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IRAN'S NUCLEAR IMPASSE: NEXT STEPS

HEARING

BEFORE THE

FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, AND INTERNATIONAL SECURITY SUBCOMMITTEE

OF THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS UNITED STATES SENATE

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IRAN'S NUCLEAR IMPASSE: NEXT STEPS

THURSDAY, JULY 20, 2006

U.S. SENATE,
SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT,
GOVERNMENT INFORMATION, AND INTERNATIONAL SECURITY,
OF THE COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS,
Washington, DC.

The Subcommittee met, pursuant to notice, at 1:39 p.m., in room SD–342, Dirksen Senate Office Building, Hon. Tom Coburn, Chairman of the Subcommittee, presiding.

Present: Senators Coburn, Carper and Dayton.

OPENING STATEMENT OF SENATOR COBURN

Senator COBURN. The Federal Financial Management and International Security Subcommittee of Homeland Security and Governmental Affairs will come to order. I want to welcome all of our guests. I have thoroughly read your testimony, even those that have come somewhat late. I appreciate the efforts that you have made to inform this Subcommittee of your thoughts and views.

We live in a dangerous time, a dangerous world. The events that are unfolding in the Middle East today are not always what they seem to be, and, in fact, proxies appear to be performing for others.

There is no question that the largest sponsor of terrorism in the world is the government of Iran. Without question, that not only impacts the Middle East but the rest of the world. There is no question that the sponsor and promoter and payer for the improvised explosive devices that are multidirectional and unidirectional in Iraq are prepared and paid for by the government of Iran.

The purpose of this hearing, however, is to discuss Iran's nuclear impasse and what is to be done about it and the evidentiary nature of the statements that have been made by their own negotiators and that they do not intend to negotiate straightforward, they intend to buy time, as published widely and worldwide by the fact that their negotiator said they stalled the EU so that they could continue developing.

I think it is very important for us—and I want to thank my co-Chairman Senator Carper for having initiated this second of our hearings on Iran. But it is important for us to understand the seriousness of the threat to the entire world, not just the Middle East.

I also think it is very important for us to recognize the threat that the government of Iran is to the people of Iran, to the very people that they supposedly represent because ultimately what they do, it does them tremendous damage.

I have a complete written statement I will make a part of the record.

[The prepared statement of Senator Coburn follows:]

PREPARED STATEMENT OF SENATOR COBURN

Within the past few weeks, the regime in Iran illustrated yet again why it is a threat that the world cannot afford to ignore any longer. There is no doubt that Iran is behind the two-front war being waged against our closest ally in the Middle East, Israel, by Hamas and Hezbollah terrorists. Just like there is no doubt that Iran is behind the road-side bombs and other terrorist acts killing Allied soldiers and innocent civilians in Iraq. For decades, the regime in Iran has been exporting terror all around the world and killing untold numbers including Americans, Israelis, Iraqis, and even fellow Iranians. Iran is already a threat to the world without a nuclear capability—nuclear weapons will only exacerbate that threat.

When the Iran's nuclear weapons program was first revealed by Iranian dissidents in 2002, the international community could no longer deny the problem. In 2003, Germany, France, and Britain—the "E.U.–3"—responded by offering Iran a generous economic package and a promise of help developing so called "peaceful" sharing of nuclear technology. The condition was that Iran would have to stop enriching uranium. After lengthy negotiations, Iran responded by breaking the I.A.E.A. seals on its centrifuges and rejecting the deal. The following year, the Europeans tried another round of negotiations, resulting in even more E.U.–3 concessions. But again, after lengthy negotiations, Iran responded by breaking I.A.E.A. seals on its uranium conversion facility and continued to develop nuclear technology.

We now know that Hassan Rowhani, the Iranian representative at the negotiations, admitted that while he was negotiating with the Europeans, the regime rushed to complete a major nuclear site. The *Telegraph* article, aptly entitled "How we duped the West, by Iran's nuclear negotiator," quotes Rowhani as saying he created a "tame situation" to buy time for the regime to finish the job.

President Bush has decided to give Iran one more opportunity at negotiations. The United States has expanded the already generous economic incentive package and has made Iran one final offer. It is uncertain whether this new round of negotiations represents an exercise in truly checking every last box or the Administration is indulging to the prevailing in truly checking every last box or the Administration is indulging to the prevailing appeasement ideology in Europe and in some quarters at the State Department. Let's hope that nobody is actually counting on good faith from a regime which has shown no sign of it, and that these many efforts are simply an instrument of pressure for the international community to demonstrate that everything has truly been tried.

Amazingly, even after all we know regarding the regime's central role in terrorism both inside and outside of Iran, some analysts here in the United States jump at the chance to defend Iran's pursuit of nuclear weapons. Since the beginning, the Iranian regime has referred to the United States as "the Great Satan" and, even when a so-called reformer was president, the regime rules Iran with an iron fist—crushing all who would dare call for democracy and freedom—and continues to be a state sponsor of terror. Against all rationality, the apologists believe the regime will somehow have a change of heart if only the United States offers trade relations, university scholarships, and relaxed travel visas to the regime.

The regime's stall tactics are well documented, and recent Iranian calls for more time and talking appear to be more of the same. Assuming that these will eventually fail to deter an Iranian nuclear program, the United States has three options left: Sanctions, military action and aggressive democracy promotion.

Unfortunately, sanctions are not a promising option. First, they must be agreed upon by everyone. Second, even when they are, they haven't worked. Third, they won't pass in the U.N. Given the track record with the U.N. on Burma, Sudan, Iraq, North Korea and any other dangerous regime, it is highly unlikely we will see the Security Council enforce an effective sanctions package against Iran. It would be equally difficult for the United States to form a coalition of willing nations since many European countries depend on Iran's energy exports and several Western nations have significant trade relations with the regime.

So, what about military options? While a full-scale invasion is not necessarily "off the table," it doesn't appear to have any serious weight in the current policy track of the Administration. Surgical strikes, on the other hand, appear to be within the realm of possibility. Advocates say there are only a limited number of nuclear sites, and striking them would cripple Iran's program. Opponents say our intelligence on Iran is limited and unreliable. Regardless, it is doubtful that President Bush wants

to pass on to his successor the same unresolved problems he inherited—North Korea, Iran, and al-Qaeda. Surgical air strikes might be a fast and effective way to ensure he doesn't leave office with Iran having a nuclear arsenal with which to blackmail and threaten free nations.

Perhaps the greatest hope the world has is the spirit of liberty among the Iranian people. Seventy percent of the Iranian people are below the age of 30. These young people want a country of opportunity, freedom, a chance to live out their dreams—not an oppressive dictatorship under constant isolation from the free world. As was the case in the former Soviet Union, Poland, Czechoslovakia, Ukraine, and many of the other Soviet satellites, the role of democracy revolutionaries was essential to these countries' transformation.

Iran poses a grave threat to the world but an even graver threat to Iranians; and therein lays our greatest hope for peace. By aggressively and intelligently supporting the millions of young Iranians who long for freedom and opportunity, the free world can loosen the iron grip of the ayatollahs. That's why I've co-sponsored the Iran Freedom and Support Act. But just throwing money at so-called democracy promotion programs isn't enough. If not done right, programs can do more harm than good. We have a responsibility to Iran's young people to oversee these programs.

The purpose of today's hearing is to discuss these policy options and the next steps for dealing with Iran. I want to thank the witnesses for being here today, and I look forward to your testimonies.

Senator COBURN. I would like to recognize my Co-Chairman, Senator Carper.

OPENING STATEMENT OF SENATOR CARPER

Senator CARPER. Thanks very much, Mr. Chairman. To our witnesses today, welcome. We appreciate your willingness to stop what you are doing in your lives to be here with us today and to share your thoughts and to respond to some of our questions. I want to thank the Chairman for scheduling this hearing and our staffs for working to prepare us for this day.

Every now and then we have hearings, and I am sure we both participate in them, and you say, Why is this relevant to what is going on in the world? Today we do not ask that question. We know for sure why this is relevant to what is going on in the world, in our lives and certainly in the lives of a lot of people in the Middle East.

For nearly 2 weeks, violence in the Middle East has led to more than 300 deaths, with many of those dying being civilians. Iran, through its sponsorship of Hezbollah and its willingness to back Syria, has been publicly linked to these events.

Our country has been placed in a difficult situation, a situation where we must lead our allies on the one hand to strategically contain the conflict between Hamas, Hezbollah, and Israeli forces, and at the same time try to help stop the Iranians from developing nuclear weapons.

The Administration has entered a decision to engage in talks with Iran, multilateral talks with Iran regarding its nuclear program. But, unfortunately, the success of this path remains today at least in question, especially given the current situation.

Additionally, the Administration has said that it will send Secretary Rice to both the U.N. and to the Middle East to discuss a solution to ending the conflict involving the Israelis and some of their neighbors.

I cannot more urgently stress the need for these visits to happen as soon as possible or the need for the United States to utilize our

diplomatic leverage to urge a cease-fire to the fighting that continues to claim innocent lives.

I am looking forward to hearing the testimony from all of you, and we look forward to the opportunity to see if that testimony may shed a little more light on both the situations that we face and a possible better path forward. Thank you.

Senator COBURN. Again, welcome to our panelists. I will introduce each of you, and then we will recognize you. Your full statements will be made part of the record. Because Mr. Fakhravar will have an interpreter, we will give him an additional amount of time with which to make his statement.

Amir Abbas Fakhravar is Chairman of the Independent Student Movement, is an Iranian student leader that recently left Iran and came to the United States in April of this year. While in Iran, Mr. Fakhravar was imprisoned by the regime for his writings and activities that promote a free and democratic Iran.

Next is Dr. Michael Ledeen, who is the Freedom Scholar at the American Enterprise Institute. His research areas include state sponsors of terrorism, Iran, and the Middle East.

Ilan Berman is Vice President for Policy at the American Foreign Policy Council. Mr. Berman's research includes Iran and the Middle East.

Dr. Ray Takeyh is Senior Fellow for Middle East Studies at the Council on Foreign Relations. He has testified before this Committee before. Welcome back. He works on issues related to Iran and political reform in the Middle East.

Finally, Dr. Jim Walsh is from the Security Studies Program at the Massachusetts Institute of Technology. He researches international security policy.

Each of you will be allotted 5 minutes, and we will be somewhat free with that time, if we can. If you do not have time to make your point, we will be lenient in that regard. And I want to welcome you. And to our leader of the Iranian Student Movement, there is a movie that is well known in America, and a classic line from it is, "People don't follow titles. They follow courage." I want to commend your courage and offer you my admiration for your leadership for what you are doing. You are recognized for 5 minutes.

TESTIMONY OF AMIR ABBAS FAKHRAVAR,[1] CHAIRMAN, INDEPENDENT STUDENT MOVEMENT

Mr. FAKHRAVAR. Thank you very much for giving me the honor and opportunity to speak at the U.S. Senate, one of the world's oldest and most distinguished democratic institutions. I assure you that the very thought of being able to be with you fills me with joy and awe. You are, as your ancestors promised, a beacon of light to all nations around the world.

[Through translator.] My name is Amir Abbas Fakhravar. I am basically leader of a portion of student movement in Iran. I have been through jails and tortured. As a result of torture, you can see the scars on my face. My left wrist was broken. My knee was broken.

[1] The prepared statement of Mr. Fakhravar appears in the Appendix on page 37.

I am here to voice the Iranian operation, bring it to your attention, and the basic regime change model and the message is what we are here to pass on to you all.

I have four points to make here.

First is the negotiation part. Is there any real truth and meaningful reason to have the negotiations with the Islamic regime?

I have lived all my life under the system, the current system in Iran, and I know the system very well. There is no way that there is any place of negotiation with these people.

You can negotiate with people who have logical minds and humanistic beliefs. The people in charge in Iran do not have either one. They are brutal and oppressive. The crimes that they pull on the people of Iran, you can see it based on examples like stoning, cutting off their hands, eye gouging, and torture.

I am not saying that the negotiation is not going to be fruitful—sorry, that the negotiations are going to be futile. However, it is not just futile. It is dangerous, outright dangerous, because you will provide them legitimacy. The Islamic regime has no legitimacy both inside and outside of Iran.

Through this negotiation, you are giving them the legitimacy, at least inside of Iran, towards the Iranian people inside.

Heads of Islamic regime are moving toward this movement to bring bloody ordeal in the country, in the world. This is one of the fundamental religious beliefs.

Ahmadinejad, Khamenei, and Mesbaheh Yazdi are all of the belief that for bringing back the 12th Imam, Shi'ite Imam, the whole world has to be in a chaotic and bloody way before they arrive. They will do anything to disrupt the order of the world and make a mockery of the world so they can reach to their goal of bringing the 12th Imam back to life.

I am here standing in front of you to tell you that the youth of Iran, the Iranian students, do have the power to stand in front of this regime. We did show the might and the power of the Iranian student movement on the July 9, 1999, protest. At that time we did not have a full organized group, and we did not have the full education to combat this regime and uprise.

Through the means of communication, we would like to broadcast and promote democracy amongst the Iranian young and other groups such as labor movements, women movements, and other participants in other movements. We need communication devices, such as mobile cell phones, printers to print our magazines and our fliers. We need websites. Most importantly, we need radio and TV broadcasts. Both Radio Farda and Voice of America, the Persian version, can help us greatly.

The path that they have taken so far does not seem to be helping. I do not think that the U.S. taxpayers are happy to see their monies being used for propaganda against the United States. The most optimistic ones of the analysts and all do not even trust the reform within the regime. People of Iran have not received accurate news for years. They do need to hear accurate news and accurate analysis. With a so-called balanced view of these two media, the Voice of America and Radio Farda, they have really caused nothing but confusion among Iranians.

Every program should be geared toward regime change, and that is what Iranians inside of Iran wish for. We are planning through an organization called "Confederation of Iranian Students" to organize all students once again. We can accomplish this organization, we can organize it. However, the Iranians inside of Iran do need to know that people of the world are standing by them.

Through a hard sanction, multilateral sanction, I do believe that the Iranian people will come to the realization that the world is not supporting the regime, should not be worried about this sanction. My younger brothers and sisters and mother are living inside of Iran. They are going through very hard economic conditions. This is throughout Iran for everybody. They are willing to handle a short period of hard times so they would get rid of this regime once and for all. Iran is not a poor country. But the income of the country goes basically into the mullahs' pockets and their children, their sons.

All Iranians do know that after removal of the regime, there would be foreign investments. We can use this sanction to organize and gather up people, bring them together.

And about the military, nobody is after military action, neither us nor you. All we are doing is to show that we do have the power and let you know that we can do it from inside. We would like to replace Islamic regime with a secular democratic system. And we do our best. The mistakes by Islamic regime is that they are trying to prolong the time, and if they feel that there is any danger in the world, nobody is going to ask us how to deal with them. But I am sure that Iranians' interests will be considered in this.

There are two points. I know I have taken so much of your time.

Twenty-six years ago, a few, a handful of Iranian students climbed the walls of the U.S. Embassy. For 444 days, they held hostage the American sons and daughters and brought shame to Iranian students. I promised myself once the opportunity is available on behalf of the Iranian students, as the leader of the Iranian student movement, to apologize for this insane crime to the people of the United States and the world.

The second point is we realize that the nuclear issue of Islamic regime has really tired the whole world. This is a problem for the world population as well as the Iranian population. But the main point in Iran is different. This shall be a big problem for the entire world as well. The sick mind of the regime's man in charge, they teach the children in school how to make bombs and how to kill people. Our prisons are overflowing with political prisoners and breaking human rights widely. We hope that while you are paying attention to the nuclear dossier, we want these issues are not forgotten. For security even here in the United States, you need stability in the Middle East.

Senator COBURN. You need to summarize for us, if you would, and complete your testimony.

Mr. FAKHRAVAR. Thirty seconds, sir. A change of regime to a secular democrat will help stability in the region and the world. We see what the Islamic regime has done with its support of Hezbollah in Lebanon and what crime has taken place. Please help us to remove the Islamic regime, and you can count on it that Iran will be one of the best friends and ally of the United States and the world.

Senator COBURN. Thank you, Mr. Fakhravar.

[Applause.]

Senator COBURN. Mr. Berman.

TESTIMONY OF ILAN BERMAN,[1] VICE PRESIDENT FOR POLICY, AMERICAN FOREIGN POLICY COUNCIL

Mr. BERMAN. Thank you, Senator Coburn. That is a very hard act to follow, but I will try.

Let me talk a little bit from the American perspective. The one thing that I think we should emphasize here is that right now the United States is at a crossroads. We have a situation where the State Department's negotiating offer over the Iranian nuclear program, the one that was proffered in late May, has effectively ground to a halt. Certainly the Iranian regime is trying to extend the timeline that they have been given, but for all intents and purposes, this effort has failed.

What we have now is a moment of reckoning when we need to look again at all of the policy options that are available to the United States for dealing with the Iranian nuclear program and the Iranian regime itself.

A little bit of historical perspective is useful here. The State Department's offer is actually the third such effort over the last decade. Between 1994 and 1997, there was a process called "critical dialogue," under which we tried to alter Iranian behavior through economic and political inducements. That failed spectacularly. Between 2003 and 2005, you had what you could charitably term "critical dialogue redux," when the EU Three—France, Great Britain, and Germany—tried to do the same, specifically on the nuclear issue. And now you have this latest abortive offer coming out of the State Department.

All of these offers failed because they fundamentally misread the political will of the Iranian regime to become a nuclear power. And future offers that neglect to understand this are going to meet the same fate. Also, I think it is useful to note that they also did not account for Iranian perceptions.

I recently had the opportunity to travel to the Persian Gulf and have meetings with Iranian officials. I was astounded by what they told me. They told me that under no circumstances will the Iranian regime "do a deal"—their words, not mine—with the U.S. Government because they do not believe that American worries over the Iranian nuclear program are legitimate. Instead, they think that the nuclear issue is a foil that the Bush Administration is using to promote regime change within Iran.

As such, they have little to no incentive to actually come up with some sort of negotiated settlement because, after all, if the nuclear issue is gone, there are just going to be others.

The third thing that is useful to note with regard to the negotiating track is that there is a lot of opportunity costs that are associated with it. What we have really done by offering for the first time in 27 years direct negotiations with the Iranian Government is to send two messages.

[1] The prepared statement of Mr. Berman appears in the Appendix on page 40.

The first is to the Iranian leadership, and the message is as follows: We are so concerned over your nuclear effort, we are so concerned over your atomic program, that the other elements of your rogue behavior—your interference in Iraq, your support of terrorism in the Israeli-Palestinian, now Israeli-Hezbollah, conflict—all fall by the wayside. This is not an encouraging or a moderating sort of message to send.

The second message that we have sent is to the Iranian people themselves, which is that our concern over one aspect of the Iranian regime's rogue behavior is so great that it has chilled our support for their desire for change.

On the opposite end of the political spectrum, we have the idea of military action, and I certainly would second Mr. Fakhravar in saying that this is something that neither the Iranians nor the American people truly desire, for no other reason than the fact that it is likely to be profoundly self-defeating. First of all, we have to account for the fact that there is likely to be a very grave asymmetric response from the regime because of how it is positioned in the region and because of the tools of their terrorist proxies and the tools that they can marshal to retaliate. But more than anything else, what you have is a situation where military action will likely create a "rally around the flag" effect that is likely to be profoundly self-defeating because it will strengthen, not weaken, the Iranian regime.

So that leaves us with what I would like to call a triple-track approach, and I think all of these should be pursued simultaneously.

The first is economic pressure, and there are really three pressure points that we can bring to bear upon the regime. The first is foreign direct investment. The Iranian regime is dependent on foreign direct investment for continued oil production. They require about $1 billion annually to continue output at current levels, 2.5 million barrels a day export, and $1.5 million to increase that capacity. That is not a lot of money, and I think that should be understood. Iran has signed contracts worth dozens of billions of dollars with foreign powers over the last several years. With China alone, they signed two massive exploration and development deals worth $100 billion over 25 years. A billion dollars is a drop in the bucket.

But we can, through measures like multilateral sanctions, complicate their access to foreign direct investment and force them to dip into their hard currency reserves to continue their program. So we can slow it somewhat. But we cannot change the political will of the leadership itself to continue pursuing this program.

The second is the economic hierarchy. Right now in Iran you have a situation where the vast majority of government funds and of government resources rests in the hands of very few people. And through measures like targeted sanctions, like travel bans, like asset freezes, we have the ability to take a large chunk of this money out of commission and really capture the conscience of the behind-the-scenes decisionmakers. Again, we cannot change their political will, but we can certainly telegraph to them that we are serious.

The third and most promising economic point of vulnerability is commodities. Iran right now requires close to 40 percent of its an-

nual consumption of gasoline to come from abroad. This is at a cost of about $3 million a year. Moreover, Iran does not have a strategic gas reserve. Iran only has, according to authoritative estimates, about 45 days' worth of gasoline in-country, after which it becomes vulnerable. And that means that freezes on foreign exports of gasoline to Iran have the ability very quickly, much quicker than normal sanctions would, to affect both the ability of the regime to maintain the vast state subsidies on gasoline which currently exist, and also potentially these sort of commodity restrictions could create a situation where you have substantial social unrest in Iran.

For the sake of brevity, I will not touch upon democracy promotion because my colleague, Dr. Ledeen, can certainly touch upon that for me. But what I would like to talk about as a concluding point is public diplomacy.

Neither the nuclear effort, which right now retains a large amount of domestic popularity, nor the idea that the United States stands with the Iranian people in their desire for change can be telegraphed without an effective public diplomacy mechanism. And right now we have a situation where the tools of U.S. public diplomacy towards Iran, the Voice of America's Persian Service and Radio Farda, are simply not doing the job. You have a situation where $56.1 million at last count is heading towards the Broadcasting Board of Governors with no effective oversight. And the corporate culture that exists in those mechanisms today, ineffective programming, lack of strategic clarity, and sometimes even ineffective, mixed, or downright dangerous messages about American intentions, are likely to be amplified as a result of those funds if there is no governmental oversight.

Certainly I will be less diplomatic than my colleague, but I do not think it is unfair to say that regime change in U.S. public diplomacy towards Iran needs to happen. And it needs to happen because the stakes are so high. All of these efforts are interdependent. The nuclear issue is the most pressing one. But over the long term, the only thing that can ensure that an Iran armed with nuclear weapons is not a threat is by changing the finger on the trigger, by changing the character of the regime itself.

Thank you.

Senator COBURN. Thank you. Dr. Ledeen.

TESTIMONY OF MICHAEL A. LEDEEN,[1] FREEDOM SCHOLAR, AMERICAN ENTERPRISE INSTITUTE

Mr. LEDEEN. Thank you, Mr. Chairman, Senator Carper, and Senator Dayton if he returns.

Sadly, recent events, most notably the Iranian-sponsored war against Israel, have made this discussion more urgent than ever. But that is what happens when successive administrations for nearly three decades avoid dealing with a serious problem. It gets worse. The cost of dealing with it becomes more and more burdensome. The theocratic tyranny in Tehran is a very serious problem, and it is becoming graver. It has already cost a great number of American lives and an even greater number of innocent Iranians,

[1] The prepared statement of Mr. Ledeen appears in the Appendix on page 46.

Iraqis, Israelis, Lebanese, Argentineans, and others around the world. Now they are literally hell-bent to become a nuclear power.

The Islamic Republic of Iran has been at war with us for 27 years, and we have yet to respond. Fanatical Iranians overran the American Embassy in Tehran in 1979 and subjected diplomats to 444 days of confinement and humiliation. In the mid-1980s, Iranian-supported terrorists from Hezbollah killed hundreds of Americans in our Beirut Embassy and 6 months later killed 241 Marines in their barracks there. A couple of years after that, Hezbollah took other Americans hostage in Lebanon from the CIA station chief in Beirut to Christian priests to a distinguished military man who had served as General Colin Powell's military assistant in the Pentagon. The priests were eventually ransomed; Mr. Higgins and Mr. Buckley were tortured and murdered.

They have waged an unholy proxy war against us every since the revolution. They created Hezbollah and Islamic Hijad. They support most all the others, from Hamas and al Qaeda to the Popular Front for the Liberation of Palestine-General Command. Iran's proxies include Shi'ites, Sunnis, and Marxists, all cannon fodder for the overriding objective to dominate or destroy us.

It is no accident that the weekend before the two-front attack on Israel, there was a security summit in Tehran, involving all of Iraq's neighbors, at which Iran's infamous President Ahmadinejad issued one of his trademark warnings to Israel. Perhaps he had a hint of what would soon explode.

There are still those in Foggy Bottom, Langley, and academics who believe that somehow we can sort out our differences with the Islamic Republic. I wish they were right. But it seems to me that the Iranians' behavior proves otherwise. Religious fanatics of the sort that rule Iran do not want a deal with the devil. They want us dominated or dead. There is no escape from their hatred or from the war they have waged against us. We can either win or lose, but no combination of diplomatic demarches, economic sanctions, and earnest negotiations can change that fatal equation. It is not our fault. It is their choice.

A few months ago, the CIA concluded that Iran could not produce nuclear weapons in much less than a decade, but given the history of such predictions, we should be very skeptical of that timeline. Some Russian experts reportedly think it could be a matter of months, and they probably have better information than we do.

Numerous Iranian leaders have said that they intend to use nuclear weapons to destroy Israel, and contemporary history suggests that one should take such statements at face value. A nuclear Iran would be a more influential regional force, and since its missiles now reach deep into Europe, it would directly menace the West.

I am the last person to suggest that we should not do everything possible to prevent the emergence of a nuclear Iran. But the nuclear question simply adds urgency to the Iranian threat, which is already enormous, and which should have been addressed long ago.

The mullahs do not need atomic bombs to kill large numbers of Americans. They have done it with conventional explosive. They have long worked on other weapons of mass destruction, and they have an imposing network of terrorists all over the Western world. I am afraid that the obsession with the nuclear question often ob-

scures the central policy issue: That the Islamic Republic has waged war against us for many years and is killing Americans every week. They would do that even if they had no chance of developing atomic bombs, and they will do it even if by some miracle the feckless and endlessly self-deluding governments of the West manage to dismantle the secret atomic facilities and impose an effective inspection program. The mullahs will do that because that is what they are and it is what they do.

The nuclear threat is, therefore, inseparable from the nature of the regime. If there were a freely elected, democratic government in Tehran, instead of the self-selecting tyranny of the mullahs, we would in all likelihood be dealing with a pro-Western country that would be more interested in good trade and cultural relations than in nuclear warheads.

In other words, it is all about the regime. Change the regime, and the nuclear question becomes manageable. Leave the mullahs in place, and the nuclear weapons directly threaten us and our friends and allies, raising the ante of the terror war they started 27 years ago.

What should we do?

The first step is to abandon the self-deception that we will be able to arrive at a negotiated settlement. It cannot be done. The Iranians view negotiations as merely tactical enterprises in support of their strategic objectives. As you mentioned, Mr. Chairman, a few months ago, Hassan Rowhani, the mullah in charge of nuclear negotiations with the Europeans, bragged in a public speech that Iran had duped European Union negotiators into thinking it had halted efforts to make nuclear fuel while in reality it continued to install equipment to process yellowcake—a key stage in the nuclear fuel process.

It could hardly be clearer, or so one would think. The "negotiations" were merely a tactic.

Nor is there any reason to believe we can count on the United Nations to impose the rules of civilized behavior on the mullahs, either on nuclear issues or terrorism. The supreme leader, Ali Khamanei, has told his associates that Iran now has a "strategic relationship" with Putin's Russia, and that China is so dependent on Iranian oil that it is highly unlikely Beijing would vote against Tehran in the Security Council.

That leaves us with three courses of action, none of which is automatically exclusive of the others: Sanctions, military strikes, and support for democratic revolution.

I do not know of a single case in which sanctions have produced a change in behavior by a hostile regime. Moreover, sanctions aimed against the national economy seem to me misconceived because they harm the people, who are highly likely to be our best weapon against the tyrants, while leaving the oppressive elite largely untouched.

We should want to punish hostile regimes and help the people. Big-time economic sanctions or embargoes cannot do that, but very limited sanctions and other economic and financial actions can, although nothing is as effective in this case as the Iranian leaders themselves. Iranian debt has just been downgraded two levels to B-minus, putting Iranian paper now at the level of junk bonds. But

I am very much in favor of seizing the assets of the Iranian leaders who have stolen billions from their oppressed and impoverished subjects. That money properly belongs to the Iranian people, whose misery grows from day to day. We should hold it for them and return it to a freely elected government after we have helped them overthrow their oppressors.

I also support a travel ban on the leaders because it shows the Iranian people that we consider the mullahs unworthy of acceptance in the civilized world. Iranians know it better than we do, but they need to see that we have taken sides, their side, and the travel ban is one good way to do that.

Military action. Nobody this side of the yellow press is talking about an invasion of Iran, but there is considerable speculation about limited strikes against nuclear facilities. I do not know enough to be able to offer an informed opinion on this matter. I would only point out that our intelligence about Iran has been bad since before the revolution of 1979, and you would have to be very optimistic to base a military plan on our current intelligence product.

That leaves us with revolution. Iran has had three revolutions in the 20th Century and boasts a long tradition of self-government. The demographics certainly favor radical change: Roughly 70 percent of Iranians are 29 years old or less. Young Iranians want an end to the Islamic Republic. We know from the regime's own public opinion surveys that upwards of 73 percent of the people would like a freer society and a more democratic government, and they constantly demonstrate their hatred of the regime in public protests.

Oddly, just as it was generally believed that there was no hope of a peaceful overthrow of the Soviet Empire, today the conventional wisdom intones that there is no hope for democratic revolution in Iran, and even if there were, we would no longer have enough time for it, as if one could fine-tune a revolution.

This pessimism strikes me as bizarre as it is discouraging. We empowered a successful revolution in the Soviet Empire with the active support of a very small percentage of the population. In Iran, revolution is the dream of at least 70 percent of the people. The regime is famously vicious, but the KGB was no less vicious, and tyranny is the most unstable form of government.

Nobody knows with certainty whether revolution can succeed in Iran or, if it can, how long it will take. But we do know one very important thing. In recent years, a surprising number of revolutions have toppled tyrants all over the world. Most of them got help from us, which should not surprise Americans. We got plenty of help against the British. The Iranian people now await concrete signs of our support. Thank you.

Senator COBURN. Dr. Takeyh.

TESTIMONY OF RAY TAKEYH,[1] SENIOR FELLOW, MIDDLE EAST STUDIES, COUNCIL ON FOREIGN RELATIONS

Mr. TAKEYH. Thank you, Mr. Chairman, for inviting me back to the Subcommittee. I will try to confine my remarks to the allotted 5 minutes so as to not tax your patience.

[1] The prepared statement of Mr. Takeyh appears in the Appendix on page 54.

Senator COBURN. I will be very lenient. We have been thus far, and we will continue to be.

Mr. TAKEYH. Thank you. What I will try to do in the time that is allowed to me is discuss the internal factional opinions within the regime on the nuclear issue, whether there are debates, disagreements, and what that implies for the future, of course, of the nuclear diplomacy that is at hand, and, finally, what is to be done at this late date. And I would like to begin with two cautionary notes.

First of all, there is a considerable degree of opacity over Iran's national security decisionmaking, particularly on issues as sensitive as nuclear issues, so there is much that we do not know. And much of what we say is speculative, but hopefully it is informed speculation.

Second of all is, as we proceed down that track, we have to be cautious that perhaps Iran's nuclear ambitions may not be subject to diplomatic mediation. There might not be a deal out there that is satisfactory to the sort of international community and the standards that we have set, namely, no enrichment capability.

But having said that, let me just outline the opinions as I understand them, given the limits that we have at our disposal.

Today in the Iranian regime, I would suggest that the debate is between two factions, and you can call them the hard-liners and real-hard-liners, in the sense that this is a debate that takes place on the margins of the extreme right. For the real-hard-liners that are represented by the President of Iran and individuals in the security services, the Revolutionary Guards and so forth, I suspect that their approach to the nuclear issue is conditioned by a mixture of wariness and nationalism. Their bitter experience of the Iran-Iraq war, at which many of them were participants at that age, has led to cries of "Never again," uniting their veterans turned politicians behind the desire to achieve not just a credible posture of deterrence, but potentially a convincing retaliatory capability.

After decades of tension with America, Iran's reactionaries perceive conflict with the United States as inevitable, and that the only manner by which America can potentially be deterred is through the possession of strategic weapons—the nuclear weapon.

Given their suspicion and their paranoia, the hard-liners insist that America's objection to Iran's nuclear program does not stem from the proliferation, and I think some of that was mentioned by the previous speakers, but it is opposition to the character of the regime. They argue that should Iran acquiesce on the nuclear issue, then there will be another issue with which America try to coerce and punish Iran. Therefore, given such views, there appears limited incentive to compromise on such a critical national issue since acquiescence will not measurably relieve American pressure. So there is a core suspicion by which they approach the United States and issues of the nuclear diplomacy.

The second faction, which, for lack of a better term, one can call less ideological and more realist, but certainly is hard-line, is curiously enough led by one of the more curious individuals within this regime, the head of the Supreme National Security Council, Ali Larijani. For Larijani and many other sort of the hard-line realists, the Islamic Republic has offered a rare and perhaps a unique op-

portunity to establish its sphere of influence in the Persian Gulf. For centuries, Iran's monarchs and mullahs perceived that given their country's demography, civilizational achievements, historical position, they had a right to become the preeminent power in the Gulf. But due to machinations of the global empires and certainly other hegemonic powers, those ambitions were unjustly thwarted. Today, as Iran's hard-liners or politicians look at the Middle East, they perceive an America, a crestfallen America eager for an exit strategy out of its Arab predicament, an Iraq preoccupied with its own simmering sectarian conflicts, and a Gulf princely class more eager to accommodate rather than confront Iranian power. Therefore, they suggest a judicious Iran, a less provocative can achieve its long cherished aspiration of dominating the critical waterways of the Persian Gulf.

A careful examination of Ali Larijani's speeches reveals, strangely enough, his suggestion of India as a potential model for an aspiring regional power. India's reasonable relationship with America has allowed it to maintain both its nuclear arsenal and also dominate its immediate neighborhood. In contrast, a Russian Federation that is at times at odds with the United States finds that its aspirations to control its "near abroad" are often checked by a skeptical America. So if you are aspiring for which regional power you want to be like, maybe India offers a better model. Although the United States presence in the Middle East is bound to diminish, for Iran's hard-line realists American power can still present a barrier to Tehran's resurgence. Although this faction does not seek normalization of relations with the United States—and I do not think any faction does—it does sense that a less contentious relationship with America may ease Washington's distrust, paving the way for the projection of Iranian influence in the Gulf.

As such, for the realists, the nuclear program has to be viewed in the larger context of Iran's international relations and regional aspirations. Once more, India being the model of a country that should improve its relations with the United States, it may obtain American approbation of its nuclear ambitions. Although they are disinclined to dismantle the nuclear edifice—and I do not think we can get to "no enrichment capability"—they do sense the need for restraint and the necessity, at least for now, of adhering to Iran's long-standing NPT obligations. And NPT is a treaty that allows you to do much within its restrictions.

What is to be done? It is a question that is often asked. It is almost impossible to answer satisfactorily, and it is not going to be answered with any degree of satisfaction for me.

In May 2006, Secretary Rice took a step in revising America's approach to Iran. In a unique step, she proposed direct talks with Iran over its nuclear program. The Administration, in my view, judiciously insisted on suspension of nuclear enrichment activities as a precondition for those talks. Despite the fact that this is a bold reconceptualization of American policy, it tends to miscast the disagreement between Iran and the United States as a disarmament dispute. The only manner of resolving this issue is through comprehensive discussions that deal with the totality of American and Iranian concerns.

The United States and Iran both need to move one step further and discuss negotiations that encompass not just Iran's nuclear ambitions, but Iraq as well as terrorism. To me, it is impossible at this point to have any degree of negotiations with the Iranian regime that are segregated and limited to the nuclear issue, given what has transpired on the Lebanese-Israeli border.

Iranians have their own concerns—sanctions, suspension, frozen assets—and those should also be on the table. As both parties become satisfied with the content of the negotiations, satisfied that they encompass all their concerns, then perhaps an agreement can be reached. The diplomatic framework that I outlined views the nuclear issue as a symptom of a larger U.S.-Iranian malady and tries to address the root cause of those animosities. Only through a fundamental transformation of U.S.-Iran relations can we arrive at a satisfactory solution to Iran's nuclear imbroglio.

But this is a dynamic issue. As it moves forward, then Iran's program crosses successive thresholds, and it may be impossible to reverse. Therefore, we should proceed with caution, if not alacrity. And I will stop right there. Thank you.

Senator COBURN. Dr. Walsh.

TESTIMONY OF JIM WALSH,[1] SECURITY STUDIES PROGRAM, MASSACHUSETTS INSTITUTE OF TECHNOLOGY

Mr. WALSH. Mr. Chairman, Senator Carper, it is an honor to appear before you today. My comments will focus on the nuclear issue, and let me offer to you, if you have following this hearing additional questions that you would like me to respond to in writing, I would be happy to do so.

Let me begin by way of background. I was invited, I think, to speak here today in part because over the past 2 years I have been engaged in a series of Track II discussions—discussions between Americans and Iranians, mostly being held in Europe and mostly focused on the nuclear issue. I returned just this past Saturday from Stockholm, where a group of Americans, mostly former officials, and Iranians were meeting to discuss the events that confront us.

Between those meetings and my own travel to Iran, I have spoken to or met with over 100 Iranians. Most of those are from the conservative and technocratic class, and let me just briefly summarize that point of view, because it is important, as the previous speakers have pointed out, to realize that there are many factions in Iranian politics, and factions with different agendas and different points of view.

The conservative technocrats that I mostly speak to dislike U.S. policy and they dislike the policy of President Ahmadinejad. They hope to avoid what they perceive is a lose-lose conflict between the United States or the West more generally and Iran. They see that there will be costs to a confrontation, but they think costs will be borne by all parties, and they hope to avoid that.

They believe that escalation of this crisis actually increases the risk of nuclear weapons development; that as feelings harden and as the domestic politics of this issue play to the pro-nuclear side,

[1] The prepared statement of Mr. Walsh appears in the Appendix on page 59.

that it gives more leeway for those who are advocates of nuclear weapons to be able to pursue that policy in a more overt manner. And they have deep mistrust and suspicion of U.S. Government motives. They think that the United States is about regime change, but they have affection for the American people, and most of them studied here or have relatives here.

With that as background, let me speak more specifically to the nuclear ambitions and nuclear decisionmaking, and I endorse all the comments of the previous witness.

One of those comments he made is important, and that is that there are multiple players here with multiple ambitions. There is the supreme leader, who I think by consensus most would agree is the most important policy actor. It is not the president, but the supreme leader who is the final arbiter of nuclear weapons policy. The most active person on nuclear weapons—or nuclear policy, I should say, rather than nuclear weapons policy, is Ali Larijani from the Supreme National Security Council. He is the person who is working on it day to day. The president has weighed in and at times appropriates that issue and speaks publicly on it, I think for his own domestic political purposes. He is for the most part a domestic president elected on populism and economic issues, not foreign policy issues, but he will play to these and the Israel issue as he sees that it benefits him politically.

He is tied to the Iranian Republican Guard, which is broadly seen as being more pro-nuclear weapons, but there is very little data on this. And then, finally, there is the nuclear bureaucracy itself, the Atomic Energy Organization of Iran, and if nuclear history tells us anything, the history of nuclear weapons decisionmaking is that these bureaucracies often have an important role to play, and I am sure that is the case here, although the data is limited.

The common policy denominator for all these players with all these agendas is they want a complete fuel cycle. Now, I think that they are willing to see restraints on the 164 cascade or some research level of centrifuges. But they want to have something, and that is their new—well, it is not new, but that is their bottom line. But I think they are willing to compromise on the parameters of that and the environment in which that small cascade functions.

This program, as I see it, is driven primarily by national pride and bureaucratic and domestic politics, not security. It is, therefore, closer, historically speaking, to nuclear programs in France and India, which, again, were driven by national pride and bureaucratic, less like the programs of Pakistan or the DPRK, where there is a security component.

Nuclear technology is, unfortunately, a priority for the regime and for the population now, but it is not their most important priority. They really seek recognition on the world stage and economic development, and there are multiple sources of power in play, from the Grand Ayatollahs to the Majliis, to Rafsanjani and his residual influence, to public opinion. And as my written remarks indicate, public opinion is often the least understood of those power centers.

As to the nuclear negotiations themselves, I think Secretary Rice's initiative has improved the U.S. position, and the President deserves credit for it, and polling data suggest that the American

people are happy with this policy, perhaps happier with this policy than any other foreign policy of the President. Unfortunately, Iran appears to have missed the significance of the Rice proposal—that based on discussions that I have had. They have focused more on suspension as a precondition and missed the larger statement about the United States willing to join the talks and some of the other elements of the proposal. My hope is that those are being communicated to policy circles in Iran now.

The Iranians want to keep some face-saving level of enrichment. In their ideal world, they would have a full, complete fuel cycle, but I think they recognize that they cannot have their cake and eat it, too. They cannot achieve their economic and prestige objectives and at the same time have a provocative nuclear program.

Will the talks succeed? I think it is too early to say. I do expect an announcement on August 22. The announcement by Larijani today, as you probably saw in the newspaper, does not forebode a negative response. The Iranians that I have been speaking with recently suggest that Iran will respond by either accepting the proposal, offering a conditional yes, a yes-but, or a condition no, a no-but. But in any case, the answer is likely to set the stage for future negotiations.

As for policy options, we all know what they are. We can try to coerce them or isolate and contain them. That is basically what we have done through the Clinton and Bush years, and to, I think, little effect. We can use military force, but I think that will be extremely costly, for reasons described in my testimony, and will put in jeopardy the number one U.S. policy goal today, which is success in Iraq. If we strike Iran, we will have to put more U.S. soldiers in Iraq for a longer period of time.

And so that leaves very little in the way of alternatives other than negotiation. But my hope is that we will improve the negotiation track by focusing more on the issue of national pride, by seeking to identify and win over particular bureaucratic and internal constituencies, and that if we are going to say that all options are on the table, then all options need to be on the table, and that includes direct talks with some distant possibility for normalized relations.

Finally, I think we need to approach this problem, as all the witnesses agree, not as issue-by-issue but in a broader strategic context. That is, I think, the only way out of here.

Let me conclude with comments about the role of Congress. I believe that one of the reasons why I am so happy to be here with you, Mr. Chairman and Senator Carper, is I think that the role of Congress will be critical. It will be needed. If there is a negotiated settlement, Congress will have to act on issues of sanctions and legislation and funding. If there is not, Congress will be needed just as much.

As we go forward, I think Congress can, in addition to its normal duties in terms of information collection and oversight, which are critical, I would suggest that it can be a policy innovator as well. And, in particular, two things briefly. One, smart engagement. Many of the Iranians I spoke with in Iran want to come to the United States. They tend to be the youngest and the most conservative who come up to me and complain to me after I give a speech

in Iran, they come up and hector me about the United States and then sort of classically say, "Oh, and by the way, is it possible to come and study in the United States?" But people who want to come to the United States, who want to take advantage of opportunities to come and to study, and whatever, feel they cannot take advantage of current programs that are labeled under a category of regime change. That puts them at personal risk if they do that. So we need smart engagement that gives people the opportunity to come to the United States and us to go there in ways that do not taint them for having taken up that opportunity.

And, finally, I would like to propose to you that you consider legislative-to-legislative contacts, contacts between the U.S. Senate and the Majliis. I think now that the Senate Foreign Relations Committee has explored this in the past, and Iran has refused to respond to that initiative. I am told that views are changing on that and that in the near term it may be possible for members of the Majliis and the Senate to meet together to talk about what divides us, and also areas for potential cooperation. And I would encourage you to take that opportunity if it does develop.

Thank you very much.

Senator COBURN. Thank you.

Mr. Fakhravar, Dr. Takeyh's testimony claims that the regime of Iran entertains debates across the political spectrum, from his written testimony, regarding Iran's nuclear program. What has been your experience with trying to freely dialogue and debate the Iranian regime's quest for nuclear weapons or any other political topic?

Mr. FAKHRAVAR. There is nobody to negotiate with in the regime in Iran. That is their tactics, has been, so you don't know whom you are talking to. You have experienced the negotiations and nuclear dossier of Iran, and there are several of them, and none of them have the final say. That is exactly their tactic.

Senator COBURN. More specifically, when you discuss as a student activist these issues and you raise the questions, what is the response from the regime when the students raise the questions, whether it be about this or any other political subject? Whether it be about nuclear issues or any other subject, what is the response of the regime to the students who raise questions or question the policies?

Mr. FAKHRAVAR. When the students and the people of Iran learn that there is a possible negotiation between the United States and the regime, the entire people will consider you as betraying them.

Let me put it bluntly. If you can play chess with monkeys, then you can negotiate with the man in charge of Islamic regime. Thank you.

Senator COBURN. One of our policies—and this is addressed to anybody on the panel that wants to answer it. In the 1990s, we followed a negotiation stance with North Korea, and all during that period of time when we were negotiating and had agreements, the fact is that those agreements were not being honored. Progression on nuclear weapons development continued regardless of what we did.

Can anybody think of a time where negotiations have proved successful, in terms of hostile regimes, in terms of bringing about the

desired result on nuclear weapons or other results? Go ahead, Dr. Walsh.

Mr. WALSH. Thank you, Mr. Chairman. Let me offer first a direct answer and then maybe a slightly different view of the DPRK issue, something I have spent some time on. I was in Pyongyang last summer.

Certainly the Soviets were a hostile empire, and certainly we can point to any number of arms control agreements with the Soviets, most notably the treaty preventing ABM, the ABM Treaty, that the Soviets followed and that enhanced the security of the United States, in part because it allowed countries—it allowed the United States and the Soviet Union to avoid the more dangerous aspects of the arms race and to provide some predictability and stability to it.

I would argue the Nuclear Nonproliferation Treaty has been one of the most successful treaties in human history. The rate of proliferation has declined since the 1960s—not increase but declined—and the number of states that are interested or seeking nuclear weapons is smaller since any decade since the 1940s.

Let me conclude by saying on the DPRK my view is that the Agreed Framework was a success. That Agreed Framework is about three and a half pages long, and when you read it, you see that neither side followed through on their original commitments, but that program was frozen. There were no new nuclear weapons built under the Agreed Framework. That ended and that has no longer been true. North Korea did go behind the back of the agreement to engage in procurement activity related to an HEU plant, but neither the CIA nor any other U.S. intelligence agency, none of them have concluded that the DPRK built an enrichment plant. And during the period of the agreement, that plutonium reactor was frozen and there were no new nuclear weapons being built during that period.

Senator COBURN. If I recall my history correctly, it was Reagan walking away from the negotiations that broke the back of the Russians' nuclear development. It wasn't negotiating. It was walking away from the negotiation if you will recall the history and the criticism that he received.

Dr. Takeyh, you wanted to comment on that?

Mr. TAKEYH. First of all, I want to clarify the portion of my testimony that you alluded to. What I was trying to suggest in that is, in terms of the nuclear deliberation, all political tendencies, the reformers and others, are brought to the table, the leadership of the different factions, even those which are not necessarily in power today. I was not suggesting that the Islamic Republic puts its nuclear decisionmaking out for a referendum or having sort of brought in activism. So there is more of an elite debate. But, nevertheless, it is elites from across the political landscape.

In terms of negotiations that are successful, as Mr. Walsh was suggesting, in the 1970s the United States negotiated several arms control agreements with the Soviet Union, SALT I in particular, and also the Reagan Administration negotiated the INF agreement in 1986, which was the first agreement that actually did not regulate the size of nuclear arsenals, but suggested elimination of a certain class of weapons.

But when you are dealing with nuclear negotiations, it is important to suggest that they cannot be segregated from the overall relationship between the two adversaries. When U.S.-Soviet relations were reasonable during the period of detente in the 1970s, then nuclear negotiations actually expedited and there was agreement on a variety of issues. When the relationship was not necessarily, as it was in the early 1980s, then actually the arms control negotiations always break down.

So you have to situate nuclear negotiations in the larger context of relations between the two countries. That is why I do not believe the United States and Iran at this particular point can easily reach a nuclear accord barring dealing with other areas of concern that they have—that we have and they have. So the canvas has to be broadened in order for negotiations to be successful.

Senator COBURN. Would you comment on the fact in your testimony related to India, India is not a theocracy.

Mr. TAKEYH. Sure.

Senator COBURN. And the fact is India's leaders do not threaten death to anybody who does not believe the way they believe, or the so-called U.S. infidels, that we should die. So the context of nuclear weapons in the hand of somebody whose axiom is that if you are not with us in terms of your religious beliefs and your behavior along those religious beliefs, you obviously should perish according to a theocratic viewpoint.

It is hard—and I guess the further point to my question is: Can that not be understood in terms of the decisionmakers among the Iranian elite or the hard-lines and very-hard-liners, as you described them, can that not be understood as we would have trouble having a rational basis for—understanding that there might be a motivational difference between those that were running the Soviet Union and those that are presently leading Iran?

Mr. TAKEYH. Yes, I think that analogy that the regime uses, or some of the regime uses, that Iran can potentially follow the model of India is wrong, for all the reasons that you suggested. But, nevertheless, it is their rationale that they embrace. Iran is not India, and I was not suggesting that they are analogous. India is a democratic regime. It is largely peaceful in terms of its intentions. And Iran is neither of the above.

However, when certain members of the regime look at India and they see the way an aspiring regional power can have influence in terms of its region, it is to negotiate a different type of relationship with the United States.

Now, there is a contradiction in that. I do not believe—there is a huge contradiction in that, in the sense that the India model applied to Iran fails not only because of the domestic complexion of the Iranian theocracy, but also because it is unlikely that any American administration would be sanguine about the possibility of Iran having that sort of a nuclear technology at its disposal and edging closer to the weapons program. So I don't think the India analogy works, but it is the one that I was suggesting certain members of the Iranian elite hierarchy tend to embrace.

Senator COBURN. But who are not in ultimate control.

Mr. TAKEYH. Well, they can be in control. They are part of the landscape. But I do not believe Iran is going to follow the model

of India in terms of its domestic politics, in terms of its democratic processes, no.

Senator COBURN. It is my understanding that Amir Fakhravar will have to be leaving here shortly. Do you have any questions for him, Senator Carper?

Senator CARPER. I do.

Senator COBURN. OK. Why don't we let you have an opportunity to do that before he leaves, and I will defer my further questions.

Senator CARPER. Thanks, Mr. Chairman.

Mr. Fakhravar, thank you for your testimony today. The U.S. Congress has provided almost $100 million for democracy promotion in Iran over the course of the last 3 years, I believe with the largest installment of funding coming in the current year. There have been calls in Congress for this funding to be provided to democratic organizations within Iran. However, in the past, some of those groups have actually ended up on a State Department terrorist list.

There is also the concern that giving the United States money to authentic groups would lead them perhaps to be targeted by the current regime in Iran.

Last, it is also being said that Iran is not ripe yet for change, and so giving this money to groups could simply be a waste of money.

You have previously stated that you are only one of many individuals to fight for a more open society in Iran. Based on this assertion, I have several questions relating to prospects for change in Iran. And let me just ask these questions, and I will ask you to respond very briefly, because apparently your time is limited and because we would like to ask questions of other witnesses.

The first question is: How do you visualize an ideal Iran? What would be the structure of its religious, its economic, its social, and governmental institutions? Is there anyone else in Iran with economic and political power that holds the same vision for Iran as you see it? And, again, I would ask that you just respond briefly.

Mr. FAKHRAVAR. First of all, thank you, and I would like to close the discussion down here about the negotiations. North Korea is way off the area of the strategic, both India and North Korea. Iran is not. And I highly suggest those who consider negotiations to do consider these facts.

None of these two nations are after wiping Israel off the face of the map. Allocating funds is something and using it is another thing. The system that we wish for Iran, future Iran, is secular democratic. It is not important that it is going to be a republic system or a constitutional system. It is important for Iranian population that it would be secular. Majority of Iranians are Muslim. I, too, am a Muslim. But I am not a terrorist. People of Iran are not terrorists. But the Islamic regime, people in charge of the Islamic regime are.

Senator CARPER. OK. Thank you.

Can you tell us who or what organizations or people are currently leading the fight against the current regime in Iran? And can you provide us with an estimate of how many people or what percentage of the population that might be?

Senator COBURN. I would like to interrupt here. You should be very cautious—you are in a public hearing—in how you answer that question because you may put some of your compatriots at risk.

Senator CARPER. I will say the question again. Can you tell us who or what organizations are currently leading the fight against the current regime in Iran? And can you provide us with an estimate of how many people or what percentage of the population that might be?

Mr. FAKHRAVAR. The first front line is comprised of Iranian students. That is mostly youth, and we have 70 percent under the age of 29, 30; 64 percent in the movement, the next group is women's movement, which is 64 percent. Their rights are violated and they are abused. We would like to take these two movements and bring them together, unify them. There are many groups right now, but what we are planning to do, to bring all the groups together. For that purpose, we are organizing Confederation of Iranian Students so they would bring this together, this unification.

Senator CARPER. All right. One last question for this witness. And, again, we thank you for your testimony and your response to our questions. You stated that you would like to see the United States provide a variety of things. I believe you mentioned laptops, cell phones, workshops for training resistance support, both outside and within Iran. What would be the expected outcome of such assistance? And how soon might we expect to see some change as a result of that assistance?

Mr. FAKHRAVAR. Iranian population are very bright, but they do not receive accurate news. We need to talk to our people. Certainly we can make them aware of the news in the world. Eight to ten a year is what the time limit, I would say, 8 months to a year Eight months to a year. I apologize.

Senator CARPER. Do Iranians have access to the Internet?

Mr. FAKHRAVAR. Very limited, in big cities. We need to expand on that.

Senator CARPER. OK. Thank you very much.

Senator COBURN. Amir, I want to wish you Godspeed. I know you are going from here to meet with President Bush. He has great esteem for you and your courage, and we wish you Godspeed and good luck.

Mr. FAKHRAVAR. I thank you and the great Nation of the United States.

Senator COBURN. Would you like to continue on with your questions, Senator Carper, of the other witnesses?

Senator CARPER. If I could, thanks.

Senator COBURN. We will come back, and then you will be next.

Senator CARPER. Thanks very much.

I would just ask very briefly of each of our witnesses, could you just take a moment and describe your visits to Iran in the last, say, decade, their frequency, the duration, how long were you there, the nature of the exchanges, who you met with, that sort of thing? And, Dr. Walsh, we will start with you, if you would, please.

Mr. WALSH. Well, Senator, most of the Track II discussions I have with Iranian officials, academics, and think-tank personnel occur outside of Iran, usually in Europe—in Italy or in Sweden.

And I participated over the past several years in four to five of those Track II's.

In February, I was in Iran for 12 days where I met a variety of people, mostly, as I said in my testimony, people who fall into the conservative, technocratic class, people who probably voted for Rafsanjani rather than Ahmadinejad. And I will be returning to Iran in the fall.

All told, as I indicated in my testimony, I have probably met or spoken to about 100 Iranian officials, former officials, academics and think-tank types.

Senator CARPER. Thank you.

Mr. TAKEYH. I would suggest mine was similar to Mr. Walsh's in the sense that they have been a lot of former officials in Track II settings. In my case, there are some family members that I have, of course, being of Iranian descent. And I was supposed to go working on a trip to Iran this August, so we will see if it comes through or not.

Senator CARPER. All right. Thank you. Mr. Ledeen.

Mr. LEDEEN. I have never been to Iran. I have met with senior Ayatollahs from this regime, in the mid-1980s, and with no end of Iranians since then from all walks of life, some pro-regime, some anti-regime, most recently in Rome in 2001.

Senator CARPER. All right. Thank you. Mr. Berman.

Mr. BERMAN. Like Dr. Ledeen, I have never been to Iran, but I have traveled many times to the Middle East. Most recently I have traveled to Persian Gulf 3 weeks ago to Oman to attend an international conference at which I had the opportunity to meet with Iranian officials.

Senator CARPER. Senator Coburn and I were privileged to be in a discussion earlier today with some of our colleagues and others, and I had an opportunity to talk about the Administration's proposal for multilateral talks with the Iranians. And to the extent that they are willing to give up on their desire to enrich uranium, we would be willing to enter into those multilateral discussions. And I understand that when that offer was presented to the Iranians, it was presented with a number of incentives and with the understanding that there would be disincentives or sanctions if the Iranians chose not to accept it.

Let me just ask you, again, your views. Was that an appropriate thing for the Administration to do? Was it the right thing? Or was it a mistake? Dr. Walsh.

Mr. WALSH. I think it was very wise, very prudent, for two reasons. If you think that negotiations have a shot, the only way they are going to be successful is if the United States sits at the bargaining table one way or another. We cannot outsource our foreign policy to others. Iran is not going to take as credible promises of incentives unless the United States is directly part of that process.

One of the problems with critical dialogue that the Europeans carried on in the past is the United States was not at the table, and it was clear they were skeptical of the process. So you need to be able to make credible threats and credible promises. If you do not make a credible promise, the other side is not going to play because they figure you are just playing them for a fool, and a lot of Iranians are deeply suspicious.

But if you do not think negotiations are going to work, Secretary Rice's announcement was still a wise move because diplomatically it put her in a stronger position to get the Russians, the Chinese, and others on board. So all around, I think it was an excellent move, and as I said in my comments, it is a move that has the support of the American people.

Senator CARPER. Mr. Takeyh.

Mr. TAKEYH. I would agree with that. Actually, however, if I was to critique the negotiating track, as I mentioned in my comments, I would suggest that the issues under consideration should be broader in the sense that the totality of American-Iranian disagreements exceed the nuclear issue. There are issues of terrorism; there are issues that they have with us that are not exclusive to the nuclear issue.

Beyond that, I think where the Administration was in the spring of 2006 was that they were in a situation which was untenable in the sense that the negotiations at the U.N. had stalled and it was unlikely to go further without some sort of an American measure, and that measure was quite a momentous measure in the sense that it revised not just Bush Administration policy but 27 years of American policy. So I think that aspect of Secretary Rice's rather remarkable reconceptualization of U.S. foreign policy toward Iran has often been neglected.

Now, where it goes from here is hard to read because I think ultimately we are settling into a number of red lines. Iranians have a red line that calls for them to have some sort of an enrichment capability. Americans at this point, we have a red line that they should not have that. Whether that difference can be bridged in the next several months will reflect the ultimate success of these negotiations, but it remains to be seen.

The other criticism I would make is that the offer of negotiations may have come a little late in the sense that, in 2002, if these negotiations had taken place, there was no enrichment capability, and perhaps we could have gotten a no-enrichment deal. But the nuclear program, as Mr. Walsh knows very well, is a dynamic issue, and as countries develop those technologies, they in essence become in some cases irreversible. So earlier would have been better. It is late, but it may not be too late.

Senator CARPER. Thank you.

Senator COBURN. Senator Dayton.

Mr. LEDEEN. May I?

Senator COBURN. Yes, I am sorry. Dr. Ledeen.

Mr. LEDEEN. Yes, I would like to make two comments on the question of negotiations. The first is you should not believe that there have not been negotiations. There have been talks endlessly. Most of them have been secret, let's call them. State Department people have talked to counterparts in Iran. CIA people have talked to counterparts in Iran. At least to my knowledge, all through the first term of the Bush Administration talks were going on all over the place because there were people in the State Department, primarily Richard Haas, who believed that we were on the verge—we had a historic opportunity, we could reach a grand bargain with Iran and this was the moment to do it. And so talks were going on. They have been going on.

If you read Pollack's book, "The Persian Puzzle," which was written by a person who spent a long career in diplomacy and at the CIA, he says there categorically we have tried everything. We have tried intimidating them. We have tried threatening them. We have tried cajoling them. We have tried offering them. And they have rejected it all. And the conclusion he came to—and this is a person who labored all his professional life to accomplish some kind of agreement with Iran—and believe me, broad issues, they talked about everything. He said, "They don't want it."

It is really baffling to me that after 27 years it is impossible for serious persons to say they have declared war on us. They declared war on us 27 years ago. They have been waging war against us for 27 years. They are killing us today, as often and wherever they can. Those IEDs that blow up our soldiers in Iraq, they come from Iran. Those intelligence officers and revolutionary guards, they are Iranians. They are doing everything in their capacity to do that. So we have had talks all along, and I do not see where it is going to go.

The real question, if you will permit me, is where is American policy on it. We yet have no Iran policy. We have a nuclear issue policy. All the talk is about nuclear this and that. All the talk is about will we permit the Iranians—are they going to stop enrichment and so forth. And along those lines, I believe, the Iranians will never give up their nuclear program because it is not an enrichment program and it is not for national prestige. It is a weapons program, and they want it to be able to defend themselves and to launch aggression against other countries. They concluded—and we know this—in 1991 that if Saddam had had nuclear weapons, we would never have dared do to him what we did in the first Gulf War. And they said, "We do not want that to happen to us; therefore, we must have nuclear weapons." And the program that started then was a weapons program. And I believe it is still a weapons program. And I think even by now El-Baradei knows that it is a weapons program, and one of his assistants just quit in a rage and went to the press and said, "They won't let us into any of the military facilities that we want to see." And it is obvious that it is a military program.

What we have got is a negotiation on an issue that distracts our attention from the central issue between the United States and Iran, which is they are waging war against us.

Thank you.

Senator COBURN. Thank you. Mr. Berman.

Mr. BERMAN. Thank you, Chairman Coburn. Just a couple of points.

I would say the following: Whether or not negotiations are a good idea or a bad idea depend entirely on who you are talking to. And what is useful to remember here is that, as Dr. Ledeen pointed out, there is a demographic bulge. The vast majority of Iranians are very young. They have lived most or all of their lives under the Islamic Republic and very well know that the Islamic Republic is not doing the job, the economic job, the political job, the civil society job that they need.

Our negotiations with the Iranian people are a good idea, but any negotiations which demonstrate to the vast majority of Ira-

nians that want change, that the United States is so preoccupied with a tangential issue that we have articulated limits to our support for their desire for freedom are dangerous. And I would say this, and I specifically say this to you, Chairman Coburn, because you are a medical doctor: I think diplomacy should be pursued from a "do no harm" standpoint. And in this context, the negotiations that were proffered by the State Department may have had tactical benefits, but over the long term they were very damaging.

Senator COBURN. Senator Dayton.

OPENING STATEMENT OF SENATOR DAYTON

Senator DAYTON. Mr. Chairman, I thank you and the Ranking Member for holding this very important hearing. I regret, analogous to your other profession, I hold afternoon office hours with a stream of Minnesotans who want to see me, and I try my best to honor that. But really it is one of those where I scheduled all that well in advance of knowing about this hearing, and I regret not being able to be here. I thank you for convening it.

I am not going to risk redundancy, either of testimony or previous questions, but I will review the transcript of the hearing. I thank all of you for your participation, for your patience. We do not have many witnesses who speak even longer than Senators, but that is something we practice here, and it was very informative. I do not mean it in any way disrespectfully. But I noticed you all have been very respectful and patient, so I want to acknowledge that. And thank you for bringing your expertise to us. I am sorry more of us—I am supposed to be in three different places simultaneously right now in addition to here, and I think my colleagues share that difficulty. And so I apologize on their behalf and regret that, but thank you again for your expertise.

Thank you, Mr. Chairman.

Senator COBURN. I have several more questions. In Dr. Walsh's testimony, he testified that it would not be the end of the world if Iran obtains nuclear weapons despite the fact that the Iranian regime is saying that it intends to use those weapons against Israel, and the quote is, "to wipe Israel off the map." We have good knowledge that Iran is behind the recent attacks against Israel, and the roadside bombings for sure, they are killing our soldiers. Should the United States take Iran's statements seriously or not in regards to their long-term goals of nuclear weapons or nuclear proliferation, nuclear development? I have heard what Dr. Ledeen said. I am interested in your response to that.

Mr. WALSH. Yes, Senator, thank you, and thanks for quoting my testimony, and I appreciate the care with which——

Senator COBURN. I started reading it at 5 o'clock this morning because I did not get it until late last night.

Mr. WALSH. Well, I appreciate it nonetheless. And as you know, in the rest of the testimony it goes on to say that I have spent all my adult professional career working to try to prevent the spread of nuclear weapons, and I do not welcome——

Senator COBURN. Well, let me make it clear, we are very happy with the quality of the people that are testifying, and we doubt none of your motivations. But these are legitimate questions that the American people are going to ask. When, in fact, the President

of Iran says that he intends to wipe Israel off the face of the map and is involved in a nuclear development program that will ultimately end up in nuclear weapons, it is not a long step at all to conclude that those weapons are intended for Israel. So those are the facts of what is being presented. Whether that is the behind-the-scenes truth, we do not know. I suspect you do not know.

Mr. WALSH. I think that is right, but let me speak to that.

First of all, obviously, as everyone has said so far, it is not the president that calls the shots on nuclear policy. It is the supreme leader, and under him, Larijani, that makes nuclear policy, not the president. The president I assume will be a one-term wonder and is here as primarily a president elected on economic populism, not foreign policy.

Moreover, I think the Iranians——

Senator DAYTON. Be careful what you say about one-term wonders. [Laughter.]

Mr. WALSH. Let me also point out that Iran is more than aware of the fact that Israel has nuclear weapons, that the United States would not allow Israel to be threatened with nuclear weapons, but Israel has its own nuclear deterrent.

The other thing to keep in mind is, as John Negroponte has pointed out, the time frame here is not tomorrow, it is not next month. It is sometime between the middle of the next decade or the end of the next decade. So this is not an imminent threat to U.S. national security and it is not an imminent threat to Israeli national security.

Senator COBURN. Well, could you give me some of your history? North Korea's development of nuclear weapons proceeded at a slower pace than what is expected to be from Iran. Is that correct?

Mr. WALSH. Well, the North Korean program started in the mid-1980s, and most intelligence estimates that they completed their first device sometime between 1990 and 1994. That is when the CIA said they had somewhere between zero and two nuclear weapons.

Senator COBURN. And the Pakistanis did that in a shorter period of time.

Mr. WALSH. Well, the Pakistani program began in roughly 1972, and they did not test until 1998. And most of my colleagues think they had nuclear weapons in the late 1980s. But let me speak directly to the point of Iran. The puzzle about Iran, given the neighborhood that it lives in, given the fact that there is nuclear Pakistan on its border, nuclear Russia, all these states, Israel, the surprise is that they have not done more in the nuclear area. They started their program, whatever that program may be, by most accounts sometime in the mid-1980s. It is now 2005, and they have 164 centrifuge cascade.

Senator COBURN. That we know about.

Mr. WALSH. Well, that the IAEA believes is the case.

Senator COBURN. But the IAEA talks about them violating the no-reporting obligations for 18 years, and the testimony we have just had is we do not know.

Mr. WALSH. Well, I agree with you. My view is that we should follow what the IAEA says, and on this I think they are pretty clear that their centrifuge capacity is perhaps—they have parts for

a thousand. Whether they have all the parts for a thousand more centrifuges is unclear. But no one thinks that they are going to have a bomb tomorrow or anytime soon, even if they made a command decision to do so, and that, of course, is the judgment of the top-ranking intelligence officer in the United States.

Mr. TAKEYH. If I can say a few things about this, Senator?

Senator COBURN. Sure.

Mr. TAKEYH. I do not think we can be sanguine or complacent about Iran's nuclear motivations or ambitions. I think Iran's nuclear danger is acute and growing. I think should Iran cross the nuclear threshold in violation of its NPT obligation, that essentially ends the Nuclear Nonproliferation Treaty, which in my opinion has been a very beneficial treaty in terms of preventing the spread of nuclear weapons and dangerous nuclear technologies. I think it will have a destabilizing impact on the region, namely, it could spark an arms race. And a region that should devote its economic resources to its people, to benefits of the health care and public schooling, is likely to divert it to further build-up of conventional arms, at least, and quite possibly divert scarce resources to building up nuclear programs.

So this is not something that we can look for with any degree of ease. This is why I do believe that diplomacy has to be energetic, comprehensive, and imaginative. I think sitting around wishing the Iranian nuclear program away, talking about how more radio broadcasts is going to make it go away is not the way to go. Radio broadcast is not a judicious counter-proliferation strategy. I cannot think of any time that radio broadcasts have worked in terms of effectively disarming a country. We have to have a very effective diplomacy. I think Secretary Rice took a first step in that direction, and it has to go many more steps. Otherwise, we cannot potentially get to a position where we have not only a hegemonic Iran in the Persian Gulf, where there is nothing particularly stopping them. Iraq is a broken country. The Gulf States are not going to do anything about it, and we are leaving the Gulf. We are leaving Iraq. That is just the reality of the situation. I think we all know that. And they know that. So we can have a hegemonic Iran with a mature nuclear capability. That is not something that is desirable, and that is why I do believe that the diplomatic solution to this issue is urgent and quite imminent.

Senator COBURN. Would you agree with Dr. Ledeen that we need a total Iran policy instead of focus at the issues that come up?

Mr. TAKEYH. Yes. Oh, yes, as I mentioned, I think we have to have a comprehensive discussion with Iranians that tends to deal with issues of the nature of their support for terrorist organizations.

Senator COBURN. I would tell you, I am somewhat encouraged in terms of students because I look at Poland and I look at Ukraine and nobody in the State Department saw Ukraine coming. Nobody saw it coming, the fact that brave leaders stood up and challenged authoritarianism and made a difference. And so, my caution is that we certainly nurture in any way possible the voice of a secular government in Iran, and if that is through student organizations and women's organizations and union organizations, that certainly should be part of a total policy. Would you disagree with that?

Mr. TAKEYH. No. I do think we have to have a broad policy to deal with issues of proliferation, terrorism, human rights, and Iranians will have their own grievances to bring to the table, whether it is our sanction policy, whether it is frozen assets. I mean, everything has to be on the table, but not necessarily—the progress of any one issue should not be linked to the other, namely, I would not prevent negotiations or a deal on the nuclear issue if we have not reached an accord on the issue of the nature of the Iranian relationship with various Palestinian rejectionist groups. But I do think the negotiations have to be broad and comprehensive, although not necessarily the progress of any one issue linked to the other one.

Senator COBURN. Dr. Ledeen or Mr. Berman.

Mr. BERMAN. Thank you. Let me just say a couple words, because Dr. Takeyh said something very controversial. He said that public broadcasting has never forced a regime to give up its arms, which technically is true. But it is useful to remember, as I said in my testimony and Dr. Ledeen said in his testimony, the issue is not nuclear weapons. The issue is the character of the regime that will ultimately wield them. And public broadcasting and public diplomacy were responsible, at least in part, for the single largest totalitarian collapse in modern history. So let's not underestimate the effectiveness of these tools.

On the issue of the question that you asked Dr. Walsh, let me just chime in here for a second, because I think what we are really talking about is: At the end of the day, if Iran does go nuclear, can we have some sort of modus vivendi with them? I would argue very differently than Dr. Takeyh and Dr. Walsh, because it seems to me that it may have been true a year ago to say that the Iranian presidency is an empty office and the supreme leader calls the shots. It is far less clear that is the case today.

What we have seen over the last year is the rise of what Dr. Takeyh has called in other publications a "war generation," embodied by Mr. Ahmadinejad, and also his systematic consolidation of power, to the extent that the president has now emerged, at least in part, as an independent foreign policy in his own right. And that is very important because a year ago, 5 years ago, we could have said the supreme leader holds all the cards. The supreme leader can escalate or de-escalate the nuclear issue at his will.

I am not sure we can say that anymore. I think it is true that the supreme leader can escalate the nuclear issue, but I am not at all sure that the new power centers that are emerging in the Islamic Republic will allow him to de-escalate if in this game of nuclear chicken he all of a sudden decides to blink.

Senator COBURN. And I would also note that the supreme leader, in his belief in the 12th Imam, might benefit from the utilization of nuclear weapons as well.

Dr. Ledeen.

Mr. LEDEEN. Well, the question of who is Ahmadinejad and what does he represent reminds me a lot about the good old days of the Soviet Union when people used to say, Molotov is such a good fellow to work with, it is a pity that Stalin is always in the way.

I think that the only person who matters on any serious question facing Iran is the supreme leader. That is why he has that name. That is what it means. He is the supreme leader. He determines policy. And I do not think—to mildly disagree with Ilan, I do not think that Ahmadinejad is any more an independent actor or any more representative of a new class and a new force or independent political movement inside Iran than was the opposite of Ahmadinejad, who was Khatami for 9 years before Ahmadinejad. Then people ran around and said Iran is in the grips of a reform movement and is moving toward reform. Well, in 9 years there were no reforms.

Now everybody is saying Iran is in the grips of a super-fanatic religious nut case named Ahmadinejad. But his statements are canonical. In regimes of this sort, I do not believe that the president would be permitted to go around saying things that are not approved by the supreme leader. And I think that we can take what he says as an expression of what the supreme leader and his henchmen want us to hear and want us to believe. And as for what they—that does not necessarily mean it is what they really believe. I mean, it is a whole culture based on deception, after all, and illusion. We should not forget this.

The one thing that is a reliable basis for analysis in terms of what Iran might do when and if it gets nuclear weapons is their religious convictions and is the doctrine of the 12th Imam and the End of Days and where the world is seen heading, and the world as they see it—and from time to time, I have been fortunate enough to get what I think are very accurate minutes from high-level meetings in Iran, and I have published them. And their view of the world is that what they are doing is working, that we are bending to their will, that we are ready to be driven out of the Middle East and elsewhere, and that in relatively short order they are going to dominate and they will then use their nuclear weapons.

On the question of what they have and what they do not have, I will only say again what I said at greater length in my prepared testimony, and that is that we have always been wrong on estimating how long it takes country A or B or C to develop nuclear weapons. We have always been surprised. We were surprised when the Soviets did it. We were surprised when the Chinese did it. We were surprised when the French did it. We are always surprised. We were surprised when India and Pakistan tested nuclear weapons during——

Senator COBURN. We were surprised when they told us they were not, and then the students revealed they were.

Mr. LEDEEN. Yes. Well, I mean intelligence is imperfect, and CIA excels at imperfection. What can we say.

Senator COBURN. I would also put forward that Natan Sharansky said that the linkage of human rights to military and economic issues is the very thing that did break the USSR, and that is somebody that was on the inside the whole period of time that was going on.

Dr. Takeyh, in your testimony you started out by saying the current generation of pro-regime Iranians are not preoccupied with the United States but are looking eastward. But it seems you contradict this by saying that the same people are paranoid about the

United States, that the drive for nuclear weapons is deterring for what you call "superpower bullying." Which is it? Are they looking to the East, or are they looking to the West?

Mr. TAKEYH. I think in terms of economic opportunities, increasingly there are many within the Iranian regime that suggest they should look eastward to China, Japan, India, Russia, and essentially reorient Iran's trade toward those countries, which are not as concerned about Iran's proliferation tendencies or for that matter human rights abuses. So essentially trade packages that do not come with conditions about internal practices.

Senator COBURN. No strings.

Mr. TAKEYH. That is right. And this has to do not just with energy deals but also technology transfers. In terms of the second portion of my testimony that you alluded to, I am not quite sure. If you can give me the context, maybe I can give you a more informed assessment.

Senator COBURN. Well, the reference was to "superpower bullying."

Mr. TAKEYH. Oh, yes. I think I know. There are those within the Iranian regime that suggest that the United States is not particularly concerned about Iran's proliferation tendencies, but is concerned about the character of the regime. They do not have to make concessions on this because they are being picked on, not because of their treaty violations or treaty provocations, but because of superpower bullying. So essentially there is a suggestion that U.N. processes and U.N. resolutions and IAEA resolutions that have come about are politically contorted as a result of——

Senator COBURN. How do we change that? That is obviously a misperception, You would agree with that?

Mr. TAKEYH. Yes.

Senator COBURN. And we all in this room understand it is a misperception. So how do we change that perception? Or is that a convenient misperception on their part?

Mr. TAKEYH. Well, it is a misperception that we have already changed in the sense that much of the international community agrees with the United States——

Senator COBURN. I am not talking about the international community. I am talking about the leaders of Iran.

Mr. TAKEYH. I understand that. Much of the international community agrees that Iran stands in violation of NPT obligations and, therefore, there should be multilateral pressures on it if it does not cease its objections and its objectionable activities.

However, it is the same international community that suggests the United States should go the extra mile in terms of the negotiations before they sign off to any level of multilateral pressures enacted through the United Nations, and I think ultimately that is the type of pressure that can work, multilateral measures through the United Nations adhered to by the international community over a persistent period of time. That may temper the regime's ambitions in that particular realm. But I do not think this is something the United States can achieve unilaterally, whether it is unilateral economic concessions, unilateral economic coercion, or any sort of military program.

Senator COBURN. All right. One other thing. We had some comments in terms of regime change and support for the students, in terms of the Voice of America and—is it Radio Farsi?

Mr. TAKEYH. Farda.

Senator COBURN. Farda. Any comments about the effectiveness of the tools that the United States is using today in terms of trying to accomplish that goal? I am not talking about whether you believe that is an effective tool, but given the fact that we are using the tool, are we doing it effectively?

Mr. TAKEYH. Well, there is in my view an analytical challenge here, because the notion that has been presented is that Iran is an information-starved society. I do not know how that is possible in the global village that we live in, in an era of globalization. There are 24-hour Persian broadcasts into Iran every day. It is called BBC Persian Service. It is 24 hours a day. It is on radio. There is talk of a BBC television station. And if you want to reach the Iranian people, radio, transistor radio, particularly in provinces and so forth. So there is 24-hour radio broadcasts from the British Broadcasting Company every day.

As a consumer of VOA——

Senator CARPER. Excuse me. Are those broadcasts intercepted?

Mr. TAKEYH. You can listen to it every day in Iran. They are not intercepted, blocked, or anything. As a matter of fact, one of the ironies is many who advocate greater radio broadcasts by the United States, they say we need politically neutral broadcasts like BBC Persian Service, except they neglect to say there is something called the BBC Persian Service. I think there is Internet use in Iran which is significant. All Iranian papers are on the Internet. As a consumer of those, someone who listens to Iranian radio broadcasts every day—I listen to it at 3:30 in the afternoon, which is a midnight broadcast over there. They recapitulate the news. It is politically constrained, but certainly broadcast happens.

Why is the Iranian public not more politicized? Why is it not more passive? The fallout question is——

Senator CARPER. Excuse me. Why is it not more passive?

Mr. TAKEYH. Why is the Iranian population passive in light of——

Senator CARPER. OK.

Mr. TAKEYH. Well, they do not lack information. The analytical challenge is why are they passive despite the level of information that is available to them. Why are they depoliticized despite the level of information that is available to them? There is information available.

Senator COBURN. What is the obvious conclusion you would have when you have such a theocratic rule there? What is the obvious conclusion you would draw to that? Are there consequences to being active?

Mr. TAKEYH. Yes, there certainly are.

Senator COBURN. We had somebody that has been imprisoned, their arm broken, their knee broken. We have pictures of the union truck drivers where they have, in fact, been beaten and tortured. There is a cost to being active in Iran.

Mr. TAKEYH. I do not see how a regime's coercive practices are going to be relieved by radio broadcasts. So if you are concerned

about the fact that the security services are effective, radio broadcasts are not going to do much about that. Certainly it is a regime that is capable of, therefore, controlling its public space. It is a regime that is capable of controlling its population. That does not mean it can control its population forever. But if what you are saying is correct, then there is a certain degree of coercive stability.

Now, I do not know necessarily that this situation is going to be tenable if the country gets into serious economic difficulties where it is no longer capable of patronage politics. At this particular point, I would say the Iranian regime has roughly between 10 to 15 percent support. But it is a support that they can mobilize. It is arms support. And it has very elaborate intelligence purposes. And one thing we have to appreciate is that the Iranian regime has been very effective at separating state from society in the sense that they have effectively, at least for now, managed to depoliticize the population.

Iran exists on two separate planes. There is the state, with all its deliberations, with all its considerations. And there is the population that does what it wants. And at this particular point, one of the clever things that the Iranian regime has done is not to have a cultural clampdown. Iranian youth—many of my cousins and so forth—have sort of a vast subterranean activity. They go to parties. They do things. And the regime has not disturbed that because it recognizes that is a politically explosive thing to do. It is a regime that is very adept at survival. That does not mean it will survive forever. You can never look at an unrepresentative government and say this government will survive forever.

Senator COBURN. Would you care to comment on the broadcasts?

Mr. BERMAN. I would, actually. I think there are two issues at play here. In my testimony, I talked about the policy options that are available to the United States. The key commonality in all of those, whether it is military action, if it ever comes to that as a last resort, or economic sanctions or what have you, is for us to accurately telegraph what we are going to do and what we are not going to do to the Iranian people. They are the key allies in all of this. But so far we have not been able to do that.

I will give you a concrete example. Before February of this year, when Secretary Rice announced the request for $75 million for democracy promotion, the annual allocation for 2005 for public diplomacy, public broadcasting into Iran was $16.4 million. Iran is a country of 70 million people, so that is roughly 21.5 cents per Iranian per year. You can argue about whether or not we should do more, but that is clearly insufficient. It is doubly insufficient when we think about the last time we really needed a robust public diplomacy effort, which was the Cold War. During the Cold War, we did more than a third of that per Soviet per year as early as 1983.

My argument here is that we are simply not being serious in terms of public broadcasting. We do not have the scope that we want, and we also have a corporate culture that discourages articulating the message that the Administration has at least implicitly said, which is that the U.S. Government stands with the Iranian people in their desire for change. Not too long ago, the director of Voice of America said publicly at a conference that the U.S. Government is not in the business of helping the Iranian people over-

throw their government. That seems slightly at odds with what the President had said in several pronouncements.

So it seems to me that while the President has a message and has articulated a message, that message could be more forcefully applied to the bureaucracy.

Senator COBURN. Somebody please address my question, which was: Whatever the level, is the level at what we are doing, the content effective in accomplishing the purpose? Dr. Ledeen.

Mr. LEDEEN. The short answer is it cannot be effective because there is no content to communicate because we do not have an Iran policy. Until and unless we have an Iran policy, the greatest broadcasters in the world would not accomplish something we do not know what it is in the first place.

I would like to comment, if I may, on the question of why are they so passive, and the question of information. As someone who has been systematically slandered by the BBC for most of his professional life, I rise to defend the view that the BBC, whatever service it may be, is not communicating information at all. I do not speak Farsi, so I have not listened to it. But if it is anything like the BBC English language service, I would have no trouble understanding why the Iranian regime would have no problem with it and would not jam it and so forth.

But the serious question is: Why are they so passive? And that is a serious question. It almost never happens in history that a revolution was foreseen. Before the revolution broke out, everyone always said, Boy, these people are really passive.

When I went to the Reagan Administration in 1981 and we started saying, well, we are going to try to bring down the Soviet empire, everybody thought we were mad. They said, well, look at the way the people behave. Nobody will take a chance. No one will challenge them. You have these obscure dissidents, one or two of them, and they get locked up and are never heard from again. And then there was this tiny trade union movement in Poland in the Gdansk shipyards.

Well, 9 years later it came down, vast popular support for the overthrow of that regime. It turned out it was there. We did not see it.

If you compare the level of protest and the level of political complaint against the regime in the Soviet Union circa 1981, 1982, with the level of ongoing political demonstration against the Iranian regime, week after week and month after month and year after year, big numbers of people, tens of thousands, hundreds of thousands, up to a million people 3, 4 years ago in the streets of Tehran, there is no question that the people have a very sharp political awareness of the evils of the regime, and they do not like it.

And when Dr. Takeyh says, quite rightly, that the regime probably has 10, 15 percent support, I think that is probably just about right. And the other 85 or 90 percent are not mobilized to do it, and no one is smart enough to know why exactly. But we do know one thing, that is, Iranian culture, the Iranian people believe that nothing can happen, nothing of this magnitude can happen without the support of the United States. And they do not have that. They have not seen it. They have heard various statements from various people. I believe that a few years ago, somewhere—what was it, 3

years ago, in 2003? I could be wrong. I have reached an age where active memory is failing rapidly. But they were gearing up for big-scale demonstrations all over the country when the Secretary of State, then Secretary Powell, was asked were we going to support this imminent nationwide uprising, and he said, "We do not wish to get involved in an Iranian family squabble." And you could hear the great sucking sound as the air came out of the balloon, and nothing happened. Demonstrations were canceled, the movement was canceled, and so forth.

When the United States moves, the world changes, and this kind of static analysis, as the economists would call it, of a country in which you do not see revolutionary activity in the *Washington Post,* but then the *Washington Post* has never reported on the huge demonstrations that take place all the time all over Iran. So we will not read about that anyway. We do not hear about tens of thousands of people demonstrating in Baluchistan. We do not hear about the general strike in the oil fields in Khuzestan, but it is there. So to say why are they so passive, for me the real question is, compared to other modern and contemporary examples of successful democratic revolutions, the Iranians are super-active, they are super-politicized. They are the opposite of passive. Look at all those people—and the amazing thing is that they have lost their fear of the terrible tortures to which they are subjected when they get rounded up. There is a video of this poor man's tongue being cut out. It is not just a matter of burns on his back. And they have, for the most part, overcome that as well.

So, we need a policy. We do not have one. And I think it should be a policy of support for democratic revolution. Just a final point. And I would advocate that. Even if Iran were not the world's biggest supporter of terrorism, and even if Iran did not have a nuclear weapons policy at all, because it is the right thing to do, it is what we should stand for. It is what America is supposed to be all about.

Senator COBURN. Thank you, Dr. Ledeen.

Senator Carper is going to have to go, so I am going to turn to him.

Senator CARPER. We are having a debate over on the Senate floor about whether or not to extend, reauthorize the Voting Rights Act of 1965, and my time slot is in about 7 minutes so I have to run.

Before I do that, I just want to say to Dr. Walsh, Dr. Takeyh, Dr. Ledeen, and Dr. Berman.

Mr. BERMAN. I am a lawyer so I am not technically a doctor, so "Mister" is fine.

Senator CARPER. I just want to say this has been an interesting, it has been an enjoyable, it has been a provocative discussion, and we thank each of you for helping to make it that. Some of you have been before us previously, and we are delighted that you would come back. Some of you have come from afar, and we are delighted that you could be with us today.

Thomas Jefferson used to say, I believe, and I will paraphrase him: When people know the truth, they will not make a mistake. And I think in Iran, to the extent that the people there actually understand what is at stake for them—we have had—Dr. Coburn and I have heard even today that the Achilles heel in the regime in Iran is their economy. And to the extent that the people there

actually know what is at stake, to the extent that we are able to find a combination of common ground on the issues that we want to discuss at these multilateral talks, then there is a great economic benefit for the people of Iran. And to the extent that those talks are not productive or—do not begin or are not productive, that is something that is quite different. And I think part of the challenge for us and those who would like to see a better outcome is to figure out how best to make sure that people know the truth and are in a better position to put pressure on their regime and their leaders to not make a mistake.

Again, our thanks to each of you, and with that having been said, Mr. Chairman, I am going to head out. Thanks again for letting us have this hearing. I think it has been great.

Senator COBURN. I want to thank each of you. Dr. Takeyh, I can tell—you can see it in your face—the pain you feel on your mother country. And it is important that your voice is heard, and I appreciate you coming and testifying before us.

I want to make a statement. I am going to be a Senator for at least 4 more years, and I am going to do everything I can to see that the people of Iran—not the government of Iran—have every opportunity to express themselves through a secular government rather than through a theocracy. And that is at every angle, at every appropriation bill, at every chance I get, to support their right for freedom.

Thank you all for being here.

[Whereupon, at 3:42 p.m., the Subcommittee was adjourned.]

APPENDIX

PREPARED TESTIMONY OF MR. AMIR ABBAS FAKHRAVAR TO THE SENATE HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, AND INTERNATIONAL SECURITY

Thank you very much for giving me the honor of testifying in the United States Senate, one of the world's oldest and most distinguished democratic institutions. I promise you that the very thought of being able to be with you fills me with awe. You are, as your ancestors promised, a beacon light to the nations.

I am a young Iranian man, a student, who has been in Iranian prisons many times for many years. I have frequently been tortured by the Iranian regime and held in solitary confinement. I am living evidence of Iranian government brutalities. You can see the impact of torture on my face, wrist and left knee.

With the help of friends I escaped from Iran. Four years of my eight year sentence remains. I spent 8 months in solitary confinement under torture.

I have come here, standing in front of you to tell the truth about the Iranian nation and students in particular. The youth of Iran constitute more than 70% of the Iranian society.

I have come here to ask, one of the greatest nations of the world, the people of the United States and everyone else on the face of our earth to help their Iranian brothers and sisters. I ask your help to free my homeland and the Iranian people from a small group of zealot Mullahs who have taken my country and people hostage.

For the past 27 years, we have heard plenty of rhetoric and pleas for help. But, what can you do to help and what can Iranian students do to help? What can we and the young generation of Iranians do to help?

First: We have to understand that negotiations with the Islamic regime, considering their idiotic, bizarre strategies and mesh of thinking, are a waste of time and a dangerous game. Dangerous, because, the Islamic regime will benefit from this political game to buy more time and use it to empower its position in Iran and its national and international image. Giving time to the Iranian regime is placing not just Iranians at risk but the entire world.

The danger that exists behind Shiite mentality is the fairy tale story, the mentality that believes in destruction and disappearance of people and international relations.

The story says that some day, after the entire world has been soaked in blood and war, the 12th Imam of Shiite, who is believed to have disappeared from the face of earth over 1300 years ago, will come back.

Ahmadinejad, Khameni and Mesbaheh Yazdi consider themselves friends of the 12th Imam. They are waiting to see their Imam, and working hard to facilitate his arrival which means creating chaos and death in Iran and in the world.

We, the Iranian youth and students, have shown that we have great power. In particular, seven years ago on July 9th, 1999, the regime, found itself in the midst of a large mass of powerful and intelligent

students who wanted to uproot the government. The Mullahs found themselves under a surprise attack unlike anything they had experienced before.

But, we didn't have organization. We didn't have unity or facilities. If we had that, we would already have gotten rid of them. Today, we can use that experience. We can use the confidence the leaders of the free world have in us. We can use means of education and democracy to organize the youth, to educate students, women, and other groups who can take part in the future of Iran and have a social, political impact in our society.

This requires investing in the future generation by providing facilities, tools and, in particular, media. We need means of communication within Iran and with the free world. We need cell phones, cameras, printers to print our books, fliers, and magazines, we need web pages. Helping Iranians uproot this regime is a much cheaper and less bloody alternative to a military confrontation with Iran.

Most importantly, we need proper, effective radio and television communications to empower us, to help us to speak to the Iranian nation and the rest of the world.

Radio Farda and VOA can help but instead they are increasingly helping the Iranian regime more than the United States. I don't believe Americans want to support a radio with their tax payer's money that will cause more harm for the United States than good.

More and more, VOA and Radio Farda and some of the political groups in United States and Europe emphasize ***reform*** rather than ***regime change.*** The reform theory is nothing but a dead end for the Iranian nation. The reform theory is suspicious and unacceptable. It allows the Iranian regime to hide behind a mask, buying more time, and thereby growing stronger every day.

To help us, the VOA and Radio Farda programming must support ***regime change.*** The people of Iran were very confused by the reform project. Their confusion became stronger as a result of the analysis presented by these two official, authoritative media, which still give the preponderance of their air time to reformists, and very little to those who see the need for regime change.

The Iranian people have been in isolation for many years and they only rarely receive correct information. In Iran, there is no such thing as Free Press. If the regime doesn't like it, it is closed. Even web pages are censored and no accurate news of any significance makes it into people's hands. Unfortunately, neither VOA nor Farda has taken up this challenge, and demonstrated to the Iranian people that America fully supports their freedom, and not just phony reforms.

We need to explain the basis of changes we intend to make. Also, our efforts must be directed toward creating a vast **"Confederation of Iranian Students"** to use the youth, their strength and aggressive existing forces inside and outside Iran to push for a regime change. We have recently taken the first steps to create this organization, and we are hard at work to make it effective.

The people of Iran need to know that the world supports them and their plight for freedom. I support very tough sanctions, because that will prove to the Iranians that the United States wants to punish this evil regime. At the same time, we need to reassure the Iranian people that sanctions are designed to hurt the regime, and the regime alone. Once Iran is free, there will be a flood of investments, and the Iranians need to hear this as well.

Currently, the Iranian nation's wealth does not reach the people. It is stolen before it ever reaches them. All the vast resources flow to the pockets of the Mullahs. Everything has been stolen by the Mullahs, their children and other cohorts. Despite the enormous wealth coming from the sale of oil, most Iranians live and exist under the worst type of economic conditions, and they know why: the regime is not only oppressive, it is also incompetent. They know well that economic sanctions may pressure them in the short term but, in the end, only freedom offers them hope for real improvement.

About Military efforts: ***No one wants war, neither we nor you.*** Our greatest efforts have been focused on using our own people and forces within our boundaries, without war, to uproot the zealot Mullahs governing our country and replace them with a secular, democratic government which respects human rights and freedom. We all know that if we don't succeed, the Iranian regime will lead our world toward another World War. We have seen their lust for war in recent days in Lebanon and Gaza. Will the United States wait until the next Iranian attack? My instincts and my sincere beliefs tell me that such a war would be very damaging to everyone, and many people would lose their lives. Please give us a chance to free Iran without waging war.

I have just two further comments:

> 1- Twenty six years ago, a few Iranian students climbed the walls of the US embassy in Tehran and for 444 days held hostage American sons and daughters, and thereby destroyed the reputation of Iranian students in the world.
>
> On behalf of all my friends in the Confederation of Independent Iranian Students, I formally apologize to the United States nation for this massive insult and crime. I stand before you to let you know that today's Iranian students are not terrorists. They love the people of our world and in particular they love Americans and love freedom.
>
> 2. We all know the Iranian Nuclear program has been keeping the world preoccupied. But the real problem with the Iranian regime is not about its nuclear program. The real problem is the Iranian regime itself, which, with primitive and violent methods, has been trying for years to brainwash Iranian children and make them ready to sacrifice themselves for the regime and turn them into martyrs.
>
> The real problem with Iran is the Iranian prisons, which are overflowing with political prisoners, destroying Iranian lives, torturing and killing democratic people, and making a mockery of freedom.

We all know that a secure Middle East is necessary for the security of United States of America. This can not be achieved without a secular democratic government in Tehran. Every major terrorist group is linked to the government of Iran. Some, such as Hezbollah in Lebanon, don't even deny their close relationship as an ally of the Iranian regime. And today everyone sees, and finally understands, the chaotic state created by Hezbollah in Lebanon.

Help us to uproot the Iranian regime. Believe in us. Believe that a secular democratic government in Iran will be the United States' best ally and friend and a great and good neighbor in the global village.

THE IRANIAN NUCLEAR IMPASSE: NEXT STEPS

Statement before the U.S. Senate Homeland Security and Governmental Affairs Committee Subcommittee on Federal Financial Management, Government Information and International Security

July 20, 2006

Ilan Berman
Vice President for Policy
American Foreign Policy Council

Senator Coburn, distinguished members of the Subcommittee:

It is a privilege to appear before you once again. Thank you for inviting me here today to discuss the deepening international crisis over Iran's nuclear program and the policy options available to the United States.

The United States stands at a crossroads. Two months ago, Secretary of State Condoleezza Rice articulated what amounted to a fundamental shift in American policy when she announced that, as part of its commitment to a diplomatic solution of the deepening nuclear stand-off with Tehran, the Bush administration was prepared to offer Iran an unprecedented "package" of incentives to return to the negotiating table. As part of that process, the White House even signaled its willingness to hold direct negotiations with the Iranian regime for the first time in 27 years.

Yet today, prospects for a diplomatic solution to the Iranian nuclear impasse are increasingly remote. Iran's dogged refusal to provide a clear and unambiguous answer to the most recent offer, coupled with its insistence on continuing uranium enrichment, has reopened the debate over how the United States can prevent the emergence of a nuclear-armed Iran.

FAILED APPROACHES

So far, discussions about strategy toward Iran in the United States have been simplistic. When confronted with Iran's nuclear ambitions, American policymakers and analysts alike have tended to gravitate toward one of two flawed options: diplomacy or military action.

As the Bush administration's ill-fated overture suggests, negotiations with the Islamic Republic are futile. The offer made public by Secretary Rice in late May was the third such effort in the past decade. Between 1994 and 1997, the European Union attempted to moderate Iran's support for terrorism and pursuit of weapons of mass destruction through a series of diplomatic and economic incentives.[1] By the time it was finally tabled in 1997, that policy, known as "critical dialogue," had provided the Islamic Republic with economic aid and international legitimacy, but had failed to alter Iranian behavior in any meaningful way. More recently, in 2003, the EU "troika" (France, Germany and Great Britain) attempted to revive "critical dialogue" in an effort to deal with Iran's expanding atomic effort, with very similar results.

All three approaches failed because they fundamentally misread one critical issue: the political will of the Iranian leadership to become a nuclear power. And future diplomatic ventures that seek an end to Iran's nuclear program are likely to meet a similar fate, since Iran's Supreme Leader, the Ayatollah Ali Khamenei, has defined an Iranian nuclear capability as an "absolute right" that his regime will never consider abandoning.[2]

Military action against the Iranian nuclear program, meanwhile, is likely to be just as self-defeating. Few observers, either in the United States or abroad, doubt that America possesses the operational capability to carry out such a strike. But tactical considerations—among them incomplete intelligence about the scope of Iran's nuclear effort and the possibility of a serious asymmetric response from the Iranian regime—mitigate strongly against pursuing such a course of action as anything other than a last resort. Perhaps most significant, however, are the internal ramifications of any prospective military strike. Since Iran's nuclear program is one of very few issues that is supported both by ordinary Iranians and regime hard-liners within the Islamic Republic, military action is likely to result in a "rally around the flag" effect that strengthens—rather than weakens—the current regime in Tehran.

Neither will it be possible to effectively deter a nuclear Iran, as some observers have suggested.[3] During the Cold War, the threat of mutual nuclear annihilation created a stable "balance of terror" between Moscow and Washington. This deterrence paradigm functioned successfully because a series of conditions (good communication, rational decision-making, well-informed strategic planning, and, most importantly, a shared assumption that war should be avoided) were presumed to exist between the U.S. and the USSR.

None of these conditions currently exist in America's relationship with Iran. For over two-and-a-half decades, since the November 1979 takeover of the American embassy in Tehran, the United States has not had steady official contacts with the Islamic Republic. As a result, American policymakers today have little insight into the

Iranian regime's decision-making process—or the government's potential "red lines" in the unfolding confrontation over its nuclear ambitions.

Likewise, U.S. officials have not adequately understood the implications of the internal political changes that are now taking place within the Islamic Republic. The past several years have seen a re-entrenchment of conservative forces in the Iranian body politic. Iran's clerical army, the *Pasdaran*, has been the principal beneficiary of this trend, taking on major new political and economic powers within the regime. This crop of radicals is distinct from other nodes of regime power in the Islamic Republic. Its members are overwhelmingly military strategists and tacticians, rather than professional clerics, and generally lack the political experience of Iran's clerical establishment (including the ability to safely navigate international crises). Their ascendance has created significant shift in the regime's traditional balance of power—one that includes the emergence of Iranian president Mahmoud Ahmadinejad, himself a former *Pasdaran* commander, as an independent foreign policy actor in his own right.

Nor can it be assumed that both countries are seeking to avoid a conflict. On the contrary, at least one segment of the Iranian leadership now appears to be seeking just such a showdown. Since his assumption of power in August 2005, Iranian president Mahmoud Ahmadinejad has charted an increasingly confrontational foreign policy course vis-à-vis the United States and Europe. Significantly, this brinksmanship appears to have deep theological underpinnings. Like his religious mentor, the radical Qom cleric Mohammed Taqi Mesbah-Yazdi, Iran's president believes fervently in the imminent return of the "Mahdi," the Islamic Messiah of Shi'ite theology. Moreover, as Ahmadinejad has made clear, this second coming will be brought about through a civilizational clash with the West—"a historic war between the oppressor [Christians] and the world of Islam"—in which Iran will play a leading role.[4]

Given the forgoing, it should be assumed that the establishment of a successful bilateral deterrence relationship will be difficult, if not impossible, to achieve with the current Iranian leadership—effectively making Iran "undeterrable" in the traditional sense of the word.

THREE PRIORITIES

This does not mean that the United States does not have the means to address the Iranian nuclear threat, however. Instead, Washington would do well to simultaneously focus its energies on three objectives:

ECONOMIC PRESSURE Today, the Islamic Republic possesses at least three fundamental economic vulnerabilities. The first is its reliance on foreign supplies of

refined petroleum products; more than a third of Iran's annual consumption of over 64.5 million liters of gasoline is currently imported from a variety of foreign sources, at an estimated cost of more than $3 billion annually.[5] The second is the country's centralized economic structure, which is dominated by a small number of powerful families and charitable foundations (known as *bonyads*).[6] The third vulnerability derives from Iran's dependence on foreign direct investment; Iran's energy sector currently requires approximately $1 billion annually to maintain current production levels, and an additional half a billion dollars to increase output.[7] Through economic measures that target these weaknesses, the United States and its international allies have the ability to substantially influence regime decision-making—and, potentially, to galvanize serious domestic unrest within the Islamic Republic as well.

DEMOCRACY PROMOTION Back in February, the Bush administration took the welcome step of asking Congress for $75 million to "support the aspirations of the Iranian people for freedom in their own country."[8] Five months later, however, these efforts appear to be faltering. Despite a series of encouraging developments—including the establishment of a dedicated Office of Iranian Affairs within the State Department's Bureau of Near East Affairs, and plans for a major expansion of government broadcasting to Iran—the Bush administration has not yet articulated a clear vision for achieving democratic change within the Islamic Republic. More detrimental still have been the Bush administration's diplomatic efforts to defuse the expanding confrontation over Iran's nuclear program, which have led it to seek accommodation with Iran's ayatollahs at the expense of the country's captive population. Revitalizing its commitment to democracy in Iran means that the Bush administration must expand its contacts with the Iranian opposition, increase grassroots efforts to engage ordinary Iranians, and pursue a policy that unequivocally favors freedom, rather than accommodation or "reform" of the current regime in Tehran.

PUBLIC DIPLOMACY The United States cannot fracture the current domestic consensus in favor of the regime's nuclear program without highlighting to the Iranian people the risks associated with the runaway atomic ambitions of their government. Nor can it hope to convey to the majority of Iranians that oppose the current regime in Tehran that it stands with them in their desire for change without proper outreach. Yet today, American public diplomacy falls far short of these objectives. Despite widespread popularity, the U.S. government's principal vehicles for public broadcasting into Iran, *Radio Farda* and the Voice of America's Persian Service, continue to suffer from serious systemic dysfunctions. These include sub-optimal programming, a lack of defined goals and no metrics by which to measure success. As a result, American outreach is overwhelmingly reactive, often irrelevant, and at times downright damaging to U.S. objectives. If it hopes to persevere in the

battle for Iranian "hearts and minds," the United States must craft a clear message of hope and transformation that is continuously calibrated to the Iranian "marketplace," and that message must be capable of penetrating the regime's increasingly sophisticated barriers. And, if official public diplomacy channels are not up to the task, the U.S. government should empower U.S.-based NGOs capable of effectively carrying such a message.

These components are interdependent. Without economic pressure, the international community cannot hope to slow the pace of Iran's nuclear program. Truly eliminating the threat posed by an atomic Islamic Republic, however, requires changing the regime that will ultimately wield an Iranian bomb. And neither goal can be accomplished without the assistance of the one constituency that truly represents the future of Iran: the Iranian people themselves.

LOOKING AHEAD

In its April 2006 National Security Strategy, the Bush administration noted that the United States faces "no greater challenge from a single country than from Iran."[9] That challenge is two-fold; the first stems from Iran's nuclear ambitions, the second from the driver of those efforts: the nature of the regime itself. The former problem is immediate. The latter is long-term. But Washington must confront both, or risk the entrenchment of a radical order in the Middle East that is deeply antagonistic to the United States. Should that happen, there can be little doubt that America's ability to promote democratic change and combat international terrorism will take a giant step backward.

NOTES:

[1] Johannes Reissner, "Europe and Iran: Critical Dialogue," in Richard N. Haass and Meghan L. O'Sullivan, eds., *Honey and Vinegar: Incentives, Sanctions and Foreign Policy* (Washington: Brookings Institution Press, 2000), 42.

[2] Helene Cooper and John O'Neil, "Cleric Vows Iran Will Never Talk With U.S. on Nuclear Program," *New York Times*, June 30, 2006, http://www.nytimes.com/2006/06/30/world/middleeast/30cnd-iran.html?ex=1153195200&en=38009fdc484d2215&ei=5070.

[3] See, for example, Barry R. Posen, "We Can Live with a Nuclear Iran," *New York Times*, February 27, 2006, http://www.nytimes.com/2006/02/ 27/opinion/27posen.html.

[4] "Ahmadinejad: Wipe Israel Off Map," *Al-Jazeera* (Doha), October 26, 2005, http://english.aljazeera.net/NR/exeres/15E6BF77- 6F91- 46EE-A4B5 -A3CE0E9957EA.htm.

[5] "'Iran's Refining Capacity to Increase to 900,000,'" iranmania.com, February 19, 2006, http://www.iranmania.com/News/ArticleView/Default.asp?ArchiveNews=Yes&NewsCode=40656&NewsKind=CurrentAffairs.

[6] Paul Klebnikov, "Millionaire Mullahs." *Forbes*, July 21, 2003, http://www.forbes.com/forbes/2003/0721/056_print.html.

[7] "NIOC Undertaking Host of Projects to Boost Oil Output", *Middle East Economic Survey* XLVIII, no 19, (2005), as cited in A.F. Alhajji, "Will Iran's Nuclear Standoff Cause a World Energy Crisis? (Part 1 of 2)," *Middle East Economic Survey* XLIX, no. 13 (2006) http://www.mees.com/postedarticles/oped/v49n13-5OD01.htm.

[8] Secretary of State Condoleezza Rice, Remarks before the Senate Foreign Relations Committee, Washington, DC, February 15, 2006, http://www.state.gov/secretary/rm/2006/61262.htm.

[9] *National Security Strategy of the United States of America*, White House, March 2006, 25.

PREPARED TESTIMONY OF DR. MICHAEL A. LEDEEN TO THE SENATE HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, AND INTERNATIONAL SECURITY

I am most grateful for your kind invitation to discuss American policy toward Iran. Sadly, recent events, most notably the Iranian-sponsored attacks against Israel from Lebanon and Gaza--have made this discussion more urgent than ever. But that is what often happens when successive administrations, of both political parties and of various political convictions, avoid dealing with a serious problem. It doesn't go away. Instead, the problem gets worse and the cost of dealing with it becomes more and more burdensome. The theocratic tyranny in Tehran is a very serious problem, and it is becoming graver. It has already cost a great number of American lives, and an even greater number of innocent Iranians, Iraqis, Israelis, Lebanese, Argentinians and others around the world have fallen prey to the mullahs. And now they are hell-bent to become a nuclear power.

The bottom line is that the Islamic Republic of Iran has been at war with us for twenty-seven years, and we have yet to respond. Fanatical Iranians overran the American Embassy in Tehran in 1979 and subjected diplomats to four hundred forty-four days of confinement and humiliation. Our policy was to negotiate a deal, which was consummated in the last hour of the Carter Administration. In the mid-1980s, Iranian-supported terrorists from Hizbollah killed hundreds of Americans in our Beirut Embassy, and, six months later, killed two hundred forty-one Marines in their barracks there. A couple of years after that, Hizbollah took other Americans hostage, from the CIA station chief in Beirut to Christian priests to a distinguished military man, Colonel Higgins, who had served as General Colin Powell's military assistant in the Pentagon. The priests were eventually ransomed; Higgins and Buckley were tortured and murdered.

No one should have been surprised that the Islamic Republic waged war against us from its first days in power. After all, the founder of the Iranian clerical fascist state, the Ayatollah Ruhollah Khomeini, declared America "the great Satan," an existential threat to the Islamic Republic as to all true Muslims.

They have waged an unholy proxy war against us ever since. They created Hizbollah and Islamic Jihad, and they support most all the others, from Hamas and al Qaeda to the Popular Front for the Liberation of Palestine–General Command. Iran's proxies range from Shi'ites to Sunnis to Marxists, all cannon fodder for the overriding objective to dominate or destroy us.

This point needs to be stressed, since a lot of nonsense has been written about the theoretically unbridgeable divide between Sunnis and Shi'ites, and we should remind

ourselves that the tyrants of the Islamic Republic do not share these theories. The recent terrorist assault on Israel–a coordinated two-front war–was conducted by Hamas and Hizbollah. The one is Sunni, the other, Shi'ite. Both are Iranian proxies. The Iranian Revolutionary Guards–as Shi'ite as they come–were trained in Lebanon's Bekka Valley, beginning in the early 1970s, by Yasser Arafat's Sunni al Fatah. Arafat, whose pedigree came from the Sunni Islamic Brotherhood, was the first foreign leader to be invited to Tehran after the overthrow of the shah, proving that when it comes to killing infidels, theological disagreements are secondary to the *jihad*. Yet for decades, we have been deceived by experts, in and out of government, who maintained that such cooperation–including cooperation between countries like Iran and Syria–was next to impossible.

It was very good news, therefore, that the White House immediately denounced Iran and Syria for Hizbollah's attack on Israel, just as Ambassador Khalilzad, on the 12th of July, tagged the terrorist siamese twins as sponsors of terrorism in Iraq. One of the best informed people in that country, who blogs under the title of "Iraq the Model" put it very well, if a bit ungrammatically:

> "Hizbollah is Iran's and Syria's partner in feeding instability in Iraq as there were evidence that this terror group has a role in equipping and training insurgents in Iraq and Hizbollah had more than once openly showed support for the "resistance" in Iraq and sponsored the meetings of Baathist and radical Islamist militants who are responsible for most of the violence in Iraq."

When he says Iran "sponsored the meetings of Baathist and radical Islamist militants..." he is talking about Sunnis, the same Sunnis who, according to CIA deep thinkers and scads of academic experts, cannot possibly work closely with Shi'ites like the mullahs of Tehran. Iraq the Model isn't burdened by this wisdom, and so he just reports what he sees on the ground in his own country.

It is no accident that, the weekend before the two-front attack on Israel, there was a "security summit" in Tehran, involving all of Iraq's neighbors, at which Iran's infamous President Ahmadi-Nezhad issued one of his trademark warnings to Israel. "The existence of this regime will bring nothing but suffering and misery for people in the region," he raged, and then said that the anger of the people might soon "lead to a vast explosion that will know no boundaries."

Perhaps he had a hint of what would soon explode. And well he should, because Iran has been quite busy in Lebanon of late. The Lebanese Tourism Ministry's Research Center announced an amazing statistic in early July: in the first six months of the year, 60,888 Iranian tourists visited Lebanon. No other Asian country came close (the Philippines ranked second, with a bit over 12,000). Iranians are poor, suffering under the predations of greedy rulers and the usual miseries of a controlled economy. It is hard to believe that more than 12,000 Iranian "tourists" headed for the Beirut beaches each month without a considerable subsidy. Many of them were undoubtedly working for the Revolutionary Guards Corps, or were Hizbollah operations people.

Iran is invariably atop the State Department's list of state sponsors of terrorism, and we know from public court records in Italy and Germany that Abu Musab al-Zarqawi created a European-wide terrorist network in the latter years of the last century from a stronghold in Tehran. Among the evidence introduced by the prosecution were intercepts of phone conversations between terrorists in Europe and Zarqawi in Tehran.

We also know–from abundant evidence ranging from documents to photographs captured by American forces in both Fallujah and Hilla–of the intimate working relationships between terrorists in Iraq and the regimes in Tehran and Damascus. Indeed, the terror war in Iraq is a replay of the strategy that the Iranians and the Syrians used in the 1980s to drive us and our French allies out of Lebanon. Those Americans who believed it was possible to wage the war against terrorism one country at a time, and that we could therefore achieve a relatively peaceful transition from Saddam's dictatorship to an elected democracy, did not listen to the many public statements from Tehran and its sister city in *jihad,* Damascus, announcing in advance that Iraq was about to become the "new Lebanon."

It is open knowledge that Iran is making bigger and badder IEDs–the roadside bombs that are the single greatest cause of death and injury to our sons and daughters in Iraq–and sending them to the terrorists across the border. The British press has long reported this fact, which has been confirmed by Secretary of State Rumsfeld, and by Richard Clarke, the former White House counterterrorism chief, who put it bluntly: "I think it's very hard to escape the conclusion that...the Iranian government is knowingly killing U.S. troops."

There are still those in Foggy Bottom, Langley or academia who believe that somehow we can sort out our differences with the Islamic Republic. I wish they were right, but the Iranians' behavior proves otherwise. Religious fanatics of the sort that rule Iran do not want a deal with the devil. They want us dominated or dead. There is no escape from their hatred, or from the war they have waged against us. We can either win or lose, but no combination of diplomatic demarches, economic sanctions, and earnest negotiations, can change that fatal equation. It is not our fault. It is their choice.

THE NUCLEAR QUESTION

A few months ago, the CIA concluded that Iran could not produce nuclear weapons in less than a decade, but given the history of such predictions, we should be very skeptical of that timeline. Some Russian experts reportedly think it could be a matter of months, and they probably have better information than we do.

Numerous Iranian leaders have said that they intend to use nuclear weapons to destroy Israel, and contemporary history suggests that one should take such statements at face

value. A nuclear Iran would be a more influential regional force, and since its missiles now reach deep into Europe, it would directly menace the West. Moreover, once Iran manages to put nuclear warheads on their intermediate range missiles, they might even be able to direct them against American territory from one or more of the Latin American countries with which the mullahs are establishing strategic alliances.

I would be the last to suggest we should not do everything possible to prevent the emergence of a nuclear Iran. But the nuclear question simply adds urgency to the Iranian threat, which is already enormous, and which should have prompted our maximum thought and energy long since.

The mullahs don't need atomic bombs to kill large numbers of Americans; they have long worked on other weapons of mass destruction, and they have an imposing network of terrorists all over the Western world. Hardly a day goes by without chest-pounding speeches from the mullahs warning us about the wave of suicide bombers headed our way. I am afraid that the obsession with the nuclear question often obscures the central policy issue: that the Islamic Republic has waged war against us for many years and is killing Americans every week. They would do that even if they had no chance of developing atomic bombs, and they will do that even if, by some miracle, the feckless and endlessly self-deluding governments of the West manage to dismantle the secret atomic facilities and impose an effective inspection program. The mullahs will do that because it is their essence. It is what they are.

The nuclear threat is inseparable from the nature of the regime. If there were a freely elected, democratic government in Tehran, instead of the self-selecting tyranny of the mullahs, we would in all likelihood be dealing with a pro-Western country that would be more interested in good trade and cultural relations than in nuclear warheads.

In other words, it's all about the regime. Change the regime, and the nuclear question becomes manageable. Leave the mullahs in place, and the nuclear weapons directly threaten us and our friends and allies, raising the ante of the terror war they started twenty-seven years ago.

And still no Western leader at any time in all these years has advocated regime change in Iran.

WHAT TO DO?

The first step is to abandon the self-deception that we will be able to arrive at a negotiated settlement. It can't be done. The Iranians view negotiations as merely tactical enterprises in support of their strategic objectives. The London Sunday Telegraph

reported several months ago that Hassan Rowhani, the mullah in charge of nuclear negotiations with the Europeans, bragged in a public speech that Iran had duped European Union negotiators into thinking it had halted efforts to make nuclear fuel while in reality it continued to install equipment to process yellowcake -- a key stage in the nuclear-fuel process.

It could hardly be clearer, or so one would think. The "negotiations" were merely a tactic.

Nor is there any reason to believe we can count on the United Nations to impose the rules of civilized behavior on the mullahs, either on nuclear issues or terrorism. The Supreme Leader, Ali Khamene'i, has told his associates that Iran now has a "strategic relationship" with Putin's Russia, and that China is so dependent on Iranian oil that it is highly unlikely Peking would vote against Tehran in the Security Council.

That leaves us with three courses of action, none of which is automatically exclusive of the others: sanctions, military strikes, and support for democratic revolution.

SANCTIONS

I do not know of a case in which sanctions have produced a change in behavior by a hostile regime. The two cases in which sanctions seem to have worked had to do with regimes that thought of themselves as friends of the United States, and wanted to be embraced by us: Pinochet's Chile and apartheid South Africa. Enemy regimes don't respond to sanctions, whether it be Castro's Cuba or Qadaffi's Libya or the Soviet Empire. Indeed, sanctions aimed against the national economy are misconceived, because they harm the people–who are highly likely to be our best weapon against the tyrants–while leaving the tyrannical and oppressive elite largely untouched.

We should want to punish hostile regimes and help the people. Big-time economic sanctions or embargoes cannot do that, but very limited sanctions and other economic and financial actions can. I am very much in favor of seizing the assets of the Iranian leaders, because while the mullahs have ruined the lives of most Iranians, they have greatly enriched themselves at the people's expense, and a good deal of that money has been squirreled away in foreign bank accounts. That money properly belongs to the Iranian people, whose misery grows from day to day. We should hold it for them, and return it to a freely elected government after we have helped them overthrow their oppressors.

I also agree that a travel ban on the top leaders would be useful, if for no other reason than its symbolic value. It tells the Iranian people that we consider the mullahs unworthy of acceptance in the civilized world; it brands the mullahs for what they are. The Iranians know it far better than we. But they need to see that we have taken sides, and the travel ban is one good way to do that.

MILITARY ACTION

While nobody this side of the yellow press is talking about an invasion of Iran, there is considerable speculation about limited strikes against nuclear facilities. I do not know enough to be able to offer an informed opinion on this matter. I would only point out that our intelligence about Iran has been bad since before the revolution of 1979, and one would have to be very optimistic to base a military plan on our current intelligence product. Iranians are skilled at deceit, and have been hiding their nuclear projects from us for a long time.

Military action carries enormous risks. Some number of Iranians would likely be inclined to rally to the national defense, even if they hate the regime. It's impossible to estimate how many of them would take this path. Moreover, there would inevitably be innocent victims, and our strategy should aim at saving innocents, not killing them. On our side of the equation, it is virtually certain that Iran would respond with a wave of terrorism, from Iraq to Europe to the homeland, and with efforts to drive up the price of oil even higher.

That said, our failure to design and conduct a serious Iran policy for so long has narrowed our options, and we may be faced with a choice among various unattractive actions. If we and our allies decide that Iranian nuclear facilities must be taken out, we should first make clear to the Iranian people that we have come slowly and reluctantly to this position, that the regime could have avoided this terrible situation by negotiating in good faith, and that we would never dream of doing such a thing if Iran were governed by reasonable people.

In fact, whatever policy we adopt, it is very important for us to talk–a lot–to the Iranian people.

REVOLUTION

Iran had three revolutions in the twentieth century, and boasts a long tradition of self-government. The demographics certainly favor radical change: roughly 70% of Iranians are twenty-nine years old or less. We know from the regime's own public opinion surveys that upwards of 73% of the people would like a freer society and a more democratic government, and they constantly demonstrate their hatred of the regime in public protests (from oppressed ethnic groups to university students and public employees), in the blogosphere in both Farsi (the internet's fourth most popular language) and English, in strikes ranging from the oil workers to the Tehran bus drivers, and from time to time in violent acts against officials on the ground. The regime's reaction is ruthless, but the protests continue, and there is good reason to believe that the mullahs are extremely worried. In response to recent demonstrations in Khuzestan, the

oil-producing region in the south, the regime sent in members of the Badr Brigade (the Iranian-trained militia in Iraq) and of (Lebanese) Hizbollah. This suggests a lack of confidence in the more traditional security organizations: the regular Army, the Revolutionary Guards, and the thuggish Basij, generally described as fanatically loyal to the Islamic ideals of the mullahcracy.

Yet, just as it was generally believed that there was no hope of a peaceful overthrow of the Soviet Empire, today the conventional wisdom intones that there is no hope for democratic revolution in Iran, and even if there were, we no longer have enough time for it. As if one could fine tune the timing of a revolution!

The pessimism is as bizarre as it is discouraging. We empowered a successful revolution in the Soviet Empire with the active support of a very small percentage of the population. In Iran revolution is the dream of at least 70% of the people. The regime is famously vicious, as the mounting numbers of executions and the ongoing torture in Iran's prisons unfortunately demonstrate. But the KGB was no less vicious, and tyranny is the most unstable form of government. We should remind ourselves that democratic revolution invariably surprises us. If anyone had forecast a successful democratic revolution in the Ukraine, even three months before it occurred, most of us would have considered it a fantasy.

Nobody knows with certainty whether revolution can succeed in Iran, or, if it can, how long it will take. But in recent years a surprising number of revolutions have toppled tyrants all over the world. Most of them got help from us, which should not surprise Americans. Most revolutions, including our own, required external support in order to succeed, and there is a widespread belief in Iran that a democratic revolution cannot defeat the mullahs unless it is supported by the United States. They are waiting for concrete signs of our support.

Support means, above all, a constant critique by our leaders of the regime's murderous actions, and constant encouragement of freedom and democracy. Too many people have forgotten the enormous impact of Ronald Reagan's denunciation of the Soviet Union as an "evil empire." The intellectual elite of this country condemned that speech as stupid and dangerous, yet we learned from the Soviet dissidents that the it was enormously important, because it showed that we understood the nature of the Soviet regime, and were committed to its defeat. In like manner, the Iranians need to see that we want an end to the Islamic Republic. We need to tell them that we want, and will support, regime change in their country, peaceful, non-violent regime change, not revolution from the barrel of a gun.

We also need to talk to them very specifically about how such revolutions succeed. We should greatly expand our support for private radio and television broadcasters, both here and in Europe, and we need to get serious about using our own broadcasts as

revolutionary instruments. We should not compete for market share, and we should not be in the entertainment business; we should be broadcasting interviews with successful revolutionaries from other countries, as well as with the few Iranian dissidents who reach the free world. We should also broadcast conversations with experts on non-violent revolution. The Iranians need to learn, in detail, what works and what does not. They need to see and hear the experiences of their revolutionary comrades.

We must also provide them with the wherewithal for two vitally important revolutionary actions: build resources for a strike fund, and get them modern instruments of communication. The strike fund speaks for itself: workers need to be able to walk off the job, knowing they will be able to feed their families for several weeks. The instruments of communication include servers, laptops, satellite and cell phones and phone cards.

Finally, the president should appoint an eloquent, charismatic person to advise him on Iranian policy, and to work closely with Congress in its design and implementation. Once again, the Iranian people need to see real action. They have heard lots of fine speeches, now it's time to move.

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JULY 20, 2006

Iran's Nuclear Impasse: The Next Steps

More than any other issue, the nuclear question has exposed the divisions within the clerical establishment's over Iran's international orientation. To be sure, Iran's contending factions are united on the need to sustain a vibrant nuclear research program, but the prospect of actually crossing the nuclear threshold in defiance of the international community and in violation of Iran's long-standing treaty commitments has generated a subtle yet robust debate.

The War Generation Comes to Power

After 27 years, the complexion of the Iranian regime is changing. An ascetic "war generation" is assuming power with a determination to rekindle revolutionary fires long extinguished.
For Ahmadinejad and his allies, the 1980-88 war with Iraq defined their experiences, and it conditions their political assumptions. The Iran-Iraq War was unusual in many respects, as it was not merely an interstate conflict designed to achieve specific territorial or even political objectives. This was a war waged for the triumph of ideas, with Ba'athi secular pan-Arabism contesting Iran's Islamic fundamentalism. As such, for those who went to the front, the war came to embody their revolutionary identity. Themes of solidarity, sacrifice, self-reliance and commitment not only allowed the regime to consolidate its power, they also made the defeat of Saddam the ultimate test of theocratic legitimacy

Suddenly, in August 1988, Ayatollah Ruhollah Khomeini declared the conflict to be over. After eight years of brutal struggle and clerical exhortations of the inevitability of the triumph of the armies of God, the war ended without achieving any of its pledged objectives. For veterans like Ahmadinejad, there was a ready explanation for this turn of events. It was not the inadequacy of Iran's military planning or the miscalculations of its commanders, but the West's machinations and its tolerance of Saddam's use of chemical weapons that had turned the tide of the battle. And although many Iranians wanted to forget the war, for people like Ahmadinejad the war, its struggles and its lessons are far from being a faded memory: They are constantly invoked. In his much-discussed speech in front of the UN General Assembly in September, Iran's new president used the platform offered to him to pointedly admonish the gathered heads of state for their shortcomings:

> For eight years, Saddam's regime imposed a massive war of aggression against my people. It employed the most heinous weapons of mass destruction, including chemical

> weapons, against Iranians and Iraqis alike. Who, in fact, armed Saddam with those weapons? What was the reaction of those who claim to fight against WMDs regarding the use of chemical weapons then?

A pronounced suspicion of the United States and the international community would come to characterize Ahmadinejad's perspective. After all, neither America's human rights commitments nor the many treaties prohibiting the use of weapons of mass destruction saved Iran's civilians and combatants from Saddam's wrath. The lesson that the veterans drew from the war was that Iran's independence and territorial integrity could only be safeguarded by its own initiatives and not by international legal compacts and Western benevolence.

Ahmadinejad's Foreign Devils

As the face of Iran changes and the elders of the revolution recede from the scene, a new international orientation is gradually beginning to surface. A combustible mixture of Islamist ideology, strident nationalism and a deep suspicion of the international order comprise Ahmadinejad's global perspective. As an uncompromising nationalist, Ahmadinejad is unusually sensitive of Iran's national prerogatives and sovereign rights. As a committed Islamist, he continues to see the Middle East as a battleground between forces of sinister secularism and Islamic authenticity. As a suspicious ruler, he perceives Western conspiracies and imagined plots where none may in fact exist.

Nowhere has this new ideological determinism been more evident than in perceptions of America. For the aging mullahs such as Supreme Leader Ali Khamenei and the more pragmatic head of the Expediency Council, Hashemi Rafsanjani, America remained the dominant actor in Iran's melodrama. For the those hardliners, the United States was the source of all of Iran's problems, while for the older generation of more pragmatist conservatives it was the solution to the theocracy's mounting dilemmas. In either depiction, America was central to Iran's affairs. Given that this cohort came into political maturity during the reign of the shah and his close alliance with the United States, was engaged in a revolutionary struggle that was defined by its opposition to America, and then led a state often in conflict with Washington, it was natural that they were obsessed with the United States.

In terms of their international perspective, Ahmadinejad's generation of conservatives does not share its elders' preoccupation with America. Their insularity and their ideology-laden assumptions about America as a pernicious, imperial power lessen their enthusiasm for coming to terms with a country long depicted as the "Great Satan." Even a cursory examination of the younger hardliners' speeches reveals much about their view of international relations: that power in the international system is flowing eastward. As a stalwart of the new conservatives, the current mayor of Tehran, Muhammad Qalibaf, declared, "In the current international arena we see the emergence of South Asia. And if we do not take advantage of that, we will lose." From the perspective of the new Right, globalization does not imply capitulating to the United States but cultivating relations with emerging power centers on the global landscape. It is hoped that such an "eastern orientation" might just obviate the need to come to terms with the United States.

In a stark contrast to their elders, the war generation displays a unique degree of indifference and passivity toward America. Ahmadinejad emphasized this point, stressing, "Our nation is continuing in path of progress and on this path has no significant need for the United States." The notion that Iran should offer concessions on important national priorities for the sake of American benevolence has a limited appeal to Iran's new leaders. After a quarter of a century of hostility, war and sanctions, Iran's emerging leadership class is looking east, where its human

rights record and proliferation tendencies are not particularly disturbing to its commercial partners.

A mixture of wariness and nationalism is driving the new regime's approach to the nuclear issue. The bitter experience of the war has led to cries of "never again", uniting the veterans-turned-politicians behind a desire to achieve not just a credible posture of deterrence but potentially a convincing retaliatory capability. After decades of tensions with America, Iran's reactionaries perceive that conflict with the United States is inevitable and that the only manner by which America can be deterred is through possession of the strategic weapon. Although today the United States may seem entangled in an Iraqi quagmire that tempers its ambitions, for Iran's rulers it is still an aggressive state whose power cannot be discounted and whose intentions must not be trusted.

Given their suspicions and paranoia, the hardliners insist that American objections to Iran's nuclear program do not stem from its concerns about proliferation, but its opposition to the character of the regime. They argue that should Iran acquiesce on the nuclear portfolio, the perfidious Americans would only search for another issue with which to coerce Iran. "The West opposes the nature of the Islamic rule. If this issue [the nuclear standoff] is resolved, then they will bring up human rights. If we solve that, they will bring up animal rights", emphasized Ahmadinejad. Given such views, there appears no sufficient incentive to compromise on such critical national issues, since acquiescence will not measurably relieve American antagonism.

As Iran plots its nuclear strategy, the American demands that it relinquish its fuel-cycle rights granted to it by the NPT have aroused an intense nationalistic uproar. As a country that has historically been the subject of foreign intervention and the imposition of various capitulation treaties, Iran is inordinately sensitive of its national prerogatives and sovereign rights. The new rulers of Iran believe they are being challenged not because of their provocations and previous treaty violations, but because of superpower bullying. In a peculiar manner, the nuclear program and Iran's national identity have become fused in the imagination of the hardliners. To stand against an impudent America is to validate one's revolutionary ardor and sense of nationalism. Thus, the notion of compromise and acquiescence has limited utility to Iran's aggrieved nationalist.

Iran's Realists

In the Islamic Republic's informal governing structure, the national security decisions are subject to input by many figures, even those not necessarily with a portfolio. For instance, the former prime minister Mir Hussein Mussavi, who has been out of power for nearly two decades, is nevertheless consulted intimately about Iran's nuclear course. It appears that despite Western perceptions that the nuclear issue is decided by a narrow band of conservatives, Ayatollah Khamenei has broaden the parameters of the debate and has included relevant elites from across the political spectrum in the nuclear deliberations. Thus, reformers out of power, moderate conservatives struggling against their reactionary brethren as well as professionals from key bureaucracies are allowed to stress their point of view. Given the provocative nature of the nuclear program, Khamenei seems to be hoping that the burden of any ensuing international confrontation would be assumed by all political factions, as opposed to being the responsibility only of the conservatives. Thus, the systematic consolidation of power by the conservatives over the state does not necessarily mean that voices of restraint have been excised from the decision-making process.

In contrast to the hardliners, the pragmatic elements within the Islamic Republic insist that Iran's integration into the international order and the global economy mandates accepting

certain restrictions on its nuclear program. Although it is tempting to see this issue as divided between reactionaries and reformers, the coalition pressing for reticence features both conservatives, such as Rafsanjani, who is currently the head of the Expediency Council—officials within the ministries and important elements of Iran's national security establishment that retain their status irrespective of who is the president. The proponents of this strategy do not call for the dismantling of Iran's nuclear edifice, but for the development of an advanced capacity within the flexible guidelines of the NPT. Given Iran's long-term commitment to the NPT and the prevailing international scrutiny, a provocative policy could invite multilateral sanctions and lead Iran's valuable commercial partners, such as the European Union, to embrace the U.S. policy of isolating and pressuring Iran. Thus, for this constituency, a hedging strategy can sustain Iran's nuclear program while maintaining its international ties.

By far the most intriguing voice on the emerging security issue is the new head of the Supreme National Security Council, Ali Larijani. For Larijani, the Islamic Republic is offered a rare opportunity to establish its sphere of influence in the Persian Gulf. For centuries, Iran's monarchs and mullahs perceived that given their country's history, civilizational achievements and geographic location, it should emerged as the preeminent state of the Gulf. However, those ambitions were unjustly thwarted by global empires and local hegemonic powers. Today, as Iran's leaders gaze across the region, they see a crestfallen American imperium eager for an exit strategy out of its Arab predicament, an Iraq preoccupied with its simmering sectarian conflicts and a Gulf princely class eager to accommodate rather then confront Iranian power. A judicious and reasonable Iran can go a long way toward achieving its long cherished aspiration of dominating the critical waterways of the Middle East.

A careful examination of Larijani's speeches reveals an insistence on India as a model for aspiring regional powers. India's détente with America has allowed it to both maintain its nuclear arsenal and dominate its immediate neighborhood. In contrast, a Russian Federation that at times finds itself at odds with America has seen its ability to influence its "near abroad" checked by a skeptical Washington. Although the U.S. presence is bound to diminish in the Middle East, for Iran's realists, American power can still present a barrier to Tehran's resurgence. Although this faction does not seek normalization of ties with America, it does sense that a less contentious relationship with the United States may ease America's distrust, paving the way for the projection of Iran's influence in the Gulf.

For the realists, the nuclear program has to be viewed in the larger context of Iran's international relations. Once more, Larijani points to the example of India, namely a country that improves relations with the United States may obtain American approbation of its nuclear ambitions. Although the realists are disinclined to dismantle the nuclear edifice, they do sense the need for restraint and the necessity of adhering to Iran's long-standing NPT obligations.

What is to be done?

On May 2006, Secretary of State Condoleezza Rice took an important step in revising America's approach toward Iran. In a unique and momentous step, Secretary Rice proposed direct talks with Iran over its nuclear program. The administration judiciously insisted on the suspension of Iran's ongoing enrichment efforts as a precondition for the commencement of the talks. Despite the fact that this is a bold reconceptualization of American policy, it tends to miscast the disagreement between Iran and the United States as a disarmament dispute. The only manner of resolving this issue is through comprehensive discussions that deal with the totality of US-Iranian concerns.

The United States needs to move still one step further and propose discussions that include not just Iran's nuclear ambitions, but Iraq as well as terrorism. In the meantime, Iranian concerns such as America's sanctions policy should also be on the table. As both parties become satisfied that the content of the negotiations encompass all their concerns, then perhaps an accord can be reached. This diplomatic format views the nuclear issue as a symptom of a larger US-Iranian malady and tries to address the root cause of the animosity. Only through a fundamental transformation of US-Iran relations can we arrive at a satisfactory solution to Iran's nuclear imbroglio.

Iran and the Nuclear Issue: Negotiated Settlement or Escalation?

Dr. Jim Walsh, Security Studies Program, MIT

Testimony before the Subcommittee on Federal Financial Management,
Government Information & International Security
Committee on Homeland Security & Governmental Affairs
United States Senate

July 20, 2006
Washington, DC

Mr. Chairman and distinguished members of the committee, it is an honor to appear before you today. I have a brief presentation, but I have also prepared a longer set of written remarks, that with your permission, I would like to submit for the record.

In addition, Mr. Chairman, following this hearing, if you or other members have additional questions you would me to address, I would be more than happy to follow up with written responses to your questions.

I. Introduction

Mr. Chairman, the issue of Iran's nuclear program could hardly be more important. Iranian development of a nuclear weapon, while not the end of the world as some have suggested, would adversely effect US, regional, and global security, and would add to the risk that nations or non-state actors might one day use nuclear weapons. This outcome can be avoided, in part, by a smart US nonproliferation strategy. On the other hand, ill conceived or poorly executed US actions my have the counter-productive effect of making an Iranian bomb even more likely. The importance of getting this right and the complexity of the challenge are apparent but all the more obvious given recent events in Israel and Lebanon.

In my remarks today I will address four general issues: 1) the nature of Iran's nuclear ambitions, 2) the current state and likely prospects of the negotiations between Europe and Iran, 3) US policy options and possible alternatives to those options, and 4) the important role for Congress in resolving the nuclear issue. By way of preface, I will briefly describe my experience in US-Iranian Track II discussions and recent political developments within Iran.

II. Track II Discussions with Iran

As a scholar, my research has focused primarily on nuclear decision-making and nonproliferation. My interest in Iran's nuclear history and contemporary decision-making began and the mid-1990s. Later while Director of Harvard University's Managing the Atom project, I was able to bring together scholars and experts and for a variety of Iran-related initiatives. Two years go, in July of 2004, I attended my first Track II discussion with Iranians. This year, I participated in two Track II discussions sponsored by the United Nations Association, the most recent of which took place last Thursday and Friday in Stockholm. In February, I spent twelve days in Iran, meeting with officials and government think tanks, and in the fall, I plan to make a return trip.

The Iranians I have met represent a variety of opinions. The group consists primarily of current or former officials from the conservative camp with a smattering of more reform minded commentators. It is on the basis of these meetings and my regular conversations with Iranian analysts that I offer my observations about the Iranian nuclear dispute.

The views of the conservative technocratic class can generally be described as opposition to both the policies of President Ahmadinejad and those of the United States. This segment of elite Iranian opinion wants to avoid what they perceive as a possible confrontation with the United States, one that they believe will hurt both countries. They contend that harsh rhetoric coming out of Tehran and Washington has reinforced hardliners in both nations, and they warn that further escalation of the dispute actually increases the risk that Iran will make a decision to seek nuclear weapons. As it currently stands, they believe that Iran has not yet made a decision to build nuclear weapons (i.e., weaponization decision). The conservatives harbor deep mistrust regarding the motives of the US government (e.g., it seeks regime change), but express affection for America. Many of them studied in the US and have relatives living here.

III. Emerging Domestic Politics: Solidarity on Nuclear Issue but....

Ahmadinejad's Popularity

Clearly, one of the most important developments in the last year has been the election of President Ahmadinejad. In the US, he his known for his deeply troubling remarks regarding Israel and the Holocaust and for his aggressive rhetoric on the nuclear issue. Within Iran, however, his political identity is rooted primarily in domestic, not foreign, policy. His core issue is economic populism, e.g., redistribution of wealth, eradicating corruption, and anti-elitism. Ahmadinejad has improved his political position over the course of his first year, winning points for being the first President to travel to the provinces and meeting with local people. His willingness to replace or marginalize elements of the bureaucracy that do not share his views and fervor have helped consolidate his image as a politician willing to shake things up and challenge the old elite.

The President's Political Weaknesses

While these moves have won him points with the populace, his political relations with other centers of power have been less successful. Despite the election of a new, harder line Majliis, relations between the President and the legislature are not strong. Ahmadinejad also appears to have alienated elements in Qom. Several Grand Ayatollahs appear unhappy with the new President. This unhappiness stems from a variety of factors including his lack of respect for religious protocol, his denial of the traditional political access that Grand Ayatollahs have enjoyed, and the President's unorthodox religious views regarding the 12th Imam. Of course, attitudes toward Ahmadinejad are not uniform. He has some support among senior clerics, e.g., Yazdi. More importantly, the Grand Ayatollahs are reluctant to voice their displeasure as long as the President enjoys the support of the Supreme Leader (a recent exception being the issue of women attending soccer games).

Relations between President Ahmadinejad and the Supreme Leader

Perhaps the most important dimension in Iranian politics is the relationship between Supreme Leader Khamanei and President Ahmadinejad. It is a complex and evolving relationship, one in which both parties bring something to the table, but where the Supreme Leader is clearly the dominant player. It is worth remembering that President Ahmadinejad, unlike his

predecessors, is not a cleric. This is noteworthy in a theocracy, where the most important political actor is a religious figure. Khamenei is more important to Ahmadinejad than Ahmadinejad is to the Leader, but that said, Ahmadinejad's lesser position has not prevented him from indirectly challenging the Leader on occasion or from seizing issues not delegated to him for his own political interests (e.g., the nuclear issue). The Supreme Leader tolerates and even welcomes Ahmadinejad's antics, because both have very conservative views, and because Ahmadinejad is popular with important segments of the populace (e.g., the poor, some young people) – segments not normally associated with the revolution in recent years. The Supreme Leader may have also concluded that Ahmadinejad's hardball tactics have produced results that his predecessors were unable to achieve. Given Khamenei's position, he can allow Ahmadinejad to push on, and then if political winds change, he can quickly disassociate himself from the President and blame any negative repercussions of the President.

Factors Shaping the Future

Looking to the future, it will be important to keep in mind three features of Iranian politics that may influence the course of events. The first is that the political situation is fluid and fractured. There are multiple centers of political power in Iran, including the Supreme Leader, the President, the Grand Ayatollahs, the Iranian Revolutionary Guard (IRG) and intelligence apparatus, the Majliis, Rafsanjani, the bazaar, and public opinion. Perhaps the most overlooked of these by Western analysts is public opinion. Because commentators consider Iran's government to be authoritarian and an abuser of human rights, they often fail to grasp the central importance of public opinion. Even the Supreme Leader must not stray too far from the people. What public opinion gives (e.g., support for a recalcitrant nuclear policy), public opinion can take away. Given Ahmadinejad's flair for the dramatic and the Iran's tendency to overplay its hand, dramatic shifts in public opinion and policy cannot be discounted.

The second feature of Iranian politics worth remembering is that, so far, Ahmadinejad has adopted a what amounts to a short-term strategy, i.e., a strategy that could very well crash and burn before his term is up. As a populist challenging the elites and the old guard, he begins from a tenuous position. In other countries, populists who suddenly came to power have had to find a way to co-opt at least part of the bureaucracy and traditional leadership in order to build a basis for governing. So far, Ahmadinejad has not reached out to these groups. He has more friends among the people than he does among the elite.

Another and perhaps more important challenge for Ahmadinejad is that as an economic populist, he has made expensive promises about redistributing wealth, but his statist economic policy and provocative foreign policy will likely scare off badly needed foreign investment. In the near-term, high oil prices have brought new cash to Iranian coffers, but absent investments in infrastructure and improvements in productivity, it will be very difficult for Ahmadinejad to deliver on his core issue. One scenario is that Ahmadinejad's popularity will begin to decline, and that he will leave the scene as a one-term wonder. Another scenario is that in the absence of being able to deliver on his economic promises, Ahmadinejad will seek to provoke a crisis with the United States. Indeed, some have

suggested that American air strikes against Iranian nuclear facilities are precisely the sort of event that Ahmadinejad would welcome, as it would help him stay in office and perhaps even reshape Iranian domestic politics.

Finally, changes in the leadership or the internal political balance of power may produce changes in policy and possible opportunities for rapid progress (or deterioration) in US-Iranian relations. This November's Assembly of Experts election could affect the distribution of political power, especially if Rafsanjani runs and wins. Similarly, the Supreme Leader's retirement or the Presidential election in 2009 could influence the direction of Iranian policy.

IV. Iran Nuclear Ambitions and Motivations

It is within the general political context described above that Iran's nuclear policy is decided. Like other countries in the nuclear age, Iran's domestic constituency for nuclear technology consists of multiple players with varying ambitions. Some actors want a complete fuel cycle for purely civilian use; others want a complete fuel cycle as a hedge, i.e., for the development of nuclear weapons somewhere down the road if events warrant. A third group simply wants nuclear weapons.

Westerners have had few opportunities to study the Iran's nuclear decision-making process *in situ*, and as a consequence, analysts can offer very few "high confidence" findings about Iran's nuclear decision making. Much of what is known about the program comes from IAEA's reports on compliance, but that information is more about dates and outcomes than players and motivations.

The Supreme Leader

Mr. Khamenei is said to have a genuine interest in nuclear energy, and may harbor views not unlike those heard during the heady days of the 1970's, e.g., nuclear energy is the key to economic progress; nuclear technology can provide the energy needed for Iran's economic development; nuclear energy is tantamount to technological development and independence. These views appear to be widespread, and are reflected in media coverage and elite (but not expert) circles. They may be reinforced by a suspicion of US motives, e.g., that the US government supported nuclear development under the Shah (including enrichment) but now opposes it.

The Supreme Leader's views concerning nuclear weapons probably represent a mix of ideas. On the one hand, it is said that the Supreme Leader issued a secret fatwa some years ago in response to a military inquiry regarding nuclear weapons. The fatwa has not been published but Khamenei and other clerics and officials have made reference to it in public speeches. The fatwa is said to be a religious fatwa, not a political fatwa, and it allegedly cites Koranic principles that constrain the use and possibly the development of nuclear weapons. Such a fatwa would be consistent with previous judgments and reflects a fairly strong set of Islamic principles that would appear to rule out the use of nuclear weapons in all but the most extreme situations. On the other hand, the fatwa itself has been described as sufficiently

vague that the restraint may not prove very onerous.

President Ahmadinejad and the IRG
The President's views regarding weaponization are unknown, but it is clear that Ahmadinejad sees value in the nuclear issue as a card he can play with the public. In this context, nuclear development is meant to encourage or tap into a sense of nationalism and a feeling of injustice, e.g., US double standards, the West versus the technological have-nots. He has close ties to the IRG and the intelligence services, both of which are generally viewed as pro-nuclear weapons. Paradoxically, of all the elements in Iranian society, this is the one group that is said to be the most loyal to the Supreme Leader. Thus, it is possible that a genuine fatwa from a Supreme Leader might actually prove to be very important obstacle to nuclear weapons development.

The Nuclear Bureaucracy
Within the nuclear bureaucracy, most notably in the Atomic Energy Organization of Iran (AEOI), there are vocal advocates for a complete fuel cycle, but it is unclear how widely those views are held. Historically, the role of nuclear bureaucracies in nuclear decision-making has often been important, either in contributing to or in restraining nuclear weapons development. Nuclear bureaucracies enjoy a monopoly of information, particularly in developing countries where the pool of nuclear or nonproliferation expertise is extremely limited. Nuclear bureaucracies also have their own self-interests. If the nuclear bureaucracy or key leaders in the bureaucracy view a nuclear weapons project as a boon to their budget or other core interests, it can be a powerful partner with other pro-nuclear weapons constituencies. Some analysts have suggested that bureaucratic politics may be playing a role in Iran's nuclear ambitions, but information is sparse.

Public Opinion
Finally, there are the Iranian people. They have mixed and fluid views that essentially and perhaps temporarily assert that they want civilian nuclear technology but are tentative about nuclear weapons, especially if the price of acquisition is high. Five years ago, the Iranian public really had no views about nuclear technology. Once the nuclear program became public and the dispute intensified, however, what was once a vaguely anti-nuclear mood has been transformed into salient pro-nuclear attitudes that are colored by a sense of nationalism and victimization. Indeed, the government's nuclear policy is one area where there seems to be broad agreement and support.

Still, Iranians are not prepared to defend their newly discovered "right to nuclear technology" to the death. They are concerned about sanctions and economic isolation, and they fear a US military strike, both of which reduce the attractiveness of the nuclear program. Perhaps the most important characteristic of the Iranian public's view of nuclear technology is that they have been unable to grasp the link between enrichment (civilian nuclear technology) and nuclear weapons. As such, they do not understand and therefore discount the West's proliferation concerns.

The Iranian population does have a segment of the population that supports the overt

development of nuclear weapons. This group tends to be younger rather than older and somewhat less well off economically. This pro-nuclear weapons constituency may be getting larger as the political conflict escalates. Indeed, a recent Zogby poll of Iranian public opinion appears to show higher than expected support for an Iranian bomb.

Bottom Line: the Importance of a Complete Fuel Cycle, Pride versus Concern about Costs
At the level of policy, the common denominator is support for a complete fuel cycle, including a functioning enrichment capacity. Unlike some American analysts but consistent with many Iranian analysts, I believe the nuclear program is driven primarily by desire for national pride and autonomy. This fundamental motivation is strengthened by the bureaucratic and domestic politics of the nuclear issue.

Some analysts cite security concerns as the chief cause of Iran's interest in nuclear technology. There is no doubt that pro-nuclear weapons advocates invoke security threats when making their case, and Mr. Larijani seems particularly interested in an American security assurance, but the empirical record does not show an especially strong correlation between a presence or increase in security threats and a corresponding increase pro-nuclear decisions or outcomes. If anything, given its threat environment, the puzzle may be that Iran has not done more work in the nuclear area. In short, security threats are not unrelated to Iran's nuclear ambitions, but its program has more in common with the nuclear programs of France and India and than those of Pakistan or North Korea.

In general, nuclear technology is now viewed as a priority in Iran, but not the most important priority, and not important enough that it be allowed to jeopardize other economic and security goals. What Iranians seek most is recognition and economic development.

V. The Iranian Nuclear Decision Making Process
It is within this political and attitudinal environment that the particular act of nuclear policymaking takes place. There is a consensus among analysts that the Supreme Leader is the ultimate and most important decision maker on nuclear policy. In terms of day-to-day work, the principal policy actor is Ali Larijani and the Supreme National Security Council. This former Presidential candidate and current member of the Assembly of Experts is said to enjoy the confidence of the Supreme Leader and is thought to be very conservative but more pragmatic. President Ahmadinejad has, by his self-initiative, created a role for himself and may even have successfully appropriated the issue as his own – at least publicly. He speaks frequently on the issue, but his role appears to be more as spokesperson than a policy decider.

Beyond these key points, there are many questions. What is the role or influence of Rafsanjani, said to be the key actor on nuclear policy in previous years? Are there differing opinions or even divisions within AEOI? Is there an Iranian equivalent of Pakistan's A. Q. Khan or India's Hommi Bhabba, that is, a nuclear advocate and bureaucratic champion extraordinaire? Finally, what is the position of the regular army vis-à-vis the IRG? Historically, inter-service politics and rivalries have a significant impact on nuclear policy outcomes. In sum, though there is a general sense about the position and influence of the

major players, there may be key secondary actors about whom little is known.

VI. The Nuclear Negotiations

For the past few years, the response to revelations about Iran's nuclear program has focused on two initiatives: 1) U.S. attempts to get a Chapter 7 resolution out of the UN Security Council (UNSC) and 2) negotiations led by the EU3. Neither initiative has wholly succeeded or wholly failed. Thanks largely to Iranian missteps, the US government has managed to get the issue to the UNSC but has run up against a reluctance by member states to pursue economic sanctions or resolutions that might set the stage for later military action. Meanwhile, negotiations have ebbed and flowed, though they have recently become more focused and more serious.

The EU Negotiations and Secretary Rice's May Initiative

Lack of progress in the negotiations reflects, in part, Iranian skepticism that benefits can be guaranteed in the absence of a direct US commitment. Tehran feels like it has been taken advantage of in past negotiations. Moreover, many feel that the nuclear issue is just window dressing for what is really an anti-regime policy, and that even if the nuclear issue were resolved, the Americans and Europeans would find another issue to use against Iran. One irony in this position is that while Iran's leaders doubt the results of any process that does not directly involve the United States, neither are they sure they want to engage directly with the United States. During President Khatami's term, both the President and the main nuclear negotiator, Mr. Rowhani, favored direct engagement with the U.S. The Supreme Leader was highly skeptical and blocked most moves in that direction. Today, the Supreme Leader continues to be suspicious of US motives but is more open to direct talks with the U.S. This stems in part from a greater confidence in the negotiation team and a more general feeling that Iran is in a stronger position from which to negotiate.

Secretary Rice's announcement in May that a) reaffirms the (recent) US position recognizing Iran's right to a civilian nuclear program, b) seeks a suspension of Iran's enrichment program (not an immediate cessation or dismantlement), and c) offers to join the EU talks marks a dramatic and welcome change. This new policy has improved the tactical position of the United States in UNSC negotiations and may open the door to diplomatic progress. The President deserves credit for endorsing such a move, and the polls show that this approach is precisely the policy that the American people favor. Indeed, negotiations with Iran represent one of the few foreign policy areas in the news where the public is broadly supportive of the President.

Unfortunately, it is not clear that the Iranian government has grasped the significance of the Rice announcement. The Iranian reaction focused on suspension as a condition for US participation, and Iranian analysts may have underestimated the degree to which this announcement 1) represented a change in US policy and 2) was likely the result of a difficult and perhaps not fully consolidated interagency process. It is hoped that the real meaning of the Rice announcement and the opportunity it represents is now being communicated to Iranian policy circles.

What Do the Iranians Want?
As noted earlier, Iran's ideal outcome would be a complete fuel cycle, an end to its international (US) isolation, recognition of its status as a regional and cultural power, and economic development by way of improved access to foreign investment. Tehran also recognizes that it cannot have it all, that, for example, a provocative nuclear program reduces its ability to meet its economic objectives.

Some Iranians, driven by feelings of nationalist fever and a deep sense of victimization, are prepared to pay a high cost for their nuclear program. This view reflects the simple truth that some things are more important than money. It is a view that is reinforced by the conviction that no matter what Iran does, the US will try to squeeze it anyway. Others are less sure.

Whatever the Iranian on the street feels, the current policy consensus is probably something like the following: Iran cannot go back on its 164 centrifuge cascade, but some deal beyond that is possible, including some form of a suspension. It is likely that the Supreme Leader continues to be suspicious of talks with the United States but may allow Larijani to take it as far as he can with the proviso that the Leader can maintain some political distance.

Will the Current Talks Succeed?
The current negotiations may very well succeed, but they will doubtless be difficult. Both the US and Iran are profoundly suspicious of each other's motives. The Iranians are shrewd and tactically proficient negotiators, but they are also prone to overplaying their hand, e.g., being too provocative, too intransigent, and having a tendency to alienate their sympathetic negotiating partners. The same might be said of the US side with the additional constraints that result from US problems in Iraq and Afghanistan. More often than not, Iranian missteps have bailed out a weak US bargaining position, and this dynamic may very well repeat itself in the future.

Certainly, the Rice announcement makes it more likely than before that negotiations might succeed, either because the Iranians join the process or because it improves the ability of the US to win the support of Russia or others on the UNSC.

For now, the ball is in Iran's court. The nature of their reply to the Rice announcement and Solana proposal, their decision regarding the start-up of two additional research centrifuge cascades, and regional developments (e.g., between Lebanon and Israel) will likely determine the near-term future of the negotiation process.

President Ahmadinejad has announced that Iran will offer its answer on August 22, and that is likely to be the case (though they could privately signal the decision in advance). Some American officials argue that Iran's "failure" to provide a "timely" response is evidence that Iran is stalling for time for the sake of its nuclear program, but it is more likely that the response date is a function of pride and politics, not technology time frames. It is rumored, for example, that Iran has already completed the necessary work for the next two cascades, although that is disputed.

Iranian analysts offer a variety of views regarding Iran's likely response. The betting appears to favor the view that Iran will largely accept the Solana offer or at least offer a conditional yes. There is also the view that Iran's response will be a conditional no, i.e., one that still offers the possibility of negotiation. Few expect Iran to reject the offer outright. In short, Iran will likely counter with its own offer, and negotiations would proceed from there.

VII. US Policy Options and Alternatives

Standard Policy Options

US policy options vis-à-vis Iran are well known. They include:

- Coerce: threats and pressure
- Isolate and contain
- Promote internal regime change
- Use military force
- Negotiate

Of course, many of these options are not, in principle, mutually exclusive and thus could be combined. In reality, given the importance of national pride in Iranian behavior, it is difficult to combine the more punitive options with negotiation.

Coercion (e.g., political and economic sanctions) has been the primary instrument of America's Iran policy for the last several years, and before that, there was the Clinton policy of dual containment. Neither can be labeled a success. Iran's program has continued in spite of American policy, and if anything, the nuclear program –whatever its intentions– has more political support today than it did six years ago. From the simple standpoint of results ("are you better off today…), one would have to say that previous policies have failed. Moreover, it is unlikely that small changes on the margin will result in near-term policy success. Many Iranians are prepared to bear costs in defense of what they perceive is an unfair attack on their dignity. They would prefer to avoid paying such costs, but if that is the only option, many Iranians will support the government's nuclear policy.

In addition, it is unlikely that the government will simply collapse –a la Eastern Europe– anytime soon. Social scientists have a poor record for predicting regime collapse, but there is nothing obvious that would lead one to believe that domestic implosion will make the nuclear problem go away. Internal change will be a longer term process, and ham-handed efforts by the US to support domestic opponents only serves to discredit the reformers and gives the intelligence apparatus greater leeway to crack down on dissent.

The potential costs and benefits of military action are considered elsewhere, but it can be said here that there are few real options other than negotiation and vigorous support for the IAEA process.

Alternative Policy Options

American policy options with respect to Iran are fairly straightforward Still, it is possible to identify some areas where policy might be improved. Four are especially noteworthy.

Addressing National Pride

There needs to be greater attention to the problem of national pride. To its credit, the US government's recent policy pronouncements appear to recognize this point. The change in tone and content in the comments of many (but not all) American officials has improved the likelihood that Iran can respond positively to American initiatives.

Americans are famous for emphasizing the importance of carrots and sticks, that is, material costs and benefits. On the other hand, the US has traditnally done a poor job of recognizing and responding to the sometimes powerful influence of psychological factors such as pride, humiliation, and resentment. When tackling the problem of unfriendly states, American conservatives tend to emphasize threats, American liberals tend to emphasize incentives, but neither is very good at addressing either the internal politics or the psychological factors that support nuclear programs. If the Iranian program is at least partially driven by pride (and thus some are willing to pay material costs for it even if that is "irrational"), then American policy instruments must be fashioned to address that cause. Ignoring this dimension makes failure more likely.

Being Smart about the Internal Politics

Second, American policy vis-à-vis Iran needs a clearer strategy regarding the internal constituencies and power centers associated with the nuclear program. Proposals need to be crafted in a way that key players such as the nuclear bureaucracy or the regular military have more reason to support a negotiated settlement than a hedging strategy or an outright bomb program. This logic would also apply to lesser players like the economic ministries or the bazaar.

Though nuclear policy is almost always made in secret, a potentially important element is public opinion. US policy has completely failed, to the extent it has even tried, to frame the nuclear issue in a way that could be attractive to the Iranian public. It has to be said that this is a difficult task, given the low level of the public's (including the elite's) understanding of nuclear issues. Still, the US would benefit as much from trying to foster an honest public discussion of the costs and benefits of nuclear technology (civilian and military alike) as it would from trying to promote regime opponents. Supporting the conditions for an honest Iranian dialogue on nuclear technology could be done in any number of ways and need not employ spin or be otherwise conceived or executed in ways that would discredit the exercise.

Direct Talks and the Possibility of Normalized Relations

Third, as many members of the US Senate have suggested, the President should consider direct talks with Iran (in addition to and not in substitute for the P5+1 process). Moreover, the possibility of normalized relations should be on the table. Direct talks and the possibility of normalized relations speak to both Iranian interests and to the often-ignored psychological dimensions. Of course, direct talks are not a cure all. They carry risks and do not guarantee

results. They are a necessary but not sufficient step towards a resolution of the nuclear and other disputes in the US-Iranian relationship.

Administration officials are often quoted as saying that the President intends to keep all options on the table, including military action. Curiously, "all options" does not include direct talks and normalization. It is time for "all options" to mean all options.

A Comprehensive versus "One Issue at a Time" Strategy
Finally, the US should consider pursuit of its objectives within a broader strategic context. The US-Iranian relationship is highly complex, plagued by domestic politics on both sides, and grounded in a history that gives both sides good reason to suspect the intentions of the other. Under these conditions, pursuit of a "comprehensive strategy" or a grand bargain may seem impossibly difficult. One does not have to revisit the age-old and ongoing debate on the merits of comprehensive versus narrowly drawn strategies, and it can be stipulated up front that the comprehensive approach has more than its share of shortcomings.

Still, Iran is so geopolitically connected and important that it is hard to imagine that a sustainable solution can be found to a single issue such as the nuclear question when so many other issues that could derail progress lie in wait. Certainly, Iran and the US have many common interests, common interests that are forgotten or pushed aside as our differences draw attention. On issues involving energy, Afghanistan, Iraq, the drug trade, and terrorism to name a few, there are potential areas of agreement and cooperation.

Events of the last week in Israel and Lebanon remind us of the interconnectedness of the Iran-US agenda. Some observers suspect an Iranian role in the Hezbollah kidnapping and subsequent flare up. Certainly, it could be argued that the timing may have helped deflect attention from Iran's nuclear program during the G8 summit. Others point to Syria or Hezbollah's own motivations. But whether by design or consequence, Hezbollah's actions highlight Iran's potential role for good or for ill. The Iranian-Hezbollah relationship means that an Iran under attack by sanctions or military strikes could make life very difficult for American policy in the Middle East, even if one sets aside the question of Iraq.

There is also a flip side. Despite the views of many American commentators, Iran cannot dictate to Hezbollah anymore than the US can dictate to Israel – despite the fact that both patrons are a primary economic and military providers to their respective allies. Still, both have leverage, and Iran has used this leverage in the past in the service of positive ends. A comprehensive strategy that accounts for the many issues that divide <u>and</u> unite the US and Iran might provide a more sustainable basis for a working relationship in the future.

VIII. Policy Conundrums & Paradoxes
The familiar reality facing policy makers grappling with Iran is that there is no quick fix and that all options carry risks and drawbacks. Policy aimed at Iran's nuclear program produces its own particular set of policy conundrums and paradoxes. Four are described here:

The first paradox is that Iran appears most forthcoming in the face of pressure but that

pressure tends to politically strengthen hardliners and pro-nuclear sentiment. In the absence of the threat of sanctions or military strikes, it is unclear whether Iran would have been as forthcoming about its concealed nuclear activities, and yet pressure has contributed to a situation in which the nuclear issue is one of the few issues that unites Iranians.

Another paradox is that a successful negotiation requires a face saving solution so that both parties can claim victory to their domestic audiences. Doing so, however, helps the hardliners claim that they got results when the reformers were unable to deliver. Then again, a confrontational crisis would also help the hardliners. The political advantage of being able to claim results may be limited as Iranians begin to focus on problems at home, so it is probably worth embracing the first scenario avoid the second.

A third paradox or conundrum is that US policy to isolate and weaken Iran (e.g., sanctions) can actually discourage Tehran from entering negotiations. Iran does not want to negotiate from position of weakness, and has sought to avoid direct talks in the past when it thought of itself as being weak.

The final item on the list is that most forms of pressure are likely to impose long-term costs but short-term benefits. Iranian businesspeople are already sensitive to the fact that political uncertainty surrounding Iran's nuclear program and the response of the international community have resulted in a freeze or even in some cases a reduction in foreign investment. These developments are significant, but the pocketbook consequences for most Iranians will not be felt for years. In the near-term, a crisis will drive up the price of oil, fill the Treasury coffers, and enable the President to spend the "new money" on redistributive projects. The result will likely be inflation, as the supply of money increases with no corresponding increase in productivity, but again, these effects will not be felt for a while.

IX. What If the Negotiations Fail?

How Far along Is Iran's Nuclear Development?
High confidence knowledge regarding Iran's nuclear development is extremely limited. Complicating matters is Iran's tendency to exaggerate claims of technical achievement for its own domestic purposes. It has been suggested by several sources that our knowledge and understanding of WMD activities in Iran is no better than it was for Iraq on the eve of the war. And as with Iraq, the largest and best set of data on Iranian nuclear activity comes from the IAEA.

As you know, John Negroponte has variously estimated that Iran might be able to acquire a nuclear weapons capability in the next 5-10 years ("by the middle of the next decade"), assuming the government made a command decision to focus on nuclear weapons development. Some worst case scenarios suggest an Iranian nuclear weapon in as little as 3 years, but worse case scenarios rarely provide accurate predictions of the future and cannot be acted on without major costs. One of the drawbacks of worst-case scenarios is that they ignore issues like program management and internal politics. As the Commission on the

Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction found, the failure to understand the internal politics of a potential proliferator's nuclear program (while instead focusing on technical capabilities) has been a crippling flaw in US WMD intelligence estimates.[1] This was certainly true in the case of Iraq.

How Long before the Point of No Return?

On several occasions Israel has claimed that Iran was approaching a point of no return in its nuclear capability. Indeed, the repeated nature of the claim calls into question its accuracy or usefulness. The bottom line is that the US has at least 3 and more likely 5-7 years (or more) before Iran acquires a crude nuclear weapons capability. Regardless of which estimate one uses, it is clear that the Iranian nuclear activity does not pose an imminent threat to US national security.

It also has to be said that there may be no "point of no return," i.e., Iran could reverse its program and do so even after a weaponization decision. Most countries in the nuclear age that had an interest in nuclear weapons later abandoned their efforts. There are also examples of countries that reversed course even after having built or acquired a nuclear arsenal. South Africa dismantled its nuclear weapons program. Governments in Belarus, Kazakhstan, and most notably Ukraine gave up their inherited nuclear programs, so who can say that a decade after having built a bomb, an Iran under new leadership (a post-revolution, democratic leaning leadership) might not dismantle in order to rejoin the international community or win normalized relations with the US. Obviously there are other less happy scenarios, but this one –though often ignored by policymakers– cannot be discounted. This is especially true in the case of Iran, where the political consequences of generational change are widely expected to produce a new style of government at some point in the future.

What Will Happen if Iran Gets the Bomb?

As someone who has spent most of their adult career working on the problem of nuclear weapons and their proliferation, I strongly object to any view that sees benefit in nuclear weapons acquisition. Let me be clear, a nuclear Iran reduces Iran's, the region's, global, and US security.

Nevertheless, I find myself with a minority of analysts who do not believe that the world will end the day after Iran builds its first nuclear weapon. Modern Iran has been a status quo power. It sees itself as the most important player in the region, and the other Gulf States worry about its ambition, but it does not have a history of initiating inter-state war. Moreover, as many strategists have pointed out, nuclear weapons are essentially defensive in nature, good for deterrence but poor for use offensively or politically. Since the end of WWII, no nation has used nuclear weapons for offensive purposes, and nuclear blackmail is difficult. Nuclear threats over comparatively small issues (which is most issues) cannot be credibly made.

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[1] The Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction, *Report to the President of the United States*, (Washington: GPO, March 31, 2005), pp. 13-14, 173-175.

It is feared that Iran would transfer nuclear weapons to a terrorist group. This seems extremely unlikely. Despite close ties with Hamas and Hezbollah, Iran has never shared WMD with these organizations. Indeed, neither group has ever employed a chem., bio, nuclear, or radiological device in a terrorist attack. In fact, no country has ever done so despite the presence of nuclear weapons since 1945, chemical weapons since at least WWI, and biological weapons prior to that. Like every relevant government of the modern era, Tehran would view a nuclear weapon as a special prize best held close and certainly not shared with an uncontrollable third party.

Indeed, the "nuclear Iran is the end of the world" view is only possible if one ignores the historical record, where rogue and other states far more dangerous than Iran acquired nuclear weapons. Perhaps the nuclear rogue state of all time was China under Mao. Mao pulled out of the UN, said he would share nuclear weapons with the developing world, suggested that nuclear weapons were paper tigers and that China could win a nuclear war because of its large population. Under Mao, China became the first and only country to attempt a live nuclear test shot over its own territory. Still, in practice, China's nuclear policy was far more benign than its rhetoric or regime type would have suggested. Is Pakistan, which has a military government, large pockets of Al Qaeda operatives, and a sometimes intense rivalry with India, less of a nuclear than Iran? What about the D.P.RK.? Many in the intelligence community believe that North Korea has had at least one nuclear weapon since the mid-1990s. The US has not taken military action against nuclear programs in China, Pakistan, or North Korea and most would agree that these were the prudent and correct choices. Is Iran more of a nuclear threat than these cases? Probably not.

Of course, a nuclear Iran brings many dangers and costs, including making Iran a target, increasing the chance of nuclear exchange with Israel, adding to the total amount of material that might be subject to theft by terrorists, undermining confidence in the nonproliferation regime, strengthening pro-nuclear weapons advocates in neighboring and other states, and the problem of nuclear security during regime transition, to name just a few. Therefore every effort should be made in support of a smart nonproliferation policy that has the greatest chance of success with the least chance of catastrophic failure.

In sum, an Iranian nuclear weapons status would prove costly for all parties, including Iran. It is unlikely, however, to result in the dangers most often cited, such as nuclear use, blackmail, and transfer to terrorists. The danger posed should be neither exaggerated nor discounted.

X. Costs and Benefits of the Military Option

One of the lessons of the Iraq War is both policymakers and the public need a realistic assessment of the potential costs and benefits of military action.

Costs

The use of military force against Iran carries several potential costs. Chief among these is the likelihood that military action against Iran would require that more American troops be deployed to Iraq and that deployment times would be lengthened. Such a move would be a requirement, if only as a precautionary step given a possible retaliation by Iran in Iraq. Indeed, military against Iran would substantially increase the probability of failure in Iraq. As it is, the project is difficult, but given a hostile Iran on the border, success could very well be impossible.

An attack might also inflame the Muslim and Arab world and further help terrorist organizations meet or exceed their recruitment goals. Iran retaliate and attempt to cause trouble in Afghanistan, Lebanon, the Gulf States, or the oil markets. Military action would likely cause a "rally around the flag' effect that would benefit hardliners. In addition, sustained military, peace keeping, or nation building operations could prove very expensive, indeed, even more expensive that the very costly war in Iraq.

Perhaps the most important consequence of a military attack against Iran is that it would increase the probability of Iran acquiring nuclear weapons – regardless of who or what form of government is in power. An attack would further stoke feelings of nationalism and victimization and galvanize Iranians across the ideological spectrum in favor of nuclear weapons development. Under this scenario, the chances that Iran might abandon its nuclear program in the future becomes exceedingly small (see Section IX above on "point of no return").

Benefits

There are also potential benefits to the use of force. The two most frequently cited are that it would delay Iran's development of a nuclear weapon, and that it could catalyze a democratic change and governmental transition. Use of force would almost certainly delay Iran's progress, but for reasons discussed above, it might have the counter-productive effect of guaranteeing that Iran becomes a nuclear weapons state. It is possible that military force could trigger regime change, but it could also play into the hands of hardliners and push Iran in an even more extreme direction.

The Policy Calculus

Given these very different but plausible scenarios, on what basis should policymakers evaluate the military option? Three points are particularly relevant.

First, the stakes are high. Mistakes regarding the use military force would likely have a profound impact on the future standing of the U.S., the future of the US military, Iran's nuclear policy, and the domestic political standing of the President and Congress.

Second, judgments about Iran's motivations, capabilities, and responses are based on limited data and thus suffer from low confidence levels. American intelligence on Iran is poor; the situation in Iran is complex and fluid; US assumptions about the region have often proven wrong; and reform of the interagency and strategic assessment processes that led to errors regarding Iraq are still a work in progress.

Third, the Iranian nuclear issue, while important, is not characterized by a high degree of urgency, i.e., it does not have to be decided tomorrow. There is time.

Taken together, the high stakes, low confidence, and low urgency of the Iranian nuclear issue argue for caution on the part of policymakers. Now is not the time for winner-take-all or lose-all gambles. American national interests would be best served by a flexible, opportunistic policy that keeps options open rather than narrows them. Under these circumstances, the use of force would be a high-risk choice with very uncertain prospects for success and the potential for catastrophic failure.

XI. Role of Congress

Mr. Chairman and members of the committee, I welcome the opportunity to be with you today, not least because I believe that you and the Congress have a pivotal role to play in the future of US-Iran relations and the fate of Iran's nuclear program.

At a minimum, any successful negotiation is likely to involve changes in the legislatively imposed sanctions that are currently in place. Congress may also be asked for authorizing legislation, funding, or political support for a negotiated settlement. Alternatively, if there are new sanctions or the use of military force against Iran, Congress has an equally if not more important policy role, consistent with its constitutional obligations.

These traditional functions include oversight and information collection through hearings, reports, and the other instruments. Congress needs to be informed about the policy options being considered, the intelligence assumptions that underlie those policy options, together with the consequences and costs of each option. It can seek alternative views, for example from the IAEA and Gulf allies.

Congress can also serve a critical role in educating the public. Iran is a complex issue, and the Congress can help Americans better understand the stakes and the choices. It can help ensure that policymaking is not distorted by the exaggerations and misleading simplifications that are frequently associated with public discussions of proliferation.

The Congress, and your committee in particular, can also act as a policy innovator. That could take several forms, from "smart engagement." Smart engagement would fund and support US-Iranian exchange but not under the damning rubric of regime change. My experience tells me that many Iranians, often the youngest and most skeptical of US policy, have a deep desire to visit the United States. Similarly, American analysts and policymakers would certainly benefit from more direct contact with the Iranian scene. Unfortunately, most programs that could support these kinds of exchanges are lumped together under a label of "democracy promotion," which Iranians often rightly perceive as a policy of regime change. This association with a regime change makes it impossible for most interested Iranians to take advantage of exchange opportunities.

Another policy innovation involves legislator-to-legislator meetings with the US Senate and the Majliis. Members of the Foreign Affairs Committee have expressed interest in such meetings, but up to now, the Iranian government has been reluctant to take up the invitation. There are signs, however, that there may be a new openness on the Iranian side to this kind of exchange. If so, this Committee should act quickly to pursue this initiative.

Finally, the Congress can contribute to policy innovation by taking on the task of crafting a broader strategic concept for American policy towards Iran, one that examines common interests as well as differences and that could be used to reframe US-Iranian relations.

Whatever happens –good, bad or ugly– the Senate will have a critical role. The Senate's full and knowledgeable participation will be required for a resolution of US-Iranian relations, whatever its shape.

Please know that I am ready to do whatever I can to contribute in any way large or small to your work on this problem. Thank you.

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