TESTIMONY OF
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TO THE HOUSE COMMITTEE ON
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SUBCOMMITTEE ON
NATIONAL SECURITY AND FOREIGN AFFAIRS

"IRAN: REALITY, OPTIONS, AND CONSEQUENCES. PART 2 – NEGOTIATING WITH THE IRANIANS: MISSED OPPORTUNITIES AND PATHS FORWARD"

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Mr. Chairman, Ranking Member Shays, Members of the Subcommittee, thank you for the opportunity to appear before you today to speak about a subject of great urgency to U.S. national security – America's relations with the Islamic Republic of Iran, both now and in the future. I am genuinely honored to be here.

I am Lawrence J. Haas, Vice President of the Committee on the Present Danger. We are a non-partisan organization with one goal – to stiffen American resolve to confront the challenge presented by terrorism and the ideologies that drive it. The Committee includes over 100 former White House officials, Ambassadors, Cabinet Secretaries, academics, writers, and other foreign policy experts. Its Co-Chairmen are the Honorable George Shultz, Secretary of State under President Reagan, and R. James Woolsey, Director of the CIA under President Clinton. Senators Joe Lieberman and Jon Kyl serve as Honorary Co-Chairs.

I am proud to be affiliated with the Committee, but let me be clear. While our members share the goal, as stated above, of stiffening American resolve to confront the challenge presented by terrorism and the ideologies that drive it, they have a variety of views about how to achieve it. So we do not, for instance, have an organizational position on the strategies and tactics that the United States should use with regard to the Islamic Republic of Iran. With that in mind, while I believe that my views align closely with those of our leadership and many of our members, I should stipulate that I am speaking here as an individual.

Thoughts About a "Grand Bargain"

Mr. Chairman, I recognize the desire of many policymakers and experts to calm the seas of hostility between the United States and the Islamic Republic of Iran and, in turn, to push

for the two nations to strike a "grand bargain." Under such a deal, as I understand it, the United States would assure the regime in Tehran that it will not work for "regime change" and, in return, the regime will abandon its nuclear weapons program, dispense with state-sponsored terrorism, and cooperate with the United States in bringing stability to Iraq and the region in general.

I share that desire. But, I don't think such a deal is there for the taking. And, to be clear, the problem lies not with the United States, but with the Islamic Republic – in particular, its governing ideology and the short- and long-term goals that derive from it. Moreover, U.S. efforts to strike such a bargain could have deleterious effects on U.S. security. They could enable Tehran to make more progress on its nuclear program while we negotiate with the regime, and they also would demoralize and drive away an Iranian population that hates the regime, supports democratic reform, and thinks favorably of the United States.

The Nature of the Problem

I will begin with a line for which I cannot claim credit. As R. James Woolsey, the former CIA Director, and others have noted, the United States is in the 28th year of its crisis with the Islamic Republic of Iran. Furthermore, over the course of every administration in Tehran since the Islamic Revolution of 1979, the radical regime has not changed in any significant way. The regime is aggressive, expansionist, and rabidly anti-Western, and it represents a growing threat to the security of the United States and its allies.

A longing for the apocalypse

If anything, the regime is growing more extreme. Its firebrand President, Mahmoud Ahmadinejad, subscribes to a radical strain of Islamic ideology, propagated most prominently by Ayatollah Mohammad Taqi Mesbah-Yazdi, that predicts the coming return of the so-called "12th Imam," or "Mahdi," a messianic figure from the 9th Century who supposedly will reappear to signal the end of history and bring about Islamic justice across the globe.

What makes Mesbah-Yazdi and his devotees so dangerous is *not* that they believe in their messiah. Most Shia Muslims expect the eventual return of the Mahdi (and other religions, of course, have their own messiahs). What makes them dangerous, instead, is the operational nature of their ideology. They believe a violent confrontation with the West will be a harbinger of the Mahdi's return – and that the Islamic Republic can help speed the Mahdi's return by provoking this confrontation. Needless to say, an Iran equipped with nuclear weapons would be able to provoke a confrontation of almost unthinkable magnitude.

This ideology is not limited to a fringe element of Iran's regime. Quite the contrary, it pervades the thinking of many hard-liners in Ahmadinejad's cabinet and across the government, as well as a broad cross-section of the powerful military arm known as the Islamic Revolutionary Guard Corps. Even former President Akbar Hashemi Rafsanjani,

the supposed "moderate" alternative to Ahmadinejad among Iran's leaders, has adopted such rhetoric.

We in the West are tempted to dismiss such ideology because it conflicts with our own belief system. But we do so at our peril. The evidence suggests Ahmadinejad and others believe it, have acted on it, and plan to do so more in the future. As Tehran's mayor, a post he held before winning the presidency in 2005, Ahmadinejad ordered an urban reconstruction project to make the city more amenable for the Mahdi's return. As President, Ahmadinejad has provided nearly $20 million to the mosque from which the Mahdi supposedly will emerge. In late 2005, he told national religious leaders, "Today, we should define our economic, cultural, and political policies based on the policy of Imam Mahdi's return."[1]

In his memoirs, France's Foreign Minister, Philippe Douste-Blazy, provides a telling anecdote about the depths of Ahmadinejad's beliefs. Meeting with European foreign ministers, the Iranian President asked, "Do you know why we wish to have chaos at any price?" Upon hearing no answer, he said, "Because, after the chaos, we shall see the greatness of Allah."[2]

Lest you think that the United States and its allies are reading too much into such statements, consider the reactions of Iran's neighbors to its burgeoning nuclear weapons program. For decades, Middle Eastern nations have assumed that Israel had nuclear weapons and, other than Iraq, none of them felt the need to develop its own nuclear program in response. Why? Because no nation believed Tel Aviv would order a nuclear strike.

But those nations are reacting much differently to Iran's program. At least 10 of them, including Egypt, Saudi Arabia, Jordan, and Turkey, have announced plans to develop their own nuclear programs. While each nation professes that its program is designed to develop nuclear energy, not weapons, the region's huge oil supplies make a mockery of such pronouncements. Clearly, Iran's neighbors are launching nuclear weapons programs in response to Tehran.

A culture of death

With a desire for chaos comes a culture of death. In mid-2005, Ahmadinejad mused on Iranian TV, "Is there art that is more beautiful, more divine, and more eternal than the art of martyrdom. A nation with martyrdom knows no captivity."[3]

Here, too, we see not just ideology that we can dismiss, but the merging of ideology with governmental action. Ahmadinejad subsequently launched an organization, the "Lovers of Martyrdom," and recruited tens of thousands of men and women for suicide operations. Mohammad Ali Samadi, its spokesman, said, "We have brothers who are ready to sacrifice their lives for the triumph of Islam in Great Britain, France, Belgium, Spain, Italy, the Netherlands and also the United States."[4]

In late 2006, Iranian TV tried to recruit children – children! – to be suicide bombers through an animated movie. Today, according to a report by the Center for Monitoring the Impact of Peace, Iranian school textbooks are preparing students for the coming war with the United States.

An ill-advised analogy to the Cold War

To be sure, the Islamic Republic is not the only regime in history to combine threatening rhetoric, expansionist goals, and the desire for nuclear weaponry. Advocates of a "grand bargain" often point to the Cold War, concluding we can achieve a rapprochement with Tehran as we did with Moscow and apply the Cold War-era policy of "containment" to throttle Iran's expansionist designs.

But "containment" assumed that, for all the hostility between Washington and Moscow, the two sides shared a basic desire for life over death. That, in essence, lay at the heart of "mutually assured destruction," or "MAD," the doctrine that neither side would start a nuclear war because of the likelihood that neither would survive. The analogy, however, does not fit the current situation. A longing to speed the Mahdi's return, a love of martyrdom, and a desire for death on the part of Iran's radical leadership make a mockery of "containment" theory.

As Bernard Lewis, the world's foremost authority on Islam and the Middle East, has said of MAD, "Both sides had nuclear weapons. Neither side used them, because both sides knew the other would retaliate in kind. This will not work with a religious fanatic [like Ahmadinejad]. For him, mutual assured destruction is not a deterrent, it is an inducement."[5]

The Iranian policy of war

Iran has been at war with the United States (a.k.a., the "Great Satan") for 28 years. Rabid hostility towards, and conflict with, the United States is less a policy choice than an inherent attribute of the Islamic Republic. It is built into the DNA of the regime, serving almost as its *raison detre*.

- The first overt act was the takeover of our embassy in Tehran in 1979 and holding of our hostages for 444 days. The regime may not have ordered the student action but, upon seeing that Washington would not respond in kind, it soon adopted the takeover as its own.

- Iran claimed credit for the 1983 truck bombing of our embassy in Beirut by Hezbollah, its most powerful and important terrorist client, killing 241 U.S. marines.

- Iran was likely behind the 1996 bombing of Khobar Towers in Saudi Arabia, which killed 19 Americans.

Today, Iran remains "the most active state sponsor of terrorism," according to the State Department's latest annual report. Its Islamic Revolutionary Guard Corps and Ministry of Intelligence and Security plan and support terrorist acts and encourage groups to use terrorism to achieve their goals. Ahmadinejad and Iran's Supreme Leader, Ayatollah Sayyid Ali Khamenei, praise terrorist activities, and Tehran provides significant funding, training, and weapons to such terrorist groups as Hezbollah, Hamas, Palestinian Islamic Jihad, the al-Aqsa Martyrs Brigade, and the Popular Front for the Liberation of Palestine-General Command

Furthermore, Iran is responsible for a growing share of U.S. deaths in Iraq and Afghanistan. In the former, Iran is providing Shiite militias and insurgents with armor-piercing munitions, "explosively formed penetrators," surface-to-air missiles, and other sophisticated weaponry. In the latter, U.S. forces recently intercepted an Iranian shipment of explosive devices to insurgents, which marks the third such interception by coalition forces, and Iran is flooding Afghanistan with spies while its helicopters violate Afghan air space.

When it comes to the United States, Iran is planning much, much more. And no one in Tehran is particularly secretive about it. Chants of "death to America" are heard in Iran's Parliament and in speeches by senior Iranian officials across the nation. Ahmadinejad has spoken of a "world without America" that is "attainable" and "surely can be achieved." In this context, I would ask you to remember the words of Abba Eban, who once said, "It is our experience that political leaders do not always mean the opposite of what they say."[6]

As for coming Iranian operations, consider what Hassan Abbassi, a top advisor to Iran's Supreme Leader, said at Tehran's Al-Hussein University in 2004: "We have a strategy drawn up for the destruction of Anglo-Saxon civilization and for the uprooting of the Americans and the English. The global infidel front is a front against Allah and the Muslims, and we must make use of everything we have at hand to strike at this front, by means of our suicide operations and by means of our missiles. There are 29 sensitive sites in the U.S. and the West. We have already spied on these sites and we know how we are going to attack them."[7]

The lost cause of negotiations

Those who advocate a "grand bargain" to eliminate the tensions between the United States and Iran have a large hurdle to overcome – to explain why earlier efforts have failed so miserably. For nearly three decades, every White House, Democratic and Republican, has sought a path to normalizing relations with Tehran, using front or back channels. Tehran has no interest in normalization, so Iranian leaders have dismissed such efforts.

Perhaps more telling is Europe's recent effort to entice Iran back into the community of nations. Soon after a dissident group revealed in 2002 that Iran had been operating a clandestine nuclear program for 18 years, European leaders convinced the United States to give negotiations a chance. As a result, the EU-3 (Great Britain, France, and Germany) conducted three years of negotiations with Iran, offering economic incentives in exchange

for Tehran opening its nuclear program to full international inspection and, if not ending that program, at least demonstrating that Tehran had no aspirations for nuclear weaponry.

The talks failed, and not because the EU-3 did not try hard enough. In the end, Iran was not interested in the economic carrots, or at least not interested enough to drop its efforts to develop nuclear weapons. But through three years, Tehran always reassured the British, French, and German diplomats that they were, in fact, interested in negotiations. In a sense, they played Lucy to Europe's Charlie Brown, always offering the football of negotiations, and also taking it away when the time came to actually cut a deal. And all the while, Iran made progress on its nuclear program, driving ever closer to developing a weapon.

Now, on the nuclear front, the United States and its allies find themselves in a race against time. The International Atomic Energy Agency recently predicted that, by the end of last month, Iran would have nearly 3,000 uranium enrichment centrifuges running. The continuing running of 3,000 centrifuges for one year will produce enough enriched uranium for one nuclear bomb, according to nuclear experts. That means Tehran could have a bomb by next fall. It is an ominous scenario for anyone who understands the nature of the Iranian regime, the ideology to which it subscribes, and its designs for the future.

The Elements of a Solution

Fortunately, the story need not end there. And it need not end, I hasten to add, with the unenviable choice between acquiescing in an Iran with nuclear weapons and the resort to military action to destroy or slow Iran's nuclear program. Fortunately, we have other options at our disposal – strategies and tactics that, if applied forcefully, have a real chance of success. They are rooted in Iran's politics and economics, and in the demographic realities that are shaping both.

Economic vulnerability

As we all know, Iran has loads of oil. It lacks, however, the capacity to refine enough to feed its domestic appetite. As a result, the Islamic Republic imports about 40 percent of its annual gasoline consumption. And it maintains only about a 45-day supply of gasoline, leaving it very vulnerable to a disruption of supplies from abroad. As a result, the United States surely has the capacity to squeeze the regime by imposing an embargo on gasoline imports.

In addition, Tehran is dependent on the outside world just to maintain the refining capacity that it has, requiring an estimated $1 billion per year of foreign direct investment. Two rounds of economic sanctions by the United Nations Security Council, along with aggressive efforts by the United States to rally Western nations, banks, and corporations not to invest in Iran, have taken their toll, making it harder for Tehran to find the investment it needs. Washington's more recent round of unilateral economic sanctions

should exacerbate those problems. So, too, should growing efforts at the state level to prohibit public pension funds from investing in companies that do business with Tehran.

The concentration of wealth in Iran represents another area of significant vulnerability for Tehran. Economic power resides, most prominently, with the extended family of Ali Akbar Hashemi Rafsanjani, (the former President who now runs the Assembly of Experts), with the foundations run by the Supreme Leader, and with the Islamic Revolutionary Guard Corps (IRGC). Targeted financial sanctions that restrict the ability of these individuals and groups to participate in the global market-place would reach the highest echelons of power in Tehran. Here, too, Washington's recent unilateral sanctions take a step or two in this direction by targeting not just financial institutions but also the IRGC and its Quds Force.

Political vulnerability

Iran's leaders are vulnerable politically as well. While the regime is rabidly anti-American, the Iranian people are anything but. In a recent poll, 70 percent said they favor improved relations with the West.[8] The Iranian people are potentially our partners. They can bring democratic change to Iran and create an Iran of the future that can rejoin the international community. We must be smart enough to strengthen our ties to them as we pressure the regime.

Moreover, two thirds of Iranians are below the age of 35, meaning that, for the most part, they have known life only under the Islamic Republic. They are restive and dissatisfied. Iran's weak economy gives them too few opportunities. The regime increasingly cracks down on dissent, further implanting the seeds of discord that show no signs of abating. Workers strike and students demonstrate loudly against Ahmadinejad when he speaks on college campuses, even though the regime often responds by throwing labor and student leaders in prison. This young cohort of Iranians represents the Iran of tomorrow, and this is the Iran to which we need to provide encouragement through an aggressive program of public diplomacy.

By the way, a "grand bargain" with the regime (even in the unlikely event we could secure one) would move us in exactly the wrong direction when it comes to this next generation of Iranians. They would view it as a U.S. betrayal of not only our best ideals, but of their hopes for a democratic future. We must not forget the long-term consequences of our actions.

Steps Forward

What we need, in essence, is a strategy that capitalizes on the public disgust with Iran's regime, the vulnerability of its economy, and our potential partnership with the Iranian people. In whatever we do, we need to make clear that our problems are with the regime, not the people of Iran. We must explain to average Iranians that we seek stronger ties to them and that, in imposing tighter economic sanctions, we seek to isolate the regime, not hurt the nation as a whole. To do that, we should invest more in TV, radio, the Internet

and other free means of communications, and we should focus our public tools of communications, such as the VOA's Persian Service, more on supporting democratic change.

Certainly, we want to do whatever we can in concert with the international community. But we must not let international institutions serve as a straitjacket to our efforts. If Russia and China will not agree to tougher Security Council sanctions because of their own ties to Tehran or other geopolitical calculations, we must work more closely with our European allies. And if some of them will not go along, we must work with as many others as we can.

One final point: many policymakers and experts express alarm at the prospect of a U.S.-led effort at tough sanctions, viewing them as a precursor, or a run-up, to war with Iran. Quite the contrary, sanctions are an alternative to war, a tool to avert the necessity of military action. If we want to avert military action, if we want to avoid the simple choice between accepting a nuclear Iran and military strikes to prevent it, we must give a comprehensive program of economic pressure and public outreach to the Iranian people a chance to work.

Conclusion

Mr. Chairman, Ranking Member Shays, Members of the Subcommittee, that concludes my testimony. I would be delighted to take any questions that you may have.

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[1] Berman, Ilan, "Understanding Ahmadinejad," American Foreign Policy Council *Iran Strategy Brief* no. 1 (June 2006).
[2] *Al-Sharq Al-Awsat*, February 2, 2007, as reported by "The MEMRI Blog, Middle East Media Research Institute, www.memri.org, February 2, 2007.
[3] "Iran's New President Glorifies Martyrdom," Middle East Media Research Institute, www.memri.org, July 29, 2005.
[4] Rafat, Ahmad, "Europe a Target of Iranian Suicide Bombers," *Adnkronos International*, May 26, 2006, posted by the Student Movement Coordination Committee for Democracy in Iran, at www.daneshjoo.org.
[5] Lewis, Bernard, quoted in Podhoretz, Norman, "The Case for Bombing Iran," *Commentary*, June 2007, p. 19.
[6] Eban, Abba, quoted in *The Observer* (London), December 5, 1971.
[7] Berman, Ilan, Tehran Rising (Lanham: Rowman & Littlefield Publishers), 2005, p. 28.
[8] Woolsey, R. James, "Iran Divestment," Testimony to the Ohio House of Representatives, Committee on Financial Institutions, Real Estate and Securities, May 3, 2007.