



JUNE 12, 2014

REGIONAL IMPLICATIONS OF A NUCLEAR DEAL WITH IRAN

U.S. SENATE, COMMITTEE ON FOREIGN RELATIONS

ONE HUNDRED THIRTEENTH CONGRESS, SECOND SESSION

HEARING CONTENTS:

Witnesses

- **Honorable Dennis Ross** [\[View PDF\]](#)
William Davidson Distinguished Fellow Counselor
The Washington Institute for Near East Policy
- **Mr. Scott Modell** [\[View PDF\]](#)
Senior Associate, Burke Chair in Strategy
Center for Strategic International Studies
- **Dr. Frederick W. Kagan** [\[View PDF\]](#)
Christopher DeMuth Chair and Director, Critical Threats Project
American Enterprise Institute

AVAILABLE WEBCAST(S)*:

- [Full Committee Hearing](#)

COMPILED FROM:

- <http://www.foreign.senate.gov/hearings/regional-implications-of-a-nuclear-deal-with-iran-06-12-14>

** Please note: Any external links included in this compilation were functional at its creation but are not maintained thereafter.*



Regional Implications of a Nuclear Deal with Iran

Ambassador Dennis Ross
Counselor and William Davidson Distinguished Fellow,
The Washington Institute for Near East Policy

Testimony submitted to the Senate Committee on Foreign Relations
June 12, 2014

America's readiness to negotiate a deal with the Islamic Republic on its nuclear program is a source of deep concern among our traditional friends in the Middle East. For the Arabs, the fear is that the deal will come at their expense, with the United States increasingly seeing Iran as a partner. For the Israelis, the worry is that we will conclude a deal that leaves the Iranians as a threshold nuclear state—capable of breaking out to nuclear weapons at a time when we might be distracted by another international crisis.

Both sets of fears presume that there will be a deal. While the committee has asked us to discuss the regional implications of such a deal, I should note at the outset that I still believe the prospects of an agreement are probably less than the 50 percent figure President Obama cited late last year. Basic conceptual gaps remain, with the Iranians still believing that their limited offers of transparency should be sufficient to satisfy our concerns about the peaceful character of their nuclear program. Will the Supreme Leader, who has talked about not dismantling their program, accept a serious reduction in the numbers of their centrifuges? We will see, but at this point, Ali Khamenei either is not prepared to roll back Iran's nuclear program or doesn't believe he will have to do so in order to produce a serious roll-back in the sanctions regime. He does not appear to understand that there can be no roll-back in sanctions without a roll-back and deep reduction in the Iranian nuclear program—meaning Iranian centrifuges must be dramatically reduced in number, much of the accumulated enriched uranium must be shipped out of the country, Fordow must be shut down or completely disabled, and the Arak heavy water plant must be converted so it cannot produce plutonium.

The Iranian negotiators at this point have given no indication of being able to accept such a roll-back. And yet, if we are to concede limited enrichment for the Iranians, roll-back of this sort plus transparency both beyond the Additional Protocol and about the possible military dimensions of their program will be required. Even if President Rouhani and Mohammad Javad Zarif, his foreign minister, are ready to accept such a deal—and it is not clear that they are—can they sell this to the Supreme Leader? Maybe, but I suspect that still remains a long shot.

To be sure, if there is to be a deal, the Supreme Leader must see the very high costs to the Islamic Republic of diplomacy failing. He must be convinced that such failure will mean enduring, severe economic pain for Iran as well as the high probability that force will be used to destroy the huge investment the Islamic Republic has made in its nuclear facilities. Ironically, that posture—which may make a deal more likely—would also be useful for assuaging the deep concerns our regional friends have about any possible P5+1 nuclear accord with the Iranians.

Both the Israelis and our key Arab friends believe that we are anxious for a nuclear deal, and they are not taking seriously the administration's declarations that no deal would be better than a bad deal. They see active Iranian efforts to change the balance of power in the region and, fairly or not, little sign that we are prepared to compete with the Iranians as they do so. That has led to a perception among our regional friends that we attach such importance to a deal on the Iranian nuclear program that we turn a blind eye to Iranian behavior in the region.

The administration argument that it is simply separating the nuclear issue from the other Iranian challenges in the area has not altered the impression of many in the region that our concerns about the Iranian nuclear program trump everything else. Here, it is worth highlighting that the Israeli and Arab concerns are different when it comes to Iran.

For the Israelis, their priority is the Iranian nuclear program. That constitutes an existential threat. Iran and its proxies like Hezbollah constitute a threat, but, in Israeli eyes, that is manageable. Iran possessing nuclear weapons is not manageable or containable. For the Saudis, Iran already represents an existential threat even without nuclear weapons. The Saudis, Emiratis, and others see an aggressive Iranian pursuit of regional hegemony. From a Saudi standpoint, the Iranians are encircling them—seeking to gain dominance in, and the ability to threaten them overtly and covertly from, Bahrain, Iraq, Syria, Lebanon, and Yemen. The Iranian nuclear program would add to the threat—perhaps making the Iranians less risk averse—but it is not the source of the problem they see.

Talk of a possible reconciliation between Saudi Arabia and Iran is likely to mean little. They are competitors in every sense of the word. It is not just Arab versus Persian, Sunni versus Shiite, or even traditional balance of power concerns related to regional dominance. It is all of these things, and it goes to the source of legitimacy for each. The Islamic Republic challenges the legitimacy of any monarchy and has pretensions to lead Muslims internationally. The Saudis see a fundamental threat to their role in leading Sunnis and feel that Iran challenges it religiously.

For the Saudis, an Iran with nuclear weapons requires a countervailing response; such weapons would certainly add to the dangers. But in the near term, the Saudis may fear even more an Iran that is no longer being damaged by severe economic sanctions, no longer isolated internationally, increasingly able to develop economically, and with more means for troublemaking. As such, the Saudis in particular may fear that a deal on the nuclear program will not only signal a new American openness to Iran, but, even more, give the Iranians license to be more aggressive in the region, and with the economic wherewithal to do so. Words alone will not reassure the Saudis in the aftermath of a deal. They will look for signs that a nuclear deal is not going to transform our relationship with Iran—and that we will be vigilant in countering Iran's threats in the area.

Unlike the Saudis, the measure for the Israelis is what kind of deal is reached. The Saudis will be suspicious of any nuclear deal; for the Israelis, it depends on the deal. A deal that precludes the Iranians from being able to turn a civil nuclear program into a nuclear weapons capability would be welcomed. Such a deal would remove an existential threat to Israel. The problem for the Israelis is that the deal that would make them most comfortable is probably not attainable in the P5+1 negotiations; Israelis feel that Iran must be denied an ongoing enrichment capability. While that would be for the best from a strictly nonproliferation standpoint, it is probably not attainable—at least that is the consensus of those members of the P5+1 negotiating with the Iranians. The question for the Israelis becomes whether they can be reassured enough about the scope of the roll-back of the Iranian program, the transparency measures designed to prevent cheating on the roll-back, and the credible consequences that would be imposed on the Iranians if they cheated anyway.

What implications does this have for our approach toward our regional friends if there is a deal? Since the Saudi and Israeli concerns are different, our approaches to them should also differ in some respects. That said, anything which suggests that the United States will actively compete with the Iranians would be reassuring to both. All of our friends want to see that we will not permit Iran to become stronger in the region at their expense, that we will be there for our friends if they face threats, and that we don't so fear conflict with Iran that we will acquiesce to any of its behaviors.

In this regard, there are two steps we could take that would be reassuring to Arabs and Israelis alike:

- Demonstrate in Syria that our concern is about both the growth of the jihadist presence in the country and the prospects of Assad cementing his hold on power. The former threatens all of us; the latter would signal a victory for Iran and the demonstration that it succeeds when it uses its power to alter the landscape in the region. We need to show that we will not acquiesce to that outcome. This means not just increasing lethal assistance to the pragmatic Syrian opposition, but doing so with an eye toward changing the balance of power on the ground, including between the opposition and the regime. This means taking control of the collective effort to support the opposition—through training, material assistance, arming, etc.—in order to make sure that everything that is being done to support the acceptable opposition is coordinated and complementary.
- Show that we will not allow the Iranians to ship arms clandestinely around the region. This means interdicting clandestine Iranian arms shipments. The Israelis interdicted the *Klos C* ship carrying Iranian arms to Gaza, but we should have done it. We don't have to announce what we are doing or even take public credit for it; we just need to do it. The Iranians and our friends will see it and understand that we are competing and that the Iranians will pay a price for what they are doing.

As for additional steps geared toward the specific concerns of Arabs and Israelis, we might launch contingency planning with the Saudis and Emiratis on how we would deal with particular Iranian threats. This would show our seriousness and also put us in a position to act when needed; if this meant different kinds of exercises with each, the Iranians would also get the message.

With the Israelis, if there is a nuclear deal, we could discuss the specific steps we would take if the Iranians cheat on a deal and how we would impose consequences—even anticipating that there might be reluctance on the part of others to hesitate in the face of violations of the agreement. We might also compensate the Israelis if there is a deal by providing more bunker-buster bombs and more tankers to make them more capable of militarily acting on their own against the Iranians in the face of cheating. This would reassure the Israelis that even if we felt constrained to act militarily in the face of Iranian violations of an agreement that made a breakout possible, Israel would not be left without options.

CONCLUSIONS

Our traditional friends in the Middle East are very suspicious about Iran's aims in the region. Although the Obama administration has tried to reassure the Saudis, Emiratis, and Israelis about our commitments and our understanding of Iranian behavior, there are deep-seated doubts about what we are actually prepared to do. While our hesitancy on Syria may reflect understandable concerns about avoiding a quagmire, the Iranians show no such hesitancy and have invested heavily in ensuring the survival of the Assad regime. In a region where an Iranian win is seen as a loss for our friends, the worries about us have increased. It is through that lens that many of our regional friends view a possible nuclear deal with Iran. The Israeli and Saudi fears are

different, but if we want to reassure our friends about such a deal, we need to understand the source of their worries and take steps that address them. That does not mean accepting fears that we think are misplaced, but it does mean taking steps that can make us more secure and also signal to the Iranians they will pay a price for behaviors outside the nuclear area that we find unacceptable. Ironically, that may make a deal itself more likely.



**Statement before the U.S. Senate Committee on Foreign
Relations**

***“REGIONAL IMPLICATIONS OF A NUCLEAR
AGREEMENT WITH IRAN”***

A Statement by:

Scott Modell

Senior Associate, Burke Chair in Strategy
Center for Strategic and International Studies (CSIS)

June 12, 2014

419 Dirksen Senate Office Building

June 12, 2014

Chairman Menendez, Ranking Member Corker, Members of the Committee, good afternoon and thank you for this opportunity to testify on the regional implications of a nuclear agreement with Iran. I will briefly describe the mindset of Iran's Supreme Leader and the Iran Threat Network, list some of the regional implications of a nuclear deal between Iran and the P5+1 countries, and offer recommendations for the Administration and Congress on future efforts to counter one of our most pressing national security challenges.

Revolution, Resistance, and the Supreme Leader

After the 1979 Islamic Revolution, Iran set out to radically change its posture toward all nations, especially the United States. For the last 35 years it has kept its word, sponsoring terrorism, deceiving the international community about its nuclear program, supporting violent proxies against U.S. interests around the world, and above all, building a multifaceted global apparatus – political, ideological, religious, and criminal – to pursue a revolutionary agenda that envisions a new balance of power in the world.

The Supreme Leader has consistently referred to “resistance” when describing Iran's struggle with the West, similar to the way Americans speak of freedom – as a non-negotiable value and source of national pride. The concept of resistance is critical for understanding why the Supreme Leader continues to champion Iran's role as the leader of an “Axis of Resistance” and openly condemn U.S. values, character, and foreign policy. It lies at the core of his strategic calculus and drives the pursuit of two fundamental goals: preserving the regime at home and promoting the revolution abroad.

Khamenei begrudgingly supports the P5+1 nuclear talks, skeptical that the United States will follow through on the terms of any deal. He recognizes, however, that a deal is necessary to ease the pressure of economic sanctions and revive Iran's economy, but will not allow a deal to become the gateway to U.S.-Iran rapprochement. As Foreign Minister Zarif has stated, “Iran is looking for common ground, not friendship.”

The Supreme Leader's closest advisors, such as Deputy Chief of Staff Asghar Mir-Hejazi, former IRGC commander and military advisor Yahya Rahim Safavi, and Supreme Council for National Security Chairman Ali Shamkhani have explained that severe budget cuts have had negative impact on the ability of Iran to conduct overseas operations. This has taken a particularly heavy toll on the IRGC Qods Force, which has the largest role in Iran's external resistance mission.

The Iran Threat Network

The Iran Threat Network is the global apparatus that Iran has used for more than three decades to promote the goals of the Islamic Revolution. It consists of a network of government and non-governmental organizations that are involved in crafting and implementing the covert elements of Iran's foreign policy agenda, from terrorism, political, economic, and social subversion; to illicit finance and weapons trafficking; and nuclear procurement and proliferation. Iran relies

primarily on three organizations to coordinate and oversee the activities of the Iran Threat Network:

- The Qods Force, an elite branch of the Islamic Revolutionary Guard Corps, responsible for irregular warfare and asymmetric operations, including a wide range of subversive activities from non-violent cultural and business fronts to direct support to political resistance organizations and violent opposition groups.
- The Ministry of Intelligence and Security (MOIS) is Iran's primary civilian intelligence agency. It has the lead role in foreign intelligence collection and several covert action programs, both at home and abroad. It works closely with all of Iran's closest proxies in the region and second only to the Qods Force in Iran's global efforts to export the Islamic Revolution.
- Lebanese Hezbollah has been Iran's strongest non-state ally since its inception in 1982. While Hezbollah's role in projecting Iranian power has traditionally been tied to the goals of fighting Israel and protecting Lebanon, it remains a key element in fighting on the front lines in Syria, alongside Qods Force advisors and trainers and Syrian army units.

The Iran Threat Network is Iran's "whole-of-government" approach to preserving the regime at home and coordinating and promoting the revolution internationally. Its actions encompass a remarkable array of covert action, including covert influence operations, sanctions evasion, terrorism, training and equipping Islamic militants, and other so-called "resistance activities."

The Regional Implications of a Nuclear Deal

Weak or strong, comprehensive or limited, any deal will take several years if not decades to implement. In many countries of the region, the status quo will make way for a nuclear Iran. No countries, rhetoric aside, supports preemptive strikes against Iranian nuclear sites unless there is overwhelming evidence of further Iranian deception. Iran will be under tremendous pressure to comply with a comprehensive agreement, but has no apparent intention of slowing down its drive to achieve broader regional goals, which often conflicts with U.S. and allied security interests. If a deal is reached, there are several implications to keep in mind:

- First, an agreement will give a much-needed boost to the Iranian economy. By most accounts, Iran stands to gain access to nearly \$100 billion dollars frozen in foreign banks, as well as billions more as oil export restrictions are lifted. At the same time, several EU countries appear poised to return to Iranian markets, adding billions of dollars more in potential foreign direct investment and trade. All of this will provide the leaders of the Iran Threat Network with the resources they need to gradually return to previous levels of operational activity. It means funding proxies that were either cut off or cut back due to sanctions; reassessing the ongoing closure or downsizing of Iranian embassies in non-traditional areas such as Latin America; expanding joint military training and security programs in Africa; and increasing funding for HAMAS, PIJ, and the new Palestinian coalition government.
- Second, several countries in the Gulf should expect to see a resumption of covert activity, including training, weapons, and non-lethal support to local proxies, especially in Bahrain, Kuwait, and Saudi Arabia, where Iran has a history of supporting Shia

opposition movements. The GCC countries will also have to confront the growing threats posed by Iran in the area of Computer Network Exploitation operations. Iranian hackers employed primarily by the MOIS target the computer systems of U.S. and Gulf personnel, companies, and government facilities. Iran has treated past Stuxnet attacks on centrifuges at Natanz as a declaration of cyber war, and is now responding in kind.

- Third, IRGC Qods Force commander Qasem Soleimani will find ways of increasing military support to the Assad regime. Keeping Assad in power will remain a strategic priority, mainly because it strengthens Iran's relationship with its most important partner in the region, Lebanese Hezbollah, but also because in Iran's eyes there is no alternative. Soleimani will also be focused on countering the growth of Sunni extremism in Iraq, which has reached levels of violence unseen since 2007. He will probably offer to increase current initiatives that arm, train, and fund new and existing pro-Iranian Shia militants in Iraq. Soleimani has more say over what Iran does in Syria and Iraq than President Rouhani, enjoying the full support of the Supreme Leader. His number one priority will remain building an arc of influence and power across the Levant, often referred to as Iran's "Shia crescent."
- Fourth, there are few signs that a nuclear Iran will increase the chances of a near-term nuclear arms race in the Middle East. U.S.-GCC bilateral security relationships have evolved for more than 25 years. Any strategic shift away from the United States would take years given the depth of the commitments involved. GCC countries are rightfully more concerned about Iran's attempts to exploit the very real issues of religious extremism, demographic pressures, and other internal sources of instability that each Gulf state is trying to address on its own.
- Fifth, Iran has gone to considerable lengths to create a global shadow apparatus designed to evade sanctions. It enables the Iranian government to support Islamic movements and pro-Iran militants around the world and spread the value of the "resistance" via cultural, social, economic, political, and business entities and organizations. That apparatus goes hand in hand with the asymmetrical nature of almost everything it does. The international community needs to develop a better understanding of this apparatus for several reasons, but largely because it is directly linked to some of Iran's most destabilizing activities.
- Sixth, as long as a nuclear deal does not address Iran's ballistic missile program, which appears to be the case given outright rejection of the idea by the Supreme Leader, Iran will continue to develop long-range ballistic missiles can strike any target in the GCC and add further to its arsenal of short-range artillery rockets that can strike coastal areas across the Gulf. Iran will attempt to improve the accuracy of its missiles and rockets, and pursue the indigenous production of UCAVs, cruise missiles, and possibly even nuclear warheads.

The Way Forward

Even if sanctions and diplomacy lead to a nuclear agreement with Iran, the activities of the Iran Threat Network will continue to pose significant obstacles to Iran's diplomatic outreach to the Gulf and the West. In some cases, lethal support to Shia opposition groups across the region also threatens both U.S. and international security. To address these threats, policymakers should consider the following recommendations:

- **Coordinate U.S. Efforts Against Networks.** U.S. policymakers should call for an interagency and international task force for developing and deploying a comprehensive and global campaign against the operational and strategic depth of the Iran Threat Network. Such a task force would target the illicit networks and operatives associated with the Iran Threat Network, including its financial, business, and logistical support networks. The goal should be a counter network disruption campaign, modeled where appropriate, on previous successful U.S. whole-of-government initiatives against defiant state actors that combine overt and covert action, law enforcement, sanctions, and containment.
- **Refine and Expand Soft War Initiatives.** The Supreme Leader repeatedly refers to the U.S.-led “soft war” as the single biggest threat to the existence of the Islamic Republic. An effective soft war should expose and neutralize the state and non-state actors involved in subversive activities that are instrumental in marketing the Islamic Revolution overseas. At the very least, this should include Qods Force, MOIS, and Hezbollah operations and criminal activities. Of equal importance are Iran’s non-official cover organizations – religious, cultural, and charitable – as well as businesses that effectively blur the lines between overt and covert activity.
- **Focus Efforts on Transnational Organized Crime.** In addition to being one of the world’s most formidable terrorist and paramilitary organizations, Hezbollah has become involved in a global criminal enterprise involving money laundering, racketeering, and drug trafficking. Indicting Hezbollah as a transnational criminal organization would dispel its image as an elite and “pure” resistance organization. We should approach and counter Hezbollah from the vantage point of strategic law enforcement, financial sanctions, and even the International Court of Criminal Justice (for its long record of global terrorism, for its involvement in the assassination of a democratically elected head of state, and possibly even for war crimes being perpetrated in Syria).
- **Developing Non-Military Policy Options.** At any given time, dozens of U.S. government agencies are pursuing the same elements of the Iran Threat Network. To improve the way multiple agencies work against the Iran Threat Network, the government has to be better organized. In relatively new and developing areas such as Counter Threat Finance, it would go a long way to work from an agreed-upon “financial order of battle” that maps key networks on a transnational scale (e.g., banks, exchange houses, front companies, trade-based money laundering, shipping companies, etc.). In doing so, U.S. government agencies should draw assiduously on partner country liaison services as part of a global effort to build a coalition of like-minded states. An order of battle would generate a series of non-military or military-enabled policy options that could serve as the basis of a strategic intelligence and law enforcement campaign – not just a series of strikes.
- **Focus on Counter Threat Facilitation.** As long as Iran has an agenda of creating new centers of power in the world and doing so at the expense of the United States, it behooves us to consider a law enforcement-led “Counter Threat Facilitation” initiative. Such an initiative should emphasize strategically planned law enforcement operations to expose illicit networks, arrest their perpetrators, freeze assets and attack the Iran Threat Network’s crime-terror pipelines through the international trade and banking system. It could go a long way in weakening the illicit financial networks around the world that

buttress Iran's strategic foundations, revolutionary resolve, domestic staying power, and power projection capabilities.

- **Create Offices of Irregular Warfare.** As sanctions are eased, the U.S. government will need to find other ways of identifying and disrupting Iran's involvement in nuclear proliferation, terrorism, and other threats to international security. If sanctions and military options make way for other policy options, the U.S. will have a much more difficult time identifying and countering many of the Iran Threat Network's illicit activities, which tend to be irregular or asymmetric in nature. Creating offices of irregular warfare in various government agencies would go a long way toward exposing and damaging the criminal foundations of the Iran Threat Network. While irregular warfare is usually the domain of the military, several operationally robust and aggressive non-kinetic initiatives should be considered. In the area of Information Operations, for example, covert influence authorities "with teeth" are necessary to more effectively bolster Iranian moderates in Iran and to undermine Iran's message to audiences in Africa, Central Asia, and across the Middle East. In the still developing area of Counter Threat Finance, the Treasury Department should be put on a financial and economic warfare footing, or better integrated with interagency partners who possess the needed level of financial operational authorities and capabilities. Treasury needs to be more involved in financial operations, particularly overseas, where there are significant gaps of understanding in the areas of international banking and finance. Finally, the U.S. cannot do it alone. The Iran Threat Network has grown increasingly transnational, making it critical to have the support of foreign liaison partners who have the ability to hit Iran's threat facilitation networks (transport, shipping agents, freight forwarders, warehouses, pilots, airlines, etc.). Properly incentivizing our partners to conduct higher impact operations against the Iran Threat Network depends on creativity, money, and persistence. The Rewards for Justice Program, or a version thereof, should offer payouts to exceptional foreign government officials or units who successfully assist U.S. government initiatives.

Conclusion

A nuclear deal with Iran will bring in hundreds of billions of dollars as Iran recoups frozen assets, exports more oil, takes in foreign direct investment, enters into trade agreements, and starts to shrug off its pariah status. Yet, the strategic calculus of the Supreme Leader and much of the ruling conservative establishment is the same today as it was when the Islamic Revolution began: preserving the regime at home and deterring threats from abroad, while externalizing the revolution and resistance. The Iran Threat Network, free of budgetary constraints and emboldened as a newly-minted nuclear power, is the engine of the regime and will resume Iran's pursuit of broader goals in the region. Look for a return to past levels of activity by elements of the Iran Threat Network, including units of the Qods Force, whose budgets have been cut back as a result of Iran's economic downturn. This means more operations in Syria, where Iran will continue to work closely with the Assad regime and Iran-trained, equipped, and guided militant networks; further attempts to support Shia activism in Bahrain, where Iran has attempted several times to create the conditions for regime change; continued use of Iraq as a transit point for illicit commerce coming from the Gulf, and the movement of men, money, and illicit materiel across the Levant; deeper support to Hezbollah and the newly-formed Palestinian coalition government;

and likely increases in training, weapons, and funding to the Houthi rebels in Yemen and pariah states such as the Sudan.

GCC countries will continue to harbor deep suspicion, distrust, and enmity toward Iran, well aware of Iran's unrelenting efforts to create internal dissent and destabilization through support to local Shia opposition movements. Still, they will refrain from pursuing their own nuclear programs (other than the UAE) and continue to rely instead on strong bilateral security partnerships with the United States. For its part, Iran will push Hezbollah to do some of its more complicated bidding in Arab countries, which Hezbollah sometimes agrees to, other times not. Finally, the peaceful intentions of a nuclear Iran will take decades to validate. Until that happens, expect more denial, deception, and dissimulation from the Iran Threat Network.

American Enterprise Institute for Public Policy Research



Statement before the United States Senate Committee on Foreign Relations

The Regional Implications of an Iranian Nuclear Deal

Frederick W. Kagan

Christopher DeMuth Chair and Director, Critical Threats Project

American Enterprise Institute

June 12, 2014

The views expressed in this testimony are those of the author alone and do not necessarily represent those of the American Enterprise Institute

Chairman Menendez, Ranking Member Corker, members of the committee, thank you for this opportunity to appear before you today. As I write this testimony, I am reading reports of the fall of Mosul to the Islamic State of Iraq and al Sham (ISIS) and the military maneuver of ISIS forces toward Baghdad. The Iraqi Security Forces in Ninewah have collapsed, and it is not clear where—or if—they will be able to stop the ISIS advance. ISIS is simultaneously conducting offensive operations against the rival al Qaeda affiliate in eastern Syria, where it continues to control and govern significant territory. Sectarian conflict in the region continues to expand and deepen, along with al Qaeda safe-havens and capabilities.

What does this have to do with the topic of today's hearing, you might be wondering. The answer is: everything. Iran is a belligerent in this regional sectarian war and its regional activities will be shaped to a considerable degree by the approach it adopts to this conflict. We can only reflect on the implications of a possible nuclear weapons deal for the region in this context.

The national security policy of the Islamic Republic of Iran is designed to prevail in the war Tehran believes the United States and Israel are waging against it. Supreme Leader Khamenei declared in March that international sanctions on Iran became “an all-out war” against Iran in 2011. He denied that sanctions have anything to do with Iran's nuclear program: “One day, their excuse is the nuclear issue and another day, it is the issue of the enrichment. One day, it is human rights and another day, it is other such issues. Sanctions existed against us before the nuclear issue was brought up and they will continue to exist...even if the nuclear issue and these negotiations are resolved.” He sees American enmity in everything: “From the beginning the enemy has made extensive efforts, and the more we advance, the clearer their work becomes. They use thousands of TV networks, radio programs, and the internet to curse the Islamic Republic.” He even blames us for al Qaeda: “Today Takfiri groups are working against Islam and Shi'as in certain regions and carrying out evil acts, but they are not the main enemies. The main enemy is the one who provokes them and provides them with money.” Even the supposedly reformist Ayatollah Hashemi Rafsanjani declared in 2010: “Radical Islamic groups such as al Qaeda and the Taliban are the creatures of the espionage service of the United States and the West.”

These are not isolated statements. The Iranian national security leadership regularly repeats and expands on them. Tehran has evolved a national security strategy around the concept of “soft war” that seeks to defeat the supposedly subtle and complex efforts of the US and Israel to destroy Iran with everything from smart missiles to internet pornography. This strategy sees any American influence in the Middle East as anathema and a mortal threat, and its goal is the complete expulsion of the US, the destruction of Israel, and the creation of a Persian hegemony. The Islamic Republic sees itself as the revolutionary vanguard that will overturn the current immoral, unjust, and infidel world-order in favor of its preferred religious-ideological vision.

Iran seeks to be not merely a great-power rival to the US, but a force to destroy the US-dominated (from Tehran's perspective) world system.

The nuclear issue is at the core of America's current policy concern with Iran, but it is at the periphery of Iran's strategic calculus. The rational explanation for Iran's pursuit of nuclear weapons capability is the desire to be able to deter an American or Israeli attack on Iran once and for all. That is a defensive objective whose primary aim is to enable other operations to achieve Iran's goals throughout the region. Iran's nuclear program is meant to be a strategic enabler, not a strategy unto itself.

What would happen, then, if Iran actually abandoned that program? The international sanctions regime would be unwound, large amounts of money and human capital would flow into Iran, the regime would be able to stabilize itself internally and would have enormously greater resources with which to pursue its regional goals. A nuclear agreement would advance the regional interests of the US only if it led to a fundamental change in the nature of Iran's attitudes toward and relationship with the US and its allies.

Such a shift seems most unlikely, however. The entire ideological foundation of the current Iranian regime rests as much on anti-Americanism as it does on anti-Zionism (without much distinction between the two). One could imagine a nuclear deal in which Iran yields almost all of its enrichment capability in exchange for full sanctions relief, but the tone of the agreement would be like the tone of US-Russian relations after the signing of the SALT treaty in 1972. There might well follow a period of détente, but there is no reason to imagine a wholesale change in the fundamental thinking, strategy, and approach of the Islamic Republic. The history of arms treaties amply demonstrates the degree to which the spirit of cooperation in which they are negotiated can be separated from an overall atmosphere of hostility.

But even a total reversal of Tehran's attitudes toward the US would not be enough to bring Iran into alignment with US interests in the region. I began this testimony speaking about Iraq because Iran's strategy there and in Syria, Lebanon, Bahrain, Yemen, and throughout the region has shown the enormous damage the Islamic Republic does to regional stability through the methods by which it pursues its aims. Iran relies mainly on sub-state Shi'a militant groups combined with overt bribes to individuals and regimes to shape the strategies and policies of its neighbors.

Lebanese Hezbollah, its primary regional proxy, participates in the Lebanese government but maintains its own large armed force—which it sent into Syria at Tehran's behest in support of Assad. Iranian strategy in Lebanon has consistently sought to prevent the Lebanese government from gaining control over Hezbollah—and thereby over much of southern Lebanon—even after Hezbollah became part of the government.

Iranian strategy in Iraq has turned heavily on supporting and sustaining multiple competing Shi'a militia groups, political factions, and suborned individuals. This strategy has consistently

hindered efforts to form a coherent Iraqi state. The militias themselves became a major driver of sectarian conflict from shortly after the U.S. invasion, in fact, and are responsible in no small way for the regional sectarian war we now face.

Tehran has pursued a similar approach in Yemen, co-opting the quasi-Shi'a al Houthis in the northwest, training, arming, and funding them as they have established a de facto independent mini-state between Yemen and Saudi Arabia. Iran simultaneously has been providing assistance to Sunni separatists in southern Yemen, contributing to the collapse of that state.

And Iranian strategy in Syria has been to back Assad in the conduct of a sectarian bloodletting of remarkable viciousness. That viciousness has powerfully fueled the regional sectarian war and become a magnet, rallying cry, and now training and logistical base for Sunni extremists from around the world.

It is not just that the Islamic Republic is anti-American. The Islamic Republic is a polarizing sectarian force whose main methods of pursuing its goals destroy order, stability, and politics. It will seek to manage the escalating crisis through these methods and will instead make it worse. A nuclear deal will only give Tehran more resources with which to pursue its mistaken and misshapen strategy.

A nuclear agreement that verifiably eliminated Iran's ability to acquire nuclear weapons capability would of course be desirable, although I do not believe that it is achievable. Certainly Tehran has not put anything on the table thus far that comes even close to meeting this standard. The Iranian penchant for pursuing secret nuclear and weaponization programs and admitting to them only after the U.S. finds them does not bode well for full transparency, particularly considering the Iranian conviction that the International Atomic Energy Agency is an espionage network for the West. There is also the question of how to ensure continued Iranian adherence to any agreement in the absence of sanctions. Sanctions have been absolutely essential in bringing the Supreme Leader to the negotiating table at all. Once lifted, they will not be easily or quickly restored. Without the credible threat of the rapid restoration of crippling sanctions, pressure on Tehran to abide by any agreement will be considerably less than the pressure that has been required to bring Iran to the table. Even a deal could only work, then, if the Iranians really undergo a fundamental change of heart on the nuclear issue—something for which there is no evidence whatever to suggest.

Any deal comes with the risk of miscalculation and betrayal—the risk that Iran might after all retain the ability to field a nuclear arsenal. We are all focused on that risk. But a deal would also come with another risk—the risk that the US would persuade itself that solving one problem solves all. In this case, on the contrary, solving one problem may very well make others a lot worse. But deal or no deal, the US can only hope to advance (or defend) its interests in the Middle East through our own active engagement. Perhaps we must now speak of re-engagement after the determined retreats of the past five years.

This is not a brief for military regime change in Iran, for re-invading Iraq, or for any specific policy. It is certainly not an argument for pursuing purely military responses to regional problems and the Iranian threat. We must instead use the moment of reflection afforded by this hearing to consider how to develop a strategy that competes with Iran while fighting al Qaeda—all the while avoiding the trap of imagining that the one can be an effective ally against the other.

The basic outlines of such a strategy are clear. The urgency of the situations in Iraq and Syria demands active American involvement in those conflicts, not necessarily through the deployment of US combat troops, but certainly through the deployment of advisers, support elements, enablers (including air power), and intelligence to assist the majorities in both countries who seek to reject both al Qaeda and Iranian domination. Hezbollah's invasion of Syria has exacerbated rifts within Lebanon and opened the possibility of driving a wedge between Hezbollah and other parts of Lebanese society. Aggressive diplomacy and well-targeted assistance could help weaken Hezbollah's control over its vital base, forcing it to refocus on Lebanon and away from supporting Assad. The US must also work seriously—and not through speeches—to regain the confidence of our Arab allies, particularly Saudi Arabia and Turkey. America's retreat from the region has increased the costs of implementing such a strategy, but we must keep in mind that things are not going terribly well for Iran either, despite the current euphoria in Tehran. A strategy that combines continued sanctions with meaningful efforts to displace and disrupt Iran's proxies and Iran's strategies in the region is essential to creating any prospect of long-term change in Tehran's attitudes and of regional stability.

I thank the committee for raising this important issue and for the opportunity to present my views.