
The Iranian Shell Game

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EVER SINCE a defector exposed the existence of Iran's nuclear program in 2002, the regime in Tehran has routinely protested its innocence in the face of charges that it is developing fissile weapons of mass destruction and the missiles on which to carry them. Its nuclear program, Tehran claims, has only civilian purposes, and it is allowed to pursue such a program under the terms of the binding international treaties to which it is a signatory.

If Iran is telling the truth and desires solely nuclear *energy*—which would be peculiar, to say the least, considering that under its sands rest the world's second largest natural-gas reserves and the world's fifth largest crude-oil reserves—its behavior these past six years makes no sense. The regime would seem to have had everything to gain from making it crystal-clear to the world that it has no intentions of developing nuclear weapons. Instead, it has rejected repeated and alluring incentives designed to seduce it into demonstrating the non-existence of the efforts it continues to insist it is not undertaking. In the process, it has had to suffer painful economic sanctions imposed by the United Nations and the United States. Its six years of defiance and stonewalling have led to increasing diplomatic isolation.

As a matter of simple logic, then, it is only rational to conclude that Iran is working, and working

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very hard, to become a nuclear power. But there may be logic of a different and no less compelling kind behind its actions. For, at the end of these same six years, many in the West remain fiercely committed to the idea that discussing the dangers of Iran's pursuit of nuclear power—let alone discussing how to stop it—represents a greater threat to the world than does the Iranian pursuit itself.

For a significant portion of the world's foreign-policy makers and intellectuals, any confrontation with Iran on the matter of its nuclear program is dangerously provocative and therefore to be avoided. In particular, prominent European leaders have roundly denounced the supposed "adventurism" of the Bush administration and insisted that (in the words of one leading German Social Democrat) "military options must be taken off the table." Authoritative American voices joined this chorus in the wake of a 2007 U.S. National Intelligence Estimate that declared (in an assertion supported by no other intelligence agency in the world) that Iran had suspended its nuclear-weapons program in 2003. More recently, elements within Western foreign-policy establishments have gone a step further and have begun to suggest that the world can "live with" an Iranian bomb.

And here we see why Iran's behavior over the past six years has been neither irrational nor foolhardy but rather shrewd, calculated—and successful. Even while loudly repudiating allegations that it is pursuing a military program, the regime has

used every technique at its disposal to sow confusion and encourage divisions among its adversaries. These techniques have been of vital importance in gaining time for Iran as it has worked tirelessly toward a *fait accompli* by procuring the technology necessary for the development of nuclear weapons—including most saliently through the purchase of equipment and materiel that it cannot, by treaty and international law, possess.

IRAN'S EFFORTS to gain equipment vital to a secret nuclear program are mostly centered in Europe. In this, the involvement of the Iranian Revolutionary Guard Corps (IRGC), the elite branch of the nation's military, has been pivotal. The IRGC occupies a key place in the Iranian regime. Mahmoud Ahmadinejad, the president, is a former senior officer of the corps, as are the head of the nation's security services and the chief of its information ministry. Iran's homegrown missile, the Shahab, is a product designed and built by the IRGC.

The IRGC is also reliably believed to be in charge of the nation's nuclear program. The two UN resolutions sanctioning Iran for its nuclear activities were targeted at senior IRGC officials. And the United States government, noting the IRGC's relationships with Hizballah, Hamas, and the Iraqi insurgents, has declared the IRGC to be a terrorist organization.

Consider now a few cases, beginning with a single public-works project inside Iran.

- Two European concerns—Wirth, from Germany, and Seli, from Italy—sold tunnel-boring equipment to Iran for its Ghomroud water project. Wirth's contract was concluded after Germany's export-control agency, BAFA, determined that the machines involved in this project, being intended only for civilian use, were not subject to embargo.

Overseeing the tunnel project, however, was Sahel Consulting Engineers, a company owned by the IRGC. Nor is this connection a secret. The website of Wirth's subsidiary in Iran features images of the Ghomroud construction site. The sign welcoming visitors to the project bears the logo of the IRGC, and the same logo is visible above the tunnel entrance.

Seli, for its part, sold its tunnel-making goods to an Iranian company called Ghaem. This sale, too, was found to be exempt from any restrictions or embargoes. But the U.S. Treasury has designated Ghaem as yet another subsidiary of the IRGC. Seli, in the meantime, is also involved in other important projects in Iran, among them the much larger

Kerman water-tunnel project. That deal, worth 134.6 million euros over five years, was signed in 2004—with the active involvement of Sahel Consulting Engineers.

Unquestionably, the equipment has been used to dig water tunnels at Ghomroud and Kerman. Once the digging is finished, though, the equipment belongs to the subsidiary businesses of the IRGC, which can do with them what they wish.

Intelligence photographs have regularly indicated that much of Iran's clandestine nuclear program is being built deep underground, in bunkers accessible by means of tunnels. The machinery and technology for constructing such tunnels can only have been provided by Wirth and Seli. The purchase of this equipment by Iran is perfectly legal. The uses to which it may sooner or later be put are something else.

- Many European companies are also selling highly sophisticated technology to Iran, and are doing so through businesses that are already known to have diverted such technology to industrial activities related to weapons of mass destruction and their delivery systems. The deals concluded by these Iranian businesses, or "end-users," can appear as legitimate as building water tunnels.

For example, Iran's Samamicro distributes high-precision tools made by a number of European companies, including Austria's Grabner Instruments, a leader in laboratory-testing equipment for the petrochemical industry, and Mahr GmbH, a German company producing high-precision measuring instruments. The value of such tools for illicit nuclear purposes is beyond dispute.

Italy's Iveco and Germany's Mercedes have also built an assembly line in Iran. No doubt the assembly line is used to produce trucks, as it is intended to do. But it is equally appropriate for producing launch ramps for missiles. Then there is Austria's KTM, which makes off-road leisure motorbikes. As can be clearly seen in official photographs, such bikes are being used by the IRGC to create mobile units trained to fire rocket-propelled grenades.

- And then there is military equipment per se. Most European military exports to Iran are flatly outlawed—but not all. The problem, once again, is the possible diversion of authorized equipment to illegitimate ends.

A patrol boat called the *Levriero*, made by the Italian company FB Design and used by Italy's customs police to fight smuggling at sea, was purchased by Iranian emissaries in the 1990's together with the boat's manufacturing frame and design plans. Thanks to those plans, Iran is now able to

produce the vessel locally. Iranian-made copies of the *Leviero* took part in a peculiar incident this past January in the Straits of Hormuz, when IRGC speedboats seemed bent on provoking a confrontation with U.S. warships. They may also have participated in the March 2007 high-speed chase in the Shatt-el-Arab waterway that led to the kidnapping of fifteen British sailors.

Even when military goods are supplied to Iran under tight controls and for specific purposes, nothing is quite what it seems. In 2003, the United Kingdom and Italy supplied night-vision equipment to Iran's police for their anti-drug units. Quantities of this high-tech gear reportedly turned up inside the headquarters of Hizballah in southern Lebanon during the latter's 2006 confrontation with the Israeli army.

In 2005, Iran purchased 800 high-precision sniper rifles from the Austrian firm Steyr-Mannlicher, once again for ostensible use by police anti-narcotics units. When the United States imposed sanctions on Steyr-Mannlicher over this sale, Austria's defense ministry protested that it had been "unimpeachable." Fourteen months later, U.S. troops in Iraq seized more than 100 of the Steyr-Mannlicher rifles during a raid on an insurgent position. Steyr-Mannlicher denied that the guns had come from its consignment to Iran—which may have been true, since an exact replica of the rifle, apparently made in Iran, went up for sale at an arms fair in Tehran in 2006.

In brief, European and other Western companies, acting often with the blessing of their governments, have supplied Iran with a variety of sophisticated tools, putatively for benign or even worthwhile aims. Soon after the merchandise reaches its destination, it is systematically diverted to non-civilian use. By this means, proceeding with or without the knowing collusion of its Western suppliers, Iran has been spectacularly successful in evading the international sanctions regime.

BUT THERE is another, simultaneous aspect to Iran's success. This has been its campaign, waged on the diplomatic front, to prevent the international community from determining just what *are* its intentions, its strategies, and above all the state of its capabilities in the area of nuclear weapons.

The job of making that determination has fallen to Mohammad ElBaradei, the director of the International Atomic Energy Agency (IAEA), a branch of the United Nations. Since 2003, at regular intervals, ElBaradei has been reporting back to the UN on what the IAEA has been able to learn from the

Iranians and other sources. His reports have conveyed much sobering information, a tone (whether feigned or not) of urgency, and no indication of progress whatsoever. To the contrary, what they disclose are the successful workings of an Iranian policy aimed at occluding the IAEA's perspective through steady denial, the provision of incomplete or misleading information, and plain stalling.

On June 18, 2003, faced with mounting signs of a possible military nuclear program, ElBaradei announced: "We need to solve this issue as soon as we can."

Two months later, in late August, he worried:

The information [we have procured] was in contrast to that previously provided by Iran. In addition . . . there remain a number of important outstanding issues, particularly with regard to Iran's enrichment program, that require urgent resolution.

A few days after that, he permitted himself a faint note of impatience:

Iran should not wait for us to ask questions and then respond; it should come forward with a complete and immediate declaration of all its nuclear activities. That would be the best way to resolve the issues within the next few weeks.

The "best way," indeed—but that is clearly not how the Iranians saw it. By November 2003, without any evidence of Iranian cooperation, ElBaradei reported:

Iran's nuclear program, as the agency currently understands it, consists of a practically complete front end of a nuclear-fuel cycle, including uranium mining and milling, conversion, enrichment, fuel fabrication, heavy-water production, a light-water reactor, a heavy-water research reactor and associated research-and-development facilities.

These words should have been enough in themselves to confirm what Iran was up to. But they were uttered just as the American failure to find weapons of mass destruction in Iraq had become a dominating fact on the international horizon. As it happens, ElBaradei himself had been a not-insignificant player in efforts at the United Nations to stymie the U.S. effort to topple Saddam Hussein, and he was not about to present a dossier that might now incriminate Iran beyond the shadow of a doubt. Despite the facts adduced in his report, he continued to caution that there was still no *conclusive* evidence of a military program.

Almost exactly two years later, with still more

facts surfacing, ElBaradei was, as ever, polite:

In order to clarify some of the outstanding issues related to Iran's enrichment program, Iran's transparency is indispensable and overdue.

And once again the Iranians evidently felt otherwise. On January 27, 2006, ElBaradei wrote of repeated requests for a meeting with Tehran

to discuss information that had been made available to the [UN] about alleged studies, known as the Green Salt Project, concerning the conversion of uranium dioxide into UF₄ [the immediate precursor of fissile uranium] . . . as well as tests related to high explosives and the design of a missile re-entry vehicle, all of which could involve nuclear material.

A month later, on February 27, 2006, he again reported failure:

Iran has yet to address the other topics of high-explosives testing and the design of a missile re-entry vehicle.

And a few months after that, on June 8, 2006:

[But] since the last report, . . . Iran has not expressed readiness to discuss these topics further.

The Iranians went on ignoring him. On August 31, 2006, he wrote:

Iran has not expressed any readiness to discuss these topics since the issuance of the . . . report in February 2006.

More than a year later, after Iran had endured two rounds of UN sanctions for its failure to comply with the IAEA, nothing had improved:

Iran has not agreed to any of the required transparency measures, which are essential for the clarification of certain aspects of the scope and nature of its nuclear program.

On February 22 of this year, ElBaradei conveyed Iran's response to mounting signs of a clandestine military program:

Iran stated that the allegations were baseless and that the information which the agency had shown to Iran was fabricated.

Forever tactful, the IAEA gave Iran another chance to come clean—to which Tehran summarily replied that “this was its final assessment on this point.” The agency then showed Iranian officials a warhead design that it had obtained from the hard drive of an Iranian computer and deemed “quite

likely to accommodate a nuclear device.” Iran once more replied that “the schematic layout shown by the agency was baseless and fabricated.”

This past May, ElBaradei caught the attention of Western news media with his latest report. In it, he duly noted that Iran had failed to explain the existence of a diagram for an underground testing facility; failed to explain the testing of explosive detonators normally used for nuclear weapons; and failed to explain the existence of documents (including a short video clip) relating to the modification of Iran's Shahab-3 missile to enable it to accommodate a nuclear warhead. Perhaps most disturbing in the report was this offhand passage about work being done by a scientist at the Institute for Applied Physics (IAP), an Iranian *military* research facility:

The [IAEA] has also inquired about the reasons for inclusion in the *curriculum vitae* of an IAP employee of . . . [an] equation for the evolving radius of a nuclear-explosion ball with photos of the 1945 Trinity test.

That would be the explosion of a plutonium bomb in the New Mexico desert on July 16, 1945. Why would an IAP scientist have been working on this equation? One reason might be that his employers saw a possible application for it in Iran's current circumstances.

ELBARADEI HAS been at his task for more than five years. Even now, he will not come out and declare that Iran has a program to develop and deploy nuclear weapons. In fact, what five years' worth of mounting information in ElBaradei's own reports indicates is that this program can only have advanced. Notwithstanding the levying of sanctions by the United Nations and the United States, notwithstanding the ever-diffident nagging of the IAEA, the Iranian strategy of obfuscation, duplicity, and delay has worked.

“All warfare,” Sun Tzu wrote,

is based on deception. When able to attack, we must seem unable; when using our forces, we must seem inactive; when we are near, we must make the enemy believe we are far away.

It is also true that, in diplomacy no less than in war, deception works because those being deceived prefer to live within the deception rather than to acknowledge the sobering facts staring them in the face, and thereby to accept the frightening responsibility of having to act to address and reverse them.