

**STATE DEPARTMENT SPECIAL BRIEFING
SUBJECT: IRAN NUCLEAR ISSUE
BRIEFERS: NICHOLAS BURNS, UNDERSECRETARY OF STATE FOR POLITICAL
AFFAIRS; AND ROBERT JOSEPH, UNDERSECRETARY OF STATE FOR ARMS
CONTROL AND INTERNATIONAL SECURITY**

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FULL TEXT (Briefing relates solely to Iran Nuclear Issue)

ADAM ERELI (State Department deputy spokesman): Welcome, everybody, to this special briefing with Undersecretary of State for Political Affairs Nicholas Burns, and Undersecretary of State for Arms Control and International Security Bob Joseph. Both officials have just returned from trips abroad on the issue of Iran's nuclear program and they're here to tell you about those visits and give you an update on where we are on our diplomacy on this.

We'll begin with Undersecretary Burns and then go to Undersecretary Joseph. I'd ask you to keep your questions very short because the gentlemen have to leave in about 25 minutes.

Thank you.

MR. BURNS: We'll try.

Good morning. Nice to see all of you.

Let me just tell you about a trip that I made to Moscow this week where I represented the United States at talks among the P-5 countries in Germany -- so that was Russia, China, Britain, France and Germany. One in a series of talks we've had at the political director level, but also at the ministerial level, about how to isolate Iran and how to pressure Iran, place pressure on Iran to put its nuclear programs into suspension and to return to negotiations, which is the short-term objective here. We also had meetings of the G-8 in Moscow. And there's no question now in our mind that Iran is probably now the leading issue to be discussed when the G-8 foreign ministers get together at the end of June, and when our leaders get together in St. Petersburg in the middle of July.

I was struck in the two days of meetings that I had, both with the Perm 5 as well as with the G-8 countries, I was struck by how much the atmosphere had changed.

As you know, for the last year, the United States has been supporting the EU's negotiating efforts, and we've also been very supportive of the Russian efforts to try to get the Russian proposal that's been made to try to get Iran to return to its senses and to return to a rational discussion with the international community about its very obvious attempt to create a nuclear weapons capability for itself.

For many months over the past year, countries were not willing to entertain the idea of sanctions. And for many months, countries were not willing to think about concerted action in the Security Council that would effectively block Iran and then push it back diplomatically so that it could not achieve its purposes, and I think the atmosphere has changed. It's changed because you've seen over the last four months Iran take a series of steps -- the January steps to take the seals off -- but also the steps last week, where they made this big, public show of going forward to enrichment, and then they predicted -- they said what they'd be doing throughout the rest of the year to take that enrichment program forward. Undersecretary Joseph will describe to you our view of that.

But diplomatically, the consequence of it was that in all of our discussions, each country, including Russia and China, said it is their policy that Iran should not have nuclear weapons. Each country said that we all ought to act now collectively to ensure that we speak with one voice and take one series of actions designed to isolate the Iranians, and if necessary to think about punitive, diplomatic, economic measures for Iran to stop its current efforts.

And I was struck by the change in atmosphere, and, if you will, the sense of urgency, as we think about the actions in the Security Council in May and June, to make sure that we are operating together.

We all agreed that while we're willing to support efforts to cease civil nuclear power made available to the Iranian people, none of us are willing to see a nuclear weapons capability produced.

And for the first time, all countries said that action had to be considered. Now, the majority of countries in the room said that they were already considering sanctions of a collective or individual nature. You've seen the announcement by the European Union that they are considering a specific list of sanctions. You know that the United States, which has had sanctions in place for 26 years, is also willing to support these efforts, and if there's any other way that we could possibly sanction Iran, we would entertain that possibility.

And I can't speak and I won't speak for the other countries in the room, but there was an agreement that we now had to think specifically about how to translate our agreement on action into something specific at the U.N. Security Council.

We did not agree on the specific tactical way forward. But I think what you'll see in the next couple of weeks is a very intensive diplomatic effort among the P-5 countries to think together about how we can place this kind of pressure on Iran.

There will be meetings in the first week of May of the P-5 political directors in Europe to continue the talks that we had this week. There will certainly be an effort made in the Security Council in the beginning of May to introduce probably a Chapter 7 resolution that would require Iran to come back into suspension regarding its nuclear activities. And I think you'll see, at a variety of levels, this issue come to the fore as one of the major international negotiating efforts. There's no question about that.

We think it's time for countries to use their leverage with Iran. We think it's time for countries to use their leverage. And therefore, that -- we think it's important that countries prohibit the use -- the export of dual-use technologies that Iran can make use of in constructing its nuclear program.

We think it's very important that countries like Russia, for instance, freeze any arms sales planned for Iran. Russia announced in December 2005 a sale of TOR anti-aircraft missiles to Iran. We hope and we trust that that deal will not go forward, because this is not time for business as usual with the Iranian government.

So we think it's time for countries to use their leverage individually, and we think it's time for countries to band together collectively to make the same effort. And that's a very important point that was just -- that I discussed and other members discussed with the P-5, as well as the G-8.

I think you'll see two different groups dealing with this issue of Iran. One will be the P-5 and the Security Council, and the second will be the G-8, in the way that I have described.

One final point:

The discussion now internationally is even broader, in terms of our concerns about Iran, than the nuclear issue. A number of countries in the P-5 and G-8 spoke up against Iran as a leading support for terrorism in the Middle East, as well as concern about its more aggressive policy in the region, as well as concern about the human rights situation inside Iran.

So what the United States government has been trying to do is, we've now got a fully developed comprehensive policy towards Iran, which focuses on the nuclear issue but also on the counterterrorism problem, also on the effort to try to promote democracy and human rights inside Iran, as well as work with countries in the region of the Middle East to see if we can't all together send a signal to Iran that its current behavior is quite unacceptable.

That's what I wanted to say in terms opening remarks. I think Undersecretary Joseph has some as well to offer, and then both of us will be happy to answer your questions.

MR. JOSEPH: Good morning. Let me just say a few words about what is going on, on the ground in Iran with regard to its nuclear activities, and also a few observations about the visit that I made to the Gulf. I returned last Friday, having visited the Gulf states, including Bahrain and the UAE, Oman, Kuwait, Saudi Arabia, Qatar and then, on the way home, Egypt.

First in terms of activities on the ground in Iran, it's fair to say, I believe, that the Iranians have put both feet on the accelerator. They're moving very quickly to establish new realities on the ground associated with their nuclear program. You're all aware, I think, of the announcements that were made by the Iranian leadership on the 11th of April. The claims that were made in those announcements have yet to be confirmed, but for the most part we see little reason to doubt them. The Iranians claimed that they had converted enough uranium for 110 tons of UF₆, UF₆ being the feed material for centrifuges. This is enough material for more than 10 weapons. The Iranians have said that they actually produced enriched uranium to 3.5 percent. If you can produce to 3.5 percent, you're well on your way to producing enriched uranium at a much higher content, including weapons grade material.

Perhaps most disturbing, at least in my calculation, is the announcement that they are operating a centrifuge cascade consisting of 164 centrifuges. I'm a political scientist, not a nuclear physicist, but every nuclear physicist that I have talked to in the past has always suggested that 164 is a key number, because once you're able to operate over a sustained period of time 164 centrifuges in cascade, and feed into that this material, this UF₆ that I talked about, you're well on your way to an industrial-scale capability in terms of the production of enriched uranium.

In the context of Iranian plans, the Iranian government also announced that they intended to have 3,000 centrifuges installed at Natanz by the end of the year. Three thousand centrifuges is much more than one needs to produce enough enriched uranium, if properly configured, for more than one nuclear weapon a year.

And they also said that they intended to move to 50,000 or more centrifuges at Natanz in terms of their long-term goals.

You also may have read some of the recent press on the claim by the Iranian president that they're moving with research and development on the next generation of centrifuge, the P2 centrifuge, which, according to Iranian claims, is four times as efficient as the P1.

I think this clearly gives you an idea of what the Iranian goals are in this context. And I think you have to look at these claims in the context of continued unwillingness by Iran to cooperate with the IAEA in addressing the major outstanding questions that have been raised time and time again by Dr. ElBaradei and by the IAEA inspectors in reports to the Board of Governors.

These questions deal with the history of the centrifuges, including the P2s. They deal with indications of weaponization by Iran, and they also of course deal with the call by the entire board -- and now by the Security Council -- to have Iran suspend its enrichment-related activities, and also to stop its move to acquire a heavy water research reactor that would be configured to produce plutonium, the other fissile material that is appropriate for nuclear weapons.

Iran has clearly demonstrated that it is not willing to cooperate and that it is determined, despite calls for compromise and despite calls for negotiation -- determined to move forward in complete defiance of the international community.

Just a few words on my trip to the Gulf.

The purpose was to consult with the Gulf countries about the threat from Iran, and what we might be able to do together. We discussed a number of counterproliferation initiatives that we might be able to take. We talked about working in the context of the Proliferation Security Initiative, an initiative that now involves over 70 countries who are committed to stopping the trade in proliferation materials. We talked about how that could be best applied to Iran to stop

the transfer of sensitive materials and technologies associated with their WMD and missile programs. That initiative has already had an impact on Iranian programs, and we intend to use that as a tool to achieve even greater effect.

We talked about financial measures, what we can do together to disrupt the proliferation activities by taking certain measures in the financial area in terms of banking transactions or closing front companies, the type of actions that can have an effect on Iran's ability to acquire more technology and expertise from the outside.

And we also talked about other defensive measures that we might be able to pursue together, including greater cooperation on missile defense as one example.

Iran has the largest ballistic missile offensive capability, and it's a capability that's growing significantly. And we talked about the prospect for working together to provide a defense against that mode of delivery.

We also talked about the prospect for training and exercising in the area of chemical and biological defense. Remember that Iran is not only pursuing a nuclear weapons capability, but is assessed to have a biological and chemical offensive program as well.

These efforts, these defensive measures that I have mentioned, are intended to reinforce the prospects for the success of our diplomacy in New York, in Vienna and elsewhere. They are not in competition, but they are reinforcing.

Let me stop there and we'll take questions.

MR. ERELL: Peter.

Q I have one question for Undersecretary Burns and one for Undersecretary Joseph.

Nick, we got a week to go before April 28th. The Russians, for one, are saying that they're not going to apply sanctions because they see no proof that Iran is heading towards a nuclear weapon. So it seems like that international consensus is not as solid as you might suggest. What do you think the prospects are after April 28th?

And, Undersecretary Joseph, given all the data that you've given, what is the latest estimate on how close Iran is to a nuclear bomb or to that famous point of no return?

MR. BURNS: It's always interesting to match what you hear privately in negotiations versus what people say publicly. The message privately was that we -- we do not have an agreement yet among the P-5 about the specific tactic that all of us should embrace at the Security Council, but we do have the following agreement. That after Mr. EBaradei, Dr. EBaradei reports to the Security Council and the IAEA on April 28th -- and there's only one thing he can really report, and that is that Iran is not in compliance with the terms of the presidential statement issued by the Security Council. After last week's announcement, Iran has flown by the red lines -- flow over the red lines established by the U.N. Security Council. So assuming a negative report, which we do, the commitment that all of us have together is that we're going to meet on May 2nd in Paris -- the P-5 political directors -- and we will try to determine what collective action we should take together, collective action together, in the Security Council, and try to agree on a series of measures in the Security Council designed to send a very strong signal to the Iranians that they are out of line.

Now, I don't want to mislead you here. Russia and China have not agreed to what that specific action should be. But they said to us in private that they believe that there should be some kind of effort made by the Security Council beyond where we've been. And where we've been is we've been offering these resolutions and presidential statements. It's now time for some type of action to be taken, because what we hear is it's not -- the Russians and Chinese tell us they don't want to see Iran have a nuclear weapon; they understand that Iran has to be now strongly encouraged to pull back from where it is. So the diplomacy -- the trick, the challenge of diplomacy in the next several weeks will be to try to agree on that specific action. You know where we're coming from. It's time for countries to use their leverage and use their influence.

And words sometimes just aren't sufficient in diplomacy. They have to be combined with action. I'm talking about diplomatic action.

There are a lot of countries that trade with Iran, that have billion-dollar trade relationships, and they ought to begin to rethink those commercial trade relationships. There are a lot of countries that allow the export of dual-use technologies, and the position of the United States is, that should be prohibited.

All countries should refrain from military sales and arms sales. And we pressed that issue the other day, and we'll continue to press it -- to pressure -- to press that issue.

One last thing:

The diplomacy here is very challenging. It is likely to extend some time into the future. We're not going to see in the next week or two any kind of a breakthrough, but we are seeing something very significant. A year ago today, there was no international coalition designed to force Iran off its nuclear weapons track, and there is now. And it includes the United States and Canada and all the European countries and Japan and Australia and India and Brazil, all the countries -- and Russia and China -- that have voted to rebuke Iran.

Now you have two groups, the G-8 and the P-5, that are saying to -- that have committed to work on a multilateral basis to send this signal to Iran.

So I can't predict where the Security Council will be a month from today, but my sense is that the Iranians have miscalculated again; that this high-profile announcement last week, with the president of Iran and holding up, you know, the product of what they'd done in the enrichment process, has backfired on them. I sensed real concern on the part of Russia and China as to what the Iranians are up to. Now let's see if we can translate that into effective action at the Security Council, to preserve the credibility of the Security Council, which is what is at stake here.

MR. JOSEPH: Let me just say that on my visit to the Gulf, the same concern that Nick just described was very apparent in all of the countries that I visited.

With regard to the question of when Iran might have a nuclear weapons capability, the DNI, Ambassador Negroponte, has spoken to that.

I would just say that with regard to the question of the point of no return, there are different answers to that. Some will say that the point of no return is when Iran has produced enough fissile material for a nuclear weapon. Others might argue that it's the point in which they have successfully weaponized this.

There is an earlier point of no return, and that is when Iran has acquired the confidence and the capability of running centrifuges over a sustained period of time, allowing it to produce enriched uranium.

And again, the key point there has always in the past been the 164- cascade centrifuge. So the answer I would give you is we are very close to that point of no return, and I think that's a view that was -- that was shared -- that is -- that is shared by many others.

MR. ERELL: John (sp)?

Q: How do we know if we can believe the statements that are coming out of Iran and that their claims -- how do we know that they're not exaggerating? And how much confidence can we really have in our intelligence on Iran any more than we had with Iraq?

MR. JOSEPH: The IAEA is in the process of taking samples and will, I think, in time be able to confirm the claims that have been -- that have been made.

MR. BURNS: Can I also -- can I also just add to that, it's -- it's -- no one's trying to -- as we -- as we arrange our diplomacy, there's a clear separation between dealing with Iran and what happened with Iraq in 2002 and (200)3. One of the remarkable aspects of the diplomacy

concerning Iran is not a single country of which I'm aware believes that Iran -- Iran's nuclear program is for peaceful purposes. Everyone assumes -- the whole basis of what's happening in the Security Council is that Iran is trying to achieve a nuclear weapons capability.

And now we have this extraordinary situation where for a couple of years the Iranians told the IAEA we're not engaged in P2 centrifuge research, and then the president of Iran last week said we are engaged in P2 centrifuge research. So the inconsistency -- I would say the covering up of the reality of the facts -- by the government of Iran is quite profound here. And what's happening now is that you had the Iranians just a couple of months ago telling the international press: we're not going to engage in enrichment, we're not going to go to 164. Last week they said they'd go to 3,000 centrifuges in research by the end of this year.

So we're just judging Iran on what it's saying it's doing. It's crossing every international red line, which has produced this movement against -- and, I think, backlash against Iraq -- Iran, excuse me.

MR. ERELI: (Warren ?)?

Q In your opening statement, you mentioned the actions in the Security Council in May and June. Should we infer from that that there's going to be some sort of 30-day trigger in May? And what happens in June if the Iranians continue to be unresponsive?

MR. BURNS: The aggrieved party here are the three European countries who for three years have been negotiating with the Iranians.

They had their negotiations summarily and unilaterally disrupted by the Iranians last year. So I expect that those European countries, led by Britain and France, the two permanent members of the Security Council from Europe -- that they'll come forward, likely with a Chapter VII Resolution in the early part of May.

I think that that diplomacy -- you all know about diplomacy in New York. It's iterative. It's sometimes incremental, and so it's likely to take a little bit of time to work through the debate and the negotiations, and it may be that there are several avenues that are pursued in the Security Council designed to isolate and put some pressure on the Iranians. And we still need to work out with the Europeans over the next week or so exactly what they will put forward, and we'll be working with the Russians and Chinese as well. Therefore -- thus, the reason for the May 2nd meeting in Paris, and then many, many other subsequent meetings. You're going to see a lot of activity at many levels of government here.

MR. ERELI: James?

Q One for each of you.

MR. ERELI: Just one question.

Q Okay. Secretary Burns, you mentioned that you've pressed the point with the Russians very recently about these anti-aircraft sales. What was the response you got? And how optimistic are you that you'll be able to prevent that sale from going through?

MR. BURNS: I think you saw some of the -- a part of the response yesterday, when I thought the Russian Foreign Ministry spokesman said that they intended to go forward with these arms sales.

It just doesn't stand to reason that Russia would continue with arms sales, particularly of the type envisioned -- TOR missiles -- to Iran. Iran is a country that is violating every international agreement it's made on the nuclear issue, both with the IAEA and now with the Security Council. It's not complying with the statements of the Security Council. We know what it's doing in terms of its now more aggressive policy in its own region, so we'll continue to work at it.

We felt it was important to press the issue. We'll continue to press the issue.

MR. ERELL: Steve?

Q Following up on that -- related to sanctions, the United States seems to feel that, absent a Security Council -- a unified Security Council action, that all the countries, including the Europeans, should have their own sanctions ready to go. But the -- this is something that the Europeans indicate they strongly disagree on, that only a collective Security Council action is going to be effective. They don't think that kind of thing would be effective. Is there a disagreement, a difference of views here between us and our European allies?

MR. BURNS: Steve, I don't think so. We have -- we, the United States, have committed to ourselves to this very intensive process in the Security Council.

And we understand that for many countries, given the way their laws work and relations with parliaments, that the force of a Security Council resolution, say a Chapter 7 resolution, is sometimes necessary, or the reality of it, before they can take individual action. So we understand that. And we have been now for the last year supporting the EU effort. And the reason for my trip to Moscow this week was to commit the United States to a diplomatic process in New York in a very intensive way.

But one of the points that Secretary Rice has made, and that a number of others of us have made, is that this issue is too important to be hung up for months or years in the Security Council. We're dedicating ourselves to the Security Council process, and you'll see the United States be as actively engaged as anybody. But if the Security Council cannot act over a reasonable period of time, then there will be an opportunity for groups of countries to organize themselves together for the purpose of isolating the Iranians diplomatically and economically. So it's not beyond the realm of the possible that at some point in the future a group of countries could get together, if the Security Council is not able to act, to take collective economic action or collective action on sanctions. That's important because those that might prevent the Security Council from acting effectively need to understand that the international community has to find a way, and will find a way to express our displeasure with the Iranians.

MR. ERELL: Last question.

Q But it sounds as if you're sort of pursuing that second track in parallel with the Security Council. I mean, you went to Europe and to Moscow in part to talk to the Europeans about sanctions they could raise or, you know, asset forfeiture, and that sort of thing that would be country-specific and apart from the Security Council. And now you're talking about stopping arms sales, and the weighing of other countries' individual leverage.

Which one do you think has the greater likelihood of ultimate success? And do you undermine the Security Council process by talking about the other things at the same time?

MR. BURNS: No. We're just talking about the reality of how the world works and diplomacy works. There's never, I think, been any issue over the last 40, 50 years that's been exclusively in the domain of the Security Council or one channel. You've got to work through a variety of channels.

But let me say this. We are devoted and dedicated to making the Security Council process effective. We're putting an enormous amount of energy and a lot of resources into thinking through how the Security Council can be effective.

So we haven't given up on diplomacy. We have not given up in the Security Council. And the largest part of our effort is going to be through the Security Council.

I'm just suggesting what Secretary Rice has suggested and others have: that it's very important that we have a number of avenues through which we can pursue action -- diplomatic, economic action -- against Iran.

And the United States is not alone in saying this. The European Union announced 10 days ago they are considering a basket of sanctions. Among the efforts being talked about internationally and behind closed doors and also publicly are targeted sanctions against the Iranian leadership, to make it impossible for them to travel, visa sanctions; a prohibition on

export of dual-use technologies that could serve their nuclear industry; and other measures like that.

And so it's very important that the Security Council succeed. And the United States will do everything in its power to help the Security Council succeed.

But obviously, in the way that the world works, countries have a multiplicity of relationships with Iran. We don't, but many other countries do. And they ought to be using that leverage, whether it's through the Security Council or outside the Security Council.

And it's also important for countries to know that if for any reason the Security Council can succeed, there will be an effort made, and there are avenues available to us to apply the kind of pressure that we need to apply.

MR. ERELI: Thank you, Nick. Thank you very much.

Do you have anything to add, Bob?

MR. JOSEPH: I would just add that this is likely the greatest strategic threat that we face as a nation and that faces the international community. A nuclear-armed Iran is something that we simply cannot tolerate, and this is a sense that is shared very widely by most states. A nuclear-armed Iran would represent, I think, a direct threat, not only to us and not only to the countries in the region, but to the entire nuclear nonproliferation regime. It would represent a threat to stability in the region, because a nuclear-armed Iran, I believe, would be emboldened to take even more aggressive actions through the use of terrorism and other means. One can also contemplate the proliferation consequences of a nuclear-armed Iran.

We need to use every tool at our disposal. Diplomacy is key. Our economic tools, our intelligence tools, every tool that we have needs to be brought to bear against this threat. Thank you.

MR. ERELI: A couple more. Elise?

Q There's been -- (off mike) -- there's been a lot of speculation over the last week that the U.S. is looking to talk to Iran beyond the narrow talks on Iraq -- talk to Iran beyond the narrow confines of Iraq. There's been reports that a Mr. -- an Iranian official, Mr. Nahavandian, was in town, looking to meet with U.S. officials.

And there are also reports that the U.S. is using its long-time intermediary, Mr. Ghorbanifor. So could you speak to these reports? Is there anything to it? Is the U.S. looking to have any direct negotiations with Iran on the nuclear issue?

MR. BURNS: There's nothing to those reports. The Iranian gentleman in question may have been wandering around Washington, but I am absolutely sure he did not have any conversations with any American government officials and that we weren't seeking those conversations. He apparently is a green card-holder, so he got himself into the United States. This is an issue for DHS now to handle, and DHS is, and I'd direct your questions there. But he did not have discussions with American government officials, and we would not have met with him had he knocked on the door of the State Department.

There are no discussions underway of the type that you have talked about. As you know, we do not have -- we are not talking to the Iranians directly about this nuclear issue. We're not part of the negotiations with them. When I was in Moscow, an Iranian delegation showed up and they met with the Europeans and Russians directly after our meeting. But I was not there and I was never intended to be there.

The only conversations we've had with the Iranians were a couple of weeks ago, and we told you about this when -- after the earthquake when I called the Iranian ambassador to the United Nations, Dr. Zarif, to offer, on behalf of our government, humanitarian assistance. And he called me back the next day with the answer that the Iranian government was very appreciative of the offer, but they felt they could handle that particular natural disaster on their own. That's the extent of it. So there are no discussions underway.

Q No discussions with Mr. Ghorbanifor, either?

MR. BURNS: No. No.

MR. ERELL: Charlie.

Q Nick, you also met in Moscow with the Chinese -- your counterpart, and he had just come from Tehran. Can you bring us up to date on what he might have reported to you about any thinking in Tehran? Aside from what we've seen Iranian officials saying, is there anything else he offered you?

MR. BURNS: Charlie, I don't think it would be appropriate for me to speak on behalf of the Chinese government about what they said. But let me just say that Assistant Minister Cui Tiankai came to Moscow after his trip to Tehran, where he had meetings with Dr. Laranjani and others. We understand that the Chinese delivered a fairly stiff message to the Iranian leadership last weekend.

And we certainly appreciate the Chinese position to be that China does not wish Iran to have nuclear weapons, that China is very disturbed by the steps taken by the Iranian government last week on enrichment.

And I found, in my meetings with Assistant Minister Cui bilaterally -- we met together for about an hour and a half, as well as in the meetings that he and I participated in among the P-5, that China's voice is very strong in this regard, and we very much appreciate it, that very constructive attitude of the government of China. And we certainly want to pursue with the Chinese a very intensive bilateral discussion about Iran because we sense that there's a lot -- that we have a lot of common ground with the Chinese, as we do with the other countries.

MR. ERELL: Okay, this is really the question.

Farah.

Q A lot of scientists believe that Iran is deliberately hyping their nuclear progress so that the international community would believe that Iran is -- the program has already gone too far to turn back, and that the international community would accept it. And I'm wondering if you think -- what you think of that theory, and whether or not it's a good theory, given that -- or it's a good strategy, given that the United States government and the international community does seem to be accepting some other nuclear programs that have grown up outside of the nonproliferation regime, such as the Indian program and -- you mentioned that this is a threat to the nonproliferation regime, so I was hoping you can talk about that.

MR. JOSEPH: Well, I have seen speculation to that effect. And there are certain claims that Iran has made that must be confirmed. As I mentioned, the IAEA will be on the ground. They've already taken samples, and we should have greater clarity.

But there still will be many things that we don't know. For example, if in fact the 164-Centrifuge Cascade is up and running, we won't have a good sense, I think, of how many difficulties, technical difficulties they've encountered.

There are gaps that are going to exist in our knowledge. Could they be hyping it? Sure, they could be hyping it. But we're very concerned by what we have seen, and we're very concerned by the conversion of the uranium, by the enrichment, which we believe has happened. These are real milestones that one can see Iran crossing on the path to full-scale enrichment.

Recently there have been press reports about additional 164-Centrifuge Cascades. This is very troubling. But we do need to confirm the facts on the ground.

Q (Off mike.)

MR. ERELL: I'm sorry. We got to -- we got to run.

Thanks.

MR. JOSEPH: Thank you.

END.