

Column

Iran and the Nuclear Leverage of Non-Nuclear-Weapon States

In Chapter 2, Ohnishi Ken discussed the effectiveness of compellence by means of nuclear weapons. Although he emphasized the need for further verification, he presented the conditions for successful nuclear compellence in his discussion, such as ensuring that demands avoid involving the vital interests of the other party. The cases discussed in the chapter were limited to nuclear-armed states, and it can be said that the targets of discussion were compellence against the backdrop of use of nuclear weapons. However, there are also dynamics in international politics involving negotiations concerning the development of nuclear weapons by non-nuclear-weapon states, such as the Six-Party Talks on North Korea's nuclear development that began in 2003. Moreover, North Korea has repeatedly conducted nuclear tests since 2006, and in 2022 adopted a law stipulating conditions for use of nuclear weapons.¹ Some researchers have begun to discuss whether North Korea should be considered a de facto nuclear-armed state.²

The behavior of Iran has also been attracting attention, as it is a proliferation threshold state that is feared to possess nuclear weapons next; in other words, it is a non-nuclear-weapon state with nuclear leverage.³ In particular, since the Trump administration withdrew from the Joint Comprehensive Plan of Action (JCPOA), Iran has been conducting uranium enrichment and restricting access in safeguard inspections by the International Atomic Energy Agency (IAEA). These moves have continued

even as negotiations over the return of the United States to the JCPOA are underway under the Biden administration. While Iran has taken unsettling action by increasing its uranium enrichment rate, it has also shown its willingness to continue negotiations by expressing a serious will to restore the JCPOA. How should this carrot-and-stick stance of Iran be understood in the context of nuclear non-proliferation? This paper endeavors to interpret Iran's nuclear policy by focusing on the nuclear leverage of non-nuclear-weapon states.

Nuclear Leverage of Non-Nuclear-Weapon States

Negotiating using nuclear leverage is not a measure limited to nuclear-weapon states or nuclear-armed states. Tristan A. Volpe argues that there was nuclear leverage by a non-nuclear-weapon state in the 1994 agreement in which North Korea, then a non-nuclear-weapon state, pledged to halt its development of graphite-moderated reactors in return for receiving provision of light-water reactors.⁴ Volpe uses the term “nuclear latency” to refer to such nuclear leverage by a non-nuclear-weapon state, and identifies the prerequisite for success as involving the importance of actual nuclear development capability as well as the importance of the non-nuclear-weapon state convincing other countries that it intends to make concessions on its nuclear development when political concessions are obtained from the other countries. In other words, the nuclear leverage possessed by a non-nuclear-weapon state can be said to be achieved by satisfying the “sweet spot,” where the non-nuclear-weapon state makes the other states recognize its resolve to proceed with nuclear development if there is no compliance with its requests, as well as its willingness to compromise on nuclear development if there is compliance with its requests.

“Virtual nuclear arsenals” is a useful concept for understanding non-nuclear-weapon states that nevertheless have nuclear leverage. Although commentators have made different points about virtual nuclear arsenals, Ichimasa Sukezuki has identified the following three types of virtual nuclear arsenals:⁵ (1) states that have the technology to develop nuclear weapons but decide not to do so; (2) a form of nuclear arms control in which nuclear-weapon states remove their nuclear weapons readiness; and (3) non-nuclear-weapon states that position themselves as states capable of nuclear armament. This paper defines virtual nuclear arsenals in the sense of (3). The next section summarizes the background and policy trends that led to Iran becoming a state with a virtual nuclear arsenal.

Iran's Alleged Nuclear Development

North Korea, which is believed to possess about 40 nuclear warheads as of June 2023, is an example of nuclear proliferation in violation of the Nuclear Non-Proliferation Treaty (NPT), and its denuclearization has long been demanded by the international community. Meanwhile, as there are cases of previous studies that positioned North Korea as a de facto nuclear-armed state, North Korea is not equivalent to a state with a virtual nuclear arsenal as defined in this paper.⁶ On the other hand, among non-nuclear-weapon states, Iran is a state of proliferation concern and is approaching nuclear possession. Uncertainty has been rising about the opacity of Iran's nuclear development since around the time of the U.S. withdrawal from the JCPOA.⁷ The following is a summary of Iran's nuclear development moves by time period with descriptions of their characteristics.

Period of Secrecy (1985–2002)

It is believed that the Islamic Republic of Iran became interested in nuclear development around 1985 during the Iran-Iraq War.⁸ Amid the war, Iran was subjected to chemical weapons attacks by Iraq and appealed to the international community, but was ignored by the Western powers and the Soviet Union, which were supporting Iraq at the time.⁹ This was because the Islamist regime, which was established following the 1979 Iranian Revolution and the subsequent domestic power struggle, formulated a “neither East nor West” foreign policy under the leadership of Ayatollah Ruhollah Khomeini and isolated itself in the international community during the Cold War.¹⁰ It has been pointed out that Iran's predicament during the Iran-Iraq War shaped its view of national security to this day.¹¹ In addition, Israel, Iran's greatest adversary in the Middle East, is considered a de facto nuclear-armed state, although it has a “policy of ambiguity” of neither denying nor affirming its possession of nuclear weapons.¹² In other words, it can be said that Iran's motivation to possess nuclear weapons is based on its isolation in the international community and the harsh security environment in the Middle East, including the presence of its adversaries Israel and the United States.¹³ Against this backdrop, Iran pursued its nuclear development in secrecy through the provision of highly-classified information from the so-called “Khan's network” and independent development.¹⁴

Exposure of Alleged Nuclear Development and the Conclusion of the JCPOA (2002–2018)

Although Iran continued its nuclear development in secret from the international community for as long as 17 years, allegations came to light in 2002. The IAEA revealed Iran's clandestine nuclear activities after the Iranian dissident group Mojahideen-e Khalq revealed that nuclear facilities were being built in the country's central region of Natanz and western region of Arak. The United Kingdom, Germany, and France (EU3) sought a solution through diplomacy and conducted negotiations with the administration of the reformist President Mohammad Khatami. As a result, the Paris Agreement was concluded in 2004, in which Iran pledged to suspend its enrichment activities.¹⁵

However, when the conservative hardliner Mahmoud Ahmadinejad was inaugurated as President in 2005, Iran resumed its uranium enrichment activities. In January 2006, Iran removed seals at its Natanz facility to resume uranium enrichment research and development. In July of the same year, the United Nations Security Council (UNSC) Resolution 1696 demanded that Iran suspend all enrichment-related and reprocessing activities. However, Iran claimed its use of nuclear energy was for peaceful purposes and continued its enrichment activities, leading to the adoption of UNSC Resolution 1747 in 2007, which included stricter sanctions.¹⁶ Although sanctions were tightened after this, enrichment activities continued and expanded in Iran during the Ahmadinejad administration. In February 2010, Iran began enriching uranium to 20% purity,¹⁷ which is classified as highly enriched uranium. Also in 2010 as well as 2013, Ahmadinejad declared Iran a "Nuclear State."¹⁸ On the other hand, he repeatedly stated that Iran had the ability to enrich uranium to 80% purity but did not do so because it did not need to, and that Iran had nuclear capabilities but would not use them to attack Israel. In other words, it can be said that Iran during the Ahmadinejad administration positioned itself as a state with a virtual nuclear arsenal.

In August 2013, when the conservative hardliner Ahmadinejad was replaced by the conservative moderate Hassan Rouhani, who has been advocating the lifting of sanctions and economic reforms, Iran turned its attention to dialogue with the international community regarding its nuclear development. In November of the same year, Iran, the IAEA, and the EU3+3 (the EU3 plus the United States, China, and Russia) announced a "Joint Plan of Action" to resolve the issue of Iran's nuclear program. Negotiations to agree on the Joint Plan of Action were advanced, and Iran suspended enrichment above 5% purity from January 2014. In July 2015,

Iran and the EU3+3 reached a final agreement on the JCPOA at a foreign ministerial meeting. Iran would take more than one year to acquire nuclear weapons (breakout time) by drastically restricting its nuclear development, including keeping enrichment below 3.67% purity, while Western countries would lift economic sanctions against Iran. As is clear from these stances, Rouhani, unlike Ahmadinejad, is seen as having refrained from stances and statements that would flaunt Iran's nuclear development capabilities.

After the U.S. Withdrawal from the JCPOA (from 2018)

This paper has discussed Iran's nuclear development movements across administration changes. However, it is believed to have been the United States that brought about a change of phase in Iran's nuclear development after the JCPOA was enacted. On May 8, 2018, the Trump administration announced its withdrawal from the JCPOA and reimposed sanctions against Iran. The administration was concerned that the JCPOA would not deter Iran's missile development and geopolitical competition with proxy powers in Middle Eastern countries, and modified its policy toward Iran to apply "maximum pressure" on the country.

For a year, Iran complied with the JCPOA under so-called "strategic patience."¹⁹ However, on May 8, 2019, exactly one year after the United States announced its withdrawal from the JCPOA, Iran announced a partial suspension of its implementation of the agreement, and has since then implemented actions in violation of the agreement. In July of the same year, Iran's enrichment exceeded 3.67% purity, and in January 2020 the following year, Iran announced that it would carry out uranium enrichment without limits. The Biden administration was inaugurated in January 2021, and indirect talks aimed at rebuilding the nuclear agreement began in April of the same year. However, negotiations had to start from scratch due to the inauguration of the conservative hardliner Ebrahim Raisi as President in August of that year.

As a result of Iran's promotion of its nuclear development in the wake of the JCPOA's suspension, according to an IAEA report, Iran possessed 121.6 kilograms of uranium with an enrichment purity level of 60% as of August 2023.²⁰ In addition, Iran's breakout time is believed to have been reduced to a few weeks.²¹ Although Iran explained that unintended enrichment may have occurred, and the IAEA expressed the view that it had been confirmed that no production or accumulation had occurred, there was confirmation of uranium enriched to 83.7% purity in January 2023.²² Furthermore, Kamal Kharrazi, a foreign policy advisor to Supreme Leader Ali Khamenei and former Foreign Minister, stated, that Iran has the capability to produce

nuclear weapons, but had not made any such policy decisions.²³ In other words, it appears that some senior members of the Iranian leadership, like the Ahmadinejad administration, have assessed their country's nuclear capability and asserted that it is in a position to be able to acquire nuclear weapons.

Constraints on Iran's Nuclear Possession

We have taken a look at the background and movements of Iran's nuclear development. However, the country has yet to acquire nuclear weapons despite the fact that nearly 40 years have passed since the start of its nuclear development program. The following three points have been pointed out as reasons for this. First, unlike India, Pakistan, and Israel, Iran is a signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and has demonstrated its compliance with the treaty.²⁴ Although there are issues, such as the fact that Iran conducted clandestine nuclear development for about 17 years, Iran has accepted inspections by the IAEA and the reports have been published. In addition, the NPT is a factor for inhibiting nuclear development, and is also an important tool for Iran to maintain the legitimacy of its claims. Even the hard-line conservative administrations of Ahmadinejad and Raisi have claimed that Iran's nuclear development is for peaceful purposes and have demonstrated their position of not possessing nuclear weapons.

The second reason is the possibility of a preventive strike by the United States and Israel. In particular, Israel has made statements suggesting a preemptive strike against Iran, such as Prime Minister Netanyahu's position in 2012 that a uranium enrichment rate of 90% is considered a "red line."²⁵ In 2022, then Defense Minister Benny Gantz also stated that Israeli forces may attack Iran's nuclear facilities within two or three years.²⁶ In fact, Israel is believed to have attacked the Osirak reactor in Iraq in 1981 and the al-Kibar reactor in Syria in 2007. Apart from these large-scale attacks, assassinations and sabotage have occurred, presumably by Israel and others seeking to sabotage nuclear development. In addition to explosions at the Natanz nuclear facility in 2020 and 2021, nuclear scientist Mohsen Fakhrazadeh, who was leading Iran's nuclear development, was assassinated.

The third reason is that Khamenei is considered to have issued a fatwa (interpretation of Islamic law) in 2003 that the production, storage, and use of nuclear weapons is haram (religiously prohibited), and the Iranian government has frequently referred to this fatwa to emphasize the peaceful aspects of the country's nuclear development.²⁷ Khamenei has held the

position of supreme leader since 1989 and is an extremely important figure in Iranian policymaking. Although there are differences of perception among Iranian officials over whether or not the fatwa prohibiting the possession of nuclear weapons is permanently effective, it is considered unlikely that they will overturn Khamenei's longstanding assertion during his tenure.²⁸

In spite of the above constraints on possessing nuclear weapons, it is believed that in some successive administrations, Iran has discovered the benefits of being a state with a virtual nuclear arsenal and has exercised its nuclear leverage. By not possessing nuclear weapons, Iran avoids being the target of a preemptive strike and is consistent with its existing claims, while at the same time being perceived as capable of possessing nuclear weapons, which can be used as political (nuclear) leverage against the United States and Israel. In this situation, Iran has also sought to use its nuclear development promotion and related negotiations as leverage. For example, in negotiating the rebuilding of the JCPOA, Iran is reportedly demanding the lifting of the Islamic Revolutionary Guard Corps' designation as a terrorist organization which has been in place since 2019, a demand which was not originally part of the JCPOA. Furthermore, the Raisi administration has claimed that Europe is not fulfilling its obligations under the JCPOA and stated that Iran is enriching uranium as a countermeasure.²⁹ On the other hand, the administration has expressed a serious will to rebuild the JCPOA, which can be considered a willingness to negotiate in order not to lose political leverage in terms of promoting or constraining nuclear development.³⁰

In the context of nuclear non-proliferation, Iran's policy signifies a state of potential possession, without reaching the stage of actual possession, of nuclear weapons. For a country like Iran, it can be the optimal solution to have the status of a state with a virtual nuclear arsenal in the case of the existence of strong constraints on its possession of nuclear weapons amid factors that make it desire to possess nuclear weapons for security reasons. Whether a state actually comes to possess nuclear weapons depends largely on the degree to which it is faced with the need to possess nuclear weapons and the degree to which its leadership can tolerate the political disadvantages of possessing nuclear weapons in a particular context. However, the case of Iran's nuclear development may suggest the existence of a gap in nuclear proliferation that lies between the possession of nuclear weapons and their abandonment.

It is also necessary to consider Iran's alleged nuclear development from the perspective of regional security in terms of nuclear non-proliferation in the Gulf region as a whole. In September 2023, Saudi Crown Prince Muhammad bin Salman stated that if Iran were to acquire nuclear weapons, Saudi Arabia would do the same.³¹ The fact that such a statement was made

despite Saudi Arabia and Iran having reached a normalization agreement in March of the same year indicates the depth of concern on the part of Saudi Arabia about Iran's nuclear proliferation. If Iran were to acquire nuclear weapons, there is no denying the possibility of a so-called "nuclear domino" occurring, and together with a preemptive strike by Israel as mentioned earlier, there is a risk that the problems surrounding nuclear weapons in the Middle East region could rapidly worsen.

Conclusion

Nuclear-armed states are not the only actors that wield nuclear leverage. This is because a certain type of political nuclear leverage arises when countries pursue nuclear development before they reach the stage of possessing nuclear weapons, such as this paper's subject Iran as well as North Korea before it came to be regarded as possessing nuclear weapons. This paper has analyzed Iran's nuclear policy as a case of a non-nuclear-weapon state that is nevertheless a state with a virtual nuclear arsenal that can acquire nuclear weapons, and utilizes its nuclear development as political nuclear leverage.

Iran is believed to have been pursuing its nuclear development since 1985, taking lessons from its isolation on an international level during the Iran-Iraq War. As a result of the conservative hardliner Ahmadinejad administration's uranium enrichment despite the sanctions imposed by Western countries, the Iranian administration during this period is believed to have come to regard itself as a state with a virtual nuclear arsenal. The subsequent Rouhani administration achieved the lifting of sanctions against Iran in return for curbing its nuclear development through the JCPOA. However, Iran resumed uranium enrichment due to the Trump administration's withdrawal from the JCPOA. The conservative hardliner Raisi's administration continued uranium enrichment to achieve purity levels of 60% as well as 83.7%, though concluded to be accidental, which is unprecedentedly high for Iran. The Raisi administration has used its nuclear development as political (nuclear) leverage in negotiations for the rebuilding of the JCPOA, including its demand for the lifting of the Revolutionary Guard Corps' designation as a terrorist organization. Amid various domestic and international constraints on the possession of nuclear weapons, it is possible that Iran's "balanced" security policy is to remain capable of possessing nuclear weapons in the relatively short term, but not to actually acquire them.

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5. Ichimasa Sukeyuki, "The Concept of Virtual Nuclear Arsenals and 'a World without Nuclear Weapons,'" *NIDS Journal of Defense and Security*, no. 13, English edition (December 2012): 23-37.
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