyway is that these fatwa can be changed pretty

easily.

MR. MITCHELL: Thanks very much. I'm Garrett Mitchell

and I write the Mitchell Report.

And I want to pose a question to both Ambassador Solana

and Dr. Samore, beginning with an observation that Dr. Samore made a

few questions ago in which I thought two very succinct observations were

made. The first is that the interest of the supreme leader is not dignity per

say; it's that he believes Iran should have the bomb. And the second is he

sees the bomb question as only one piece of the frame in the relationship

with the United States which is that what we're really after is regime

change.

Given those two factors, if one accepts them -- and for what

it's worth, I do -- what possible factors lie out there, you know,

Ambassador Solana said that the road to Tehran may run through

Damascus. There is the presidential election. There is even the prospect

of at some point Khamenei doesn't live forever. Knowing the two things that Dr. Samore has stated, what is it that keeps us in the game? And why is it that President Obama continues to make statements that appear to be indefensible about we will do whatever it takes to prevent Iran from having a bomb?

MR. SAMORE: Well, let me take a crack at that. I mean, I think what you said is exactly right. I also think it's true that the supreme leader wants to avoid going to war with the United States because he knows he'll lose and that will probably lead or could lead to the end of the Islamic Republic. So he's demonstrated over and over again caution in terms of limiting the nuclear program in order to avoid what he believes is a red line that could trigger a military attack. And I think the value in everything we've done in terms of public pressure, sanctions, threats of war, all of that has helped to reinforce his caution and has led to constraints, has led -- I mean, the Iranians could be moving forward much more quickly in terms of acquiring a nuclear weapons capacity if there were no constraints on the program, but they have imposed -- selfimposed constraints in order to avoid those risks. So I think, I mean, whatever happens at the diplomatic table we have an interest in continuing to make clear that we would not accept Iran having nuclear weapons and that we're prepared to use military force if necessary and

we're going to keep on increasing economic and political pressure. That has a positive impact.

MR. SOLANA: The contradiction which I think we are is the value of legitimacy of action is going high. I mean, it's very difficult to imagine after we have seen Syria, et cetera, and after history how military action could be done without some legitimacy. Now, how is the legitimacy defined? Well, we have defined legitimacy lately but the Security Council. If we don't have the P5 together in action it will be quite difficult to do it, and I will say quite difficult to have the international community together. So it's not a trivial thing. It's not a trivial thing that we are talking about after the event of Libya, the event of Syria. It would be very, very questionable if it was possible to be done. We found the Security Council resolution maintaining the international community which other issues can come together.

So I think we have a lot of problems. And we have another problem we have not mentioned. Suppose we get an agreement and that agreement will have to imply lifting sanctions and lifting sanctions rapidly. You have the Congress of the United States which has to do it and that is not an easy task either to lift sanctions. And that is known by the supreme leader also. So we have still some other problems that have to be considered which make the problems really very delicate and very difficult.

MS. BARNES: Hi, Diane Barnes, Global Security Newswire.

Dr. Samore, you mentioned earlier both the possibilities on the other side of the Iranian election in June Iran will have greater flexibility for dialogue as well as possibly lifting off the brakes it's been putting on production of 20 percent enriched uranium as well as other sensitive activities. So I'm wondering whether you see an outcome of escalation or de-escalation being more likely and what factors you see playing into that most. And I'd be interested in the ambassador's take as well. Thank you.

MR. SAMORE: Yeah. I would say either is possible. I mean, one could imagine the supreme leader feeling more confident if he shores up his domestic situation, manages the presidential elections, makes sure that Ahmadinejad's candidate is not elected and he has somebody as president who he thinks is compliant and more competent in terms of managing the economy. And the supreme leader then feel that he's in a stronger position to take the next step in the nuclear program, whatever that is. Whether it's producing more 20 percent or announcing that Iran needs to produce higher levels of enrichment for their naval reactor program, for example. So one could imagine later this year there would be a confrontation. Or one could imagine that if he's in a stronger position he actually has greater flexibility to make some tactical deal with

the P5+1 in order to relieve pressure. And I don't know which way it will go, but I do think that as long as it's more likely they get a positive outcome if he believes that there's more sanctions to come. If the supreme leader believes that the P5+1 have reached the limit of what they're capable of doing then I think it's more likely he will feel that he can weather the storm and doesn't need to make any concessions.

MR. SOLANA: I tend to agree with that.

MR. BAGGETT: Thank you. Gouda Baggett from National Defense University.

Two questions. The two sides claim time is on their side.

What is your assessment? My second question, if we ever reach a deal with Iran we have to sell it here in Washington. And given the relationship with Iran for the last 30 years it would be very hard. I imagine the president will have to educate the public, the Congress. How do you think we can sell the deal domestically here? Thank you.

MR. SAMORE: I think you have to sell any agreement on its merits. I mean, if the agreement actually achieves the intended result, which is to limit Iran's ability to produce nuclear weapons, then I think you have a very strong basis on which to convince Congress and the public that it's worth supporting. If the deal really doesn't have a dramatic impact, if it's just cosmetic and it allows the Iranians to continue on their

course of expanding the capacity to produce fissile material, then I think the deal won't be supported. But, of course, we have to keep in mind that any agreement that is reached will be subjected to very strict monitoring. I mean, Iran has demonstrated that it's not shy about cheating on its international obligations and it has a very long record of violating the NPT

and safeguards and agreements it's reached with other parties. So one

could imagine a situation where there was some kind of an agreement and

some ways down the road it was revealed that Iran was violating that.

MR. SOLANA: They will have to convince also all the parties. Saudi Arabia has to be convinced that the agreement is okay, and others. You understand what I mean.

MR. CAMPOS: Dan Campos, George Washington University.

Can you expand on the nuclear collaboration between Iran and Russia? And are they legal under the NPT?

MR. SOLANA: Well, yes. The cooperation between Russia and Iran is legal under the Nonproliferation Treaty. We accepted. The P5 accepted that the enrichment of uranium was placed in the Bushehr nuclear reactor but some products that were produced in the reactor were taken by Russia. You remember that Russia was very cautious in moving the construction of the Bushehr reactor and then it was accepted and even

encouraged to finish and encouraged it to put the fuel in it. So I think yes.

I think in my mind yes.

MR. SAMORE: The mean, the only thing I would add is that

there had been some instances where Russian scientists or institutes

have provided unauthorized nuclear assistance to Iran, and President

Bush, for example, confronted President Putin with the fact that Russian

institutes were helping with the heavy water research reactor that's being

built in Iraq, and the Russian government stopped that. So think there's a

pretty good record of the Russian government limiting nuclear cooperation

with Iran to the Bushehr reactor which is something we've accepted.

SPEAKER: Hi, my name is Saba Med and I'm a law student

at American University.

I had a question about why the military strike is even on the

table because haven't we learned our lessons from Iraq? We've killed so

many people. We've hurt our military. We've drowned our economy.

Why would we even consider doing that with Iran? Why as an American

business owner, why can't I buy oil from Iran? Why is that such -- I mean,

the oil prices were like at 99 cents a gallon in 2001 and now they're at like

4 something. If we go to war with Iran it will probably be 8 bucks a gallon

or something like that. Why can't -- why are we hurting our own American

economic interests to prevent somebody from pursing their national

defense strategies like any other countries does?

MR. SAMORE: Well, I see it as a clash of interests. I mean, the Iranians, for reasons that are perfectly understandable from their standpoint, think having nuclear weapons or the capacity to produce nuclear weapons is necessary for their defense and to assert their position in the region. The U.S., for reasons that are perfectly understandable from our standpoint, we want to stop Iran from having nuclear weapons because it would be a threat to our interests and to the interests of our friends in the region. So there's just a clash of interest. I'm not saying anybody is right and anybody is wrong but usually in international politics if you have a clash of interests and you can't reconcile them then the ultimate recourse is the use of force. I mean, clearly President Obama is not looking for opportunities to attack Iran. He obviously has made the case that we're not at that point where we have to make that choice; that there's still room for diplomacy, room for sanctions and pressure, still some possibility that that will achieve results. But at the end of the day he's saying that the matter is so important to the United States that he'd be willing to use force if necessary. I mean, people might disagree with that judgment but that's the judgment that he's made and explained publicly.

SPEAKER: (Inaudible) My question is largely for Gary.

Do you think the U.S. is prepared to acknowledge Iran's right

to enrich at some level, say 5 percent, at some point?

MR. SAMORE: I mean, I think if you had an agreement that

satisfied our goal of limiting Iran's capacity, its ability to produce nuclear

weapons, I think some limited enrichment -- and this is obviously my view

-- some limited enrichment as part of satisfying Iran's dignity as part of

some face saving outcome should be acceptable to us. But I don't see

any evidence that Iran is prepared to accept the kind of limited enrichment

that we would really require in order to achieve the results of physically

limiting what they're capable of doing.

MR. SOLANA: Allow me to say I don't think it's imaginable

in agreement with (inaudible) something of enrichment by Iran. That's the

trick is how that has worked. But I think I cannot imagine after having to

spend hours and hours and hours that they can accept anything that takes

the program to be disassembled.

MR. SAMORE: Yeah. I mean, one -- just to add, one of the

complications in this negotiation is that the Iranians are insisting that their

so-called right to enrichment be recognized by the P5+1, and yet at the

same time the Iranians are not prepared to acknowledge that they have

obligations imposed on them by the U.N. Security Council and the IAEA to

take certain actions to demonstrate that their program is peaceful. So it's

hard to imagine a deal where we accept their principle and they don't accept ours. I mean, if you had a mutual acceptance where we were prepared to acknowledge that once confidence is restored they could pursue a civil program like any other NPT party, including enrichment, but one would expect in return that they would acknowledge that they are obligated by the U.N. Security Council to take certain actions which includes a suspension of their enrichment program until confidence is restored.

SPEAKER: (Inaudible) from City University of New York.

I'm from Kurdistan region, Iraq.

My question is about the negotiations and the details. Were there other topics other than the nuclear program with Iran talked about, like Iran's destabilizing role in the Middle East in supporting terrorist groups in Iraq, in Lebanon, and other issues internally for Iran? Like, its horrible human rights violations and democracy.

MR. SOLANA: Well, in the negotiations it was first a negotiation on Iran. Then the possibility we get engaged in this honest negotiations with them. There are many other topics that we would like to talk to them. Remember that Iran was at the table in the bond agreements in Afghanistan. In those negotiations Iran was on the table. At a given moment the Bush administration said it was thinking about putting on the

second phase of Afghanistan negotiations also but nothing without having

created the climate appropriate on the nuclear issue, appropriate to enter

into other potential topics of discussion.

MR. SAMORE: The P5+1 talks were created for the

purpose of addressing the nuclear issue, so that's tended to be the

primary focus, certainly in terms of what the P5+1 would like the agenda to

focus on. It's true that the Iranians have periodically said, well, we want to

have a much broader discussion. We want to talk about Syria. We want

to talk about Bahrain, and that's generally been resisted by the P5+1, in

part because we don't want to create anxiety on the parts of other

countries in the region, that we're negotiating some kind of regional

arrangements with the Iranians when they're not present at the table to

have their interests represented.

MR. PIFER: We've got about five minutes left and we've got

way more hands, so I'm going to take three questions and then we'll give

you the chance to answer those.

MR. PIERRE: Andrew Pierre. As we approach the end let

me say this has been a very, very interesting discussion.

I'd like to move for a second to sort of the framework of

perceptions. The president's statements, Gary, I think has led to a

perception that this year or next year are really critical years that if we

don't "solve" somehow the "nuclear issue in Iran" that we will be moving

inexorably towards a war, a conflict. And we seem to be discussing this

with the Israelis, although in the last meeting Netanyahu sort of walked

back a little bit from the red line he painted at the U.N.

On the other hand, as I think this discussion very well

brought out, the weaponization has a long ways to go and true

weaponization might not at all occur in the presidency of President

Obama. So are we running a risk here of being perhaps a bit too smart by

half in that we're sort of creating a perception of imminent danger and

conflict and decisions about that whereas in fact weaponization is not

progressing as far as we know, and if it did it would take some time.

They're really talking about something beyond the next three years.

MR. PIFER: Okay. Up here.

SPEAKER: My name is Hassan. I was born in Tehran. I

represent Global Bridges for Humanity.

It seems to me that for many years America has been

engaged in persuading Iran to come align, the line that American thinks is

right for Iran. And we have up to this point seen that as they say it is very

hard not to crack, so Iranians are not that easy to be pushed over. And as

Mr. Solana knows, when the Turkish proposal was done for the 20 percent

and they agreed about all of that but the fine line was that you give us the

20 percent and we'll tell you when it's ready and then you can get it back.

So that was unacceptable to them. So it's not a very, you know, when

you're negotiating you have to have some kind of principle to follow.

So we're coming to a point that we recognize that Iran may

be a regional power. Why don't we get Iran and see what our interests

are in that area, see if Iran can protect our interests in that area? They

are capable and they won't cost us anything. They'll be more than happy

to do and protect our interests without any money to give them like we do

to other people in that area.

And the question is this. After all these discussions, when it

goes beyond a certain point it shows the impotence of America in solving

a problem that is very important to the world.

MR. PIFER: And then last question. Okay, over here.

MS. ROZEN: Laura Rozen from Al-Monitor.

Gary and Ambassador Solano, is there any price that you

think the P5+1 would be willing to pay that Iran could accept for the 20

percent for a small deal? And if not in some reasonable amount of time,

I'm particularly interested in Gary, what you think about the kind of Dennis

Ross' big idea or offering them a more comprehensive offer. Thanks.

MR. PIFER: Gary.

MR. SAMORE: Let me take those.

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You know, on the timetable, as I've tried to explain, I think

the timetable is determined by political decisions and calculations, not by

physics. If the Supreme Leader does things that bring this matter to

ahead this year, and there are lots of things he could do that could force

President Obama's hand, then in fact we may be facing a military conflict

in the near future.

On the other hand, the supreme leader may deliberately

avoid actions that would force the United States to act, in which case the

diplomacy, the sanctions, the nuclear creeping, all of this will continue for

years. So I think it really remains to be seen whether or not the next year

or two is critical or whether this problem will continue pretty much along its

current pattern for the next couple of years, for the rest of President

Obama's term.

On the question of other issues in the region, I mean, the

truth is the U.S. and Iran are at loggerheads on almost every issue,

whether it's Syria. And I agree with Mr. Solana that this really has cast a

shadow over all of the negotiations. But whether it's the peace process,

you know, Hezbollah, U.S. forces in the Persian Gulf, I mean, on almost

every issue the U.S. and Iran are really enemies. And that obviously

makes it much more difficult to deal with the nuclear issue in isolation.

And finally, Laura, I think that it is possible that Iran could

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decide after the president elections to accept the small deal that's on the

table now. In fact, I think it's a pretty good deal from Iran's standpoint if

they're looking for a way to create some respite from pressure and

sanctions. What's on offer would do that. It might not lead to a

comprehensive deal but at least it would slow down the sanctions train.

The trouble with putting forward a big idea is I think it's

virtually guaranteed to fail because anything we would accept in terms of

end state in terms of what their nuclear program would look like I just think

is fundamentally unacceptable to the Iranians because it would take away

their nuclear weapons capability and that's the whole purpose of the

program.

MR. PIFER: Javier, last word.

MR. SOLANA: Let me make a comment on the three

questions and a final reflection.

I think the first thing I would like to say is that the level of

mistrust between the United States and the Western world and Iran is

really very difficult to convey. You cannot imagine the level of mistrust.

The second the War of Iraq-Iran has not been forgotten in

Iran and we were playing the role of Iraq at the time and still that is really

(inaudible) in the second negotiation had a leg lost when he was 14 years

of age in the War of Iraq-Iran. So this is really * keep in mind this is a very

difficult situation still to recuperate the trust. Number one.

Number two, in the most candid moment in the negotiation that I had, the moment we are walking and there were no interpreters, we could speak English if we speak it. And I asked what would be your dream? Could you tell me what you wanted to obtain really? And I take it it is not the complete answer but a very important direction of what he wants. We look very much to Brazil. Why do you look to Brazil so much? Brazil is a regional power. Brazil has a nuclear reactor which is nuclear. But they have not produced anything. They have been allowed to have certain capability which had not been used, et cetera. But they have that. They want to be a regional power recognized, and in order to be a regional power recognized they need to have some level of -- well, you look at the world. You have Japan. You have Brazil. You have Argentina. And I will not stop. There are some others which are with some capabilities. So why are we not? This is the question. Why do you not allow us to go that far? Well, the answer is we don't trust the situation. But Brazil was always in the -- not always but when we talked candidly Brazil was a good model for them. I don't know if that answers you but regional power with the recognition that they were a class A. Class A means you are at the level of capabilities in nuclear activity.

SPEAKER: Brazil was part of the Atlantic Declaration.

That's why. Iran was the second one.

MR. SOLANA: I don't have anything else to say. It's going to be very difficult but I think it's doable. That is what I really think.

MR. PIFER: Okay. With apologies to those who I could not get to their questions, please join me in thanking our speakers

(Applause.)

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CERTIFICATE OF NOTARY PUBLIC

I, Carleton J. Anderson, III do hereby certify that the forgoing

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direction; that said transcript is a true record of the proceedings therein

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