

Center for Strategic and International Studies (CSIS)

Schieffer Series “Iran: U.S. Policy Options”

**Moderator:
Bob Schieffer,
Chief Washington Correspondent,
CBS News**

**Speakers:
Retired General James E. Cartwright, USMC (Ret.)
Harold Brown Chair in Defense Policy Studies,
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**Admiral William J. Fallon, USN (Ret.)
Former Commander,
U.S. Central Command**

**David Sanger
Chief Washington Correspondent,
New York Times**

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ANDREW SCHWARTZ (Senior Vice President for External Relations, CSIS): Good evening, and welcome to the Center for Strategic and International Studies. Thank you all for being here. I'm Andrew Schwartz; I'm our senior vice president for external relations. We have a terrific program tonight and thank you all for coming out on behalf of CSIS and the Schieffer School of Journalism at Texas Christian University.

This week we lost a couple great, great journalists, and I wanted to remember them:

Anthony Shadid, particularly, had a relationship with CSIS. Anthony's cousin worked here as a young man – just left to go to business school. There's a great, great essay at csis.org by our Middle East program director Jon Alterman, who was a friend of Anthony's for 20 years. And I urge all of you to watch it.

This will also be tweeted live tonight, csis_org, with the hash sign, "Schieffer series". With that, I'll give it to Bob Schieffer.

BOB SCHIEFFER: Well, thank you very much, Andrew, and welcome on behalf of TCU and the journalism there, and CSIS – boy, have we got a good one today. We try to stay on top of the news, and we're right on top of it because we're going to talk today about Iran – what could be done about it; what should be done about it; what does the future hold there –

Jim Cartwright, United States Marine Corps Retired, holds the CSIS Harold Brown Chair in Defense Policy Studies. He served as Commander U.S. Strategic Command before being nominated and appointed as the eighth vice chairman of the Joint Chiefs of Staff – served a four-year tenure as the nation's second-highest military officer, across two presidential administrations.

Admiral William Fallon, on my right – Former Commander of the U.S. Central Command – has served as Commander of the U.S. Pacific Command, the U.S. Fleet Forces Command and the U.S. Atlantic Command.

And down here are General David Sanger – (laughter) –

MR. : Oh, what's his name?

MR. SCHIEFFER: – who knows a whole lot about everything. He's the chief Washington correspondent for The New York Times, one of the newspaper's senior writers. And for those of you tweeting, he really isn't a general –

(Laughter.)

I forget, in this day of the Internet, there are no jokes.

(Laughter.)

In more than 25 years at the paper, he's reported from New York, Tokyo and Washington. He's author of the book, "The Inheritance: The World Obama Confronts and the Challenges of American Power." You haven't seen his byline a lot lately because he's in the process of writing another book. So – David, what is your –

Well, let's just start off – if we could give you a little plug, here – what's the new book going to be about?

DAVID SANGER: The new book is a look at the Obama administration's national security policy. It deals a lot with Afghanistan and Pakistan. It deals a lot with Iran, as you would imagine, and a bit with the Arab Spring, and China – but mostly it's an effort to try to explore what's new and different about this administration versus the Bush administration, what – how you compare the promises that they came in with with what's actually happened. And the world's been a little busy in the years since the president was inaugurated.

MR. SCHIEFFER: When does it come out?

MR. SANGER: It comes out in June.

MR. SCHIEFFER: All right, well we'll all be waiting for it. Well, let's just start out by this:

I'd like to ask you two gentlemen. If President Obama called you – if you were still on active duty – and said, what do I do about Iran? What would you tell him?

(Laughter.)

GENERAL JAMES E. CARTWRIGHT: How do you spell that?

(Laughter.)

We're going to start with the easy questions – (chuckles).

MR. SCHIEFFER: Give us a little rundown on where you think things are there now, what the situation looks like there, and –

GEN. CARTWRIGHT: My concern with Iran – you know, if you were to get one of those telephone calls – is that we have, as a nation, for several administrations now, embarked on a negotiating diplomatic approach along with a delaying strategy to try to stretch out the timelines to have the opportunity for a diplomatic solution to work. There are those around the world and certainly in the United States that believe that clock is ticking and starting to run out of time. And so what are the logical next steps that you would want to worry about and think your way through – not necessarily because you'd execute them, but you want to have them in your head.

And so, you know, the thought process of – several presidents now have said, not on my watch, no way. Will we ever allow that to happen? What does that mean?

(Chuckles.) And we said that about Korea, too.

What does it mean? How do you want to handle that? Are you going to do something more provocative, more overt, to slow this timeline down – which most people are thinking along the lines of a military strike – is that a possibility if you were going to do that? What would the implications be, what would the likely counters be, etcetera, and think your way through that. Is there more negotiating that can be done through sanctions and delaying strategies that might be successful and fruitful? And then, if – because the Iranians get a vote in this – if they decide that they want to go ahead and announce that they're moving in this way, what are the implications of something like that?

And I think in the context you have to worry about 10 years of war, a country that's war-weary, a world that is in financial discord, so to speak – and challenged –

The likelihood of a strategy that would deny the Iranians is probably a strategy that requires an invasion and a change of administrations in Iran. The likelihood that that's going to occur in the same year that you're going to get a new Chinese government and a new French government, a new U.K. government, and the United States – whatever – you know, that stacks up pretty hard against some sort of a kinetic act on our part, or an invasion-type activity.

So those are the things that are on the table. The likelihood that something in the year of 2012 occurring that would challenge that, I think is pretty high.

MR. SCHIEFFER: Admiral, let me ask you. How close do you think Iran is to achieving a meaningful nuclear capability?

ADMIRAL WILLIAM J. FALLON: Short answer; I don't know. And I don't know that many people outside of Iran – or whether the Iranians really know. There's a lot of opinion out there, and exactly what their intentions are, how far they've gone, whether they would actually if they had the means weaponize some nuclear capability. I think it remains to be seen. Right now, by them keeping things ambiguous – it suits them. I think that's actually fairly clever, particularly if their real intention is to proceed.

But what really strikes me now is, again, we're reaching this crescendo of talk – just constant – war, war, war – it's almost like the old movie, the black and white – (inaudible) – beating the drum, and the galley slaves, and the chant goes on. Certainly not very helpful at all.

There are a lot of balls in the air right now. I think General Cartwright certainly ticked off the better part of a couple dozen of them here. And all of these things make this extremely complex. The sound bite that – sound bites – that we see in the media would simplify this thing, or seemingly makes it very simple. It's not at all. And so what I think about this is that – go back to a couple of fundamentals. And one of them is that the Iranian regime which has been in

place now for several decades – and the United States have had virtually no dialogue. There’s been talk, there’d been a couple of starts and few, let’s go have a discussion – but there really hasn’t been any meaningful dialogue since the revolution. And there’s a pretty nasty history here which a lot of people are aware of.

So getting anything started in the way of a dialogue is a challenge. It is, and particularly with the regime basing a lot of its pillars of longevity on the fact that the U.S. is the archenemy, and galvanizing support to demonize the U.S. makes it all the more challenging.

MR. SCHIEFFER: David, what do you – what do you – tell us where you think this is right now. Are they close? What are your sources – I know you’ve done a tremendous amount of work on this.

MR. SANGER: Well, you know, you can do a lot of work on this, and, you know, the deeper the you get into it the more uncertain you become of exactly the question that you’ve asked, which is how far away are the Iranians. I think Admiral Fallon had it right when he said that ambiguity is really the Iranians big friend here right now, because in many ways having either a capability or a near-capability is as useful to them or perhaps more useful to them than actually having a weapon. If you think that, you know, they actually had a weapon, they know what would happen if they used it in an explicit way against Israel or the United States, other targets – so I think that’s unlikely.

What they are – I think, if they are interested in a weapon, they would be interested in the influence that it gives them in the region. And they would get that influence, or almost as much of that influence, by having the world know that they had a capability to build the weapon in a matter of weeks or months. And it keeps them within the Nuclear Non-Proliferation Treaty and it keeps the U.S. intelligence agencies able to say, as they have said as recently as this past week, that there is still no evidence that the Iranians have made a political decision – which is to say the supreme leader has made a political decision – to go ahead with a weapon.

Well, why would you make a political decision to go ahead with a weapon when you could get many of the same benefits and be just short of a weapon? I

I think all sides here have learned, as General Cartwright said, the lessons of North Korea. And on the one hand, one of the lessons of North Korea for the United States is, you can keep saying we won’t tolerate it, but one day if the country conducts a test, you don’t have a whole lot of choices. And that’s where we are in North Korea.

On the other hand, the Iranians look at North Korea and they say, you know, maybe testing it is a step too far.

MR. SCHIEFFER: Admiral, what were you going to say?

ADM. FALLON: So, a question about North Korea, exactly what did they test and what do they have, is still, I think, an open issue.

But the business of drawing redlines is a challenge, it seems to me. So you draw a redline and then someone is perceived to have crossed it; now, what are you going to do? And this is a challenge for the flapping lips brigade right now.

MR. SCHIEFFER: What if Leon Panetta says there is a redline? When he says that, what do you all interpret that to mean? What is the redline right now that he's talking about?

GEN. CARTWRIGHT: I don't profess to get inside of his head, but – you know, I think that they are – and I agree with Admiral Fallon that it's very difficult to draw a redline here with the lack of knowledge that you have, inside knowledge. And so it – in my mind, right now, I think what the administration is saying is that if there is any kind of evidence that there is weaponization going on, any external signature to that effect, or if the IAEA inspectors are thrown out and not allowed to return, that those are steps that are overt and could be used as redlines.

Whether that's what we're going to use or not, I don't know. But those would be overt steps that you could actually see and draw a line against them.

MR. SCHIEFFER: This is not something I know a great deal about, but correct me if I'm wrong – is what Iran seems to be moving toward is something like the situation you have in Japan, where they don't have a nuclear weapon but they could build one in very short order? Is that what they're trying to do –

GEN. CARTWRIGHT: Well, you have – you have a fuel cycle that is – that takes you to an enrichment activity. That enrichment activity gets cut off at a very low percentage. What the Iranians have done now is go to the next higher percentage under the guise, potentially, realistically so, for fusing for a reactor to do research, medical research. That's a halfway step to weaponization levels of enrichment.

And so the technology associated with enrichment is understood. Taking it to the next level may take a little time, but the basic technology's now understood by the Iranians.

MR. SCHIEFFER: So we have the sanctions, and we've added new sanctions. Iran says they now want to talk. Does that mean the sanctions are working?

ADM. FALLON: I'm not sure that those two statements get connected, but whether the sanctions are having an effect, I think there's little doubt that they are having a significant effect on the country.

MR. SCHIEFFER: What are they – what is the effect it's having?

ADM. FALLON: The – their ability to conduct business. I've felt for some time that one of the more effective – if you're going to – going to try to put somebody in irons, that getting their pocketbook is usually a way to make people pay attention. That appears to be the case now. I've seen a lot of evidence, and you – David, you may have more of this than I see, that in the economic sphere, it's extremely – getting very, very difficult for them to do simple things, like even get food imports into the country, because they can't pay for them because nobody will deal in dollars and their currency's not worth too much now.

MR. SCHIEFFER: Well, why do you think they just said what they said, that they want to talk?

ADM. FALLON: Somebody said something, and who knows. There's a history here of people saying things and then there's a distinct lack of follow-up or of things that actually back up that speech. So who knows. I mean, maybe there is an effect. But at the end of the day, the supreme leader is the guy that's most likely going to be making the decisions and calling the shots here, and I think that one of the additional challenges that we have in this country is understanding how they make decisions. Who's got influence, in what areas, and how do they go through whatever steps they might go through to actually reach a decision, assuming it's rational.

MR. SCHIEFFER: David?

MR. SANGER: Bob, the – there have been sanctions that the U.S. and the United Nations have put on Iran for many years, but the sanctions that we've seen happen in the past six months have been the first that have really gotten their attention. And why is that? The first thing is, it's aimed at their central bank, and that means – that's how they clear revenue for their oil sales. So for the first time, we are, even if indirectly, going after their oil revenue. The result is that their currency has fallen in value against the dollar by about half; that's panicking a lot of people who have been operating in the currency itself, it makes it very difficult for them to sell oil in dollars, and so they're beginning to think about trade agreements and barter agreements back and forth.

So then you have to ask the question, can sanctions alone lead the Iranians to come to the conclusion that the nuclear program just isn't worth it, that the pain isn't worth it? And on this you get differing opinions. You get some people in the administration who have made the case to me that look, the Iranians always say we will never give in to pressure – until that magic day when they give in to pressure.

You get others who say, you know, the sanctions may weaken the regime and its hold on power. But in the end, it's not likely to reverse the nuclear program, because the nuclear program's pretty popular even among the opposition parties.

So you have to ask the question, are you really – what are you really accomplishing?

ADM. FALLON: I think there are lots of examples of sanctions around the world – we've had an embargo against Cuba for many decades, and North Korea, certainly not exactly enjoying free trade agreements with folks. But I think in recent weeks and months, there have been a number of things that are beginning to add up here that are starting – ought to be really getting to these people. So countries that were flaunting the embargoes in the past and the sanctions are now beginning to come into line.

I think it's very, very difficult for these guys to now – to actually get things done. Whether that enough – that's enough, I don't know.

GEN. CARTWRIGHT: My sense is all of that is accurate. What you don't know at the end as it really gets hard, does it – which way is it going to go? Is it going to convince them not to proceed, or is it going to galvanize them to proceed? And that's the unknown here.

MR. SCHIEFFER: Is there anything that we could do, short of military action, to convince them it is not a good idea to build a nuclear weapon? Or is that just something that's in their ethos, they've decided they got to have it to have respect and so forth?

GEN. CARTWRIGHT: I'm not – I'm not sure that they've decided yet, or at least that the leader has decided yet. The likelihood that there's something – a single act that will all of a sudden flip the switch is probably pretty low. It could be the stack-up of several activities – the sanctions, their ability to do business globally now, the loss of their ability to work with their – both their airline and their shipping lines and get safe harbor and refueling rights and things like that. All of these things could, you know, stack up in a way that convinces them. But you'd have the same problem if you decide to take kinetic action. Are you actually going to steel their resolve to go ahead and do this, or are you going to delay for a few years and then get back into negotiation?

The likelihood, I think – at least, my thought process is, it's more likely to galvanize their thought process. You have the Libya example sitting out there. This is the country that we got to agree to abandon their nuclear aspirations, and then we replaced the leadership. That's not a good precedent for the Iranians to be looking at.

MR. SCHIEFFER: Would you add to anything, either one of you?

MR. SANGER: Well, there has been a middle-range option for the Obama administration. You know, the president came in saying he wanted to open up negotiations, he did a broadcast on the Iranian New Year to the Iranian people, and I think there's a lot of debate, particularly among Iranians, about how sincere his opening was. But then when you read the WikiLeaks documents, what you discover is that they started working on these stiffer sanctions right away, assuming that the diplomacy wouldn't work.

And then there are other things happening to the Iranians at increasing paces. I mean, there've been what, now five scientists assassinated. It's widely believed but no one's proved that that is the work of Israeli intelligence, but maybe it's not in some of the cases. You've seen a big missile plant blow up somewhat spontaneously, remarkable coincidence. We've had missile plants blow up here, too, so could have been accidental, but sure raises a lot of suspicions. You saw the Stuxnet virus, which was a computer worm that ended up hitting the Iranians, and for a while slowing down their ability to produce.

So I think this all comes back to the question that General Cartwright raises, which is, when the Iranians see this, does it redouble their determination to move out ahead or does it make them think that this isn't worth it? I haven't seen any evidence yet that it's really slowed their program. If you just graph the amount of uranium enrichment activity that we know about – you know, it's got some ups and downs, particularly after the computer worm hit them, but fundamentally it's on a pretty steady up.

MR. SCHIEFFER: Let me just ask you whether it's the right thing to do or the wrong thing to do: Israel seems to be drawing a line in the sand on this. How credible is their posture toward Iran? And I guess what I would say is, do they have the capability to take out Iran's ability to build a nuclear weapon, if they decided to do that?

ADM. FALLON: No.

GEN. CARTWRIGHT: No.

They can slow it down; they can delay it – some people estimate two to five years – but that does not take away the intellectual capital, does not take away the ability of the Iranians to then proliferate the sites in which they do business in a hidden way. So no, you're not going to do that with a kinetic attack. That's a delaying tactic; it is not a change tactic.

MR. SCHIEFFER: Would you agree with that, Admiral?

ADM. FALLON: Sure. One of the –

MR. SCHIEFFER: And tell why.

ADM. FALLON: Well, one of the challenges here, I think, is that folks have taken some historical events, like the Osirak Iraq strike and possibly a strike Syria here a couple years ago, and so I'll see – you know, they acted, they had resolve, they took care of the problem, it went away. But very different issue here. This is not a pinpoint single target, one strike and it's over. They've been pretty clever about distributing stuff. In fact, as General Cartwright indicated in his – in his opening statement, to really take care of the problem, if somebody decides they want to do it kinetically or militarily, it's going to require some people – and quite a few of them, probably – in the country. Which is not likely to happen.

So you can do air strikes that – to delay things, to cause some havoc, to – (inaudible) – and then what's going to happen?

MR. SCHIEFFER: Well, give me just an example of – have they got it spread out over a wide area? Is it very deep? Why is it such a hard thing to do militarily?

GEN. CARTWRIGHT: Well, I mean, this is part of the calculus of redlines, but for a long time, most of their activity occurred at once site, which was somewhat underground but certainly strikable. But they have, over the past two or three years, talked about alternative sites. We know of one that is pretty well understood, which is deep enough underground that there really aren't weapons to go down to penetrate that kind of activity. And so when you get to the point where you start to franchise out the fuel cycle and distribute it around the country, and you have an understanding of the enrichment process, the number of places you could put that far exceed our knowledge of ever discovering them all. And even if you could, again, you're not going to kill the intellectual capital to just rebuild the centrifuges someplace else and continue on.

So this is a will issue, then, at that point, and if they have the will to do it, they will produce.

MR. SCHIEFFER: What happens if Israel does decide to do this? Admiral?

ADM. FALLON: Well, do what, Bob? (Laughter.)

MR. SCHIEFFER: Launch a strike, make some military action. My guess is the United States would advise against that, but Israel doesn't always take the advice of the United States.

ADM. FALLON: Well, countries – governments are going to do what they do, what they perceive to be in their best interest, or if they feel they're backed into a corner, maybe their least obnoxious choice given unpalatable options.

So, you know, they make a strike at something, very difficult, I think, because of the level of effort that's likely to be required given what we think we understand, and I'm not plugged into every day's intel anymore. But there are a lot of targets. So this is not a one-time shot; it's going to take a fair amount of work. So if one decides to lash out and take a whack at something, could probably inflict some damage. But then what happens? (Inaudible) –

MR. SCHIEFFER: Well, what do we do then? I mean, let's say that we find out – we get the call, the planes are in the air and this is what we're going to do, we just thought we'd let you know about it. What – obviously, neither of you are in the government now, but what would you think the U.S. reaction would be, General?

GEN. CARTWRIGHT: Well, it's a real conundrum. Number one, if they're in the air, there's not likely much we're going to be able to do to get in between them and whatever targets they perceive they have. And at that point, then, the government is faced – our government is faced with, do you disavow it, do you say it's a bad idea, do you kind of passively watch it happen, or do you aggressively join in? I mean, that's the range and the matrix of things that you might be able to do. Which one you do is probably going to be a decision that is more likely to occur in proximate – proximate with their launch. In other words, the situation will dictate probably what the art of the possible is.

Being ready for that and having the forces postured in such a way that you have choice is probably the thing they're most concerned about right now.

ADM. FALLON: And I think the – kind of the by extension, given the – at least the Iranian rhetoric to date would link the two of us, Israel and the U.S., almost no matter what happened, so we would need to be prepared to protect our forces and our people for whatever might happen.

But I think there – a couple of thoughts here. One, we have an awful lot of things in common with Israel. You know, the – we're often portrayed as yes, no, yes, no, and – but we share a lot in this region, not least of which is trying to get to some long-term state of better stability and some security.

And so we will certainly cooperate, I think, to the max extent that we can. We're going to certainly share intelligence, because we think that any weaponization of this capability in Iran is not in either of our best interest. And at the end of the day, you try to come up with ways to deal with this that might actually result in a better sunrise than something ugly that you never know where it's going to go.

MR. SCHIEFFER: David?

MR. SANGER: Well, the issue of how the United States would respond if the Israelis moved ahead was one the Bush administration took up in 2008 when the Israelis came to the administration and asked for the bunker buster bombs and for the refueling capability that they would need to be able to do this more effectively. And they were turned down by the Bush

administration, and actually, when you go back into some of the memoirs, you discover there was a pretty active debate inside the administration on that issue.

But one of the questions that came up was if they went over Iraqi airspace, which would be the most direct way in, which at the time the United States still controlled, would the U.S. try to stop them? And I think the answer they came to was, probably not.

I think the bigger concern that I hear within the administration now is not just what happens that day, but as Admiral Fallon said, there'll be an assumption by the Iranians that the U.S. and Israel work together. At least on sharing the intelligence. And then the question is, does the U.S. get sucked into whatever happens that follows? And I've only seen the unclassified wargaming of this – there was one done at Brookings a few years ago, there's been one done at Harvard – in almost every scenario I have seen of these, the U.S. does get sucked in sooner or later because somebody tries to close the Strait of Hormuz or some Iranian captain takes a potshot at American ships, and then you're off to the races. And I think that's the big concern the administration has right now.

MR. SCHIEFFER: The – Turkey's foreign minister spoke here at CSIS earlier this month. He said that military action against Iran would be a disaster that would complicate developments in the Middle East at a crucial juncture. As a NATO ally, does Turkey's stance complicate U.S. options on Iran, or is he just speaking – reflecting reality?

GEN. CARTWRIGHT: Well, my sense is (you're ?) reflecting reality, and certainly as he perceives it. And certainly that – and I was going to kind of take us back to the output of this equation versus the input. So yes, there's a strike and all of that happens – you know, the economic side of this will be, no matter how effective or ineffective the strike is, will be significant both in the revenue side of the oil activities but then globally in the instability that that'll cause in the markets. And so that's a piece of it that I'm sure Turkey's very concerned about, at a minimum.

And then they lie on an obvious path to and from Israel to Iran. And they have a neighbor, Iran, who's going to be affected and is probably going to want to lash out. So there's a lot in the region that's at stake here that's far beyond just the weaponization issue.

ADM. FALLON: And I certainly don't --

MR. SCHIEFFER: Would you like to add to that?

ADM. FALLON: Yeah. Just -- I -- no one that I'm aware of thinks that there's any real positive outcome of a military strike or some kind of conflict. No telling what the Iranians think, but I -- one has a hard time conjuring up positives out of something like this.

And so, what does that mean for us? It seems to me that this is one of these -- you never know what instrument actually gets the job done in these situations and you never know how things stack up because you're not in their heads and they in ours. So as we -- as we kind of lurch down the road here, it seems to me that we ought to be doing a couple of things. One, making very clear that we are trying to come up with some kind of a negotiated end to this weaponization drive, if that's what they're about.

MR. SCHIEFFER: Mmm hmm.

ADM. FALLON: And, frankly, it's bigger than that. It's the whole region. There needs to be stability. But at the same time that -- we're not going to just stand by idly and we're certainly not going to stand by if they decide to take a whack at us for some reason or try to close the Strait or any of these things. So -- you know, just not going to happen.

So these are not good outcomes, so, therefore, let's not precipitate something. But there may be some other things too. It seems to me if we -- if you look down the road apiece and you what-if this. So what if Iran turns out to come out one day and say, hey, guess what? We've got one. Whether they do or not, what could -- you know, where do we want to be in that situation.

So there are other countries that have nuclear weapons right now, and it seems to me that one thing we might consider here is some kind of a declaratory policy by which we make very clear publically that the use of a nuclear weapon against ourselves or certain specified allies would not only not be tolerated but would get a response in kind.

Now we've certainly done this before. We have these kind of arrangements. They're not done lightly and, of course, this is a very touchy region with lots of things -- moving parts. But that might be yet another thing we might want to consider in terms of policy options.

MR. SCHIEFFER: You mentioned the Strait of Hormuz. General Dempsey told me on "Face the Nation" that, in fact, the Iranians could close the Strait of Hormuz. He added maybe not for very long, but they could do it.

What -- how long do you think they could close it for? Or do you think they have the ability to do that?

ADM. FALLON: Certainly, I've looked at this in the past. (Laughter.)

MR. SCHIEFFER: I thought maybe you might have.

ADM. FALLON: I remember something about it. But -- (laughter) -- so there's a lot of factors here. So what's our posture at the time, what's their posture, where are we, where are the forces. I think General Dempsey's got it exactly right. They might, but probably not for long. And again, this is one of these things where we'd better be careful if he instigates something like this because he may not like -- like what ensues and that --

MR. SCHIEFFER: You mean, if they instigate it.

ADM. FALLON: -- it's not a threat -- yeah, this isn't a threat. You know, we're going to Tehran, but they have pretty limited capability when all is said and done. Yeah, there's some things that we need to be concerned about. We would be very sensitive to the posture we put our forces in. But there's not a whole lot of comparison between what they have and what we could bring to bear if we needed to. So --

MR. SCHIEFFER: Do they have the ability -- we talk about Iran posing a threat to the United States -- do they, in fact, pose a threat to the United States, or could they -- do they have the ability to deliver a weapon, a warhead to this country? They don't, right?

GEN. CARTWRIGHT: Not in a normal sense --

MR. SCHIEFFER: Yeah.

GEN. CARTWRIGHT: -- you know, a ballistic missile, something like that. They're working in that direction -- or at least they're working for the technology like they are in the fuel cycle to do that.

The more worrisome activity -- number one, for them to deliver a nuclear weapon anyplace, having one or two isn't going to make a lot of sense. I mean, that's their doom. It's more worrisome that a weapon -- or the technology could be proliferated to somebody who is anonymous, and bring something like that some place in the world. And whether they actually take it there or just say it's in City X do the following -- the so-called blackmail approach to this.

That's more worrisome -- the likelihood of Iran trying to attack the United States, you know, at home is probably pretty low on their calculus.

The closing of the Straits. You know, people argue that that's equally detrimental to Iran, but you've got to remember what we've just put them through with financial sanctions and everything else. The question is when does their calculus come to the point where it says, you know, one way or the other here, we've got to change the game. That's the worrisome side of that activity, and I think we generally average about 14 ships and about 17 million barrels a day through the Strait. And so if that's the case, that's about 20 percent of what happens every day in oil. So just a few days is a pretty significant activity to deny us.

So, you know, these are the things you have to sit down and work your way through. And like Admiral Fallon said, we're not in their head. We don't know how they're looking at these problems, you know. And so it's difficult to say this is what I'm going to do and this is what they're going to do.

ADM. FALLON: This is a different situation for Israel, and that's, I'm sure, why this thing is super-heated or seems to be getting that way, and that they can range -- the best intelligence I've seen, they can -- if they had those weapons --

MR. SANGER: It's been interesting, in the past two weeks, you've seen two Israeli officials -- one a senior military official and then the finance minister yesterday -- both make the claim that the Iranians would have the ability to reach the United States with a missile within five years or so.

Now, maybe they're right, maybe they're not, and usually, these things take longer than one would think. But it was interesting that the Israelis felt it necessary to say this publically

because I read that as trying to get Iran moved in categories in the Obama administration from a general threat to one specific to the United States, perhaps in hopes that that would change the way the U.S. dealt with the issue.

I don't think that that will succeed, but it is interesting. And I think that when General Cartwright said that one of the concerns is a weapon that comes in unconventionally, this is why you saw a declaratory policy against North Korea, where President Bush, after the first North Korean nuclear test, found -- said it wasn't the most successful test we've ever seen -- issued a declaratory policy that said basically if we find your material any place around the world, we're going to -- that appears intended for an attack, we're going to treat it as a direct attack. You've not seen that kind of policy yet issued about Iran.

MR. SCHIEFFER: Let's take some questions from the audience. Right here. Right there. You were the first hand up. (Scattered laughter.)

Q: Hugh Grindstaff (sp). What -- wouldn't a change of regime in Syria sort of be a better policy because Syria -- if Iran lost Syria and we would have to secure the WMD -- there is WMD in Syria -- wouldn't that be a loss of face for Ahmadinejad and, therefore, a loss of conduit for his terrorist activities in the Middle East and elsewhere?

MR. SCHIEFFER: Who'd like to take that?

GEN. CARTWRIGHT: I'll start and then let anybody jump in. It would have an effect to say that you can tell. Now what that effect would be and how quickly it would manifest itself is difficult.

I mean, it's this stack-up of activities -- how many things going together is -- you know, it's the blind man approaching the cliff. You don't know quite where that cliff is and where it will change. Syria is clearly important to Iran, clearly important to Iran, and that regime is clearly important to Iran, but what the effect would be and over time how that would manifest itself is pretty hard to forecast.

MR. SCHIEFFER: Admiral, do you have anything to add?

ADM. FALLON: No. There are very few countries that are standing tall or short with Syria these days. Iran happens to be one of them -- one of the few.

MR. SCHIEFFER: Jon, did you have a question?

Q: I can just yell. (Chuckles.) Jon Alterman from CSIS. I want to take David's notion that maybe Iran would be a screwdriver away from having a bomb and could be very successful for a long time doing that, versus the notion that maybe there's an Israeli attack and there's a whole series of things that come from that which may involve us.

If those are two possible scenarios, what does the Middle East look like in five years' time if that's where we are? Either the Iranians move toward having some sort of ambiguous

weapons capability in five years' time, or there's an Israeli strike that somehow involves us and whatever secondary things come from that. Where's the Middle East then, taking General Cartwright's notion that you can slow down a bomb, but you can't stop one forever?

MR. SANGER: Well, let's take the first scenario, which is if they have an ambiguous capability. I think you already see a number of other states in the region thinking about an ambiguous capability of their own. A few years ago, it was -- the Iranian capability rose. You saw the Gulf communities, the Gulf Cooperation Council announce that they were all interested in uranium enrichment as well, of course, just for peaceful power production purposes.

But they wanted to make it clear that they could also get this capability going. It's not clear they've made very much progress on that. The one to watch most clearly is Saudi Arabia, which is, again, from WikiLeaks, the -- that it is the Saudi king who said cut off the head of the snake; it was his advice to the United States. And the king of Bahrain had similarly subtle advice.

Presumably, they could go out and buy a capability from Pakistan, from some other place. Whether or not they would want to risk buying a full capability or just try to assemble all the component parts so that the Iranians knew that they too were a screwdriver away, I think that could be a likelihood. Hard to predict what the Middle East would look like after an Israeli strike, you know, six months after much less five years after. I don't know how much the region would sort of re-adjust to normal if you could call anything in the region normal five years out.

But when you talk to Israeli officials about this and you say, well, look, you'd only be delaying the capability, as General Cartwright said, their answer -- and maybe it's bravado -- is well, if we have two or three years, that two or three years. And if need be, we could go back and go do it again, a sort of mowing the lawn kind of approach to the issue.

I'm doubtful that they actually could do this multiple times.

MR. SCHIEFFER: Right here. Right -- the front row. Right here.

Q: Thank you. Pablo Franshira (ph), Chirac Report (ph). If you could elaborate a little bit on something that was briefly touched upon before, namely, that even the Iranian internal opposition looks favorably at a nuclear weapons -- at least a nuclear program. In your sense, gentlemen, that should there be one day real regime change internally generated in Iran where the mullahs are out, that there is a more secular or whatever -- anyway, opposition force that comes in, that we would be dealing exactly with the same situation? In other words, still an Iranian leadership -- mullahs or no mullahs -- that still wants a weapons program? Or would they be more inclined to go back within the guidelines of the NPT and in compliance, et cetera, et cetera? What's your assessment?

MR. SCHIEFFER: Good question. What do you think, Admiral?

ADM. FALLON: I'm not sure about some of the data here. What I've seen is some significant support within the population for their ability or being able to have a domestic nuclear

capability, not weapons, not bombs. I think that's -- again, there's a lot of fuzziness here, so let's be a little more precise.

I think there's -- I haven't seen anything at all that would tell me that the general population thinks it's a great idea to have to have a -- have a nuclear weapon.

I think the reality is that time may be running against the regime in Tehran. So they can play this game of ambiguity and they drag it out, and maybe they're stalling to build a capability. But if they get the capability again, that they're going to be in a box where, if they ever try to use this, it's game over pretty quickly. So what does that get them?

Meanwhile, it plays out, and the Israelis will probably continue to be nervous and, you know, are going to do what they do. But meanwhile, what else is going on? There's a lot happening in this region. So as the sanctions begin to bite and as the oil spigots end up being closed, as people are not buying, the other countries around the region are scrambling to figure out how they can take this market away from the Iranians. And we have a -- we have something that's in the wings here in Iraq, for example, where their output's been pretty -- what's stagnated for years.

There are a lot of oil experts that have been working inside that country now that changed that around, and the potential is huge. The other countries, the UAE is working hard on a pipeline to bypass the Strait. There's already a pipeline coming back the other way to the Red Sea. And they're -- on and on and on. So there are a lot of things going on.

And meanwhile, inside Iran, times are getting tougher pretty clearly. So, you know, it seems to me that in their calculus, in their understanding of kind of where they are, time is not on their side, I think. And so they're going to have to start doing something other than just yakking. And that doesn't mean, well, they're going to go blow something up. I think -- if you think about the consequences, that's a pretty tough thing to chew.

MR. SCHIEFFER: General.

GEN. CARTWRIGHT: Yeah. Just real quickly. The -- I mean, I can't guess what's going to happen in five years, but I think the trend here is that the intellectual capital to create a nuclear weapon is out there. And this problem that we're experiencing right now with North Korea and with Iran is not -- even if you take those two out of the equation -- is not going away from the world.

It's just with the proliferation of knowledge that's out there in engineering, this is not undoable. We think of this activity like we thought about it in the '50s, when we -- the Eisenhower build-up and all of those things -- that we're going to make this -- they're going to make this exquisite weapon. There's no reason to do that. There's no reason to go the ICBM deliveries and things like -- there's no reason for that. And that kind of knowledge is out there. So this is not a problem that we're -- we will solve just by having Iran change their mind. It's a - more of a problem that we're going to have to handle as a global community.

ADM. FALLON: The bigger proliferations.

MR. SCHIEFFER: Yes, ma'am.

Q: Thank you. Barbara Slavin from the Atlantic Council. I'm trying to understand the ramifications of an Iran with a nuke. Would it affect, for example, the U.S. willingness and ability to keep the Strait open to traffic?

I mean, Admiral Fallon, you've said that even if they get one or two nukes, it's not necessarily going to do anything for them. And how do we convince Israel that an Iran with nuclear weapons is not an existential threat to Israel, that it's not a weapon that Iran would use against Israel; it would be suicidal, it seems, for them to do that.

ADM. FALLON: We're not going to -- the Israelis are going to convince themselves what they want to do, and it will be based on their perception of how they see the situation. Iran, again, with nuclear weapons, we -- I would expect we'd make it very clear that if these things were used, that's probably one of the last things the leaders would get to do.

And it's -- so we have a lot of -- a lot of national interests and so do other countries. And one of these things, in my view, with the tide kind of running against these guys now is that there are a lot of other things going on in the world.

I mean, just stop for a second and roll the clock back nine months or so. And it seems to me that for six or nine months, there was very little that you heard about Iran. Why? Other things were going on. The Arab Spring, ooh -- (inaudible) -- just in the region. I mean, just about everybody's attention went to other things. So we're in the hype season right now, I guess. It must be slow. Baseball season is not -- hasn't begun yet -- (scattered laughter) -- or something. But --

MR. SCHIEFFER: Let me -- let me just ask you both this question. You're both lifetime in the military, you know what's going on in the military community. You know what military people are thinking. Is there any school of thought amongst the military that we ought to take military action, that this thing poses such a danger that if we find out they've got a nuclear weapon, we ought to go in there and attack and take them out?

GEN. CARTWRIGHT: Well, that's a difficult question because, if the leadership tells us to go, it doesn't matter what we think.

MR. SCHIEFFER: Of course. (Laughter.) But I mean what -- and I understand that, and that's why I'm trying to get --

GEN. CARTWRIGHT: Yeah.

MR. SCHIEFFER: -- at this question. I'm trying to find out what the military thinking is before the political decision has to be made.

GEN. CARTWRIGHT: As a former military person?

MR. SCHIEFFER: Yes. (Laughter.)

GEN. CARTWRIGHT: I don't see any -- I mean, I don't see a lot of value in going in. It will be --

MR. SCHIEFFER: You won't -- do you know anybody who does, I guess that's what I'm saying.

GEN. CARTWRIGHT: I don't -- Fox might, I don't know. (Laughter.)

ADM. FALLON: I think there's a -- there's an inverse proportion to those who have had experience in what really happens in wars and what happens to people are those that have an awful lot to say about it. So I -- it's not a -- certainly not a preferred option, not anything that somebody that has any real sense of what happens in these conflicts would wish to have happen. Sometimes you get forced into situations, but it's certainly not one that you're going to grab.

MR. SCHIEFFER: What about you, David, the people you talk to?

MR. SANGER: Certainly among -- I've never interviewed any American current or former military officials who had an opinion any different from what you've just hear here -- that, in fact, what many of them say is that they believe that other methods, whether it is sanctions or covert action or whatever, could probably buy as much time -- maybe even more time -- than a military action.

That said, the Israeli view of this -- at least from the Israeli officials that I've talked to in recent times, is that unless the Iranians believe that there really is a significant military option out there, then they've got no leverage on the diplomacy, they've got no leverage elsewhere. So they're sort of in this dilemma where they have to talk up the military option, and have a real credible military option, if they hope to gain a leverage not to use it. And I think the American concern is that while they would happily build that up, there -- this administration is quite clearly concerned there's a good chance the Israelis actually would go off and use it if Iran enters what Defense Minister Barak calls this "zone of immunity," which is basically a point at which the program is buried so deep or spread out so far that they believe there's no way that a military action would make it vulnerable.

MR. SCHIEFFER: OK. Back to the back, here -- or, right there, that's right -- you're up; go ahead.

Q: Cameron Lucy (ph). I'd like to come back to the rhetoric and the reading signals points that were made a few minutes ago. History's full of examples of misreading signals, particularly where there are cultural differences, where there's radicalized political discourse. What can we do to ratchet the rhetoric down -- the gun-flapping, as Admiral Fox put it?

ADM. FALLON: Shut up.

(Laughter.)

Actually, I think I read last week that this comment was made by Mr. Netanyahu, in Israel. Exactly those words.

I mean – just, just turn it off. We – how do we get people to understand our intentions? Often a challenge when you have lots of preconceived notions and 30, 40 years of bad history here. But being consistent, getting support from friends and allies in the region is helpful, having a demonstrated capability – I mean, we shouldn't – I was never one to like to brag on our terrific people and what they can do, but we can sure demonstrate, and we certainly have demonstrated our ability – we've got plenty of capability, shouldn't be even an issue.

But we don't have to keep hype – hyping –

MR. SCHIEFFER: We've been talking about does Israel actually have a capability to do this? Do we have the capability? I mean, I guess if we used nuclear weapons we would, but –

GEN. CARTWRIGHT: You mean – to stop it?

MR. SCHIEFFER: Yeah.

GEN. CARTWRIGHT (?): Oh – no, no. I mean, if they have the intent, all the weapons in the world are not going to change that.

MR. SCHIEFFER: Because –

GEN. CARTWRIGHT: Because the knowledge is there –

MR. SCHIEFFER: If we destroy it, they build it back, they just build it back.

GEN. CARTWRIGHT: Yeah.

MR. SCHIEFFER: Okay. Over here? Yes?

Q: Hi, thank you. My name's Nathaniel Markowitz. My question actually is very closely related to what Mr. Sanger was just saying. My conundrum is that, you know, given that coercive diplomacy requires an incredible threat of force, the problem is, on the one the hand rigorous debate about policy is important for democracy, but on the other hand, if the vocal opposition to an Iranian strike maybe passes a certain threshold, that the Iranians start to feel that that threat is no longer credible, is it possible that even having the discussion publicly is actually limiting the options and might even increase the likelihood that people think that we have to make an attack?

GEN. CARTWRIGHT: I mean – my two cents would be that, you know, it's certainly possible that that's the case, but probably unlikely. They don't know exactly what's in our head

any more than we know exactly what's in their head. And that ambiguity tends to work in our favor; you always build your adversary up to be 10 feet tall because you have to; you don't want to take the risk of underestimating an adversary. And so it's not likely that it's going to diminish the threat of a strike.

But, I think following on the same thread is that while you want to tone down the rhetoric you want to try to make sure and work hard to have an official channel that is really open for dialogue, so that the ambiguity at least can be addressed – whether you believe the guy on the other side of the table or not is another issue – but at least that there's a dialogue and an official channel that's always available so when something goes awry – whether it's in the Gulf between shipping or some other way – that there's clearly a way to diffuse it as quickly as possible.

And the Iranians have actually demonstrated a pretty good ability to manage escalation. I mean, they don't – they really have stayed below a threshold that would precipitate a counterattack.

ADM. FALLON: Could I, just to complement –

MR. SCHIEFFER: Oh, yeah – sure.

ADM. FALLON: Yeah – just to add, if I could, to what General Cartwright said: I think it's really important that at the end of the day, these are people – 70,000,000 of them. They have aspirations and desires, and there needs to be, for demonstrated cooperation and a willingness to walk away from things that are detrimental to the region – that there's something in this for them. And so having some light at the end of the tunnel, not closing off all options, but letting them – hey, we're willing to have you play a role in the region. You got a lot of capability, you got a lot of smart people, a lot of things you could – you could really be helpful if you decided to be cooperative in your dealings with your neighbors.

MR. SCHIEFFER: David?

MR. SANGER: You know, when you think about how the Iranians think about this; their view is that they have indicated at many moments over the past decade an openness to talk to the United States. In 2001, after 9/11, an unrequited offer that got sort of faxed into the State Department – in 2003 – and no one was quite sure what it meant, but it never went anywhere in the Bush administration. Again, at one point in the discussions with the Europeans, when the Iranians said that they were willing to not give up uranium enrichment but only enrich in accord with their – with their needs for energy, which would have put a significant limit on it. And they believe that every one of these options has been ignored. And that's what President Obama tried to reverse with his early outreach to them.

The problem is the outreach happened just a few months before the Iranian elections in June 2009, which were put down with such force. And after that, it sort of froze all of that discussion and it's never really recovered from that.

ADM. FALLON: Timing is everything; timing is everything.

MR. SCHIEFFER: Alright; this lady has a question.

Q: Thank you –

MR. SCHIEFFER: And this will be our last question, I'm sorry.

(Laughter.)

Q: Thank you. I'm Genie Nguyen with Voice of Vietnamese-Americans. Would you discuss the role of China in the big picture, and how would that affect or influence the U.S. policy, and our U.S. national interests in the Asia Pacific and also in the Indian Ocean? Thank you.

MR. SCHIEFFER: Good question. Why don't we just go around the horn here, and that will be our last question.

GEN. CARTWRIGHT: And – I mean, I think what you're asking is – in relation to Iran? OK.

The Chinese obviously need – feel that they need and are customers to the oil production associated with Iran and other economic agreements that go on. So they're in a very difficult position here, of how do they support not having a weapon be developed and not undermine their need for the energy resources that they're buying there. And trying to do the calculation of cost benefit right now, as with other countries, what they'd like to see happen is a diplomatic solution to this activity, probably even if it included some sort of nuclear capability, whether it be for energy or more. If that gets foreclosed then they have a very hard decision. And then they're going to have to think their way through that. And to the extent that they have to go someplace else for that energy in the future – if that were to happen – that would put pressure in the South Pacific.

MR. SCHIEFFER: Admiral?

ADM. FALLON: Yeah, they clearly have their need for energy sources very high on their list. They have another issue, too, and that's the adversity – or aversion to activity by nations that could be meddlesome with internal affairs. So that's – they certainly want to maintain the status quo inside of China, and one of the things that is clearly very unsettling to them is activity that is destabilizing to the population. So if they see or perceive that people are ganging up to instigate similar trouble in Iran – Iran today, maybe China tomorrow, who knows?

But I think that that's a drag – a break on activity that we would like to see move forward, to get China to be more cooperative and helpful. If China decided, OK, we'll get our oil somewhere else, it would be a huge – a huge additional turn of the screws here with Iran. Whether they're ready to do that or not I think is probably up in the air. David?

MR. SCHIEFFER: David, sum it all up – (inaudible).

MR. SANGER: The Obama administration tried pretty hard in 2009, 2010 to come up with some alternative energy supplies for China. They went and talked with the Saudis; they went and talked to some other suppliers – obviously Iraq, now that it's getting up to production; Libya, as it comes back in.

But it's not clear that any of that is really going to wean the Chinese (of/off ?) this oil. In fact, the Chinese now see a great opportunity, because I think they believe that the Iranians are going to have to sell their oil at a significant discount, given the sanctions. And so a lot of the behind-the-scenes diplomacy – and you saw some of this happen when Xi Jinping was here last week – was to try to get the Chinese not to backfill and buy the oil that the U.S. and the European allies have sort of cut off elsewhere. And that is going to be the big struggle of the next – the next few months.

ADM. FALLON: One thought here and I'll shut up.

(Laughter.)

There are different ways to approach this. One is to grab the alleged opponent by the neck and beat on him – which has kind of taken the rhetorical screaming today – and doing it that way. Another one is to look around and see how many other tools you can bring to bear.

So things are changing. There are more options, and the more things we can do with other countries, to help out in their economic needs – availability of natural gas in this country. A lot of things are in play here, and emphasizing those things as things that could be helpful in this situation rather than just we're going to beat them or not; they're going to blow it up or not – seems to me that would be more useful for us.

MR. SCHIEFFER: Well, gentlemen, thank you all very much. And thank you, on behalf of CSIS and TCU.

(Applause.)

(END)