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IRAN: TEHERAN'S NUCLEAR RECKLESSNESS AND THE U.S. RESPONSE—THE EXPERTS' PERSPECTIVE

HEARING

BEFORE THE

FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, AND INTERNATIONAL SECURITY SUBCOMMITTEE

OF THE

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IRAN: TEHERAN'S NUCLEAR RECKLESSNESS AND THE U.S. RESPONSE—THE EXPERTS' PERSPECTIVE

TUESDAY, NOVEMBER 15, 2005

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 3:05 p.m., in room 342, Dirksen Senate Office Building, Hon. Tom Coburn, Chairman of the Subcommittee, presiding.

Present: Senators Coburn, Domenici, Collins, Carper, Akaka, Dayton, and Lautenberg,

Also Present: Senator Santorum.

OPENING STATEMENT OF SENATOR COBURN

Senator COBURN. The hearing will come to order. We will attempt it. There are certain Senatorial habits that tend to persist even when one leaves the Senate, I believe.

Thank you for joining us today. This hearing will focus on Iran and examine the relationship between Iran's pursuit of nuclear weapons and its status as a state-sponsor of terrorism.

Some have argued that we should de-link Iran's global support for terror from its pursuit of nuclear weapons. They suggest that the two problems are different and need to be addressed differently. I couldn't disagree more. The facts that Iran is trying to build nuclear weapons and that it is a terrorist regime are not two different problems—they are the same problem.

Possession of nuclear capabilities by responsible governments who use such weapons defensively and as a deterrent and who have a track record of respecting life and liberty is one thing. But that's not what we're dealing with here. A nuclear weapon in the hands of the regime in Teheran could mean that no one on earth is safe from nuclear attack. Iran has a history of supporting terror against its own citizens and against the United States—and that is why the State Department lists it as a state sponsor of terrorism. Permitting a more destructive weapon in the hands of those motivated to murder is worse than reckless, it is immoral.

I am convinced that history will judge those who spent more time talking and less time acting to prevent such a disaster. Action is

demanded when we move from talking about nuclear proliferation to talking about just who it is that is proliferating.

So exactly what are Iran's intentions? If they weren't clear before, they certainly are now. Just last month, Iran's President Mahmoud Ahmadinejad proclaimed to the world his government's desire to "wipe Israel off the face of the map." This statement sent chills around the globe. British Prime Minister Tony Blair stated, "I feel a real sense of revulsion at these remarks. Anyone in Europe, knowing our history, when we hear such statements made about Israel, it makes us feel very angry. It's completely wrong."

White House spokesman Scott McClellan correctly stated, "Iran's pronounced intention underscores the concerns we have about Iran's nuclear intentions."

There should be no doubt that Iran isn't just blustering here. Iran has a record of carrying out its threats. Iran's history of supporting murderous terrorist activity speaks for itself. That's why the United States has, for the ninth consecutive year in a row, listed Iran as the "most active" state sponsor of terrorism.

That is why the State Department said in its Country Report on Terrorism for Iran: "During 2004, Iran maintained a high-profile role in encouraging anti-Israeli terrorist activity, both rhetorically and operationally. Supreme Leader Khamenei praised Palestinian terrorist operations, and Iran provided Lebanese Hezbollah and Palestinian terrorist groups—notably Hamas, the Palestinian Islamic Jihad, the al-Aqsa Martyrs Brigades, and the Popular Front for the Liberation of Palestine-General Command—with funding, safe haven, training, and weapons. Iran provided an unmanned aerial vehicle that Lebanese Hezbollah sent into Israeli airspace on November 7, 2004."

None of this is new, of course, for Iran's Islamist regime. Who can forget the harrowing hostage drama 25 years ago that played out on the world stage for over a year? Or Iran's complicity in the terrorist murder of 200 innocent Americans at a U.S. Marine base in Beirut, only a few years later?

Americans, however, have hardly been the only victims of Iran's Islamist regime. On the contrary, Iran's human rights record with its own people is well documented. The State Department's latest human rights report on Iran describes gross violation against the Iranians themselves. They include political killings and executions following mock trials. The regime outlaws dissent and the punishment is death for such crimes as "attempts against the security of the state, outrage against high-ranking officials and insults against the memory of Imam Khomeini and against the Supreme Leader of the Islamic Republic." A photographer who dared to take pictures of a Teheran prison was killed in police custody. No one was ever punished for her murder.

In light of Iran's murderous intentions around the world, nuclear proliferation by the regime is a serious threat. So let us talk about where they are in that process.

All experts agree that Iran has been working in secret for some time to develop a nuclear weapon. In August 2002, an Iranian dissident group, the National Council for Iranian Reform, informed the world that Iran had secret uranium-enrichment facilities and was building a heavy water plant. Conveniently, shortly thereafter,

Iran issued a series of public claims about its entree into supposedly legitimate nuclear power projects. These "projects" were then used as a cover to explain why the regime was acquiring facilities needed to complete a nuclear fuel cycle, including a uranium-conversion facility, uranium-enrichment facility, a fuel-fabrication plant, and a facility to produce uranium oxide.

Defense Intelligence Agency officials testified earlier this year that Iran is likely to develop nuclear weapons sometime early in the next decade. In August of this year, the *Washington Post,* citing U.S. intelligence sources, concurred that Iran's nuclear program may already be so advanced as to produce a nuclear weapon within 6 to 10 years. What is next?

Today, we will hear testimony about how the United States can effectively address the threat of Iran's nuclear program. More broadly, we will also address the issue of our overall U.S. policy toward this rogue regime, since the two are necessarily linked.

Some have argued that containment of Iran's nuclear threat lies within the U.N.'s International Atomic Energy Agency. I look forward to hearing from our witnesses about the likelihood of success at the IAEA process in convincing Iran to dismantle its nuclear weapons program. I am also eager to hear about other diplomatic options available to the United States that could deter Iran's attempt to obtain a nuclear weapon, such as President Bush's Proliferation Security Initiative.

Unveiled by the President in 2003, supported initially by 16 countries and now an estimated 60 countries, the objectives of the initiative is to create counter-proliferation measures and partnerships that work together to hamstring the efforts of global bad actors to trade in weapons of mass destruction and missile-related technology.

In addition to trying to thwart trade in weapons and technology, we need to follow the money. There are a number of countries that have financial contracts with Iran that may be helping to support Iran's nuclear ambitions. For example, Russia has a contract to provide Iran with nuclear reactors. I am interested in hearing our witnesses' views on how these financial ties corrupt voting patterns on Iran at the IAEA and the U.N. Security Council.

But our policy must be much broader than simply trying to shut down proliferation, both technologically and economically. We have to get at the root cause of the problem. That means investing in efforts to undermine the ideology that would promote the slaughter of innocent civilians by the masses. This ideology is not only directed at so-called enemies such as U.S. citizens, but at fellow Muslims, at women and children, students, small business owners, wedding parties—all just innocently trying to live their lives.

The people of Iran do not embrace this ideology. The people of Iran, like all people everywhere, yearn for freedom, prosperity, and peace.

It is critical that the United States and the international community build and strengthen democratic efforts within Iran. Democracies tend not to threaten other democracies. When Iran is free, when Iran is open, when Iran honors the dignity of each human person, Iran's neighbors will be able to relax. When Iran is safe for Iranians—Iran will be safe for the world.

Senator Dayton.

OPENING STATEMENT OF SENATOR DAYTON

Senator DAYTON. Mr. Chairman, I want to thank you for convening this very important hearing and assembling two very distinguished panels of witnesses.

I just echo your concern. When I was in Israel last spring, I was taken by the military to one of their defense missile sites and was told that they have 21 seconds from the time they see on the radar screen a missile or something coming from Iran to determine the nature of it.

The development of nuclear weapons by Iran represents one of the most profound threats to the continued stability and security of the world. I, again, commend you for holding this hearing.

Senator COBURN. Senator Lautenberg.

OPENING STATEMENT OF SENATOR LAUTENBERG

Senator LAUTENBERG. Mr. Chairman, thanks for reminding us about the terrible mistake made by the President of Iran and alerting us to the fact that we have got to get on——

Senator COBURN. Senator Lautenberg, would you turn on your microphone, please?

Senator LAUTENBERG. I thought you were hoping I wouldn't. [Laughter.]

We are friends. I thank you again, Mr. Chairman, for having noted the ugly remarks made by the President of Iran, so outrageous a statement in talking to students, by the way, a group of students. Not only did he say that Israel must be wiped off the map, he also condemned his neighbors by warning that anybody who recognizes Israel will burn in the fire of the Islamic nations' fury.

I failed to acknowledge our distinguished guests here, my longtime friend with whom I had many pleasant moments, some the other way, too, but Senator D'Amato and I are joined at the river and we have a lot of common interests—the Hudson River, in our case. And, of course, seeing Newt Gingrich here, a familiar face, looking fit, and we are happy to see Mr. Woolsey, as well.

These hateful comments made to 4,000 students, just hours before a terrorist bomber murdered five people and wounded more than 30 in a small Israeli town stimulated, of course, by that kind of outrageous statement. The terrorist murders of Islamic jihad are supported and trained by Iran.

I joined Senator Gordon Smith in offering a bipartisan resolution condemning these remarks and the Senate overwhelmingly passed it, but it is going to take more than resolutions to stand up to the terrorist regime in Teheran.

We need to stop American companies from being able to support Iran through lucrative business deals. It just doesn't make sense. Oil production is Iran's goldmine and American companies are helping the Iranian regime expand its financial resources by improving its oil operations. In my view, it is a treasonous act. It astounds me that any patriotic American would offer aid or assistance to this evil regime, but I am sorry to say that some American companies are putting profit ahead of our Nation's security.

Think about it. Every day that we hear that another American has died in the conflict in Iraq, and here we are knowing very well that Iran is helping to supply and to fund and train these terrorists. These companies that do that exploit a loophole in our laws by forming subsidiaries based in foreign countries so they can do business with the Iranians.

I have introduced a measure that would close this loophole. Unfortunately, the Senate voted against my measure on a largely party line vote. Instead, the Senate approved a weaker version that pays lip service to the problems but doesn't really shut down the loopholes, doesn't really stop these companies from doing business in Iran, with Iran.

Mr. Chairman, the Teheran regime is using profits from its oil reserves to fund terrorism and develop nuclear weapons and getting help from American companies. It is almost incomprehensible, because we are standing idly by.

Senator Santorum from Pennsylvania was going to be here today. I know that he has a bill that deals with Iran. But I have got to say to my colleague from Pennsylvania that I am disappointed that the bill that he was presenting does not close that loophole that allows U.S. companies to do business with Iran. The House counterpart, in contrast, sponsored by Congresswoman Ileana Ros-Lehtinen, does close this loophole.

Mr. Chairman, by ignoring this serious issue, the Senate is sending the wrong message to American companies, saying it is OK to do business with Iran. When I think of the woeful news that comes out of Iraq on a regular basis and knowing that Iran supports that activity, kill Americans, maim Americans, it is an unacceptable condition, and I am hoping that Senators on this panel will change their views about the kind of legislation that we are going to be talking about. I thank you very much, Mr. Chairman.

Senator COBURN. Thank you, Senator Lautenberg. We will have Senator Santorum join us later. He is in another hearing right now and will join us on the dais.

Senator Carper.

OPENING STATEMENT OF SENATOR CARPER

Senator CARPER. Thanks, Mr. Chairman, and to each of our witnesses, welcome. We are delighted to see all of you and thank you for taking the time to share your thoughts and insights with us on what I believe is a real important subject, and I know you do, too.

As we gather here today, I understand that the International Atomic Energy Agency Director General El Baradei is poised to join Russian negotiators to push for a solution to Iran's nuclear brinkmanship. As a testament to his being selected as Nobel Peace Laureate, El Baradei is to push for a solution despite reports that Iran may have already rejected this proposal.

If those negotiations fail, I believe another opportunity to back Iran away from the nuclear weapons precipice will take place in just over a week, when the International Atomic Energy Board of Governors meets in Vienna to determine if and when Iran will be referred to the U.N. Security Council for its actions.

Sixty years ago today, on November 15, President Harry S Truman planted the seeds of the nonproliferation regime in a joint dec-

laration right here in Washington, DC with British Prime Minister Clement Attlee and Canadian Prime Minister Mackenzie King.

The proposal was to ensure that atomic energy could be used for peaceful purposes while ultimately working toward eliminating nuclear weapons globally. Iran makes it very clear today that we have yet to reach this important goal, but it is nonetheless imperative, maybe more imperative, that we do so.

While it would have been helpful to have had the opportunity to hear today from Under Secretary of State Robert Joseph, who led the briefings on Iran's nuclear warheads at the IAEA back in July, I welcome the testimony, I think on our second panel, of Dr. Gary Samore, who is the architect of the internationally acclaimed International Institute of Strategic Studies publication on Iran's weapons capabilities. Hopefully, he can shed some light on these nuclear warhead plans that appeared in this weekend's *New York Times* and how soon Iran could develop a nuclear weapon and be of danger to the rest of us.

In addition to understanding Iran's weapons capabilities, it is also very important that we begin to better understand Iran, why it is in pursuit of nuclear weapons, and what it would want and need from the international community to stop its pursuit permanently.

Iran has, as we all know, a new president who is anti-U.S., anti-Israel, anti-west, and if left to his own devices, a great risk, I think, to international security. He has inexcusably called for the disruption of Israel, incited violence against western interests in his own country, and attempted to stack his government with those who hold the same beliefs.

Yet, instead of totally backing the efforts of the new president, Iran's Supreme Leader has been running interference. A meeting with the Supreme Leader led the new president to change his rhetoric of hatred about wiping Israel off the map to calling for democratic elections in Palestine. And after a fiery U.N. speech, another body of government, Iran's Expediency Council, was given oversight powers over this new president. And the president has yet to get approval of an oil minister from the Iranian parliament after having submitted several persons for the position, despite the parliament being dominated by hard-liners who would be expected to be sympathetic to this new president of Iran.

Yet, that new president still retains the blessings of the Supreme Leader, power, and support from many Iranians, plausibly because he campaigned as a "man of the people who would promote the interests of the poor and return Iranian government to the principles of the Islamic revolution during the time of the Ayatollah Khomeini."

With nearly three-quarters of Iran's population under the age of 30, with unemployment rampant, it is easy to understand why the Iranian people are looking for change.

What does all of this mean for nuclear negotiations? I am hoping that our esteemed witness Ray Takeyh, who has great insights into Iran's inner workings, can tell us what is going on with Iran's leadership and its impact on nuclear negotiations.

But I also have a couple of questions. First, are Iranians supportive of the new president because of his ideology, his promises

of government reform, or both? Second, even if the new president is successful in pressing for government reforms, could they alone save Iran's economy, or would investment from the west still be needed?

Have past and current U.S. policy approaches taken both the economic concerns of urban Iranian middle class into account and those of poor Iranians, who seem to believe that ushering in the past in the form of this new president could serve them in a way that trade, privatization, and foreign investments could not?

If this is their belief, there may be a mismatch between the incentives that the west is currently offering Iran to give up their nuclear aspirations and what Iranians actually want or feel that they need. Conversely, if Iranians truly feel it is a sense of national pride and security to have nuclear weapons capability, there may be nothing that the west can offer to be a deterrent.

And if this is, indeed, true, we must be certain that our diplomatic ducks are in a row so that we can ensure that Iran is referred to the U.N. Security Council and that success is guaranteed once they have been sent there.

Too much hangs in the balance for us not to explore all of our options. Sixty years ago, our country set forth a goal of removing nuclear weapons from the world, 60 years ago today. Many of these goals have been enshrined in the Nuclear Nonproliferation Treaty. If Iran acquires nuclear weapons capabilities while it is signatory to the Nuclear Nonproliferation Treaty and under the watch of the IAEA, it will send a message that other countries can do the same and could incite a renewed arms race.

If Iran is referred to the U.N. Security Council and we are unable to get member countries to agree to multilateral sanctions or other punitive measures, as in the case of North Korea, it will also signal that being a signatory to the Nuclear Nonproliferation Treaty is actually a means to acquire weapons technology and that there are no real repercussions for doing so.

At all costs, this means we must be successful: First, to preserve our ultimate goal of nuclear weapons eradication. Second, to preserve the doctrine of the Nuclear Nonproliferation Treaty that we have crafted to help us reach that goal. Third, to secure our Nation from a potentially nuclear Iran, those who could pass such technology to, and the arms race that could ensue. And fourth and most importantly, to secure our own security and that of our children.

Thanks, Mr. Chairman, for calling this hearing and to our panel of witnesses that are arrayed before us and those that will follow.

Senator COBURN. Thank you. Senator Akaka.

OPENING STATEMENT OF SENATOR AKAKA

Senator AKAKA. Thank you very much, Mr. Chairman and Senator Carper. I want to commend you on holding this hearing. This Subcommittee has a long and valued history of examining our national security policy as it pertains to weapons of mass destruction.

It was a major focus of this Subcommittee when I was Chairman, as well as when I was Ranking Member under Senator Cochran's leadership. I am pleased, Senator Coburn, that you are carrying on the great tradition of this Subcommittee.

The issue of Iran's nuclear policy has been in the headlines for many years with little apparent slowdown in their efforts to pursue, first covertly and now more overtly, a nuclear weapons program, including the means to deploy them on long-range missiles.

Mr. Chairman, I look forward to the testimony by our former Congressional colleagues, Representative Gingrich—it is good to see you again, Newt—and also Senator D'Amato, good to see you again, and other expert witnesses. I thank you folks for being here.

Thank you, Mr. Chairman.

Senator COBURN. Thank you, Senator Akaka.

First of all, welcome. Let me introduce our first panelists, if I may. R. James Woolsey joined Booz Allen Hamilton in July 2002 as Vice President and officer in the firm's Global Resilience Practice located in McLean, Virginia. Previously, Mr. Woolsey served in the U.S. Government on five different occasions, where he held Presidential appointments in two Republican and two Democratic administrations. During his 12 years of government service, Mr. Woolsey was Director of Central Intelligence from 1993 to 1995. He was also previously a partner at the law firm of Shea and Gardner in Washington, DC, where he practiced for 22 years in the fields of civil litigation and alternative dispute resolution. He also hails from Oklahoma.

Senator Alfonse D'Amato is the Managing Director of Park Strategies, LLC, and served in the U.S. Senate from 1981 to 1999. Senator D'Amato was first elected to the U.S. Senate on November 4, 1980. Known for his tenacity and ability to get results, Senator D'Amato served three distinguished terms in the Senate, advocating the interests and the people of New York State. During his tenure in the U.S. Senate, D'Amato served as Chairman of the Senate Banking Committee, Housing and Urban Affairs, overseeing legislation affecting America's financial institutions, banking, and public and private housing, urban development, and trade promotion. Senator D'Amato also served on the Senate Finance Committee. He also served on the Senate Subcommittee on Health Care, the Subcommittee on International Trade, and the Subcommittee on Taxation and IRS Oversight.

Finally, our third panelist is the former Speaker, Newt Gingrich, former Speaker of the U.S. House of Representatives. He serves as a Senior Fellow at the American Enterprise Institute and is also a Visiting Fellow at the Huger Institution at Stanford University. Speaker Gingrich is a member of the Terrorism Task Force for the Council on Foreign Relations and the U.S. Commission on National Security, an Advisory Board member of the Foundation for the Defense of Democracies, a member of the Defense Policy Board. Gingrich also serves as Co-Chair, along with former Senate Majority Leader George Mitchell, of the Task Force on U.N. Reform created by the Congress in December 2004. The task force delivered its report, entitled "American Interests in U.N. Reform," to the Congress this past June.

He is also an Editorial Board member of the Johns Hopkins University Journal of Biosecurity and Bioterrorism and a news and political analyst on FOX News. He is the author of nine books and novels, including *New York Times* best-selling "Winning the Future: A 21st Century Contract With America," and most recently,

"Never Call Retreat: Lee and Grant, the Final Victory," the third and final novel in his trilogy about the Civil War, and he is my favorite history professor.

Director Woolsey, if you would, please.

TESTIMONY OF R. JAMES WOOLSEY,[1] FORMER DIRECTOR, CENTRAL INTELLIGENCE AGENCY

Mr. WOOLSEY. Thank you, Mr. Chairman. It is an honor to be invited to be with you today. I will submit my four-page statement, if I might, and then just speak informally from it for a few minutes by way of summary. I am testifying solely on my own behalf today, Mr. Chairman.

There was a window of time from the late spring of 1997 until the late spring of 1998 in which, after President Khatami's election, I think it was reasonable for there to have been some optimism about the possibility of working with Iran and seeing an Iranian evolution in terms of its dealings with the West and its neighbors. But that window ended in the spring of 1998 as the Iranian government began to assassinate newspaper editors, kill students, make mass arrests, and the rest.

And I believe it has not really been the case for those years since 1998 that we have had an Iran with which we could reasonably work. With the ascendancy of Mr. Ahmadinejad to the presidency a few months ago and Iran's rejection, as far as we now know, last Saturday of the EU3 proposal from Britain, France, and Germany that its nuclear fuel be enriched by Russia and not by Iran itself, one would think that even those who are most committed to the notion that we can work with this Iranian government would have turned into pessimists.

There is no reason in common sense or economics for Iran to be involved in fuel enrichment and processing unless it has a nuclear weapons program. This is admittedly a question of intent under the current Nonproliferation Treaty. That treaty is, I believe, fundamentally flawed precisely because it does not bar the expansion of enrichment and processing. For Iran to declare that it needs fuel enrichment and processing in order to have nuclear power for energy purposes is roughly equivalent to its claiming that it must build a factory that produces both trucks and tanks in order to be able to buy a few cars.

The Nonproliferation Treaty regime is, unfortunately, one that derives from the Atoms for Peace Program and thus does not explicitly bar the expansion or institution of enrichment and processing. It is a question of intent. I think the Iranian intent is crystal clear to any objective observer, but the treaty regime is not one that helps us as much as we might like.

It is clear that Iran hid its fuel enrichment work until the IAEA was tipped off in 2003, and then discovered Iranian preparation for uranium enrichment via the use of some 50,000 potential centrifuges at Natanz. Iran constructed a heavy water plant and reactor to produce plutonium. Seven covert nuclear sites have been built. Traces of uranium enriched to the high levels needed for a bomb, rather than the much lower levels needed for a reactor gen-

[1] The prepared statement of Mr. Woolsey appears in the Appendix on page 49.

erating electric power, have been found. And Iran bulldozed one site at Lavizan-Shian, before inspectors were allowed to visit.

Iran has acknowledged acquiring nuclear materials from the notorious head of the Pakistani program, A.Q. Khan, in recent material obtained by U.S. intelligence—cited in an article this past Sunday that many here, I am sure, have read in the *New York Times* by Broad and Sanger—indicates that the Iranians are working on a sphere of conventional explosives designed to compress radioactive material to begin chain reactions in a bomb. They are working on positioning a heavy ball inside a warhead to ensure stability and accuracy during the terminal phase of a nuclear-armed missile flight. And they are working on detonation at a 2,000-foot altitude, which is really appropriate only for nuclear weapons, not for conventional, chemical, or even bacteriological ones.

How soon might Iran obtain nuclear weapons? The estimates in years that you see are really driven by how soon intelligence believes they might be able to enrich enough and process enough nuclear material to have enough fissionable material for a bomb. But if they obtain the fissionable material, particularly highly enriched uranium, elsewhere, for example from their erstwhile collaborators the North Koreans, they could have a bomb in very short order.

It should be remembered that although we tested the plutonium bomb that we dropped on Nagasaki before it was used in combat, 60 years ago the United States felt that the simple shotgun HEU weapon that was dropped on Hiroshima was so reliable, even though it had never been tested in the history of the world, that we dropped it in combat without ever having tested it. The designs for simple shotgun HEU weapons are available on the web. It is really just a question of having the highly enriched uranium.

So if Iran obtains such highly enriched uranium, even if it is not able to enrich enough itself domestically, one could quite reasonably be looking at an Iranian nuclear weapon in extremely short order.

I wish I thought that referral to the Security Council and potential severe sanctions were likely to be a useful step. It may be politically an important thing for us to do internationally, but the high probability of Russian, French, and possibly Chinese veto of any substantial steps in the Security Council and the difficulty of implementing sanctions against a country which really exports only oil at a time of $60 a barrel oil is a very severe international political problem.

The Ahmadinejad regime is not really accurately characterized by the word that the President has used now twice to refer to some of the Islamist groups on the Sunni side of the divide within Islam. He has used the term "Islamo-fascist." That is not severe enough for Mr. Ahmadinejad because the Italian fascists, although terrible, were not genocidal, not explicitly genocidal. Mr. Ahmadinejad and the Iranian regime are genocidal.

He spoke in his own speech of, "a world without America and Zionism. This slogan and this goal are attainable and can surely be achieved." And Mr. Abbassi, the head of his war preparation plan, has said recently, "We had a strategy drawn up, the destruction of Anglo-Saxon civilization. We must make use of everything we have at hand to strike at this front by means of our suicide operations

or 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. Once we have defeated the Anglo-Saxons, the rest will run for cover."

I am afraid, Mr. Chairman, Members of the Subcommittee, that with respect to this regime, regime change is really the only option. I very much hope it would not need to involve the use of force. That should only be our last resort, but an option that we, under no circumstances, should take off of the table.

There are two chains of policy which it would be useful to follow. Reuel Gerecht has recently pointed out in the Weekly Standard that if we are successful in moving toward a Shiite majority democracy operating in Iraq, it will substantially help undermine Khamenei's and Ahmadinejad's rule in Iran.

And second, Ambassador Mark Palmer has written persuasively about how we might engage and work with the Iranian people and various Iranian groups that are struggling for freedom without enhancing the position of or making concessions to the Iranian government.

Finally, Mr. Chairman, I believe that this situation with respect to Iran and its sponsorship of terrorism and its nuclear weapons program is such that it would be prudent for us to embark upon a major expansion of our own armed forces. This would entail a substantial increase, in my view, in the defense budget and tax increases to pay for it. I don't believe we should balk at this. Earlier generations have sacrificed much more, even in the absence of shooting wars. In the early 1960s, the U.S.' defense budget was over 9 percent of GDP. That was because we changed strategies from massive retaliation to flexible response and needed more expensive conventional weapons. Nine percent of GDP in today's nearly $12 trillion American economy would be a defense budget of well over $1 trillion.

Admittedly, we have changed the way we care for old people in the last 20, 30, 40 years in the United States with respect to Social Security, Medicare, and Medicaid. That has an important effect on the Federal budget. But we can't let those decisions made in the last few generations about how we care for our elderly undermine our willingness to protect ourselves and to pay for this protection.

Appeasement, in my view, whatever euphemism is used, of Iran under the current circumstances will not work any better than it did with Nazi Germany in the 1930s. Thank you, Mr. Chairman.

Senator COBURN. Thank you. I would like to, with unanimous consent, recognize Senator Domenici for a few moments. He is going to have to leave. Without objection.

OPENING STATEMENT OF SENATOR DOMENICI

Senator DOMENICI. Thank you. First, I want to thank you for holding these hearings. I think it is very important. I am very sorry that I cannot be here very long. I am hoping to come back. But I also want to thank the witnesses. Their presence and what I know they have to say is very important.

I hope that, sooner or later, not only America, but others that think like we do, are going to find a way to see that this continued build-up stops. We think we know what is going on, but it seems

like we are struggling to find out what to do about it. Ultimately, it seems to me, we can't do that alone. We have to do it with others. And yet it is so vitally important. The more we know and the harder we try to get to the bottom of it and the more we let their new leader and those that work with him know what we think about this, I think the better off we are and the better off our friends are.

So thank you to the witnesses. It is good to see you, Senator D'Amato. It is a pleasure to have you.

Senator D'AMATO. Good to see you.

Senator DOMENICI. And Mr. Speaker, I remember balancing a budget with you in the room. I don't know who won, but we got a balanced budget.

Mr. GINGRICH. Right.

Senator DOMENICI. You got some, I got some, and it was a good day. Thank you.

Senator COBURN. Thank you. Senator D'Amato.

TESTIMONY OF HON. ALFONSE D'AMATO,[1] FORMER U.S. SENATOR FROM THE STATE OF NEW YORK

Senator D'AMATO. Thank you very much, Mr. Chairman. I want to commend you for these hearings. I think it is probably one of the most, if not the most, important issue of the day, and somehow we seem to miss it. I would ask that the full text of my remarks be submitted in the record as if read in its entirety.

Senator COBURN. Without objection, all submitted statements will be included in the record.

Senator D'AMATO. Mr. Chairman, I couldn't help but reflect on the very challenging remarks made by former Director Woolsey. He is someone who understands what it is like to deal with the despots and the dictators and the kinds of regimes and the one in particular that now represents Iran.

All the wringing of hands in the world isn't going to change the situation. All of the threats and the bellicose nature on our part that we sometimes seem to engage in is not going to change it. Threatening of the new leader—you raised the question as to what does he want and what does he represent. He was elected by a landslide with the fundamentalist and the mullahs supporting him, but he made an appeal to the poor, to the so-called disenfranchised, to the young people who are without jobs, and that obviously played a great part in the size of his victory over a cleric. No one really expected his victory to be so complete.

And he has all of the things that you mentioned and that my former colleague from New Jersey talked about in terms of the destruction of the State of Israel. That is not the kind of rhetoric that one should take lightly, understand, and Jim Woolsey understands.

The passage of sanctions, and I was proud to be one of those in the forefront of sponsoring and getting legislation passed, the Iranian-Libyan Sanction Act, known as ILSA, that was signed by the President into law on August 4, 1996, and at the White House ceremony, President Clinton said, "The greatest enemy of our genera-

[1] The prepared statement of Senator D'Amato appears in the Appendix on page 53.

tion is terrorism," and that the United States will not shirk its responsibility to lead in the fight against it. We have. We have.

If I were to suggest to you that the passage of ILSA was almost impossible were it not for some bombings and events that took place and the downing of an airliner that shocked the conscience of the world, we wouldn't have passed that. It was some of the industrial giants of this Nation who were opposed. They were more concerned about being able to do business with Iran and Libya and the loss of income. We had to construct legislation which gave all kinds of prerogatives and waivers, and we had to reduce substantially the penalties imposed. It was incredible.

So it was only a shocking event that made it possible for us to pass that legislation, and I have to tell you, even though it was administered over a period of time, and sometimes, I think, inadequately when various presidents gave waivers to other countries, like to the French and to TOTAL in terms of their conducting business there, it did have quite an impact. As a matter of fact, going back to 2001 when the bill came up for renewal, the Administration was not happy about it and tried to limit it to 2 years instead of 5 years.

Indeed, testimony demonstrated that we had probably cut monies that would have flowed into Iran for investment and furthering their money-producing industry, which is oil and gas, that we cut it substantially. They were able to get investments of only $8 billion of foreign capital, whereas you take a country like Qatar, very small, not nearly the kind of resources in terms of energy that Iran had, and they had twice as much. Indeed, Iran at that time was using 40 percent of its oil for domestic purposes and their oil industry and gas industry was fading in terms of their production.

Had we really stuck at it and enforced that embargo and not turned our head, we might have had a different result. But what we call the policy of constrictive engagement, by saying to them, when you undertake the kinds of actions that are threatening, we will tighten, we will punish you. And when you don't just speak but act, why, then we will reward you.

And bringing in the world community—you cannot do this alone. Mr. Woolsey is absolutely right. But I have to tell you, I think there is—in our approach to this, I feel more optimistic than he does in one sense. You see, they talk about the Shahab missile—they can go 1,000 miles—that the Iranians have developed and that they are looking to be able to put nuclear capabilities into that missile. I am not concerned about that. They are not going to use that missile because mutually assured destruction works, and even the MAD people understand that.

But what I am concerned about is the terrorist threat that nuclear capabilities and fissionable materials in their hands permits, because while we can by way of mutually assured destruction, which has worked over the years with the Russians and with others, there is no such threat to terrorists and you don't have the capability to say with definiteness that these materials, these suitcase bombs were made available, for example, by Iran to the shadowy groups. It is the greatest threat that mankind faces today, and yet we do very little.

In just talking to one of your witnesses who came up here, there is a great company that works in the United States that does hundreds of millions, if not billions of dollars worth of work, and yet they are at the centerpiece of helping design and create an opportunity for Iran to have a bomb. Is that amazing? That is Siemens, a German company. Amazing. And we do nothing to stop it.

Now, for the first time, it seems to me, we have an opportunity to forge a real alliance with countries who have not traditionally been our allies, the Russians, because if there is any country that faces a challenge as great, if not greater, from some of the fundamentalists, it is the Russians.

And so we have the ability, and I think some of our allies, even those who have not been so supportive of us and our policies and we have had discord with, for the first time are beginning to recognize what this extremism and what terrorists represent as a way of a threat to them and to their people, and I am talking about the French, and I will mention the Germans. I think we have, for the first time, an opportunity to build a coalition and we cannot afford to go it alone.

I am not suggesting that we can allow them to build with impunity those kinds of devices that we would have to and be ready to take whatever action necessary to defend ourselves, very much like Israel did in Osirak in 1981 when they took that facility out. But I think that by utilizing the kinds of legislation and putting in a program of restrictive engagement with Iran, we might be able to tell and demonstrate to them and to the world that we mean business. That is a way of utilizing collectively our economic force, but it has to be collectively. I think it can work.

It is not going to be easy and the Iranians will test us and we will have to demonstrate that we are willing to meet that challenge. And we will have to make it clear to our allies that we need them. But we can't do it in a bellicose way. We have got to work behind the scenes and work hard to build that kind of coalition. If we fail to do that and fail to get into this ring and take on this incredible challenge, I think we betray everything that we are about.

Again, I am concerned that the economic interests that some of our own international corporations are more interested in still have a lot of sway in this country and I would hope at this critical time that we would be able to look back on history and see what has taken place when we fail to stand up and to do what is right. It is a great responsibility you have, and to be quite candid with you, I don't see that you have great public support to rally to take on this cause. And yet I can't think of one that is more imperiling and more challenging than the one we face today with the spread of nuclear weapons, particularly in the hands of terrorists that make it almost impossible to stop if they were to get these devices.

So thank you, Mr. Chairman, for your holding this hearing today and trying to focus some attention and the spotlight on this important issue.

Senator COBURN. Thank you, Senator D'Amato. Speaker Gingrich.

TESTIMONY OF HON. NEWT GINGRICH,[1] FORMER SPEAKER, U.S. HOUSE OF REPRESENTATIVES

Mr. GINGRICH. Let me, first of all, thank you for calling these hearings and for focusing attention on this very important topic. I ask that my written testimony be submitted for the record.

Senator COBURN. Without objection, so ordered.

Mr. GINGRICH. I want to start by reemphasizing a little bit of what my two colleagues have commented on. I think we could be entering a decade that is extraordinarily dangerous. Let me give you three futures, and I say this in the context of everybody who said after September 11, "oh, gee, why didn't anybody think of it?"

The first future is simple. Tel Aviv and Jerusalem are wiped out in one morning. President Ahmadinejad said recently, October 28, that Israel should be "wiped off the face of the earth." Rafsanjani said in December 2001, when Iran gets nuclear weapons, "on that day, this method of global arrogance would come to an end. This is because the use of a nuclear bomb in Israel will leave nothing on the ground, whereas it will only damage the world of Islam."

Now, these aren't made-up quotes. My first question for this Subcommittee and for the Members of the House and Senate and for the Administration is, why have a Holocaust Museum in Washington, getting together occasionally to say, never again is the lesson of the Holocaust, and then when you are told explicitly that you have somebody who wants to wipe out Israel, we try to find some way to avoid confronting the reality?

Second, consider a future where Iran develops ship-borne missiles with nuclear weapons that could threaten the United States directly. They have already tested in the Caspian Sea a ship-borne missile. There is every reason to believe that within a decade, they may acquire such a missile. And one of the great complexities of the modern world is that we don't control all the technology in the democracies. The North Koreans have technology. The Chinese have technology. The Pakistanis have technology. The Russians have technology. And the idea that the Iranians at $60 a barrel won't be able to buy technology strikes me to be a complete misreading of the modern world.

Third, imagine that by 2010, there is an Iranian-Chinese-Russian alliance to block U.S. influence in the Persian Gulf. China is the most rapidly growing purchaser of oil in the world. The Chinese have a long-term contract with Iran. The Chinese have a deep interest in the region. The Russians very badly need hard currency. The Russians would like to prove they are independent of us. I don't think it is a particularly difficult act of imagination to believe that by the end of this decade, we could see those three countries actively blocking us in the Persian Gulf.

Now, I think these are all practical, real threats, but let me remind you of some recent quotes, because I want you to understand how totally real this is. There is a picture that is also in your packet that shows President Ahmadinejad standing in front of a huge poster in which the United States has already fallen to the ground and been shattered and Israel is in the process of falling to the

[1] The prepared statement of Mr. Gingrich with attachments appears in the Appendix on page 57.

ground. Now, this by the way, was all done in English. Unlike Adolf Hitler, who did require you to either get a translation or to read German, they are quite cheerful about flaunting in our face the degree to which they are determined to destroy us.

Let me give you some examples. Ahmadinejad speaking on October 28 said, "They say, how could we have a world without America and Zionism, but you know well that this slogan and goal can be achieved and can definitely be realized."

Hassan Abbassi, a Revolutionary Guard intelligence advisor to the president, August 30, 2004, "We have a strategy drawn up for the destruction of Anglo-Saxon civilization. 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."

Ayatollah Ali Khamenei, June 24, 2004, "The world of Islam has been mobilized against America for the past 25 years. The peoples call, 'Death to America.' Who used to say, 'Death to America'? Who, besides the Islamic Republican and the Iranian people used to say this? Today, everyone says this."

The point I am making is, by any standard of the 1930s, you have an Iranian dictatorship which is openly, clearly seeking a method of eliminating Israel, which would be an act of genocide, and defeating the United States and Great Britain and says so publicly.

I am submitting for the record, we are not going to ask to play it today, but there is an 11-minute animated film, a cartoon, that was shown on Iranian television on October 28, designed to recruit children to be suicide bombers. We have given a copy of the DVD to every Senator. I would urge you at some point to watch it. It is effective, it is chilling, and this was shown on state television. Basically, it is designed to recruit young people and to say, committing suicide on behalf of Allah is a good thing to do and being a suicide bomber is a reasonable occupation because the other side is so evil.

The points I would make are, I think, probably more direct than we normally hear. I think that the measure that the Senate should establish and the House should establish for dealing with Iran is very straightforward. Will it be effective?

Let me just say a brief word about sanctions. We have had sanctions against Fidel Castro since 1960. We had sanctions against Saddam Hussein for years. If you read carefully the record of the sanctions against Saddam Hussein, it does three things. It strengthens the dictatorship, because they are the only people with money. It leads to massive levels of corruption. And everything they need gets through.

Now, any person who believes that the second-largest source of oil and natural gas on the planet, in a time when China and India are desperately buying everything they can get, can be significantly crippled by a sanctions regime, if you are prepared to say you want a naval blockade and nothing goes in, you can make some case for this. But short of that level of intervention, which is, again, something you would have to sustain for a long time, countries don't collapse. This is historically not how things happen.

We have two choices. We can decide to live with a genocidal, homicidal regime which is openly explaining it seeks to destroy us and then we can hold hearings after we lose Tel Aviv and Jeru-

salem and maybe lose New York and Atlanta and say, gee, why didn't we do anything, or we can study seriously the lesson of Winston Churchill in the 1930s, when, by the way, the British and French did nothing, the League of Nations was pathetic.

I would just commend you, read what the Secretary General said. He read with "dismay." He couldn't bring himself to condemn. He couldn't bring himself to say it was wrong. But he topped out at dismay when the President of Iran proposed eliminating Israel from the face of the earth. Read what the Security Council did. They couldn't even come to a resolution. They issued a press release, and the word "pathetic" comes to mind.

Senator Santorum's bill is a useful, small first step. It should be the policy of the United States of America to replace this regime. We should communicate to our allies around the world, we would like to have their help. We should communicate to international institutions that to the degree they wish to be effective, we would like to participate. We should not allow "can't" to hide behind. We should not allow resolutions that are meaningless, proposals that have no teeth, or regimes that will have no effect.

We should indicate clearly that we are the allies of all the Iranian people who would like to live in a non-homicidal, non-totalitarian regime, and we should indicate unequivocally that at some point in the not-distant future, there will be a new government of Iran and a simple, small first step would be to move to suspend Iranian membership in the U.N. as long as the head of the government is claiming the right to eliminate a fellow state.

Now, if we don't have the nerve to stand up and say, this is homicidally wrong and we have been warned, there is no reason to believe that our European friends, whose record of appeasement is unending, are going to have any nerve, and there is no reason to believe that any international organization is going to have any effectiveness.

If, on the other hand, we are determined to win in the Middle East, we are prepared to do what it takes, and we are prepared to communicate unequivocally to our friends and allies that we will do what it takes, I suspect a number of countries will end up helping us and a number of countries will end up being actively in favor of replacing the current government. I think anything short of replacing the current government is basically irrelevant, and I think you should expect at some point in your lifetime to see a major war, and probably a nuclear war, if this government is not replaced.

Thank you for allowing us to be here.

Senator COBURN. Speaker Gingrich, thank you very much.

Next week, on November 24, IAEA is expected to debate the issue of Iran. This will be a follow-up to their last discussion this past September. They fell short of passing a resolution to send to the Security Council to consider sanctions.

If the IAEA is not able to garner sufficient support to put pressure on Iran, what is the effectiveness of the IAEA? Does anybody want to answer that? In light of the testimony that we have had here today and they can't garner the support to create a mechanism with which to sanction, just to sanction the statement that

this is wrong, or as Speaker Gingrich recommended, removal, what is the effectiveness of IAEA?

Mr. GINGRICH. I recently co-chaired with former Majority Leader George Mitchell a task force on United Nations reform. I am going to speak only for myself, but we spent more than 6 months looking at the entire international system.

I think we have to get away from the notion that there is moral authority inherent in meetings of people who do nothing meaningful. That is, the IAEA should see itself as being under test next week, not the United States. If the IAEA cannot bring itself to adopt a firm resolution reporting this to the Security Council, and if the Security Council cannot take decisive action, then the United States' attitude should be, these are irrelevant institutions that are not, frankly, very useful. I think the institutions should be served notice that they are the ones who are being judged by history, not those of us who are concerned about the Iranians.

But to allow ourselves to be handicapped, as we have been, for example, in Sudan, where we wring our hands, virtual genocide occurs, there is an argument about whether enough hundreds of thousands of people have died in Darfour to count as true genocide or simply mass murder, and nothing happens because the Chinese are getting oil and the French are getting sales, and then we say, well, gee, we can't do anything because the Security Council can't act. In the case of Sudan, it is a tragedy for the human race. In the case of Iran, it is a direct threat to the survival of the United States and we should serve notice that an impotent IAEA and an ineffective United Nations simply mean we will pursue our diplomacy elsewhere and not, frankly, worry much about their ineffectiveness.

Senator COBURN. Mr. Woolsey.

Mr. WOOLSEY. I agree with Newt, Mr. Chairman. I would only add that I alluded in my opening remarks to the ineffectiveness of the nonproliferation regime because it does not explicitly bar enrichment and fuel processing. So it gives the hesitant or the bribed an out. It lets a Russia or a France effectively say, "well, we can't say that there is a violation of the letter of the treaty. It is all a matter of intent. So, let us talk some more."

Senator COBURN. Are you suggesting that treaty be opened up to be revised?

Mr. WOOLSEY. In an ideal world, one would have a treaty regime which had two separate functions. One was to help countries that needed help develop adequate energy of different kinds. Sometimes, that might mean a nuclear reactor for electricity generation. I tend to think mainly it would be other types of energy. But even if that assistance or encouragement was provided and even for nuclear power generation, there would be no reason under this mythical regime we are just sort of inventing here, to permit fuel processing or enrichment. There is plenty of that capability in the world in the five named nuclear powers. There are 30-some countries in the world that have electricity generation from nuclear reactors and don't have fuel processing and enrichment.

So I would think, yes, ideally, we would move to a separate regime that did not permit fuel enrichment or processing to be newly constructed. But trying to restructure the current regime of inter-

national controls at the time we are facing similar cheating from North Korea and Iran would be an extraordinary diplomatic undertaking. It might be worthwhile trying to begin it in order to show our disdain for, or lack of satisfaction, for some, but in any case the unsatisfactory nature, of the current nonproliferation regime. But the chance of actually getting a completely restructured regime that the world could go along with over the course of the next few years is tiny. I think it would be a titanic task.

Senator COBURN. Senator D'Amato, do you want to comment?

Senator D'AMATO. Mr. Chairman, we have to find out what the IAEA will do because they have, for the first time, I think, seen very clearly what is taking place. They heard the words of the Iranians. I am much more hopeful that they may act in a more forward way. It is not going to bring about regime change, and let me ask you, how do we bring about regime change? Are we talking about a blockade? Are we talking about an attack? It is very easy to say, let us bring about regime change.

And what policies do we undertake? Do we take Radio Free whatever it is, beaming it into Iran? Do you think that is going to bring about a regime change? And it is one thing to say that sanctions have never worked, but the fact of the matter is that they have had an impact, and I talked about Libya.

Now, if we want to sit around and just wring our hands and say that they don't work, I respectfully disagree. But it can't be sanctions alone. It has to be engaging countries who heretofore have not been willing to back it up and make those sanctions effective. And if that means an embargo at some point in time, that is why I said I referred in my speech to constrictive engagement, to constrict them. If they begin to do the things they are supposed to do and they demonstrate it, don't talk about it, then we will reward them. And if they don't, we squeeze harder and harder.

So if we are going to talk about regime change, I don't think the American people are willing at this point in time to say, let us go to war. Let us bomb them. How do you bring that about?

I am suggesting to you that you don't bring it about without involving the world community, and that is hard work. That is not easy. But let me tell you, there is a community of interest, Mr. Chairman, that we have to explore to become involved in this battle. What is the biggest threat to the Russians? The Chechens and the same kind of terrorism that they face. I am not suggesting that the Russians are all good guys, but let us use our allies or those people.

There is an old thing that I used to hear the Administration talk about, I don't necessarily agree with it, the enemy of my enemy is my friend. So, consequently, let us begin to turn that around and if we have an opportunity to involve the Russians and others in this battle, let us see if we can't do it. If we have to go it alone, that is another matter and I say then we should do it.

Senator COBURN. Speaker Gingrich, in your testimony, you outlined the eight steps for regime change. Would you mind commenting on those now? I think it is appropriate, since nobody is talking about armed conflict here, but nobody has taken that off of the table, but that is not the purpose and the focus of our hearing today. I would like to hear Speaker Gingrich comment, if he would,

on the eight steps that he talked about in his testimony in terms of regime change.

Mr. GINGRICH. Well, let me say first, I think the first key step is victory in Iran. I think the rise of a democratic Shiia, largely Shiia government—60 percent of the population is Shiia—would have a substantial impact on the Iranian people. Every indication we have is the younger Iranians desperately would like to have an open regime, that this is, in fact, a relatively unpopular regime and that there is a substantial well of discontent in Iran. I think winning in Iraq and being decisive in helping the Iraqi people run their own country is a very important step in the right direction.

Second, I think it is very important for us to say openly and aggressively what kind of regime this is. The recent description, for example, of a young girl, 16 years of age, being strangled to death because she behaved immorally by walking hand-in-hand with an older man, and so she was publicly hung without using a hangman's knot and for 11 minutes, she gradually, slowly choked to death as a symbol. People don't describe how vicious this regime is, and we are not aggressive enough in saying publicly, these are bad people who do bad things and we want to be the allies of the good Iranians, and frankly, I think, a Radio Free Iran does help.

Ronald Reagan rolled back the Iron Curtain, eliminated the Soviet Union, and didn't fire a single shot outside of the Afghan campaign, but if you think about all the rest of the things that were done in the Soviet Union, they were all economic, political, and diplomatic.

Third, I think it is very important for us to say that we favor freedom in Iran and we favor an Iran that doesn't favor its neighbors. There is very profound testimony by Natan Sharansky, who was in the Soviet gulag at the time Ronald Reagan used the term "evil empire," and his vivid emotional explanation of the power of an American President to really send signals.

We should send a signal to the Iranian people. Every Iranian who wants to live in peace with their neighbors, we are your allies. Every Iranian who wants to live in freedom, we are your allies. Every Iranian who wants to live in a prosperous, middle-class society, we are your ally, and make it quite clear who we are opposed to.

Fourth, there are democracy movements. At a time when the Iranian dictatorship provides somewhere between $100 and $200 million a year to Hezbollah, the fact that we can't find a way to provide a couple hundred million dollars a year to those who want to free Iran is just utterly irrational. I mean, the ineffectiveness of this Administration and its predecessor to have any kind of coherent strategy—at one point there was, I remember, a television satellite program out of Los Angeles by Iranians who live in Los Angeles. We couldn't even get support for that. It was just utterly manically stupid.

I think the notion ought to be, let us match them. Every dollar they spend on Hezbollah, we will match undermining the current regime, and that would be a reasonable deterrent.

Fifth, we have got to think through a strategy on Russia and China. Right now, Russia and China have no long-term incentives to not deal with Iran, and whether that means, for example, we say

to the Chinese there is an American market and an Iranian market. Choose. The Chinese would not be able to choose the Iranian market in that setting. But I think it also means you have got to find ways to deal with the things they do need, which in the Russian case is hard currency and in the Chinese case is oil.

Sixth, and we probably do disagree on this, I think the direct application of sanctions—selective sanctions make a lot of sense, and selective technology control makes a lot of sense, and putting a lot of pressure on Germany, France, and others about selective technology makes sense. Broad sanctions don't make sense because they will just be porous. All you will do is punish Americans because you can't get anybody else to do it.

Seventh, I think it would be helpful to start establishing special tribunals for members of the Iranian Republican Guard Corps and those who are human rights violators. It is important to set a principle, which certainly we are seeing in Iran, which we should be seeing in Sudan, and by the way, we did call for this in our bipartisan Task Force on U.N. Reform. We think there ought to be a principle established that when you are destroying human beings and you are killing human beings, that you will be brought to account even if it is not today. We think that actually does act as an inhibition against this behavior.

I think two last things are that we have got to look at a ballistic missile defense and also at a defense against electromagnetic pulse, which I think is the most serious technical danger to the U.S. today. But a ballistic missile defense in the region. We should be able to say to the Gulf states that want to side with us, we should be able to say to Kuwait or to Iran as well as Israel that we are prepared to defend against the Iranian weapons of mass destruction.

And finally, I think there should be a contingency plan, A, if the regime collapses, or B, if a civil war breaks out. Iran is not a purely Persian country run by a coherent dictatorship. In this sense, it actually is not like Nazi Germany. Iran has a very large population that is non-Iranian. They have a lot of people who are not happy with the current regime. And under the right circumstances, you could, in fact, imagine a civil war breaking out in the country, and we ought to have though through strategically in advance what we would do in those circumstances.

Senator COBURN. Thank you. Senator Carper.

Senator CARPER. No questions

Senator COBURN. Senator Collins.

OPENING STATEMENT OF SENATOR COLLINS

Chairman COLLINS. Senator Carper totally surprised me there, so I am not as ready as I was going to be.

To follow up on Speaker Gingrich's comments on what we could do, Mr. Woolsey, in your testimony, you discuss engagement with the Iranian people and Iranian groups who are struggling for freedom and you go on to say that such efforts would probably require more U.S. presence in Iran. Could you describe in more detail how the United States could engage the more moderate population to bring about change? How do you get more U.S. presence in Iran?

Mr. WOOLSEY. It is my understanding, Senator Collins, that there is an Iranian interests section in the United States that has about 50 Iranians in it. Many or most, even perhaps all of these may have dual nationality. But nonetheless, we have nothing like that in Iran.

I don't think under the current circumstances it would be wise to have formal recognition and exchange of ambassadors. There may have been a time when that would have been reasonable. In the spring of 1997, right after Khatami was elected would have probably been a good time. But now, one doesn't want to look like one is giving any kind of a positive nod to Mr. Ahmadinejad in light of the events of the last few months. But I think an Iranian interests section, an American interests section in a friendly embassy, Swiss or some other, in Iran in which we could have some people on the ground would probably be a plus.

Whether we do that or not, we ought to be engaging financially and personally with Iranian dissident groups in this country, and with Iranian exiles in the region. We ought to be blanketing that country with broadcasts—not only Radio Free Europe-type broadcasts in Farsi and Arabic, but we ought to be ridiculing these mullahs and Ahmadinejad. I would go, frankly, to the two gentlemen who run and have created South Park and ask them to come up with some films ridiculing these people. If you have seen Team America World Police and see what they have done to Kim Jong Il, it is impossible to look at Kim Jong Il after seeing that movie and not burst out laughing.

I think we should basically, with all the tools of American communications, of our civil liberties organizations, our NGOs working with Iranian exile organizations, with ridicule, as I have said, turn up what used to be called out at the CIA the "great Wurlitzer." And we don't need to do this covertly, the way it was done back in the late 1940s and 1950s. This can all be done—as far as I am concerned, it is better to do it—overtly and to put a stake in the ground by the way we undertake these actions.

I would say that two people have looked at this more thoroughly and carefully than I, my friend Mike Ledeer, who is at the American Enterprise Institute, and my friend Ambassador Mark Palmer, who was my Vice Chairman when I was Chairman of the Board of Freedom House. Mark was also the American Ambassador in Hungary at the end of the 1980s and beginning of the 1990s and practiced himself as an ambassador some of the types of engagement with Hungarian dissident groups and the like which bore fruit. So I would pull together Mike Ledeen and Mark Palmer and get some creative ideas from them on some of these areas, as well.

Chairman COLLINS. I, of course, did not get any of the movie references. I just want to go clearly on record on that. [Laughter.]

Mr. WOOLSEY. One wants to watch out for Team America World Police. There are some rather gross parts to it. [Laughter.]

Chairman COLLINS. In August, the *Washington Post* reported that the national intelligence estimates reassessment of Iran's nuclear capability judged that the country was approximately 10 years away from being able to deploy a nuclear bomb. Do you agree with that assessment?

Mr. WOOLSEY. That must be because they are assuming that the Iranians are enriching their own uranium, and processing their own plutonium or fuel, all domestically. I haven't seen the estimate and it may well be a reasonable one under that set of assumptions.

But if they are able to obtain from, say, North Korea, with whom they have a close working relationship on ballistic missiles—essentially, the Taepodong and the Shahab are the same missile. It is a joint North Korean-Iranian missile program. If they were able to obtain from North Korea a few kilograms of plutonium or slightly more of highly enriched uranium, especially with highly enriched uranium, they could have a bomb much sooner than that. It is, unfortunately, rather easy to make a highly enriched uranium bomb. They might not have something they could put on the front end of a Shahab missile and launch at Israel, but something that could be detonated on a tramp steamer in New York Harbor, it is entirely plausible, I am afraid.

Chairman COLLINS. Speaker Gingrich, do you have any comment on that?

Mr. GINGRICH. My only comment is that several years ago, the North Korean public television—which is the only television, I guess, in North Korea—North Korean television showed an Iranian delegation visiting with the beloved leader, wandering around looking at missiles in sort of a missile bazaar. He is there saying, this will be a great one for you to buy.

So in a world where you can put the amount of material that Mr. Woolsey is describing in a suitcase, put it on an airliner, and have it show up, the notion that any planning agency—we have been through this whole thing with Iraqi WMD, but what people tend to forget is in 1991, when we actually got a chance to look at where Iraq was, they were radically closer to having a nuclear weapon in 1991 than anybody in the Western intelligence community thought possible.

So anybody who says to you that they can't get a weapon in the next decade doesn't have a clue what they are talking about. There is clearly a desire to get a weapon. There is clearly a world market of knowledge on how to get a weapon. And I think a prudent country would assume that at some point in the not-distant future, the Iranian regime is going to have a nuclear weapon.

Chairman COLLINS. Thank you. I want to thank all three of you for your testimony on a very important issue.

[The prepared statement of Senator Collins follows:]

PREPARED STATEMENT OF SENATOR COLLINS

Iran has been seeking to develop both indigenously and through foreign acquisitions nuclear technology, ostensibly for "peaceful" purposes. Repeatedly, the Government of Iran has insisted that, under the NPT, it has an "inalienable right to have access to [nuclear] technology for peaceful purposes." But, as virtually every nuclear expert can attest, a full-blown "peaceful" nuclear program, with a uranium enrichment program in tow, is only a small step from having a nuclear weapons program itself.

While Iran's explicit intentions may be obscured, some facts are indisputable. The June presidential elections brought to power a more hard-line regime in President Ahmadinejad. Moderates and so-called pragmatists were purged from parliament in the previous year. Not surprisingly, Freedom House has rated Iran's adherence to fundamental political and civil rights for its citizens next to last. Then, on October 28, President Ahmadinejad declared his desire for Israel to be "wiped off the map." And, of course, Iran's support for terrorism has not abated at all. Combine these

facts with the increase revenues from oil that Iran is receiving and, at least in the short run, we are facing a very difficult problem.

Yet, one thing I think that is important to keep in mind when it comes to Iran is that, in most places in the Middle East, some of the government leaders are friendly to the United States, but their populations are anti-American; in Iran, it's just the opposite. Iran's leaders are virulently anti-American but, poll after poll, indicates that most of Iran's population views the United States in a positive light. How we might use this singular bit of good news when it comes to Iran is something I will be anxious to hear form our distinguished panel of experts.

Senator COBURN. I believe by early bird rules, Senator Lautenberg was here ahead of Senator Dayton, and so we will recognize Senator Lautenberg.

Senator LAUTENBERG. Thanks, Mr. Chairman. Unfortunately, the subject is not only complicated, but interesting, as well, and it would be good if we could have a little freer dialogue about it.

I want to remind my friend Al D'Amato that he and I were on the Pan Am 103 investigating committee and it was realized then that Libya had a hand there and that sanctions worked, Newt, so they do work in some cases.

And otherwise, I look at things—we talk about flexing muscles, but if you don't have muscles, there is nothing to flex. Right now, with our situation, we have seen what happens when our troops are committed to a serious engagement in more than one place, and they are. We are spread around the world. We don't have the reserves to send out the naval blockade that we would like to see and things of that nature.

While I agree we ought to make changes, to me, one of the worst things that I see happening is what I will call sabotage from within. It is an incredibly disloyal situation. I wore a uniform. Everybody in those days was concerned about keeping secrets, and if there was ever a company who did business with the enemy, by God, they would be sunk either by a mass uprising or law promulgated.

And so I ask for Mr. Woolsey and Mr. Gingrich and Senator D'Amato, there is a loophole in the law that allows U.S. companies to do business with Iran through its foreign subsidiaries. I ask you, should that loophole be closed? Mr. Woolsey.

Mr. WOOLSEY. I certainly think so. I think any pressure is good, and I think Newt's point is a good one, that general sanctions—particularly for a country that has the oil reserves Iran does and oil being as desired and the market being as strong for it as it is—are most unlikely to be effective. But specific sanctions dealing with particular types of technology——

Senator LAUTENBERG. Well, I wonder if I could restrict you to do that, the answer you initially gave and you said yes. I would ask Mr. Gingrich, because we have time limitations.

Mr. WOOLSEY. Sure.

Mr. GINGRICH. I am for cutting off specific technologies, but I am not for punishing American companies in settings where you clearly have replacements from other countries. Having the Chinese provide something we don't provide doesn't strike me as helpful.

Senator LAUTENBERG. But let me understand. We are talking about not the competitive environment. We are talking about whether or not American companies ought to be allowed to do business with an avowed enemy, as we all clearly understand, through

some sham structure by having a headquarters or an operating facility in Dubai and headquarters in the Grand Cayman. Should that loophole be closed, or should we just let it go?

Mr. GINGRICH. I think sanctions against a country like Iran should be very selective and primarily aimed at keeping technology out of their hands.

You and I just disagree, Senator. I don't think it does any great advantage to our long-term goal to enable five other countries to sell precisely the same product rather than the United States. I don't see how—you haven't affected Iran at all.

Senator LAUTENBERG. Should we help them develop revenues, this enemy of ours, develop revenues by helping them produce their oil more efficiently to be used to fund Hezbollah and Hamas and the others? Is that an appropriate thing, in your mind?

Mr. GINGRICH. I am for changing the regime, not annoying it.

Senator LAUTENBERG. Well, when do you want to change it next week or do we do something relatively immediately to change it?

Mr. GINGRICH. Ronald Reagan was very deeply opposed to the Soviet Union and thought that the wheat cut-off was totally stupid because the only people it hurt were farmers in the Midwest, OK?

Senator LAUTENBERG. Yes——

Mr. GINGRICH. Reagan was very selective in the things that we isolated the Soviet Union from because he had a very conscious strategy of dismembering the regime and it worked.

Senator LAUTENBERG. Thank you very much. Senator D'Amato, do you think we ought to close loopholes for companies that——

Senator D'AMATO. We should absolutely close the loopholes. The President would always have the right to make exceptions where he finds, for food, for medicine, etc. But the loopholes, in general, should be closed.

Senator LAUTENBERG. Thank you.

Senator D'AMATO. This, then, would force whoever was attempting to do business to come in and make the case. You wouldn't have, for example, a Siemens—admittedly, it is not an American company, but it does a heck of a lot of business here, probably more than any other place—you could then get them to stop giving the kind of technology that is helping these rascals build a bomb.

Senator LAUTENBERG. Absolutely. Separate subject. I agree with you totally there.

I want to ask, again, our three friends here, foreign subsidiaries of American companies cannot do business with Cuba, but under current law, they can do business with Iran. Is Cuba a bigger threat to America than Iran?

Mr. WOOLSEY. No, it is not, and I would agree with closing that gap but using it, essentially, with exceptions, using it basically the way Newt said.

Senator LAUTENBERG. Mr. Gingrich.

Mr. GINGRICH. No, I think Iran is a much bigger danger to the United States than Cuba.

Senator D'AMATO. I agree with Newt and Mr. Woolsey.

Senator LAUTENBERG. Let me say this, and I appreciate the fact that we can differ on things and I respect your ability to express it. I am dug in deep on this because when I see kids from New Jersey being buried, whether it is in Arlington Cemetery or I go with

the parents and I stand there and I watch them weep and I see the little kids that they have left behind being held, and talking to a fellow at Walter Reed who is sightless and 28 years old and his wife was sitting there and I tried to talk to them about Danny Inouye and Bob Dole and war heroes. I was a soldier. I wasn't a hero. I did my duty. I say to this man, things are there that can help you get along and we want to help you and he said, "I may never see my 28-month-old child again. I want to hold her in my arms. I want to know that I am there with her."

And when I see that and I hear it and I think of companies who do business with our enemy, people who help pump money into that terrorist network, and I say, how can we dare to—we ought to be ashamed of ourselves, and I am going to do whatever I can to close that loophole. Thank you all very much.

Senator COBURN. Senator Dayton.

Senator DAYTON. Thank you, Mr. Chairman.

Director Woolsey, I am on the Armed Services Committee and I agree with you, there are areas where we are certainly militarily deficient. Your bulls-eye, just on my quick notations here, involves about a $600 billion a year increase in our military spending, which you propose—and you deserve the platinum medal for political courage in Washington to fund it with a tax increase. I wonder, seriously, what areas you would look to expand as priorities.

Mr. WOOLSEY. Senator, I wasn't necessarily saying we should go to a $1.1 trillion defense budget. I was just saying that was what the Kennedy Administration had, in GDP terms. I think one might be able to get by with less of an increase than that, but I do think——

Senator DAYTON. I won't accuse you of calling for a tax increase——

Mr. WOOLSEY. Well, I am perfectly happy to call for a tax increase. I don't have to get an election certificate to have my job as a consultant, so——

Senator DAYTON. That is an advantage you have.

Mr. WOOLSEY. But I do believe that a substantial increase in our military forces is necessary. There are some things with respect to Nation building and the like which one can do with civilian agencies. But as I think the situation in Iraq has shown—and I saw this up close when I was over there in February 2004—it would be better if we had a lot more civil affairs people directly in our military, the ability immediately to have construction work begin, to have the military paying people while they are protecting them. All of that capability was pulled out of the active forces and put into the reserves—and it is very thin even there—a few years ago.

I think our active forces need those kinds of capabilities. I think we need enough of a Navy and Air Force to be able to deal with China. I don't like seeing capable vessels in the fleet being put up in mothballs now because we can't afford to keep them going. I think we need more divisions in the Army. We might have to fight in two places at once and we have a one-war Army now. I would also increase the Marines.

I think something in the order of $100 to $200 billion a year more in the defense budget is entirely warranted given the circumstances we are in. That would bring us up to around 4 to 5 per-

cent of GDP, somewhere around half the level of proportionate sacrifice that was being made in the Kennedy Administration. If that didn't do the job, I would add another $100 or $200 billion.

Senator DAYTON. Robert Kennedy said that one of the lessons in the aftermath of the Bay of Pigs is that if you want to diffuse an international crisis, you have got to put yourself in the other guy's shoes. Given the realities in the Middle East and the Iranian perception, I assume that Israel has nuclear weapons. How are we going to get them to forego them if they believe that Israel possesses them? I will give each of the three of you a response to that.

Mr. WOOLSEY. I don't think the reason the Iranians have a nuclear weapon program is because they believe they need to deter an attack with nuclear weapons from Israel. I think they understand that they cannot simultaneously maintain their fanatical regime and support for terrorism and all the rest without being able, principally, I think, to deter us from using conventional forces against them. And that is one reason that they have—or a major reason they have—their nuclear weapons program. That and their own regional ambitions in places like Azerbaijan and the rest. They want to be able to expand to dominate the region and nuclear weapons help them very much there. Although they will, for reasons of debate, international debate, talk about Israel to the nuclear weapons program, I don't believe that is really what is driving them.

Senator DAYTON. Speaker and Senator, I have about 2 minutes, so I will give a minute apiece here.

Mr. GINGRICH. I think that we have this politically correct passion for avoiding the truth about this regime. This is a regime which believes that it has a mission to extend its view across the planet. It says so in its constitution. Its president says so. Its ayatollah says so. Its senior advisors say so. They fund Hezbollah probably to the tune of better than $100 million a year. They have engaged in active warfare against the United States at least since the early 1980s.

I think it is just like saying about Adolf Hitler, why is he so mad with the Czechs and the Poles? I mean, he was mad with the Czechs and Poles because they existed. He intended to eliminate that problem.

I think we are dealing with a regime we don't want to be honest about. If Israel has had these weapons for a long time, they clearly have proven they have not attacked anybody with their nuclear weapons. I think it is impossible for anyone to have the same sense of security about what would happen with the current Iranian dictatorship.

Senator DAYTON. Senator D'Amato.

Senator D'AMATO. I think in that case, the Congressman and Mr. Woolsey are absolutely correct. Israel does not present the threat to the Iranians. That is not why they are looking to build the bomb. It is for all the other reasons that people have indicated, their hatred of Anglo-Saxons, their hatred of the state of Israel, their view that they will prevail and have the jihad. This is what motivates them. This is what drives them.

So the one is no excuse, does not give them any moral leverage to say that Israel should be without. You have to look at the facts

as they are. And we simply do not want to, and I agree with the Congressman, we don't want to really recognize—I don't think the political climate and the courage is here, given whole lots of factors, given Iraq, the situation, people don't even want to hear about it, let alone those who have to run for political office to say, hey, you better look at this. You better look at this and North Korea and rogue nations and come up with a policy of constrictive containment.

Senator DAYTON. Thank you, Mr. Chairman.

Senator COBURN. Thank you.

Senator DAYTON. I appreciate our witnesses' candor and the excellent discussion. Thank you.

Senator COBURN. I want to make sure everybody understands that—several have addressed the chair in terms of having this hearing. The real purpose and drive behind this hearing was Senator Carper, and he deserves the credit for it because it is an issue and he is a co-partner with me on this Subcommittee and I want to recognize him and thank him for that.

I will be sending each of you two written questions, one on what impact would premature withdrawal from Iraq have in terms of our relationship with Iran? How do we influence Russia in terms of the player that we need them to be?

Now we will proceed with the next panel of witnesses. I want to thank you each for coming to testify and appreciate you being here. I am sorry that we are running over.

Senator DAYTON. Mr. Chairman, I am not going to object to the questions, but the first one on premature withdrawal seems to me to be a pretty biased question. I would like to ask the opportunity to present another question that would be included to them.

Senator COBURN. Absolutely. Any questions that you would like to ask, we will be more than happy to have them answered.

Senator DAYTON. Thank you.

Senator COBURN. First of all, let me welcome each of you and thank you very much.

Dr. Gary Samore is Vice President for Global Security and Sustainability of the John D. and Catherine T. MacArthur Foundation. As Vice President, he is responsible for the foundation's international grantmaking, currently totaling approximately $75 million annually. The international program provides grants in the fields of international peace, security, human rights, international justice, the environment, and population. Headquartered in Chicago, the foundation has offices in Mexico, India, Nigeria, Russia, and supports work in 85 countries.

Ray Takeyh is a Senior Fellow for Middle East Studies at the Council on Foreign Relations. His areas of specialization are Iran, political reform in the Middle East, and Islamist movements and parties. He is also contributing editor of the National Interest. Mr. Takeyh was previously Professor of National Security Studies at the National War College, Professor and Director of Studies at the Near East and Southeast Asia Center, a National Defense University Fellow in International Security Studies at Yale University, a fellow at the Washington Institute for Near East Policy, and a fellow at the Center for Middle Eastern Studies at the University of California-Berkeley.

Ilan Berman is Vice President for Policy of the Washington-based American Foreign Policy Council. He is an expert on security in the Middle East, Central Asia, and the Russian Federation. He has consulted for both U.S. CIA and the U.S. Department of Defense and provided assistance on foreign policy and national security issues to a range of governmental agencies and Congressional offices. Mr. Berman is Adjunct Professor for International Law and Global Security at the National Defense University in Washington, DC. He serves as a member of the reconstituted Committee on the Present Danger and is editor of the Journal of International Security Affairs. He is author of "Tehean Rising: Iran's Challenge to the United States," published in 2005.

I welcome each of you. Dr. Samore.

TESTIMONY OF GARY S. SAMORE,[1] VICE PRESIDENT, PROGRAM ON GLOBAL SECURITY AND SUSTAINABILITY, JOHN D. AND CATHERINE T. MACARTHUR FOUNDATION

Mr. SAMORE. Thank you very much, Mr. Chairman, for giving me this opportunity to discuss the challenge of Iran's nuclear program with the Subcommittee.

I would like to very briefly discuss the main technical conclusions of the study that you discussed that was put out by the London-based International Institute of Strategic Studies in September and then I will focus most of my remarks on the diplomatic state of play concerning efforts to try to prevent Iran from acquiring a nuclear weapons capability.

First, from a technical standpoint, the study by the International Institute of Strategic Studies concludes that Iran still faces a number of technical hurdles before it can achieve a nuclear weapons capability in terms of its capability to produce sufficient fissile material for nuclear weapons. So we conclude that even if Iran tried to go for a nuclear weapon as quickly as possible by lifting all political constraints, we estimate that it would still take several years, perhaps a minimum of 5 years, before Iran could produce enough weapons-grade uranium for a single bomb. This estimate represents the time required to complete and then operate a pilot scale centrifuge plan long enough to produce 20 to 25 kilograms of weapons-grade uranium, which is enough for a simple implosion device.

Over a much longer period of time, over a decade, it would be possible for the Iranians to complete industrial-scale enrichment facilities or facilities to produce and separate large quantities of plutonium, which would make it possible for the Iranians to have a much larger nuclear weapons program.

None of these technical barriers are fatal, but they create space and time for international efforts to try to deny Iran from acquiring a nuclear weapons capability.

Unfortunately, the effectiveness of diplomatic efforts over the past 2½ years, since Iran's secret nuclear program was first publicly revealed, have been very mixed. On one hand, to avoid referral to the U.N. Security Council, which the Iranians fear could lead to political isolation, economic sanctions, and even military attack, Teheran has been compelled to cooperate with investigations by the

[1] The prepared statement of Mr. Samore appears in the Appendix on page 88.

International Atomic Energy Agency into its nuclear secrets and to suspend some key elements of its enrichment activity since October 2003.

On the other hand, the Iranians have adamantly rejected all diplomatic efforts to permanently cease its fuel cycle program in exchange for assistance to its nuclear power program and other economic and political inducements offered by European negotiators. In the same way, I think it is very unlikely that Iran would accept the current Russian proposal for partial ownership of an enrichment facility on Russian soil in return for limiting its indigenous fuel cycle program just to conversion activities. So whether or not Mohammed ElBaradei, the head of the IAEA, goes to Teheran prior to the next meeting of the IAEA Board of Governors in November, I think it is very unlikely we will see a diplomatic solution.

In other words, Iran has made tactical concessions under pressure, under threats, to accept limits or some delays in its nuclear fuel cycle program, but it hasn't been willing to abandon the program altogether at any price, and I think that reflects a deeply held and longstanding conviction among all major elements of Iran's leadership that Iran needs to acquire a nuclear weapons option, although there may be different views on the wisdom of actually building nuclear weapons.

So under these circumstances, the immediate diplomatic objective is to maintain pressure in order to delay the program by keeping the remaining suspension in place and by putting pressure on Iran to continue to cooperate with the IAEA.

In this respect, Teheran calculates that the balance of power is shifting in its direction, which, therefore, reduces the risk of referral to the Security Council. From the standpoint of Teheran, the tight oil and gas market affords protection against the risk of economic sanctions, as the previous panel discussed, and the U.S. entanglement inside Iraq provides temporary protection against the risk of U.S. military attack.

Nonetheless, Teheran has acted very cautiously. In August, the Iranians resumed operations at the Esfahan uranium conversion facility to convert yellow cake into US6, feed material for enrichment, but they have maintained the suspension on the manufacture, the installation, the operation of centrifuge machines at their enrichment plant that is under construction.

Furthermore, the Iranians have continued to dribble out some enhanced cooperation with the IAEA, most recently allowing additional access to a military testing facility where it is thought Iran may have been conducting some weaponization experiments.

Using these salami tactics, Teheran has successfully defeated the efforts of the U.S. and European powers at the IAEA Board of Governors to refer Iran to the U.N. Security Council, and I suspect that pattern will continue at the next meeting in 2 weeks.

The near-term danger, it seems to me, Mr. Chairman, is that Iran will calculate that it has a window of opportunity while the United States is weak and while the international community is divided to advance its nuclear program further by lifting the suspension on some of its enrichment activities while it continues to cooperate with IAEA inspections. The challenge for us is to mobilize

strong support for enrichment as a red line, even though we have failed to enforce conversion as a trigger for referral.

The key here in terms of drawing a new red line is Russia and China. Certainly, both Moscow and Beijing share our view that Iran is seeking to develop a nuclear weapons capability, and as I understand it, they have privately warned Iran through diplomatic channels not to resume enrichment. But it is less clear that Moscow and Beijing are prepared to support referral to the Security Council if Iran resumes its enrichment program or that they would support any serious international pressure on Iran in the event that referral takes place.

Basically, Russia and China don't want to be dragged into a confrontation over Iran's nuclear program, which would jeopardize their relations with Iran on one hand and their overall relations with the U.S. and European powers on the other.

Therefore, it seems to me, in the near term, we need to convince Moscow and Beijing the best way to avoid a crisis is to convince Iran not to aggravate the situation by resuming enrichment activities, and that requires a strong private warning from Russia and China to Iran not to take that step, and I certainly hope President Bush makes that point in his meetings in the next few days with President Putin and President Hu from China.

If Iran is confronted with such a threat by the big powers, it may decide that it has no choice but to keep the suspension in place for the time being, and that could create some conditions for eventually resuming formal negotiations.

Thank you, Mr. Chairman. I look forward to responding to the Subcommittee's questions and comments.

Senator COBURN. Thank you. Mr. Takeyh, thank you very much. I have read your testimony and your entire testimony will be made a part of the record.

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

Mr. TAKEYH. Thank you. After, I suppose it is 26 years now, it is not unusual that the complexion of the Iranian regime is changing. As was mentioned, a new generation of conservatives is beginning to come to power with its own distinct views and ideologies. Ahmadinejad's presidential triumph actually concludes a cycle of resurgence of the right in Iran that has now captured all the relevant elected institutions. With this new generation of hardliners, it is their war with Iraq and not so much the revolution that is their defining experience. Their isolation of the United States, their suspicion of the international community, and their continued attachment to some basic tenets of the revolution tends to define their ideology.

The new generation of Iranian conservatives are unyielding in their ideological commitments. They are persistent in their notion that the government of God has relevance, and they are rather simplistic in their understanding that all of Iran's problems could somehow be resolved if only you go back to the roots of the revolution, whatever that is.

[1] The prepared statement of Mr. Takeyh appears in the Appendix on page 93.

Despite the conservative jubilation, their political hegemony may prove short-lived. Their conservative government was elected on a rather daunting mandate of relieving Iran's economic difficulties. It is unlikely, given their intellectual poverty, given their corruption, attachment to anachronistic policies that this government can tackle Iran's significant political and economic troubles.

There are some signs that the clerical regime is rebalancing itself and seeking to restrain its new impetuous president. President Ahmadinejad's inexperience, ideological stridency has already cost Iran dearly. His uncompromising and provocative speech in the U.N. September meeting was largely responsible for crafting an international coalition within the IAEA for potential referral of Iran to the Security Council. And, of course, his speech regarding wiping Israel off the map was also greeted with international condemnation by leading powers and international institutions.

On the domestic front, Ahmadinejad's cabinet choices, with their marked incompetence and inexperience, have received a poor reception even from a friendly hardline parliament that has refused to confirm a number of his candidates. As we sit here today, I don't believe Iran still has an oil minister, a rather critical portfolio for a country that is so energy dependent.

Given this record of inaccomplishment in a rather brief tenure, in a rather unprecedented move, the Supreme Leader of Iran has empowered the Expediency Council and Mr. Rafsanjani to supervise the workings of the government. How this will evolve in practice is hard to tell, but it seems to be an attempt, a rather subtle one, to restrain Mr. Ahmadinejad, check his excesses, and impose limits on his rather provocative ideological vision.

Iran today is what it has been, I suspect, for the past 27 years, a Nation in search of an identity. It oscillates between sort of the promises of democratic modernity and retrogressive tradition. Iran will change. However, Iran's democratic transition must come on its own terms and its own pace. The castigation of Iran, denigration of its political process, only provides ammunition to hardliners decrying Iran's democrats and reformers as unwitting agents of Western machination. Contrary to depictions, the struggle in Iran is not a simple conflict between the people and the mullahs. Iran's factional politics, ideological divisions, political rivalries are much more complex and nuanced. The dissident clerics within the seminaries, the young functionaries within the state, the student organizations defying the authorities, and Iranian women who persistently challenge religious strictures all are part of a movement seeking to liberalize the parameters of the state. The stark division between the people and the regime quickly fades when one considers how decentralized and flexible Iran's governing order has become in the intervening 30 years.

What is to be done is the question that is often posed, nearly impossible to answer. At the outset, it must be appreciated that the notion of a regime change is more of a slogan than a policy. The United States does have an important stake in Iran's internal struggles. As I mentioned, Iran will change. However, this is not a change that can be imposed, manipulated, accelerated from abroad. The best manner of impacting Iran's internal struggles is to reconnect the American and Iranian societies. Cultural ex-

changes, academic scholarships, trade, relaxed visa policies can yield a great degree of interaction between two societies that have been long estranged from another and effectively erode the foundations of the theocratic regime.

Beyond that, the United States would be wise to relax its rhetoric. For too long, we have relied on the hard stick of coercion. It is perhaps time to consider overwhelming Iran with America's more compelling soft power. By integrating Iran in the global economy and the global society, the United States can generate internal pressures for transparency, decentralization that will press Iran toward a more responsible international conduct. Through a multilateral and multifaceted approach, the United States can best deter Iran's provocative policies in the short term and cultivate a democratic transition in the long run. I will stop right there.

Senator COBURN. Thank you very much. Mr. Berman.

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

Mr. BERMAN. Thank you very much, Mr. Chairman. Let me ask also at the outset, like my colleagues, that my written testimony be entered into the record.

Senator COBURN. All written testimonies will be placed in the record, without objection.

Mr. BERMAN. Thank you, sir. And also, I would like to say that my oral remarks are intended as an elaboration of several of the points in my written testimony, primarily four points. First, what we know about Iran's nuclear ambitions. Second, what the international response has been so far. Third, the flaws in that response. And fourth, some proposals about what the United States can do.

First, all of the indications suggest that Iran's nuclear program is far more than simply an effort to develop civilian nuclear energy. You have many concealed sites. You have work on both uranium enrichment and plutonium conversion. You have a pattern of consistent diplomatic obfuscation vis-á-vis the International Atomic Energy Agency. And most importantly, because of the ideological connotations, the nuclear program, as well as Iran's chemical and biological weapons program and its strategic arsenal of ballistic missiles, is firmly in the control of the clerical army, the Pasdaran, which were created by the Ayatollah Khomeini as the shock troops of the Islamic revolution.

Also, in the public discourse, there have been a lot of discussions about reasons why Iran is not simply seeking civilian nuclear energy. Let me propose one more. Iran is a major oil exporter. It exports approximately 2.5 million barrels per day, 60 percent of its total output. But according to the U.S. Department of Energy, last year, it imported between two and three billion U.S. dollars' worth of refined gasoline. If Iran was truly interested in rapidly filling domestic energy needs, it could easily build new refineries. After all, they cost much less than nuclear reactors. The fact that it is not doing so is very telling.

[1] The prepared statement of Mr. Berman appears in the Appendix on page 99.

The international response to Iran's nuclear ambitions has been woefully inadequate thus far. Since mid-2003, our principal vehicle of engagement has been the EU3 negotiations, which are aimed at securing a lasting Iranian freeze on uranium enrichment in exchange for economic and political incentives. Since February of this year, the Bush Administration has thrown its weight behind this diplomatic process, despite the fact that the President has previously reiterated that he "will not tolerate a nuclear Iran."

The flaws with this process are manyfold. First of all, it is quite clear that the United States and its allies across the Atlantic have incompatible goals. The Bush Administration has made clear that it will not tolerate a nuclear Iran, but some European officials have endorsed at least a degree of atomic capability. In fact, a European Union proposal submitted in the spring of this year actually offers a certain level of nuclear capability to the Islamic Republic. That offer was rejected, but the offer was on the table.

Also, it is not at all clear that the United States and our allies in Europe can actually reach a durable consensus about exactly which degree of nuclear capability is acceptable for the Islamic Republic to have. We certainly have a stricter interpretation of the type of nonproliferation activities that we should be pursuing towards Iran than France and Germany do, for example.

Second, we have a problem regarding expectations. We should have very low expectations for this process. Europe's current diplomatic approach is not a new effort. During the mid-1990s, the EU attempted very much the same thing. It attempted to influence Teheran's stands on weapons of mass destruction, on terrorism, on human rights, and on the Israeli-Palestinian confrontation through a series of political and economic inducements. That process was called "critical dialogue." "Critical dialogue" fizzled in the middle of 1997, but the harm had already been done. It had been an economic and political boon to the Islamic Republic. It had reconnected Iran with a number of important trading and political partners in Europe. And the rest, as they say, is history.

There is every reason to suspect that the current round of negotiations, as we are seeing already, will fail as well, all of the current indications suggest that the goal of the Islamic Republic is not to allow an indefinite freeze on its nuclear progress.

There is also a question regarding timing. Until quite recently, Washington and Europe were very far apart in their conceptions about when Iran would actually go nuclear. In this context, a new national intelligence estimate that Senator Collins mentioned earlier, which estimated that Iran would have a nuclear capability in 10 years, can be and should be seen as a political move by the intelligence community to endorse the European negotiating track.

Candidly, I would say that this approach is foolish at best, and it is dangerous, at worst, for the simple reason that there are many of what Secretary Rumsfeld calls "unknown unknowns." The national intelligence estimate makes no mention of Iranian clandestine acquisition efforts on the nuclear black market that exists in the former Soviet Union. It makes no mention of its clandestine interaction with cartels, such as that of A.Q. Khan, the Pakistani nuclear scientist, which still exists in one form or another. And as

a result, the types of projections that we receive from this national intelligence estimate are, frankly, a bit detached from reality.

Finally, and I think this is a crucial point, the diplomatic track has no credible end game. Even if the International Atomic Energy Agency votes next week to refer the Iranian nuclear file to the U.N. Security Council, the most likely result is going to be diplomatic deadlock. It is going to be diplomatic deadlock because two of the Security Council's permanent members, Russia and China, have been central to the development and evolution of the Iranian nuclear program over the past decade and a half. This track record of cooperation means that any application of sanctions, let alone anything more forceful, by the United Nations is highly unlikely and actually might look every bit as tense diplomatically as the run up to the Iraq war did.

This has substantial implications for U.S. strategy. The fundamental problem that we are facing is that Iran's nuclear clock, the clock that is ticking down to when Iran has some level of nuclear capability, is ticking much faster than its regime change clock, the clock that is ticking down until a fundamental transformation of the regime from within. Altering that equation, and making the nuclear clock tick slower and the regime clock tick faster, should be, in my estimation, the starting point for any serious American strategy.

The United States can do so. It can delay Iran's nuclear ambitions and mitigate their impact on the Middle East through a series of measures, including international cooperation, aggressive counterproliferation, and even Gulf defense. What it can't do, however, is change Iran's desire for the bomb, and this is what makes the issue of regime character paramount.

The radical regime in Iran is the world's leading state sponsor of terrorism. It is also actively proliferating catastrophic technologies to groups like Hezbollah in Lebanon. This means that it is foolish to assume that Iran is going to be a mature nuclear possessor. As a result, the United States must do more than simply deter and contain Iran. It has to also focus its energies upon the means by which it can spur a fundamental transformation of that regime. Thank you.

Senator COBURN. Thank you very much.

First of all, Dr. Samore, what would happen if Iran had fissile material now, in your estimate?

Mr. SAMORE. You mean if they suddenly were able to acquire sufficient quantities of fissile material from North Korea or the black market or something?

Senator COBURN. Yes.

Mr. SAMORE. Well, that would drastically reduce the amount of time it would take for the Iranians to be able to build nuclear weapons. Now, it is very difficult, I think, to give you an accurate estimate of how much time it would take because at least in terms of the information that is publicly available, we really don't know very much about Iran's weaponization activities, and so as a consequence, I can't tell you whether it is 6 months or 1 year or 2 years or 3 years. We just don't know about their weaponization——

Senator COBURN. But it would certainly advance it?

Mr. SAMORE. It would certainly advance it significantly. The most important constraint on their ability to build nuclear weapons right now is that they can't produce adequate amounts of fissile material. If you suddenly made that available, it would dramatically really remove that most significant technical hurdle.

Senator COBURN. Iran has made tactical concessions, but really no real change in agenda, just a lengthening out in terms of their plans, actually delay getting caught at what we actually know, I believe, is going on, in terms of what we have seen. What should be our approach?

Mr. SAMORE. Well, as I suggested, I don't see a diplomatic deal under current circumstances that would convince the Iranians to permanently give up their ambition to develop a nuclear weapons option. Therefore, I think the best you can do diplomatically is use the threat of referral to the Security Council in order to stop some of the key elements of the program. And as I suggested since October 2003, that approach has had some success in stopping the Iranians from at least proceeding with their enrichment program.

So as I look at this issue in terms of the art of the possible, I think you have got to focus on making the threat of referral to the Security Council as credible as possible in order to convince the Iranians not to proceed with those sensitive elements of the program, and as Ray Takeyh has discussed, I think that the missteps of President Ahmadinejad has tremendously helped us because it has made Teheran much more nervous about international political isolation, and as a consequence, I think our ability to pressure the Iranians to continue to be cautious has been actually helped quite a bit by President Ahmadinejad.

Senator COBURN. Thank you. Mr. Takeyh, I really had a good time reading your statement. There were a lot of things brought up in your statement that I hadn't quite honestly thought about. A couple of questions that I have for you.

What are the threats that if you were to sit down and teach me tomorrow in the mind of the Iranians, what are the threats that they see that they face? I think to understand this, we have got to understand where they are in their mindset.

Mr. TAKEYH. In terms of the strategic threats, since September 11, the strategic situation of Iran has been sort of paradoxical. On the one hand, through United States policy, two of Iran's enemies, in Afghanistan and Iraq, have been removed from power, so objectively, Iran's security has improved.

Yet at the same time, there has been sort of a massive projection of American power on all of Iran's periphery and this projection of power has come with a rather provocative American doctrine that has suggested preemption as a tool of disarmament, regime change as an avenue of disarmament, so that their sense of insecurity has been intensified and that has made the option of nuclear deterrence even more viable.

The other lessons that Iranians have drawn from Operation Iraqi Freedom is that mere possession of chemical and biological weapons do not constitute a necessary deterrent to possible American intervention. I mean, that was the lesson of Iraq, namely, even when the United States contemplated that Iraq possessed weapons

of mass destruction, it was nevertheless not deterred by that and it went in.

So, therefore, the lesson of the Operation Iraqi Freedom is the only way the United States can potentially be deterred is through the possession of the strategic weapon, and that lesson has been even more dramatically reinforced by developments in the Korean peninsula, namely that once you do have at least the perception of nuclear weapons or perception of that capability, that not only obviates possibility of coercive regime change, but that invites potential security and economic concessions. So almost everything that has happened during the past 3 years has made the nuclear weapons option a more strategic tantalizing and appealing one.

Senator COBURN. But the threat is us?

Mr. TAKEYH. Primarily threat. There are a number of threats. The primary threat today as far as the Iranians are concerned most likely is the United States. There are a series of secondary threats—the stability of Pakistan and potential collapse of Pakistan to a Sunni radical regime with hostility to a Shiite Iran, potentially what type of Iraq emerges next door. Is it going to be a strong, cohesive state, maybe even behaving as an adjunct of American power in the Gulf, or is it going to be a weak, decentralized state with the possibility of civil war seeping over? This is the unpredictable nature of Iraq. And what type of a security architecture emerges in the Persian Gulf, which still constitutes Iran's most suitable link to the international petroleum market, the lifeblood of its economy.

So there is a series of long-term and short-term threats that condition Iran's strategic approach and condition its defense priorities.

Senator COBURN. Thank you very much.

Senator CARPER. Gentlemen, thank you all for being with us today and for your testimony.

Let me just ask of Mr. Takeyh, you and I have talked before. Do I understand that your family is from Iran?

Mr. TAKEYH. Yes.

Senator CARPER. Were you born there?

Mr. TAKEYH. Yes.

Senator CARPER. OK. Do you ever go back for any visits?

Mr. TAKEYH. Teheran, spring of 1979.

Senator CARPER. Nineteen seventy-nine, that was the last time you were there? And Dr. Samore?

Mr. SAMORE. Yes, I was there in March. It was quite an interesting trip. March of this year.

Senator CARPER. Mr. Berman.

Mr. BERMAN. No, sir.

Senator CARPER. Dr. Samore, talk to us a little bit about how people responded to you or to other Americans with whom you were traveling.

Mr. SAMORE. Well, one of the fascinating things about Iran is that Americans are very popular. It is very unlike traveling throughout the Arab world, where, of course, people are hospitable because that is their custom, but you know that they are not really very happy with Americans. Because from the standpoint of many ordinary people in Iran, they see the United States as standing for democracy and freedom and social freedom, which is the main

grievance, I think, against the regime. You find when you talk to young people that they feel that their personal freedom and economic opportunities are not faring very well. Now, that doesn't mean they are ready for revolution. It is just that is their complaint against the mullahs.

Senator CARPER. How do you explain, how do we explain a radical mayor of Teheran taking out in a presidential election Rafsanjani, who has been there forever?

Mr. SAMORE. Well, I think that was Rafsanjani's problem. I mean, he was seen as very much a representative of corrupt order that had failed to solve these kinds of problems and Ahmadinejad ran on really a populist ticket that he would deal with issues of social injustice and economic unfairness. But Ray might be in a better position to address that.

Senator CARPER. Mr. Takeyh.

Mr. TAKEYH. I think it was a powerful appeal of the notion of economic justice, the notion of anti-corruption, the idea of the powerful and the powerless, and he managed to appeal to that particular instinct. At the time of economic hardship and economic difficulty for the average Iranian, he manages to essentially have a very populist appeal at that time.

I think some of that has evaporated, given the fact that his economic program is rather discursive, but it was essentially a very populist campaign where he essentially ran against the establishment, an establishment that was detached, that was indifferent, and in many cases corrupt.

Mr. SAMORE. Just to make one other point, Senator, I think it is important to recognize that Ahmadinejad is seen as a minor player in foreign and defense policy. I mean, the key players on the nuclear issue and on broader foreign and defense policy is really the Supreme Leader and also the head of the Expediency Council, Rafsanjani. So I think that even though Ahmadinejad may say very provocative things, which isolates Iran, he is not really the one who is making the key decisions on the nuclear program.

Senator CARPER. Who appoints the head of the Expediency Council?

Mr. SAMORE. Well, the Supreme Leader.

Senator CARPER. All right. So the guy who heads up the Expediency Council, appointed by the Supreme Leader, was just defeated in a presidential election by the old mayor of Teheran.

Mr. SAMORE. Well, I mean, Ray is the expert, but what I have learned about looking at Iranian politics is that they are incredibly complicated and subtle and that you had many different competing forces and personalities and it is all a balance that is very difficult, I think, for outsiders to fully appreciate.

Keep in mind, these people have known each other for years and years. I mean, after the founder of the revolution died in 1989, the country was ruled by the Supreme Leader Khamenei and by President Rafsanjani. So they have been partners in sharing power since 1989.

Senator CARPER. In this country, we think of the President and we think of a strong chief executive, the commander in chief, the head of the Executive Branch of our government who holds sway in a lot of ways. But I gather that is not the case in Iran?

Mr. TAKEYH. There is a—it is a peculiar constitutional structure. In a sense, there are elected institutions, the parliament and the office of the presidency, but they are rather subordinate to unelected institutions, which are first and foremost, of course, the Office of the Supreme Leader, which tends of oversee all national affairs, the Council of Guardians that vets legislation and suitability of candidates for public office, and the Office of Expediency Council, whose job it is to mediate differences between the presidency and the parliament should there be a deadlock between them. And the way policy is made, it is an informal interaction between all these institutions and all these individuals.

I want to say that Ahmadinejad is not an irrelevant player in Iran's foreign policy deliberation. He has a seat at the table. But he is not the predominant player. He certainly has an influential voice. He has an influential power base within the Revolution Guard and the judiciary and so forth. But he is an actor within a larger drama.

Senator CARPER. Who makes, or what group of folks over there make the decision as to whether or not to acquiesce and to find common ground with the Europeans and us in this negotiation?

Mr. TAKEYH. The nuclear decisions are made within the context of the Supreme National Security Council, which has all the relevant members within it. There is a separate committee that actually deals with this issue on a day-to-day basis and it has five members in it. It is the Minister of Defense, the Minister of Intelligence, Ali Larijani, who is the head of the Supreme Council, head of the National Security Council. It is the representative of the president and also members of the military and the Revolutionary Guard. They tend to deal with this issue on an operational level and make their recommendations to the larger Supreme National Security Council, which ultimately comes to a decision on whether Iran should accept or defer any sort of an arrangement with the Europeans, IAEA, what have you.

Senator CARPER. Going back to my earlier question, it sounds like this new president was elected, at least in part on the issues of economic justice and appealing to the electorate. My sense is that a lot of people who are maybe more the moderates or the reformers within the country stayed home and didn't vote because a lot of the folks they would like to have supported for parliamentary positions were not allowed to run.

I am trying to figure out, and help me with this, I am trying to figure out what kind of incentives are the real power brokers in this country likely to respond to, or what kind of pressures are they likely to respond to?

Mr. TAKEYH. Well, as far as Ahmadinejad is concerned, there is not a whole lot of either incentives or pressures that is going to have a meaningful impact on him. I mean, he is rather dubious of international investment and he is indifferent to threats of coercion and sanctions and so forth and obviously incredulous to any sort of American military sanction, given the problems next door.

But as a whole, I mean, this is a system, this is a government that comes to decision on the nuclear issue, and before one postulates incentives and so forth, we have to understand what sort of a nuclear deal one is looking for, whether it is the dispension of the

fuel cycle, a permanent one, a durable one, what have you. But it is important to look at Iran within a long history of proliferation.

This is not the first time the international community has met a challenge of proliferation. In the past, many states—Argentina, Brazil, South Africa—have toyed with the idea of having nuclear weapons as a means of dealing with their security concerns. In all these cases, there was ultimately a set of factors that led these countries to step back from the nuclear precipice. First, it was a lesson, external danger. I mean, in a sense, the strategic environment that they existed in changed.

Second of all, it was always a combination of inducements, economic rewards, access to international lending institutions, preferential trade arrangements, essentially a sort of a counterbalancing set of incentives that led them to deter from pursuing nuclear weapons. I understand every country is different and has to be viewed within the context of its own national narrative, but I can't think of a country that has disbanded nuclear weapons capability or has disavowed those intentions on the threat of economic strangulation or military reprisal.

Decades of sanctions against Pakistan ultimately did not deter the Pakistanis from actually detonating the bomb. You can say similar things about India. And ultimately, what we know about China in the 1960s, it was its perceptions of danger and its perception of inevitability of conflict with the United States that led it to actually develop its own indigenous nuclear capability.

So the combination of incentives and penalties, big sticks and big carrots, ultimately is the only diplomatic approach to dissuading a country from pursuing nuclear weapons, and I suspect that is true even in the case of Iran.

Mr. SAMORE. Although I would just want to add that in the talks so far with the EU3, the Iranians have not suggested that some set of incentives or inducements would be sufficient to convince them to give up their efforts to develop a fuel cycle program. Their position has been that under no conditions, not at any price, will we agree to permanently give up our enrichment program.

Now, Mr. Takeyh may be right that at some point, the Iranian leadership will decide that they will see what they can get in exchange for trading this program away, especially if it looks like the risks of proceeding with it are so great that they don't have any choice. But certainly the record of the negotiations so far does not suggest that there is a deal out there: If only we make the carrots look a little bit more attractive, the Iranians will give up their program.

Unfortunately, this program has a very deep history. It goes back at least 20 years under the revolution, and in fact, if you look at the Shah's nuclear program in the 1970s, it looks amazingly like the program now. So I suspect that this is something pretty deeply rooted in the Iranian sense of what their national destiny is and their national needs are.

Senator CARPER. All right. Thank you very much.

Senator COBURN. Senator Dayton.

Senator DAYTON. Briefly, gentlemen, because my time is limited, would you say that Ahmadinejad won a democratic election?

Mr. TAKEYH. I think there were two elections that took place. The first one is the election that had all the members and he came in second in that particular election, I think with 19 percent of the vote, in order to make it to the second round. The top two candidates made it. He and Rafsanjani made it. I think in the first election, there were ample irregularities and he was unlikely to have that position in a sort of a clear voting and a pristine election.

Then comes the second election, where he is in a run-off with former President Rafsanjani and he wins by 63 percent of the vote. I think that was actually legitimate, in the sense that I don't believe that Mr. Rafsanjani, which has so intimately involved with Iranian corruption, could have won any sort of a—he has no electoral——

Senator DAYTON. I need you to be brief, I am sorry, because I am short of time. Mr. Berman, do you want to answer?

Mr. BERMAN. Senator Dayton, let me just say the following. I think we tend to view the Iranian elections incorrectly. Dr. Takeyh just talked about two elections. In fact, there were actually three selections that took place. There was a selection that took place earlier in the spring in which the political vetting authority for the Islamic Republic excluded more than 1,000 potential presidential candidates. The slate that was left was a slate of eight and it spanned the political spectrum. There were reformists, there were conservatives, there were hardliners, there were people like Mr. Ahmadinejad, who were former Pasdaran officials.

But the common thread uniting all of them was the fact that the Supreme Leadership of the Islamic Republic was comfortable enough with them. They might talk a different talk, but they walk the same walk. And that, I think, informs the rest of the political process going forward. It is impossible to talk about Iran in electoral terms the way we talk about the United States.

Senator DAYTON. It seems that you are, like the first panel, very pessimistic about the prospects for stopping Iran's nuclear program short of a regime change or major change of mind on their part, which you said is the result of big carrots and big sticks which are hard to formulate. Mr. Berman, you seem to be of this group the principal advocate for regime change, which seems to me only to be achievable by direct military intervention by the United States. Do you have a strategy or a game plan for regime change, or what does that entail?

Mr. BERMAN. I think this is obviously the $64,000 question. In my book, "Teheran Rising," I propose a two-tier strategy. The first track is designed to delay the time when Iran gets a nuclear weapon; in essence, to create a window of opportunity. You can do that through counterproliferation, through missile defense, through all sorts of tactical measures. But that is the easy part.

The hard part becomes what to do with the time that you have gained. Here, the essential discourse in the United States has to be about what kind of regime you want ultimately to wield those weapons. This regime has a checkered past. It is the world's leading state sponsor of terrorism. It will not be a mature nuclear possessor. Therefore, you have to think about regime change, and that opens up the door for discussions about things like Speaker Gingrich talked about.

Broadcasting is one approach. Today, this fiscal year, the entire U.S. Government broadcasting effort into Iran is $16.4 million. That is roughly 21.5 cents per Iranian per year for a country of 70 million. You can argue about how much that should be increased, but it is quite clear that if our message is not getting through, it might be through lack of bandwidth, through lack of resources.

I actually agree with Dr. Takeyh on the idea of cultural exchanges. During the Cold War, we had the opportunity through third country contacts to cultivate a cadre of leaders like Vaclev Havel, like Lech Walesa, that would go back and take the American message back to their home countries. We haven't done that. We have really abdicated the tools of political warfare that we used during the Cold War.

Senator DAYTON. Do either of you care to comment? It seems to me that if we want to assure that we are deadly serious about stopping proliferation, that it is unlikely that we are going to get them to stop proliferation as long as they are increasingly fearful that we are going to propose regime change. As you said, Mr. Takeyh, where they are concerned, the primary concern is about our intervention, which I assume means to them a military intervention to bring about regime change. Then at the same time, we are talking about better interorganizational and personal exchanges. It doesn't seem like a consistent or coherent policy.

Mr. SAMORE. Well, I think the best you can do with diplomacy now is buy time, and I think the most effective tool to buy time is the threat of referral to the Security Council. And since October 2003, that has been an effective instrument which has forced the Iranians to limit their nuclear program.

So my argument is that, in a tactical sense, what we have to do is try to strengthen the credibility of that threat in order to buy time. What happens in the long term, whether it is possible for the United States to change Iran through either soft or hard means or some combination of the two, I don't think anybody can be confident of that. But clearly, we want to buy time, and the best way to do that——

Senator DAYTON. So if you were going to recommend or structure a Senate resolution that was going to have some real effect to it, some reality-based teeth to it, would you recommend then something along the lines of that kind of urging that kind of referral?

Mr. SAMORE. Frankly, I think what is much more important than what the United States does is what Russia and China does, because the Iranians already know that the United States and the major European powers are prepared to send them to the Security Council if they break the enrichment red line. But there is uncertainty or ambiguity about where Moscow and Beijing is. So I think this is really much more an international issue than anything the United States does, either Congress or the Executive Branch.

Senator DAYTON. My time has expired, but it has been an excellent panel. I thank all three of you. It has been very enlightening. Thank you.

Senator COBURN. Senator Santorum, thank you very much for being here. Your statement will be made a part of the record.

TESTIMONY OF HON. RICK SANTORUM, A U.S. SENATOR FROM THE STATE OF PENNSYLVANIA

Senator SANTORUM. I appreciate that. I appreciate the opportunity to be here to talk to these folks and I appreciate your willingness to let a non-member sit on the panel.

[The prepared statement of Senator Santorum follows:]

PREPARED STATEMENT OF SENATOR SANTORUM

For many years, the Department of State has consistently declared the Islamic Republic of Iran the world's leading sponsor of terrorism. The Iranian regime created Hezbollah, arguably the most dangerous terrorist organization, and it actively supports Hamas and Islamic Jihad. The leader of the terrorist insurgency in Iraq, Abu Musab al Zarqawi, lived in Teheran while he created a terrorist network that ranged from Afghanistan to the capitals of Europe, including Italy and Germany.

In recent weeks, the British Government has blamed Iranian terrorists for the killing of several British soldiers in southern Iraq. Our own government has repeatedly declared that Iran is deeply involved in supporting both Sunni and Shiite terrorists against American and other coalition soldiers in both Iraq and Afghanistan. Just last Friday, Under Secretary of State Nicholas Burns, in a public statement in New Delhi, proclaimed Iran "a terrorist state."

And as we all know, it is a terrorist state intent on acquiring nuclear weapons. That thought alone should put Iran at the top of our national agenda.

In short, there is no doubt about Iran's leading role in the terror war directed against us and our friends and allies, or about the importance of dealing effectively with the Islamic Republic. yet, more than four years after the attacks of September 11, 2001, this administration still has not defined an Iran policy.

This is both lamentable and dangerous. Lamentable, because it bespeaks a lack of will and coherence on the part of the Executive Branch. Dangerous, because we can expect the Iranians and their terrorist allies to do everything in their power to kill Americans.

We must have an Iran policy, and that policy must directly pressure the Teheran regime. To that end. I and others in this body have introduced legislation. S. 333, the Iran Freedom and Support Act, that would put the United States firmly and actively on the side of the vast majority of Iranians, those who oppose the repressive terrorist regime under which they suffer, and which they desperately want to replace with a free and democratically elected government. Additionally, I have introduced S. 1737, the Iranian Nuclear Trade Prohibition Act of 2005, to prevent U.S. entities from purchasing nuclear fuel assemblies from entities that provide these items to Iran.

It is regrettable that we have not rallied to the side of the democratic opposition in Iran. To date, despite numerous fine statements from the President and the secretaries of state and defense, no real support has been given to the pro-democracy forces in Iran. Indeed these fine words, combined with inaction, are a betrayal of the Iranian people, because the words lead them to expect that we will act, and encourage them to expose themselves to a harsh regime that ruthlessly arrests, tortures and murders them.

I would have preferred to follow the lead of the Executive Branch on this matter, but we clearly have an obligation to insist on an effective Iran policy. The events in Iraq, Afghanistan, Lebanon and Syria have shown that the peoples of the Middle East want freedom and are prepared to take great risks, and pay a great and terrible price, in order to achieve it. The Iranians have often taken to the streets to demonstrate their desire for freedom, and I believe it both wise and morally right for us to support them.

In fact, it would be the right policy for us, even if Iran were not the leading supporter of terrorism, and were not actively encouraging and enabling the killing of our men and women in Iraq, even as I speak. A generation ago, this body gave full support to democratic dissidents in the Soviet Empire, from Jewish refuseniks to Polish workers in the then largely unknown city of Gdansk. The Jackson-Vanik Act and the other measures enacted by the Senate gave hope to men and women who, in remarkably short order—and contrary to the confident predictions of scores of self-proclaimed experts—brought down a tyrannical regime that many believed would rule indefinitely.

We can, and we must, do the same for the Iranian people. We must do it because it is right, because it will strike a devastating blow against the terrorists with whom

we are at war, and because it will save the lives of fine people, including our own children.

Senator SANTORUM. It is interesting, just to pick up where Senator Dayton left off and summarize what you are saying, is that your sense is that additional sanctions may not be all that helpful from the United States. Putting additional sanctions on Iran will not be the stick that will be helpful.

Mr. Berman, you suggested that we need to send better messages into Iran as a way to begin to change the regime. As you know, I have introduced a piece of legislation that tries to provide help to opposition forces, opposition groups. Can you give me a sense of what you would do? First off, does that make sense to you, and what sort of help can we provide to these nascent groups in Iran that are, as Mr. Samore said, are pro-American and pro-democracy? What can we do to take this rather disorganized group of people, from every report, and begin to gel a real opposition movement?

Mr. BERMAN. I think better messages should be just the beginning. A little over a month ago, I was on the West Coast. I had the opportunity to interact very extensively with the Iranian-American community there and I learned an interesting fact which I didn't know before. There are 22 radio and television broadcast outlets that beam into Iran via satellite or medium-wave, long-wave radio that operate, if not 24 hours a day, for the majority of the day. Now, certainly some of them are not good contenders for U.S. support. But I am sure some are, and frankly, we are not supporting them.

The consequences of that were clear a couple of years ago. In the summer of 2003, there were protests on a smaller scale resembling those that took place in Teheran in 1999 that began to take place on university campuses in Teheran and then radiated outward to other cities, like Isfahan. As those gathered strength, a lot of people in Washington, myself included, were watching this very closely. All of a sudden, over the course of 3 to 4 days, those protests petered out. It was rather hard to determine why until I spoke with a number of people who were involved with U.S. public diplomacy.

The answer was that the Iranian regime could not block broadcasts, because they were beaming off of a satellite from NITV (National Iranian Television) in Los Angeles. The students were using this television outlet to coordinate where the next protest would be, where the next activities would be. So the Iranian regime asked the regime of Fidel Castro in Cuba to jam those satellite broadcasts, and they did so. Over the course of 2 to 3 days, the Iranian protests lost steam precisely because they had no coordinating mechanism.

And by not responding to this in any way, the United States sent a very dangerous message. The message was: There is a limit to our support for Iran's urge for democracy. That is the wrong message to send.

Mr. TAKEYH. What you see in Iran today is a considerable degree of opposition sentiment, but there is no opposition movement as such. It doesn't have strong labor union traditions, as you saw in Eastern Europe. There is no equivalent of Solidarity. There is no

charismatic figure, like Iran's own 1979 revolution, that could bring all these forces together. There is a lot of division and fragmentation within the Iranian opposition. They tend to be all over the spectrum.

I am not quite sure if that could be created abroad by any external power, no matter how powerful. Ultimately, it has to do with the Iranian people themselves. The Iranian youth has been particularly imaginative, but they have been imaginative not in terms of challenging the regime, but circumventing it in the sense that they have their own private social life, their own, essentially, activities that they try to conceal from the regime.

And so long as there is no active Iranian leadership coming from the domestic scene, internal in Iran coming to the surface and organizing this opposition sentiment around a cohesive movement, I am not quite sure there is much the international community can do.

Mr. SAMORE. I can only give you the views of the tourist. It didn't seem to me like this was a sort of pre-revolutionary situation, where you are going to have people prepared to risk their lives to try to overthrow the government. They are very unhappy. Most of them would like to come to the United States so they could have personal freedom. But I didn't get the sense that this is a situation where we are likely to be able to bring about hard regime change.

Both of the other panelists have talked about the value of soft regime change, that is to say through cultural and other exchanges, but those kinds of things take a very long time, and unfortunately, during that time, we have got to try to slow down the nuclear clock.

Senator SANTORUM. One other question, and my time is running out. Just give me your insights as to what you think Iran is doing to provide assistance to some of the terrorist elements within Iraq and whether they seem to be functioning and what the impact of a democratic Iraq is on their world view.

Mr. BERMAN. I think this is a central question. There has been a lot of discussion lately, certainly in the media, about Iran's role in Iraq in sponsoring the insurgency. I would say that Iran, in my estimation, has a much more complex role that it is playing in Iraq than is usually noted. They are not just sponsoring the insurgency, although there is credible evidence to suggest that elements of Iran's clerical army, the Pasdaran, are providing bomb-making assistance, as well as training and tactics assistance to elements of the Iraqi insurgency.

They are also attempting to shift the terms of the political debate in Iraq through their sponsorship of certain groups, such as the Supreme Council for the Islamic Republic in Iraq, SCIRI, and their subsidiary support for armed militias associated with those groups. SCIRI has a militia named the Badr organization, which is very active.

The strategy there is multifaceted, I think the goal, though, is very clear. Last year, the commander of Iran's clerical army gave a speech in which he said, "that if American strategy encounters difficulties in Iraq, it will stop. Otherwise, it will undoubtedly stretch to other countries, to neighboring countries."

This is the clearest indication that I can find in the open source that Iran has declared opposition to democratization as a key element of regime strategy, and I think this is something that should be of very much concern to all of you here in Washington.

Mr. TAKEYH. I would say if you look at Iran's strategy, which has changed and evolved over time, increasingly, the core Iranian strategic objective in Iraq is empowerment of the Shiia community and particularly the organized aspect of the Shiia community, which happens to be the Supreme Council of Islamic Revolution, also the Davo party, which the current Prime Minister of Iraq is a member of, are the most organized ones.

The empowerment of those particular groups is an important objective in Iran, and somehow you see what they are doing in Iraq today reminiscent of what they did in Lebanon, namely organization of the Shiia community, winning their hearts and minds through economic assistance, but also at the same time offering assistance to the militia groups that are associated with those Shiia political parties, such as the Badr brigade.

It is important to recognize the Badr brigade is not an illegal militia. Iraq's constitution recognizes that political parties can have armed militias, as was the case with the Kurdish population, as well.

Increasingly, I begin to think that Iran's strategy in Iraq is namely the realization of this strategy is contingent on actually the democratic process. The more Shiites are elected and the more they are empowered and the more Iraq's promises become stronger and the central government becomes weaker. As such, the stability and success of Iraqi democracy is incongruously in Iran's own interest.

Also, when Iraq is a stable democratic system, that is the time when the American forces will leave. As the President has said, we will stand down when they stand up. Well, that is the day that Iranians are looking forward to.

So I am not quite sure if the Iranian strategy at this point is to subvert the democratic process.

Mr. BERMAN. Could I just interject one point here? I think that is a perfectly valid scenario. There is also another scenario that I think needs to be taken into account, however. If it is credible that Iran is attempting to monopolize the democratic process, there can be an equally credible case made that Iran is attempting to subvert the democratic process to foment some sort of civil strife in which Shiite communities will look to the Islamic Republic for protection and allow Iran to expand its influence in Iraq that way.

Mr. SAMORE. Just to answer very briefly, what the Iranians will say to you is that they have benefitted tremendously from the U.S. invasion of Iraq. First, the mess in the country and the insurgency ties down U.S. forces and therefore provides some protection to Iran and also gives the Iranians leverage against the United States, because if they want to retaliate if we do something they don't like, they can step up their support for the insurgency. So they like the mess next door. That helps them.

At the same time, what the Iranians will say is that they think that eventually, when a government emerges in Baghdad, it is very likely to be dominated by Shiias and therefore very likely to be much more friendly to them than Saddam Hussein was.

Some of this may be bravado, but what you hear from Iranians is the sense that things are going pretty well for them in terms of the Iraqi situation.

Senator SANTORUM. Thank you.

Senator DAYTON. Senator Coburn, I would like to thank you for what I think is one of the very best hearings I have had my entire time in the Senate. It was really excellent. I thank all of you.

I would like to suggest the possibility of a hearing at some point to look at what have been the successful strategies the United States—and Libya comes to mind—with deterring other nations from going through with this procurement or development of nuclear weapons. Conversely, what has failed? I mean, this seems to me the crux of the problem here.

Again, I commend you for this. It has really been very insightful. Thank you.

Senator COBURN. Thank you. We will take that under advisement with Senator Carper.

First of all, let me thank each of you for your time and your testimony. There are several questions that we will be submitting that we would like for you to answer, if you would, on a timely basis. I plan on contacting each of you. I want to learn more about your thoughts.

Mr. Takeyh, you have a great insight because not only are you an American, you are an Iranian and that gives us an insight into feelings, emotions, and connectivity with the Islamic Republic of Iran that we might not have otherwise, and so I look forward to visiting with each of you on this very difficult subject for us. Thank you very much for being here.

The hearing is adjourned.

[Whereupon, at 5:38 p.m., the Subcommittee was adjourned.]

APPENDIX

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

November 15, 2005

Iran: Tehran's Nuclear Recklessness and the U.S. Response

Testimony of

R. James Woolsey

Mr. Chairman and Members of the Committee. It is an honor to testify before you today on this important subject. I am testifying solely in my own behalf and not as a representative of any organization. By way of identification I served as Director of Central Intelligence, 1993-95, and have held Presidential appointments in two Republican and two Democratic administrations during a career that has generally been devoted to private law practice and, now, consulting.

Whatever hope there might have been after the 1997 election of President Khatami that the current government of Iran would have been willing to work with the West, turn from fanaticism, and forgo a nuclear weapons program died, in my view, about a year into Khatami's first term. It was then, in mid-1998, that the theocratic fanaticism that has been the guiding spirit of the regime since 1979 reasserted itself after a year of uncertainty, resumed the murdering of Iranian dissidents and reformers, and killed any hope of reform by the regime itself. Those who saw any opportunity for reform during the last Iranian Presidential election early this year, particularly in the candidacy of Mr. Rafsanjani, were in my judgment deluding themselves – somewhat analogously, perhaps, to those who once convinced themselves that Mr. Andropov would be a reformer in the USSR because, supposedly, he drank Scotch and liked jazz.

With the ascendancy of Mr. Ahmadinejad to the Presidency a few months ago, and with Iran's rejection last Saturday of a proposal from the EU-3 -- Britain, France, and Germany -- that Iran's nuclear fuel be enriched by Russia, one would think that even those most committed to the fiction that this Iranian government might turn from its nuclear ambitions must be coming to face the cold reality of the Iranian nuclear weapons program.

There is no reason in economics or common sense for Iran to be involved in fuel enrichment and processing unless it has a nuclear weapons program. This is admittedly a question on intent under the current, flawed, Non-

Proliferation Treaty, but the Iranian intent is crystal clear to any objective observer. Moreover, recent press reports, particularly a lengthy report in the New York Times last Sunday by William Broad and David Sanger, have disclosed Iranian warhead work on the Shahab missile that is consistent with nuclear warhead development. Iran hid its fuel enrichment work until it the IAEA was tipped off in 2003 and then discovered Iranian preparation for uranium enrichment (via the use of over 50,000 centrifuges) at Natanz and construction of a heavy water plant and reactor to produce plutonium at Arak. IAEA inspectors have further found at least seven covert Iranian nuclear sites and, at one, traces of uranium enriched to the high levels needed for a bomb rather than the much lower levels needed for a reactor generating electric power. Iran bulldozed one site, at Lavizan-Shian, before inspectors were allowed to visit it.

Iran has acknowledged acquiring obtaining nuclear materials from the notorious head of the Pakistani program, A Q Khan, but the extent of that trafficking is still being investigated. Moreover recent material obtained by US intelligence from Iran, cited in the Broad/Sanger article, indicates Iranian work on: (a) a sphere of detonated conventional explosives designed to compress the radioactive material to begin the chain reaction in a bomb; (b) positioning a heavy ball inside the warhead to ensure stability and accuracy during the terminal phase of a nuclear-armed missile's flight; and (c) detonation at the 2,000-foot altitude appropriate only for nuclear weapons.

Although one individual at a Washington-based NGO was reported in the Times article as speculating that one possible explanation for the above Iranian activities was that they might be evidence of "the uncoordinated effort of a particularly ambitious sector of the [Iranian] rocket program" the chance of such rogue activity within the nuclear weapons program of a fanatically totalitarian theocracy seems slim indeed.

How soon might Iran obtain nuclear weapons? It all hinges on how soon they can obtain adequate fissionable material. Some aspects of the capabilities of a more sophisticated plutonium weapon might be desirable to those managing the Iranian nuclear weapon and missile programs. But it should be remembered that in the case of highly enriched uranium, once the nuclear material is available a simple shotgun-design weapon, similar to that which we used on Hiroshima sixty years ago, could be quickly produced. Estimates of how far the Iranians are from having nuclear weapons thus doubtless depend heavily on assessments of the maturity of their fuel enrichment and processing capabilities. But if they were supplied with highly enriched uranium by some outside source, such as their erstwhile collaborator, North Korea, simple nuclear weapons could be available to them in very short order.

What are our alternatives in terms of policy? The theory behind giving the responsibility for negotiating with Iran to the EU-3 was that we would thereby be more likely to see their being willing to implement severe sanctions against Iran if it persisted in its nuclear weapons program. But, as Reuel Marc Gerecht has recently pointed out in The Weekly Standard, $60-a-barrel oil (Iran's only substantial export) severely undercuts this possibility even to the degree it might have theoretically existed.

What then are our options? First we must be clear-eyed about the nature of the Ahmadinejad regime. There is no possibility, none, of working with it or moderating it. For example, at the recent "World Without Zionism" conference in Tehran, Ahmadinejad displayed a large hour-glass with a broken USA lying in the lower half of the glass and Israel falling through the glass to break beside it. The President of Iran said in his speech, ". . . a world without America and Zionism? But you had best know that this slogan and this goal are attainable, and surely can be achieved . . . . " The chief of strategy for Ahmadinejad, Hassan Abbassi, is the architect of Iran's "war preparation plan". He has said:

"We have a strategy drawn up he the destruction of Anglo-Saxon civilization . . . we must make use of everything we have at hand to strike at this front by means of our suicide operations or 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. . . . Once we have defeated the Anglo-Saxons the rest will run for cover."

With the Ahmadinejad regime in power, regime change appears to be the only option. We have some cards to play in this regard due to the massive unpopularity of the regime, including among many Iranian Shi'ite clerics. Short of the use of force against Iran itself – our last resort but an option that we under no circumstances should take off the table – we have two possibilities, mutually supporting.

First, as Reuel Gerecht points out in the above-cited article, success in moving toward a Shi'ite-majority democracy in Iraq will help substantially in undermining Khamenei's and Ahmadinejad's rule as young Iranian Shia see the possibility of living in a much freer society. Thus for a host of reasons success in Iraq is essential.

Second, Ambassador Mark Palmer has written persuasively of how we can engage and work with the Iranian people and Iranian groups struggling for freedom without enhancing the position of, or making concessions to, the Iranian government. Such efforts would probably require more US presence in Iran; one

reasonable approach would be to demand reciprocity with respect to an American interests section in a friendly embassy in Tehran; through such a mechanism Iran has some 50 individuals in the US.

Finally, it would be my judgment that to prepare for the possibility of the need to use force against Iran and to show our national resolve regarding proliferation by Iran and other proliferators such as North Korea we should promptly undertake a major expansion of our armed forces. This would entail a substantial increase in the Defense budget and, in my view, a tax increase would be required to pay for it. We should not balk at this - earlier generations have sacrificed much more, even outside the context of fighting hot wars.

For example, in the early 1960's before the Vietnam War we were spending over 9 per cent of GDP on Defense (because we had shifted strategy from massive retaliation to flexible response, requiring substantially more conventional forces). This would be the equivalent of a Defense budget of well over a trillion dollars in today's $11+ trillion American economy. Admittedly in the early 60's the way we cared for the elderly was far more a matter of individual family responsibility (and some neglect) and the demographics were different, so Social Security, Medicare, and Medicaid did not affect the federal budget as they do now. But we cannot let the political decisions made in the last few generations about how the nation is to care for its elderly undermine our willingness to protect ourselves, and to pay for this protection.

Appeasement, whatever euphemism is used, of Iran or any other dictatorship determined to deploy nuclear weapons and support terror will not work any better than it did in the 1930's. It is time to stop deluding ourselves that security can be obtained in today's world on the cheap and without sacrifice. It cannot be.

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

November 15, 2005

Iran: Tehran's Nuclear Recklessness and the U.S. Response

Testimony of

Alfonse D'Amato

Thank you, Mr. Chairman, for giving me an opportunity to testify at today's hearing on "Iran's Nuclear Recklessness and the US Response" being held by the **Senate Committee on Homeland Security and Governmental Affairs**.

The threat of Iran's nuclear program to the US is very real, and it is highly dangerous. Make no mistake about it, if Iran is allowed to develop nuclear weapons, and the world does nothing about it, we will pay a horrendous price. It is no secret that Iran has developed an intermediate range Missile, known as the Shahab.

Words matter, Mister Chairman, and the words of Iran's leaders should give us all pause. When the President of Iran says that "Israel should be wiped off the map," we can not dismiss his words as rhetorical extravagance. When the elected leader of a nation that is brazenly pursuing a nuclear weapon option talks about wiping a nation off the map, those words, in themselves should cause us great concern.

The Shahab missile does not have precise guidance capabilities, making it of no real military use in purely military terms, it cannot hit military targets with anywhere near pinpoint accuracy. It is a terror weapon, pure and simple, that can only be used to deliver a warhead in the general direction of almost every urban center in the Middle East.

It would appear that Iran is well into the design phase of a nuclear weapon. If allowed to pursue their real objectives, the building of a nuclear bomb, the threat of nuclear terror attacks will be increased many times over. This cannot be allowed to take place. The cost of our inaction, and that of the world community would be incalculable.

It is unimaginable that the free world would permit terrorists to have access to such destructive power. Because if every nation can develop nuclear weapons while the world is frozen in a diplomatic stupor, then we may all be doomed to a nuclear holocaust.

The real danger to world peace is not the Iranian development of a missile system that can deliver a nuclear device 1,000 miles or more. The real danger is the clandestine transfer of nuclear materials that could be used by terrorist organizations. It would be difficult or impossible to hold countries involved in such transfers accountable for nuclear terrorist attacks.

The liklihood of the Iranians or any other nation launching attacks pales in comparison to terrorist groups which are so shadowy that they escape the ability to have their acts traced back to them. There is no mutually assured destruction which acts to prevent or deter these shadowy terrorist groups from launching suicide attacks as exists in the family of nations.

The crisis is immediate and unfortunately, the options available to the U. S. in this crisis are very limited.

But how does Iran's nuclear program affect America's security? If terrorist elements are able to obtain nuclear weapons from rogue states and are determined to deliver them to our country - they will not rely on missiles to fly them in and they will achieve absolute pinpoint accuracy in the delivery of these horrific weapons by smuggling them into American cities and detonating them in our

midst.

The stakes are high, Mr. Chairman, and the US is at an historic crossroads in our relations with Iran. This is like a prize fight. We either stay in the ring with the international community or we are outside the ring. Mr. Chairman, you cannot win a fight outside the ring.

To that end we must cultivate a grand coalition. If Russia is willing to help assure that Iran's peaceful nuclear technology and fuels are held in a well policed closed loop, if as one diplomat says even France sees the threat as real, if the UN and the IAEA are willing to act with resolve and meaning, then we should put aside all preconceptions and prejudices to work together to solve this deadly problem. If the Arab League can be brought to bear in this matter, to take into account that a nuclear Iran is destabilizing to the entire Middle East, all the better.

We are faced with the necessity to temper Iran's flirtation with nuclear empowerment by firmly asserting international limits on the future possibility of nuclear power in Iran or anywhere else in the non-nuclear world. The US must always be the moral leader in this quest for nuclear containment, we must be willing to provide the minds and the muscle to help enforce international will, but we must also seize the opportunity to galvanize world powers to stand at our side in the effort. If we are headed towards a nuclear doomsday – and we very well may be – then we should do so with the moral and military force of the entire enlightened world community among our ranks. We should not and cannot fight this fight alone.

The U.S. must commit itself fully and totally in the international community's efforts to constrict the spread of nuclear arms capability wherever and whenever this threat rears its head. This policy of constrictive engagement must involve the entire world

community.

I firmly believe in the efficacy of well defined and implemented sanctions, Mr. Chairman. As a member of the Senate I authored the **Iran Libyan Sanctions Act (ILSA)** in 1995 to deter Iran and Libya's support for terrorism.

Always keeping our goal of preventing nuclear proliferation firmly at the center of our foreign policy, we must respond with an agile and adaptive foreign policy towards rogue states such as Iran. I refer to this policy as ***constrictive engagement. It is a policy to constrict Iran's choices, its actions, and its impulses in its quest for a nuclear capability, to squeeze its leaders hard until they understand that the world resolve is equal to their aggressiveness***. The tactical application of this policy is the effective use of economic and political sanctions and the use of world forums to bring to light the rogue nature of Iran's policies.

To that end we must remember President John Kennedy's timeless words: "Let us never negotiate out of fear. But let us never fear to negotiate." This should be the mantra of the world community toward rogue states and the terrorist activities they support.

In short, for positive actions that Iran takes, let there be a measured reward and for every transgression there must be penalties supported by the world community. Make no mistake about it, this will not be easy and the Iranians no doubt will test our resolve. But we must remain firm along with the free nations of the world in this time of crisis and challenge. For, without security, there can be no peace, and ultimately, no real freedom.

STATEMENT OF

FORMER SPEAKER OF THE HOUSE NEWT GINGRICH

BEFORE THE

SENATE COMMITTEE ON HOMELAND SECURITY & GOVERNMENTAL AFFAIRS

SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, AND INTERNATIONAL SECURITY

TUESDAY, NOVEMBER 15, 2005

Chairman Coburn, Ranking Member Carper, and members of the subcommittee:

I appreciate the opportunity to testify today about the extraordinary challenge that the current regime in Iran poses to the safety of the United States and the safety of our democratic allies. The extraordinary scope of the threat requires that we take extraordinary measures to meet it.

Not since the failure of the League of Nations in the 1930s to confront the aggression of the dictatorships in Japan, Italy, and Germany have we seen the willful avoidance of reality which is now underway with regard to Iran.

In the 1930s Winston Churchill read Hitler's Mein Kampf and came to understand that Hitler meant exactly what he said. Churchill found himself isolated and alone among British political leaders as the British government refused to recognize the depth of Hitler's evil and the seriousness of his statements.

The League of Nations found itself able to issue press releases and diplomatic condemnation but unable to do anything effective about the Japanese invasion of Manchuria and later China, the Italian invasion of Abyssinia (now Ethiopia) and later Albania, Germany breaking the Versailles Treaty by remilitarizing the Rhineland and then absorbing Austria and occupying Czechoslovakia.

Each weak, paper response of the democracies simply increased the contempt and boldness of the dictators.

There are lessons to be learned from the 1930s and those lessons apply directly to the current government of Iran.

Indeed, the new Iranian President does not even require us to read a book like Mein Kampf to understand how serious he is. He enthusiastically makes speeches

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proclaiming to the world his commitment to genocidal annihilation of another nation. Furthermore his senior foreign policy leader has endorsed his vicious threats. Iranian Foreign Minister Manouchehr Mottaki confirmed to Iranian state run television that "the comments expressed by the president is the declared and specific policy of the Islamic Republic of Iran..."

Meanwhile the civilized world wrings its hands and the United Nations acts with contemptible weakness.

It is in this context that your hearing on what the United States policy on Iran should be is so important.

The central proposition of this testimony is this: the combination of two elements – the virulence of the ideology of Iran's current regime and advanced military capabilities it is working energetically to acquire – when added to Iran's inherent endowment – its strategic location, natural resources, population, and proximity to the vital resources of other nations in the region and the seaways through which these sources reach the rest of the world – poses a threat of such scope and magnitude which leave us with no choice but to take it with the utmost seriousness. We must prepare and take actions of the same intensity and seriousness as the threat.

Yet, time is not on our side.

By word and deed for the last 25 years, the tyrannical ruling class of the Islamic Republic of Iran has shown itself willing to murder Americans, murder Israelis, and murder anyone who threatens its illegitimate and corrupt rule, including Iranians who wish to live as free men and women.

And just last month we had the extraordinary speech by the new President of Iran who openly called for the destruction of the United States and Israel.

These threats should worry the entire world coming as they do from a regime that is actively developing and deploying an intermediate range missile capability, and that has reportedly conducted a ballistic missile launch off of a merchant ship in the Caspian Sea. An Iranian merchant ship ballistic missile launching capability should worry every American, especially those living along the Atlantic and Pacific coasts of the United States.

But even more worrying is that these public threats to destroy the United States and Israel, and any country allied with them, come from a country that is widely suspected of carrying on a clandestine nuclear weapons program.

In short, a country with a track record of carrying out its murderous ideology may soon have the capability to deliver on its publicly declared and unambiguously stated intentions to inflict mortal harm on the United States on a massive scale. A nuclear tipped intermediate-range Iranian missile launched from a merchant ship

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off the coast of the United States could do just that. That, or Iran could simply supply its terrorist handmaidens with a small scale nuclear device to use against U.S. targets here at home or abroad.

As every member of this subcommittee knows, the suspicions that Iran is developing nuclear weapons capability are not held by the United States alone.

Just two months ago on September 24, 2005, the Board of Governors of the International Atomic Energy Agency (IAEA) – the international organization whose responsibility it is to administer safeguards designed to ensure that the use of nuclear energy technology is not used in such a way as to further any military purpose – has found Iran to be in "non-compliance" with its obligations under the Nuclear Non-Proliferation Treaty by virtue of its non-compliance with its safeguard agreement with the IAEA pursuant to this treaty.

In particular, the IAEA Board of Governors found in its September 24 resolution that "given the history of concealment of Iran's nuclear activities...and the resulting absence of confidence that Iran's nuclear program is exclusively for peaceful purposes have given rise to questions that are within the competence of the Security Council, as the organ bearing the main responsibility for the maintenance of international peace and security." (emphasis added)

The nature and twenty five year history of the Iranian regime, including the recent statements by Iranian President Ahmadinejad, along with the ongoing Iranian missile development and the September 2005 finding by the IAEA that Iran is in non-compliance with its commitments under the NPT, provide an appropriate basis to draw some conclusions about the threat the current Iranian regime poses to the United States and what we should do about it.

And those conclusions are straightforward, which I outline below and elaborate on in the sections following along with recommendations:

1. The current Iranian regime is the most dangerous in the world and is the single most urgent threat to American national security.

2. The threat posed by Iran can only be properly understood in the context of the Long War Against the Irreconcilable Wing of Islam, which is a worldwide war in which the United States and its allies are unavoidably engaged, and in which the U.S. has active campaigns in Iraq and Afghanistan.

3. While the U.S. should pursue holding Iran accountable for its treaty obligations through international bodies such as the IAEA and the U.N. Security Council, the United States cannot let the ineffectiveness and delay of these international bureaucracies become an excuse for our stopping Iran from acquiring nuclear weapons. The fact that the IAEA Board of Governors failed in its September 24 resolution to refer Iran's non-compliance to the U.N. Security Council – which is called for by Article XII

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C. of the IAEA governing statute – is a troubling indication that American national security may be threatened by the inaction of an international organization which was designed to help safeguard it. And the fact that the strongest term that the Secretary General can muster in response to the Iranian President's threat against Israel is "dismay" -- instead of, for example, pointing out that a sitting head of a government has openly violated the 1949 Genocide Convention – may tell us all we need to know about the current seriousness of the United Nations with respect to Iran. The utter ineffectiveness of the League of Nations to respond to threats to international peace and security in the 1930s is a lesson we should heed if we think that words alone can protect us from the threat posed by Iran.

4. One key to preventing and/or severely degrading Iran's efforts to develop nuclear weapons is persuading Russia that it is in its own interest to stop helping Iran with its nuclear program.

5. Iran is a member of a small group of nations whose behavior is so indefensible and at odds with norms of the civilized world (North Korea and Sudan being two others) that the only moral and practical policy objective of the United States government towards these governments is regime change.

6. While we must preserve a strong military capability to deter and/or remove the threat posed by the current Iranian regime, there is an extraordinary opportunity for every peace loving and civilized country in the world, led by the United States, to support a democracy movement within Iran to achieve regime change short of armed conflict. Indeed, the most significant allies in a U.S. policy of regime change in Iran are likely to be the Iranian people themselves. This when combined with victory against the terrorists in Iraq and the formation of a democratic government in Iraq, is the best strategy for regime change in Iran.

The Current Iranian Regime Poses the Single Most Significant Threat to American Safety

Shortly following the 1979 Iranian revolution led by Ayatollah Ruhollah Khomeini, Iran was transformed into a theocratic state and quickly drafted a constitution that is still in place today. Its preamble sets forth the mission of the post-revolutionary theocratic state:

> *[I]t is the mission of the Constitution to materialize the ideology of the Movement and create such conditions under which Man may grow according to the noble and universal values of Islam.*
>
> *With due consideration to the Islamic content of the Iranian Revolution, which was a movement for the victory of all the oppressed people over their oppressors, the Constitution paves the way for the perpetuation of this Revolution in and outside the country, particularly in the area of expansion of international relations with*

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other Islamic and peoples' movements; it tries to prepare the ground for the creation of a single world community… and the perpetuation of the struggle for delivering all the deprived and oppressed nations of the world…[emphasis added]
Ideological Army

In establishing and equipping the defense forces of the country, it shall be taken into consideration that faith and ideology are the basis and criterion. Therefore, the Army of the Islamic Republic and the Revolutionary Guard Corps will be formed in conformity with the above objective, and will be responsible not only for protecting and safeguarding the frontiers but also for the ideological mission, that is, Jihad. For God's sake and struggle for promoting the rule of God's law in the world. [emphasis added]

Thus dedicated to spreading the goals of the 1979 revolution to other nations, Iran has engaged in a 25 year campaign of terror and murder.

Among the highlights:

(i) Inventing, creating, funding, training, and operating to this day Hezbollah in Lebanon, arguably the most dangerous terrorist organization in the world;
(ii) Financing Hezbollah to the tune of approximately $100 million a year, although some analysts think the figure is closer to $200 million a year;
(iii) Ordering and financing the attack on the U.S. Marine barracks in October 1983 that resulted in the death of 241 American servicemen. It was the largest non-nuclear explosion that had ever been detonated on earth, with a force of between 15,000 to 21,000 pounds of TNT;
(iv) Providing support for the Khobar Towers bombing in 1996 that killed 19 American Servicemen and one Saudi national;
(v) Funding Hamas and Islamic Jihad, and incentivizing the murder of hundreds of Israelis in suicide bombings;
(vi) The assassination of four leaders of the Democratic Party of Iranian Kurdistan, an Iranian dissident group;
(vii) The bombing of the Buenos Aires Jewish community center in 1994; and
(viii) The registration of more than 25,000 "martyrdom seeking" volunteers to take part in the attacks on U.S.-led forces in Iraq.

It is against this backdrop that we must consider Iran's drive to develop nuclear weapons and its ability to deliver such weapons. It is also only against this backdrop that we can properly understand the seriousness of Iranian President Ahmadinejad's threat to wipe Israel off the face of the map.

The proof of Iran's direct and indirect complicity in terrorist activity against the United States and Israel is exhaustively chronicled elsewhere and need not be repeated here.

The simple point is that even without nuclear weapons, the Iranian regime poses the greatest threat to American lives and interests and to the lives and interest of

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our democratic allies.

With nuclear weapons, Iran would have the ability to inflict massive loss of life on American soil, along with massive disruption to the American way of life; it would also pose an existential threat to Israel.

Postponing for a brief moment the question before the IAEA of whether Iran is actually engaged in the development of nuclear weapons, let us consider whether Iran has the capability and intent to use nuclear weapons if it had them.

First, as to capability, in the last several years Iran has been systematically developing its intermediate range missile systems. Attached to this statement as **Appendix 1** is a chronicle of Iran's missile testing. Iran now has missiles that can hit Israel. And ominously for the United States, Iran has missiles that can hit U.S. installations in Iraq and Turkey. There has also been one report that Iran tested launching a ballistic missile from a merchant ship, which means that Iran may be testing the capability to launch a surprise attack on the United States from a merchant ship off our coasts.

An attack by a single Iranian nuclear missile could have a catastrophic impact on the United States by causing an electromagnetic pulse (**EMP**) over a portion of the country. Such an attack could quickly turn a third or more of the United States back to a 19th Century level of development.[1] Electrical transformers and switching stations would fail. Without electricity, hospitals would fail, water and

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[1] "The high-altitude nuclear weapon-generated electromagnetic pulse (EMP) is one of a small number of threats that has the potential to hold our society seriously at risk and might result in defeat of our military forces. The damage level could be sufficient to be catastrophic to the Nation, and our current vulnerability invites attack."

"Briefly, a single nuclear weapon exploded at high altitude above the United States will interact with the Earth's atmosphere, ionosphere, and magnetic field to produce an electromagnetic pulse (EMP) radiating down to the Earth and additionally create electrical currents in the Earth. EMP effects are both direct and indirect. The former are due to electromagnetic "shocking" of electronics and stressing of electrical systems, and the latter arise from the damage that "shocked"—upset, damaged, and destroyed—electronics controls then inflict on the systems in which they are embedded. The indirect effects can be even more severe than the direct effects."

"The electromagnetic fields produced by weapons designed and deployed with the intent to produce EMP have a high likelihood of damaging electrical power systems, electronics, and information systems upon which American society depends. Their effects on dependent systems and infrastructures could be sufficient to qualify as catastrophic to the Nation."

"Depending on the specific characteristics of the attacks, unprecedented cascading failures of our major infrastructures could result. In that event, a regional or national recovery would be long and difficult and would seriously degrade the safety and overall viability of our Nation. The primary avenues for catastrophic damage to the Nation are through our electric power infrastructure and thence into our telecommunications, energy, and other infrastructures. These, in turn, can seriously impact other important aspects of our Nation's life, including the financial system; means of getting food, water, and medical care to the citizenry; trade; and production of goods and services. The recovery of any one of the key national infrastructures is dependent on the recovery of others. The longer the outage, the more problematic and uncertain the recovery will be. It is possible for the functional outages to become mutually reinforcing until at some point the degradation of infrastructure could have irreversible effects on the country's ability to support its population." (Overview, Report of the Commission to Assess the Threat to the United States from Electromagnetic Pulse (EMP) Attack, Volume 1; Executive Report, July 22, 2004, Dr. William R. Graham (Chairman))"

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sewage services would fail, gas stations would be unable to provide petroleum, trucks would not be able to distribute food supplies, and essential services would rapidly disintegrate.

This is not idle speculation but taken from the consensus findings of 9 distinguished American scientists who authored the "Report of the Commission to Assess the Threat to the United States from Electromagnetic Pulse (EMP) Attack", which was delivered to Congress on June 22, 2004, the same day that the 9/11 Commission report was published.

In its executive summary, the EMP Commission Report noted that "terrorists or state actors that possess relatively unsophisticated missiles armed with nuclear weapons may well calculate that, instead of destroying a city or military base, they may obtain the greatest political-military utility from one or a few such weapons by using them—or threatening their use—in an EMP attack."

Such an approach might even be deniable by the Iranians. After all, such an attack could be launched from the middle of the ocean and not from a specific country.

In the immediate aftermath of Katrina, we got a small preview of what the impact of such an EMP attack could be like.

Contemplating an EMP threat makes more troubling reports that certain Iranian missile tests resulted in missiles that have detonated in flight at or near apogee, which the Iranian press has reported as successful events. Normally, it would be expected that that the ability to target specific locations would be the standard for success for ballistic tests. However, if the ability to launch an EMP attack was being tested, detonation at apogee would be the measure of testing success. As noted by the EMP Commission, a country with limited nuclear capabilities and few choices as to delivery platforms has only a few options to deliver a deadly blow. An EMP attack would be one such strategy.

A nuclear Iran would have the capability to inflict a brutal and vicious attack on the United States. A nuclear Iran would certainly have much more capability to do so than Japan did in 1941.

This leaves us with the question of intent.

It would be difficult for the Iranian leadership to be any clearer about their intentions, especially in the case of the Iranian President's October 26, 2005 threats against the U.S. and Israel. In addition to threatening to "wipe [Israel] off the map" and insisting on the possibility of a world without the U.S. or Israel, the Iranian President made his remarks in front of a poster backdrop entitled "The World without Zionism". And in case anybody was still unsure about Iran's intention, the Iranians decided to make it abundantly simple to understand by also providing a poster with two glass balls representing the United States and Israel. This poster showed an Israeli glass ball hurtling through an hourglass – on its way

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presumably to join the fate of the U.S. glass ball, which already lies shattered on the ground.

Previous statements by Iranian leaders are every bit as vicious and direct in their implications, such as former President Rafsanjani's threat in 2001 to use nuclear weapons against Israel.

A catalog of Iranian regime threats against the U.S. and Israel is attached as **Appendix 2** to this statement.

The Iranian track record in supporting and abetting the murder of Americans and Israelis makes it clear that we have to take their current threats with absolute seriousness.

A failure to take the Iranians seriously could have catastrophic consequences for both the United States and Israel.

Let one outcome of this hearing be that this subcommittee has taken sober note of the Iranian message telegraphed to us by the Iranian president's speech and that we take the Iranian president's threats deadly seriously.

Iran and the Long War Against the Irreconcilable Wing of Islam

It is not possible to adequately understand the threat posed by Iran unless the current Iranian regime and its ideological underpinnings are understood within the larger struggle in which the civilized nations of the world are – in varying degrees -- unavoidably engaged. In the United States we currently refer to this struggle as the "Global War on Terror". Yet, this label fails to capture the nature of the threat faced by civilization.

The nature of the threat – with Iran at the epicenter – is at its core ideological. The threat to the United States is an ideological wing of Islam that is irreconcilable to modern civilization as we know it in the United States and throughout most of the world.

Four years ago, these ideological adherents killed almost 3,000 innocent people in New York, Pennsylvania, and Washington, D.C.

Thousands of other innocents have been murdered and maimed since by such enemies in London, Madrid, Beslan, Bali, Jerusalem, Baghdad, Istanbul, Sharm-el-Sheikh, New Delhi, Amman, and many other cities.

The terrorist Ayman Al-Zawahiri is explicit about Al Qaeda's "right to kill four million Americans---two million of them children—and to exile twice as many and wound and cripple hundreds of thousands."

The Irreconcilable Wing of Islam believes in a strikingly different world then the

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one we believe. It is an uncivilized and barbaric world. This wing of Islam, and its adherents and recruits, are irreconcilable because they cannot peacefully coexist with the civilized world. Their views on the role of women, on the application of medieval religious law (the Sha'ria) and religious intolerance (prosecuting Christians) make them irreconcilable with civilization in the modern age.

This ideological wing of Islam is irreconcilable because it does not accept freedom of conscience.

It does not accept freedom of speech.

It does not accept that women are equal in dignity and equal under the law, but instead accords them an inferior status in the life of society.

It does not accept the existence of the United States, with the Iranian regime adherents of the Irreconcilable Wing of Islam constantly fomenting a cheering chorus calling the United States the "Great Satan" and calling for its destruction. Their constantly declared goal is to either destroy or dominate the United States.

It does not accept Israel as a legal state.

It does not accept the inherent dignity of every human life. Instead, it supports the taking of innocent lives -- in the name of its ideology -- of anyone or any group that disagrees with its world view.

Dutch citizen Theo van Gogh dared to criticize certain practices of the Irreconcilable Wing of Islam and an adherent of this wing killed him in cold blood on the streets of Amsterdam. After first shooting and then standing over a still alive van Gogh who was begging for his life, the killer slit his throat and then stabbed a knife into his chest with a letter attached. The letter contained the following threat: "I surely know that you, O America, will be destroyed. I surely know that you, O Europe, will be destroyed. I surely know that you, O Holland, will be destroyed."

Should we not assume the fervor of this cold blooded killer is matched by the fervor of the current President of Iran? Should we not then take the Iranian president seriously when he threatens to destroy the United States and wipe Israel off the face of the map?

Because this war is at its core an ideological war, it is more accurate to think of and identify this war as the "Long War".

It is stunningly hard to win a war of ideology where the enemy is religiously motivated to kill us.

To put this into perspective, if the people of the United States were to suddenly decide that a particular concept was inherently wrong in our educational system, it

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could easily take 20 to 30 years to change that concept, rewrite all the text books, and retrain all the educators. That example is one completely within our culture. If one includes intercultural communication difficulties, the problem grows exponentially harder. If we use every tool at the disposal of the American people in support of a coherent theory of victory, the Long War might only last 50 – 70 years. Yet, it will probably last much longer.

This is a societal war of identity so there are no holds barred, no rules, and no real accommodations (only tactical maneuvers) or potential for compromise solutions on their part that would be culturally acceptable to us, or to them.

Given the existence of nuclear and biological weapons and the efforts of enemies to secure them, the Long War is potentially an existential threat to our survival as a free country, and the survival of other free countries. The leaders of Iran have made this potential consequence quite clear in both their words and in the deeds that have given them an intermediate range missile capability.

Four years after 9/11 and with active military operations first in Afghanistan and then in Iraq, it is also difficult for the American public to appreciate that this war for civilization is still only in its early stages. And it is not just about Iraq. Were it only so, but it is not. The Long War is at once a global military fight and a battle of ideas between those who would defend civilization and those who would destroy it. The startling fact that all of the London subway bombers were British citizens strongly implies that the Bush Doctrine is only partly right. In other words, spreading democracy may be essential to win this war, but by itself it may not be sufficient. This poses a new and extraordinarily difficult challenge for America's security.

If the London bombings were not enough evidence, one need only consider the murderer of Theo van Gogh, who has vowed to kill again if he could. From his viewpoint, this is completely rational. After all, nothing the state can do to him in this world could possibly outweigh what God can do for him in the next.

The Long War is 90% intellectual, communications, political, economic, diplomacy, and intelligence focused. It is at most 10% military. We have not yet developed the doctrine or structure capable of thinking through and implementing a Long War (30 to 70 years if we are lucky) on a societal scale. This challenge is compounded because it is fundamentally different from waging the Cold War against the Soviet Union. The Cold War was essentially a grand siege in which a defensive alliance could contain the Soviet Union until it collapsed.

This is an inherently offensive war in which we have to actively defeat our opponents. Furthermore this war resembles the Reformation-era wars of religion in which fellow nationals may be traitors serving the other side (examine Elizabethan England and the origins of the English secret service as an example).

Analyzing this societal reality, designing strategies that first avoid defeat and then achieve victory, communicating these strategies to the Congress and the

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American people so they understand and support them, and then communicating them to our allies and neutrals around the world in terms which they can support is a challenge dramatically more complex and difficult than the development of the containment strategy from 1947 to 1950. It is also central to our survival and to our ability to lead the world. As is set forth in more detail below, persuading Russia of the nature of this threat and the danger that it poses to Russia should be a key part of our efforts to prevent Iran from acquiring nuclear weapons.

In summary, the Irreconcilable Wing of Islam is the enemy we face in the Long War. And this enemy is not confined to one country or geographic area, although the current Iran regime is at the heart of this Irreconcilable Wing of Islam, and through the Iranian state apparatus -- and oil wealth – is one of its central bankers. The Long War has a particular focus in the Middle East where Syria, Iran, Saudi Arabia, and Pakistan are all potentially flash points of great danger. Within the Middle Eastern focus there are currently campaigns underway in Afghanistan and Iraq.

Responding to Iran Through International Organizations

This hearing occurs one week prior to the IAEA Board of Governors meeting that will presumably decide whether to refer Iran's non-compliance with its safeguards agreement to the Security Council.

President Ahmadinejad's Statements and the 1948 Genocide Convention

Before discussing the IAEA's next step, should we not take a moment to ask in the context of looking to international organizations for a coordinated response to the challenge of Iran whether anyone has noticed that with his recent comments about wiping Israel off the face of the earth, the President of Iran has openly violated the 1949 Genocide Convention? Article 3(c) of the Convention makes punishable the "direct and public incitement to commit genocide", with genocide itself defined in part as killing, in whole or in part, members of a national group. Perhaps a sophisticated lawyer can explain why the Iranian President's call to wipe Israel off the face of the earth is not a violation of the Genocide Convention, but it sure seems to be one based upon a plain reading of the Convention.

If this were not enough, consider the 2001 statement by Akbar Hashemi Rafsanjani, the former President of Iran:

> *If one day, the world of Islam comes to possess the weapons currently in Israel's possession -- on that day this method of global arrogance would come to an end. This is because the use of a nuclear bomb in Israel will leave nothing on the ground, whereas it will only damage the world of Islam.*

The Genocide Convention has an additional definition of "deliberately inflicting on the [national] group conditions of life calculated to bring about its physical destruction." Again, it would seem quite clear that the use of a nuclear bomb in

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Israel, as called for by a former Iranian president, would inflict upon Israel a condition of life that would bring about the physical destruction of a national group. The current Iranian President's recent remarks should be understood in this context.

Make no mistake, the use of one or more nuclear weapons against Israel would constitute a second genocide of the Jewish people.

President Ahmadinejad's Statements and the International Criminal Court Treaty

It is also worth noting at this hearing that the new International Criminal Court (ICC) also has some very specific provisions relating to genocide. Article 25(3)(e) of the Rome Statue of the ICC provides individual criminal responsibility for any individual who directly and publicly incites others to commit genocide.

The President of Iran made his statements in public – before 4,000 people. His poster props were in English. He made no attempt to hide his remarks. The Iranian foreign minister explicitly and publicly endorsed the remarks as the policy of the Iranian government. Ahmadinejad quite clearly made public incitements to commit genocide against the nation of Israel. Given its support of Hezbollah, financial and otherwise, Iran has an apparatus in place to carry out the Iranian President's wishes.

Article 27 of the Rome Statue also makes clear that its provisions for individual criminal responsibility apply "equally to all persons without any distinction based on official capacity" such as a head of state or government.

Article 77 of the Statue authorizes the ICC to imprison individuals for committing crimes defined by the Statue.

Iran has signed but not ratified the Rome Statue and is therefore not a State Party to the ICC. Therefore, the only mechanism by which to provide the ICC with jurisdiction in the case of President Ahmadinejad's public incitement to genocide against Israel is to have the U.N. Security Council refer the matter to the ICC. Because the United States is not a State Party to the ICC treaty and may therefore not consider itself the appropriate country to bring this matter up in the Security Council, it would be a reasonable expectation that a European member of the Security Council will bring this matter before the Council. After all, European countries in particular have consistently vowed that we shall "never again" have another holocaust. The referral of this matter to the Security Council by a European country will make a strong statement that State Parties to the ICC treaty take the ICC seriously and intend to enforce its provisions designed to deter genocide.

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President Ahmadinejad's Statements and Reaction of the U.N. Secretary General and the U.N. Security Council

While the United States should advocate a much tougher stance by the United Nations in the wake of Ahmadinejad's remarks, the immediate reaction by the U.N. Secretary General and Security Council has been quite limited. Secretary-General issued a statement through his spokesman that indicated that the Secretary-General had read the remarks "with dismay". The Secretary-General then went on to remind all member states that Israel is a member of the United Nations.

The Security Council was a bit better. It issued a press statement through the President of the Security Council in which the members of the Security Council condemned the remarks.

The two statements are strikingly similar to the weak paper protests that issued from the League of Nations.

The IAEA and Iran's Suspected Nuclear Weapons Program

On September 24, 2005, the IAEA found Iran in "non-compliance" with its safeguard agreement by a vote of 22-1, with several abstaining votes, which notably included Russia and China. Article XII C. of the IAEA governing statue indicates that a finding of non-compliance triggers a referral to the Security Council, a step that the Board of Governors did not take in its September 24 resolution.

There is speculation that the IAEA Board of Governors will take this action to formally refer Iran's non-compliance to the U.N. Security Council at its upcoming meeting next week. An article in the *New York Times* this past weekend describes U.S. efforts to convince certain governments represented on the IAEA Board of Governors of Iran's intentions to develop nuclear weapons, which involves in some cases sharing knowledge learned from a recovered laptop computer that contains Iran nuclear weapons plans.

Whether or not these efforts result in a formal referral to the Security Council, let us not for a moment fail to focus on the goal to be achieved, which is the prevention -- or, in the near term, the severe degradation – of Iran's ability to develop nuclear weapons.

The primary way that this can be achieved is through the active cooperation of Russia, which is the primary supplier of nuclear technology equipment and know-how to Iran, which knowledge and equipment can be used develop nuclear weapons.

It will not serve our purposes to have a referral to the Security Council only to have Russia veto measures designed to thwart an Iranian nuclear weapons program.

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Somehow Russia must be convinced of the urgency to end its support for Iran's nuclear energy program.

This is no small task. Russia derives significant economic benefits from its assistance to Iran. And in the grand scheme of power politics, Russia surely derives benefits from being a thorn in the side of the United States by causing us to expend treasure and influence in dealing with Iran. Such a posture also requires the United States to give much greater consideration to Russian needs and desires.

Yet, we should make every effort to explain to Russia that it is playing with fire if it thinks it can neatly inoculate itself from the blowback to its interests that would surely develop if Iran developed nuclear weapons. Russia need not be lectured about the dangers of terrorism. It has already suffered grievously. It has had planes blown out of the sky and endured the unbearable tragedy of having hundreds of its school children massacred. And while the perpetrators of these crimes against Russia may have no connection to the Iranian regime, Russia knows the ruthlessness of those who hold views irreconcilable with modern civilization and kill innocent children.

But a nuclear Iran would accelerate the fervor of the Irreconcilable Wing of Islam, which adherents would eventually challenge the authority of the Russian state, whether or not such adherents had any formal relationship with the Iranian regime. Just this past weekend we learned that al-Qaeda has challenged the legitimacy of the Queen of England, calling her one of the severest threats to Islam. Can it really be that long before some armed group of this Irreconcilable Wing of Islam denies the legitimacy of the Russian president and begins suicide bombing campaigns in the Russian heartland? A nuclear armed Iran financing the spread of its irreconcilable ideology would surely come eventually to harm Russia itself.

In the Long War, we need Russia as an ally and we need Russia's cooperation to deny Iran nuclear weapons.

The Lessons of the 1930s

Whether or not we secure Russia's help to deny Iran a nuclear weapon, there is no question that a referral of Iran's nuclear intentions to the Security Council would provide an important venue in which to organize a national and international debate about Iran's intentions and capabilities. This debate could be vital to awaken international public opinion to the threat we face from the current Iranian regime and its long standing support for terrorism.

The world has been focused on Saddam Hussein and a liberated Iraq the past three years while Iran has escaped focused attention. This must change.

As we pursue a debate in the Security Council, let us always be mindful of the lure of words as a substitute for the necessary actions that may save American lives.

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In the 1930s, words were all that could be mustered by the League of Nations to respond to a set of aggressions that ultimately led to World War II. A brief outline of three actions by tyrannical regimes in the 1930s is attached as **Appendix 3** to this statement, along with the empty words of the League that responded to these aggressions. It should serve as a cautionary reminder of what may happen if we fail to back words with actions.

If we cannot persuade Russia and other influential states to curb Iran's pursuit of nuclear weapons, the United States will either have to take action outside of the United Nations system to prevent Iran from acquiring weapons – which will not be easy and which will surely involve deadly counter-strikes from Iran -- or the United States and other countries will have to respond to Iranian aggression after what may be tragically a massive loss of innocent lives in a surprise attack.

As is often the case when confronted with the need to soberly see the world as it is, the words of Winston Churchill are instructive. Speaking in the House of Commons following the Nazi annexation of Austria in 1938, Churchill spoke about what could still be done to forestall the approaching war:

> *It seems to me quite clear that we cannot possibly confine ourselves only to a renewed effort at rearmament. I know that some of honourable friends on this side of the House will laugh when I offer them this advice. I say, "Laugh, but listen." I affirm that the Government should express in the strongest terms our adherence to the Covenant of the League of Nations and our resolve to procure by international action the reign of law in Europe.....There must be a moral basis for British rearmament and British foreign policy. We must have that basis if we are to unite and inspire our people and procure their wholehearted action...*
>
> *Our affairs have come to such a pass that there is no escape without running risks. On every ground of prudence as well as of duty I urge His Majesty's Government to proclaim a renewed, revivified, unflinching adherence to the Covenant of the League of Nations. What is there ridiculous about collective security? The only thing that is ridiculous about it is that we have not got it. Let us see whether we cannot do something to procure a strong element of collective security for ourselves and for others....Why not make a stand while there is still a good company of united, very powerful countries that share our dangers and aspirations? Why should we delay until we are confronted with a general landslide of those small countries passing over, because they have no other choice, to the overwhelming power of the Nazi regime?*
>
> *If a number of States were assembled around Great Britain and France in a solemn treaty for mutual defence against aggression; if they had their forces marshalled in what you may call a Grand Alliance; if they had their Staff arrangements concerted; if all this rested, as it can honourably rest, upon the Covenant of the League of Nations, in pursuance of all the*

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> *purposes and ideals of the League of Nations; if that were sustained, as it would be, by the moral sense of the world; and if it were done in the year 1938-and, believe me, it may be the last chance there will be for doing it-then I say that you might even now arrest this approaching war. Then perhaps the curse which overhangs Europe would pass away. Then perhaps the ferocious passions which now grip a great people would turn inwards and not outwards in an internal rather than an external explosion, and mankind would be spared the deadly ordeal towards which we have been sagging and sliding month by month....*

Is not Churchill's prescription in 1930 for checking Nazi aggression apt today for checking Iranian efforts to develop nuclear weapons?

Civilized countries still have an opportunity to work through international organizations that have a degree of worldwide legitimacy to strengthen and support real change in Iran and endorse actions to prevent Iran from developing a nuclear bomb.

Regime Change is the only Moral and Practical Foreign Policy Objective of the United States Government Toward Iran

While the United States should actively work bilaterally with Russia and multilaterally through international institutions to stop Iran from developing nuclear weapons, let us keep our eye on what should be our overall objective – regime change in Iran. We must actively work toward the day when Iranians can have free elections and a government that is accountable to the people.

As a moral matter, regime change should be our objective as the current Iranian regime's internal repression and external support of terror is so beyond the norms of civilization as to not be tolerated by the world community.

As a practical matter, regime change should be our objective because the current Iranian regime is by its own definition a non-status quo power which is dedicated to exporting revolution and destroying the United States and Israel. There is no compromising with a regime that puts the choice like that. And if that is the choice that is put to us by the current Iranian regime, then our strategy for dealing with it should be crystal clear: we win, they lose. There is no détente with a regime committed to killing you.

Lastly, if regime change is achieved in Iran through a democratic revolution, the question of Iranian nuclear weapons is automatically lessened because everything we know about the Iranians' attitudes suggests that they will be pro-western and peaceful.

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U.S. Military Readiness, Victory in Iraq, and a Coordinated, Vibrant, and Consistent Democratization Program Offer the Best Chance for Regime Change in Iran Short of Armed Conflict

A policy of regime change in Iran does not mean that our first step is military invasion or air attack.

It is not.

Nevertheless, ensuring the readiness of our armed forces and conveying quite clearly to the current Iranian leadership our willingness to use military force in an overwhelming manner to protect American lives – and to protect our democratic allies -- from Iranian actions is the first step.

This means that we require a defense and intelligence budget capable of meeting the threat posed by Iran.

While we may be heavily engaged on the ground in Iraq, the current Iranian regime should understand that the United States has more than ample air and naval forces to defend its interests.

The following are a set of additional thoughts on how to bring about regime change in Iran:

1. **Victory in Iraq**. We have no other choice but to see our efforts in Iraq through to victory. A democratizing Iraqi neighbor that is accountable to its people and respects their human rights will put enormous pressure on the Iranian regime.

2. **Recognize the Weakness of the Iranian Regime and Let it Be Known Far and Wide**. Iran's experience since 1979 has not been a happy one. Notwithstanding the oil-led growth of the 1990s, individual incomes are 2/3 of what they were before the fall of the Shah, while during the same period of time individual incomes almost doubled in the rest of the world. Iran produces large numbers of highly educated, unemployable young people who are neither allowed to pursue fulfilling and productive lives in Iran nor seek opportunities abroad. Their existence is precarious. The regime hangs people in very public ceremonies at the drop of a hat to make examples for everybody else, including the case of a 16 year old girl for "acts incompatible with chastity." There are summary executions, torture and arbitrary arrests and detention. In 2002, in an effort to combat "un-Islamic behavior", the Iranian regime formed a new "morality" force to complement the existing morality police by assisting in the enforcement of the regime's strict rules of moral behavior, which apparently has includes offenses such as listening to music, or in the case of women, wearing makeup or clothing regarded as insufficiently modest. All of these conditions and many more help to explain why the current Iranian regime has not won hearts and

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minds and instead engages in internal repression. What if the Iranian people began to understand more and more that the regime has failed them in other ways besides simply denying the vote or free expression? Wouldn't it be interesting if these facts and other ugly social phenomena were exposed more broadly to the Iranian people to demonstrate that the state fails to deliver on its stated social welfare goals or that it conspires against its own people? It would be more interesting still if such practices were to become the stuff of international headlines.

3. **Have Confidence in the Power of American Values and the Words of the American President to Change History**. The United States should have every confidence that freedom and democracy is hungrily desired by vast numbers of the Iranian people. And there is no more powerful civil office on the face of the planet to give voice to the aspirations of the Iranian people for freedom than the American presidency. America can never forget the lesson we learned from former Soviet dissident Natan Sharansky about the impact of Ronald Reagan's words. Sitting in an eight by ten prison cell in Siberia, Sharansky remembers the ecstasy that overcame the dissident prisoners as word spread – through tapping on the walls in code and talking through toilets – that the American President Ronald Reagan had called the Soviet Union an "evil empire". As Sharansky wrote, "finally, the leader of the free world had spoken the truth – a truth that burned inside the heart of each and every one of us." Sharansky also recalled how the morale of the jailers dropped. No wonder, calling things by their rightful names clarifies personal responsibility and the choices that confront individual conscience.

   The United States must use the power of the spoken word to condemn the leaders of the current Iranian regime, keeping in mind what President John F. Kennedy said about Winston Churchill in making him an honorary American citizen, "[h]e mobilized the English language and sent it into battle."

   We also should remember the lessons in the art of liberation taught by one of the other towering giants of the 20th Century. When Karol Wojtyla set down in Warsaw, Poland on June 2, 1979 as Pope John Paul II, he began a nine day visit that triggered a revolution of Polish conscience that changed the world. By helping the Polish people to reclaim their authentic cultural identity through a direct challenge to them to live lives of dignity, he allowed them to disenthrall themselves from the walls of lies that Communism had built. And in hearing the truth about who they were, the people of Poland soon realized how many of "us" there were in comparison to the few of the "them" -- the artificial regime that governed them.

   As Aleksandr Solzhenitsyn argued in his 1970 Nobel lecture, the communist culture of the lie and communist violence were closely linked, such that when the lie was exposed, the violence "will come crashing down."

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Iran is obviously not a Christian country, but the day will come when the Iranian people are collectively roused to understand that they are not to be associated with a twisted ideology that sends off a Muslim married couple as suicide bombers to bomb the wedding party of another Muslim couple, as we saw in Amman this past week. And when that revulsion happens, we will see the tide turn sharply against the Irreconcilable Wing of Islam.

Michael Rubin and Patrick Clawson write in their new book *Eternal Iran* that there is a common understanding dating back centuries between Iranian leaders and the people that when leaders overstepped their boundaries, the Iranian people rose up to demand their rights.

The U.S. government should be doing everything it can to hasten this happening again, by magnifying Iranian voices and interests who wish to press their demands for the crashing down of this violent Iranian regime.

The Iranian people will be soon marking in 2006 the 100th anniversary of the Constitutional Revolution. This is an ideal anniversary period for the U.S. to stress in advancing these themes.

In this spirit, all level of the U.S. government should also champion the cause and extol the courage of Iranian dissidents. Prominent among them is Akbar Ganji who, despite pleas this summer from President Bush, members of congress, the EU, European governments, U.N. agencies, Secretary-General Annan and virtually every major international human rights organization, was not released after his 50+ day hunger strike. He remains in solitary confinement and being tortured presently, according to Human Rights Watch. Ganji is Iran's most prominent investigative journalist, who exposed the regime's rampant corruption and organized killing of dissidents. He is a clear, popular voice for democracy. Despite his confinement, Ganii remains an inspiration for other dissidents, as was evidenced by the pro-Ganji demonstration outside the Milad hospital in September where hundreds of supporters congregated. It is not surprising why the Iranian regime wants Ganji incarcerated.

4. **Support Iranian Democracy Movements**. The United States should aggressively reach out to those Iranians who want a democratic transformation of their country and be ready to help finance their activities. In this regard, we should support Senator Santorum's bill that is aimed at supporting a transition to democracy in Iran and providing $10 million as a start to fund this effort. If Iran can finance Hezbollah with $100 million a year to kill and terrorize the innocent, surely the United States can spend at least $10 million a year to help bring freedom to the oppressed and stop the terror masters in Tehran.In fact the United States should commit as many resources as can usefully be spent in both open and covert activities to maximize the ability of the Iranian people to gain control over their

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government and replace the dictatorship.

5. **We Must Think Creatively on How To Make It Easier for Russia and China to Opt Out of their Support for the Iranian Government**. As we know, Russia needs the hard currency Iran will pay out upon completion of the Iranian nuclear reactor at Bushehr and China needs Iran for its oil. And both enjoy Iran as a market for weapons. Russia is critical because it is the source of workers, planners and ultimately, nuclear fuel for the plant at Bushehr. China also was critical for supplying nuclear materials to Iran, although China now find Iran far more important for the relatively hassle-free oil purchases and the high-end weapons (anti-ship missiles) it can sell Iran . The question is how to sour Iran's relations with Russia and China or convince the latter two to isolate Iran if only until regime change is effected. Perhaps U.S. tax credits for oil companies willing to exploit Siberian reserves that depress oil prices and make it easier for China (and everyone else) to buy oil on world markets with a corresponding loss of revenue to Iran and a net employment and oil sales gain for Russia could be part of the equation. In this regard, recall the Reagan Administration's successful effort to increase Saudi oil production in the 1980s that led to lower oil prices worldwide and a dramatic drop in Soviet hard currency reserves owing to decreased Soviet oil revenues. Along these lines, what about guarantees by the U.S. Overseas Private Investment Corporation for joint consortiums with Chinese or Russian companies to exploit reserves in Russia or Afghan gas fields? I am not specifically endorsing these measures but suggesting them as a way of thinking about different creative solutions we should debate to achieve our goal of stopping Iran's nuclear weapons development.

6. **Avoid Broad Economic Sanctions, Especially Avoid Oil Sanctions**. American-led economic sanctions have consistently been shown to be an imprecise and normally ineffective instrument of policy. And in the case of Saddam Hussein's Iraq, where multilateral oil sanctions were enforced, they served as a dictatorship-support instead of a dictatorship-weakening program, corrupted the implementers of the policy (the U.N.), and hurt the Iraqi people whom it was designed to help. Given that Iran is the world's second largest supplier of oil, a multilateral oil embargo would be replete with cheating and end up being hopeless. We should not spend any diplomatic energy going down this path. There may be opportunities for very targeted sanctions that exacerbate internal Iranian tensions. For example, Iran's already high (approx. 20%) unemployment rate is made worse by China's increasing textile exports to Iran. Might we facilitate entry of finished goods from China across Iraq's border into Iran to further displace local industry? Iran is dependent on the export of carpets and some agricultural goods for an important part of its rural economy. Might they be disrupted? Depending on Iranian behavior, could the European Union be persuaded to place a targeted ban on the imports of these goods?

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7. **Announce Formation of Special Tribunals for Members of the Iranian Republican Guard Corps and the Basij**. Active public discussion and planning for the trials of the worst of Iran's human rights violators or its leaders might restrain some or compel a few to provide evidence of what goes on in the political prisons across the country. Could we not start a program here in the U.S. to collect evidence of human rights violations among the Iranian expatriates? Could we facilitate legal activities against the violators by making it easier to sue the current Iranian regime just as we have done with terrorism cases?

8. **Develop and frequently revisit a ballistic missile and EMP Intelligence Military Plan for Iran**. This effort should pay particular attention to what key indicators would reflect Iranian actions to attack regional allies with ballistic missiles and to attack the United States, U.S. forces, or regional allies with a ballistic missile or an EMP weapon. Specific items to be developed during this effort could be:
    a. A list of specific and observable; via imagery, signals intelligence, or other intelligence tools as appropriate; steps that Iran must take to launch a ballistic missile or nuclear attack against a regional ally such as Israel or against the United States. Some examples of these steps might include movement of long range missiles to launch sites, marshaling special convoys to move nuclear material to launch or preparatory sites, or, perhaps, special preparations for placing a ballistic missile on a merchant ship.
    b. An intelligence collection plan applying at least on intelligence discipline against each of the specific and observable steps that Iran must take to conduct a ballistic missile or EMP attack against the United States or regional allies. This collection plan should include the likelihood of successful collection for each intelligence discipline applied to each indicator.
    c. Upon detection, a means to disseminate each of these indicators in a rapid means to key decision makers and to potentially threatened allies.

9. **Develop Contingency Plans In Case Iranian Government Collapses or Civil War Breaks Out.** As a reaction to President Ahmadinejad's remarks, there has been an acceleration of capital flight from Iran, which had already begun upon his taking office. This combined with the vast amounts of oil revenue spent on Iranian defense and other areas such as supporting terrorism abroad and the growing hunger for democracy in the Middle East may result in mass demonstrations, a collapse of government services, or perhaps even a civil war. While not probable, such a scenario is clearly in the realm of the possible. As such, it would be prudent to develop an integrated governmental group to plan the United States response to such an event and to coordinate with, as appropriate, multinational organizations such as NATO and the U.N.

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As the Congress moves forward to consider its next moves in meeting the deadly serious challenge from Iran, consider the dramatically different epitaphs of the two great struggles of the 20th Century.

Speaking in Fulton, Mississippi on March 5, 1946, Winston Churchill, in warning about the Iron Curtain that was descending upon Europe and the deadly serious threat that was arising from the Soviet Union, lamented that the horrors of WWII could have been avoided: "There never was a war in history easier to prevent by timely action than the one which has just desolated such great areas of the globe. It could have been prevented, in my belief, without the firing of a single shot...but no one would listen and one by one we were all sucked into the awful whirlpool."

Fortunately for mankind, somebody was listening and upon his death in 2004, another British Prime Minister, Margaret Thatcher, summed up his contribution: "Ronald Reagan had a higher claim than any other leader to have won the Cold War for liberty and he did it without a shot being fired."

In facing down the threat from Iran, we know which outcome we wish for the world.

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Iranian Missile Capability

Milestones

Largely with foreign help, Iran is becoming self sufficient in the production of ballistic missiles.

Shahab-3. Two of its first three tests of the 800-mile range *Shahab-3* (July 1998, July 2000, and September 2000) reportedly were inconclusive or unsuccessful, but Iran conducted an apparently successful series of tests in June 2003. Iran subsequently called the Shahab-3, which would be capable of hitting Israel, operational and in production, and Iran formally delivered several of them to the Revolutionary Guard. Iran publicly displayed six *Shahab-3* missiles in a parade on September 22, 2003. Despite Iran's claims, U.S. experts say the missile is not completely reliable, and Iran tested a "new" [purportedly more accurate] version of it on August 12, 2004. Iran called the test successful, although some observers said Iran detonated the missile in mid-flight, raising questions about the success of the test. On November 17, 2004, then Secretary of State Powell said there is some information that Iran might be working to adapt that missile to carry a nuclear warhead.

Shahab-4. In October 2004, Iran announced it had succeeded in extending the range of the Shahab-3 to 1,200 miles, and it added in early November 2004 that it is capable of "mass producing" this longer-range missile, which Iran calls the Shahab-4. If Iran has made this missile operational with the capabilities Iran claims, large portions of the Near East and Southeastern Europe would be in range, including U.S. bases in Turkey. Iran's new claims would appear to represent an abrogation of its pledge in November 7, 2003, to abandon development of a 1,200 mile range missile. On May 31, 2005, Iran announced it had successfully tested a solid-fuel version of the Shahab-3. The PMOI asserts Iran is secretly developing an even longer range missile, 1,500 miles, with the help of North Korean scientists.

Other Missiles. On September 6, 2002, Iran said it successfully tested a 200 mile range "Fateh 110" missile (solid propellant), and Iran said in late September 2002 that it had begun production of the missile. On March 18, 2005, the *London Financial Times* reported that Ukraine has admitting [selling?] 12 "X-55" cruise missiles to Iran in 2001; the missiles are said to have a range of about 1,800 miles. Iran also possesses a few hundred short-range ballistic missiles, including the *Shahab-1* (Scud-b), the *Shahab-2* (Scud-C), and the *Tondar-69* (CSS-8).

Source: Kenneth Katzman, "Iran: U.S. Concerns and Policy Responses," CRS Report, July 22, 2005.

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IRAN'S THREATS AGAINST AMERICA, ISRAEL AND THE WESTERN WORLD

ADAPTED FROM A REPORT BY THE FOUNDATION FOR THE DEFENSE OF DEMOCRACIES

THREATS AGAINST THE UNITED STATES

- "Such people are using words like 'it's not possible'. They say how could we have a world without America and Zionism? But you know well that this slogan and goal can be achieved and can definitely be realized." (Iranian President Mahmoud Ahmadinejad, Middle East Media Reporting Institute, *Special Dispatch Series* - No. 1013 October 28, 2005)
- "We have a strategy drawn up for the destruction of Anglo-Saxon civilization.... we must make use of everything we have at hand to strike at this front by means of our suicide operations or by means of our missiles. There are 29 sensitive sites in the U.S. and in the West. We have already spied on these sites, and we know how we are going to attack them." (Hassan Abbassi, Revolutionary Guards intelligence advisor to the President, reported by Steven Stalinsky. Taking Iran at its Word, *The Jerusalem Post.* August 30, 2004)
- "The world of Islam has been mobilized against America for the past 25 years. The peoples call, "death to America." Who used to say "death to America?" Who, besides the Islamic Republic and the Iranian people, used to say this? Today, everyone says this." (Iran Supreme Leader Ayatollah Ali Khamenei, Middle East Media Reporting Institute, *Clip No. 136* – Transcript: 6/24/2004)
- "The Americans are convinced that they will easily win the war in Iraq. But they will not see that day. As the Imam [Khomeini] said, 'One day the U.S. too will be history." (Iranian Supreme Leader Ali Khamenei, reported by Aftab-e Yazd, *Jomhour-e Eslami* (Iran). As translated by the Middle East Media Reporting Institute, May 20, 2004.)

THREATS AGAINST ISRAEL

- "Our dear Imam ordered that the occupying regime in Al-Qods [Jerusalem] be wiped off the face of the earth. This was a very wise statement." (Iranian President Mahmoud Ahmadinejad, Middle East Media Reporting Institute, *Special Dispatch Series* - No. 1013 October 28, 2005)
- "If one day, the world of Islam comes to possess the weapons currently in Israel's possession -- on that day this method of global arrogance would come to an end. This is because the use of a nuclear bomb in Israel will leave nothing on the ground, whereas it will only damage the world of Islam." (Akbar Hashemi Rafsanjani, Former Iranian President, reported in Foundation for the Defense of Democracies Weekly Update: December 14, 2001)
- "Iran's stance has always been clear on this ugly phenomenon [i.e., Israel]. We have repeatedly said that this cancerous tumor of a state should be removed from the region." - (Iran's Supreme Leader Ayatollah Ali Khamenei, reported by CNN.com, Iran leader urges destruction of 'cancerous' Israel, December 15, 2000)

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THREATS AGAINST THE WESTERN WORLD

- "We are in the process of an historical war between the World of Arrogance [i.e. the West] and the Islamic world, and this war has been going on for hundreds of years." (Iranian President Mahmoud Ahmadinejad, Middle East Media Reporting Institute, *Special Dispatch Series* - No. 1013 October 28, 2005)
- "Anyone who would recognize this state [Israel] has put his signature under the defeat of the Islamic world." (Iranian President Mahmoud Ahmadinejad, Middle East Media Reporting Institute, *Special Dispatch Series* - No. 1013 October 28, 2005)
- "[Iran's] missiles are now ready to strike at their civilization, and as soon as the instructions arrive from Leader [Ali Khamenei], we will launch our missiles at their cities and installations." (Hassan Abbassi, Revolutionary Guards intelligence advisor to the President, reported by Steven Stalinsky. Taking Iran at its Word, *The Jerusalem Post.* August 30, 2004)
- "Every Muslim and every honorable man who is not a Muslim must stand against the Americans, English, and Israelis, and endanger their interests wherever they may be....They must not have security." (Ayatollah Ahmad Jannati, Secretary General, Guardian Council, reported by Steven Stalinsky. Taking Iran at its Word, *The Jerusalem Post.* August 30, 2004)
- "Some 10,000 people have registered their names to carry out martyrdom operations on our defined targets... Our targets are mainly the occupying American and British forces in the holy Iraqi cities, all the Zionists in Palestine, and Salman Rushdie." (Mohammad Ali Samadi, Spokesperson, Committee for the Commemoration of Martyrs of the Global Islamic Campaign, reported by Paul M. Rodriguez, 'Job application' online for suicide bombers, *Insight Magazine.* June 10, 2004)
- "The torment of the Iraqis, of the Palestinians, and even of the Americans are the direct outcome of liberal Western democracy, and this must serve as an important lesson to the rest of the world, [which must] open its eyes and understand that those who call themselves advocates of human rights and democracy are in fact the main supporters of crimes against humanity." (Iran's Supreme Leader Ayatollah Ali Khamenei. Middle East Media Reporting Institute, *Special Dispatch Series - No. 727*, June 4, 2004)

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Talk But No Action of the 1930s
Failures of the League of Nations Prior to World War II

Japanese Invasion of Manchuria (1931-1933)

ACTIONS OF A TYRANNICAL REGIME: **WORDS OF THE LEAGUE:**

September 18, 1931: A section of the South Manchurian railway being guarded by Japanese troops is dynamited. Japan responds by invading Manchuria.

September 30, 1931: The League Council passes a resolution deciding that "in the absence of any unforeseen occurrence which might render an immediate meeting essential, to meet again in Geneva on October 14th to consider the situation."

October 8, 1931: Japanese aircraft bomb the city of Chin-Chow and continue offensive operations in Manchuria.

October 16-24 1931: The League Council unanimously agreed upon a draft resolution asking Japan to immediately withdraw its troops into the railway zone and urging negotiations between China and Japan.

January 27, 1932: The Japanese Admiral Koichi Shiozawa ordered Japanese occupation of the Chapei district.

January 29, 1932: China appealed to the League Assembly, which promptly established a commission to investigate the situation.

March 1932: Japan establishes puppet government in Manchuria.

February 24, 1933: League of Nations passes a resolution stating that the puppet government was a result of Japanese imperialism.

March 1933: Japan gives formal notice that it is withdrawing from the League. At that point the Japanese had already occupied an additional Chinese province, Jehol.

Source: *Monthly Summary of the League of Nations*. Geneva, 1921-1940.

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Talk But No Action of the 1930s
Failures of the League of Nations Prior to World War II

Italian Invasion of Ethiopia (1934-1936)

ACTIONS OF A TYRANNICAL REGIME: **WORDS OF THE LEAGUE:**

November 23, 1934: A team from Ethiopia and England find an Italian base inside Ethiopian territory. British members of the commission retire to avoid reporting the matter.

December 6, 1934: Ethiopia protests to the League of Nations about Italian aggression.

October 3, 1935: Italian troops invade Ethiopia.

October 5, 1935: The League forms a committee to look into the Italian attacks. They decide that Italy's attack is a violation of the Covenant of the League of Nations.

October 15, 1935: The Italian army attacks and captures Axum.

October 31, 1935: League members adopt sanctions against Italy in an effort to punish it and hinder its war machine. While the embargo covers donkeys and camels, it purposefully excludes coal and crude oil, two vital components which would have hindered or stopped the war.

December 23, 1935: Italy begins to use mustard gas on Ethiopians.

March 3, 1936: The League asks Italy and Ethiopia to open negotiations.

March 29, 1936: Italian planes firebomb Harar.

April 17, 1936: The League admits failure in the Italo-Ethiopian dispute.

May 7, 1936: Italy officially annexes Ethiopia.

Source: *Monthly Summary of the League of Nations*. Geneva, 1921-1940.

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Talk But No Action of the 1930s
Failures of the League of Nations Prior to World War II

German Re-Militarization of the Rhineland (1936)

ACTIONS OF A TYRANNICAL REGIME:

March 7, 1936: In violation of the treaty of Versailles the Locarno Pacts Germany militarizes crosses the Rhine and remilitarizes the Rhineland.

WORDS OF THE LEAGUE:

March 8, 1936: The governments of France and Belgium complain to the League stating that they felt Germany was in violation of international agreements and their displeasure at Germany's military maneuvers.

March 14, 1936: The League meets in London to address the issue of German military movements.

March 24, 1936: The League declares that that "no definite application requiring immediate action" was before it, and therefore decides to take no action at all. Asks that the nations involved in the conflict "keep it informed" about their conversations.

Source: *Monthly Summary of the League of Nations*. Geneva, 1921-1940.

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I

IRAN'S DECLARED FOREIGN POLICY IS A DIRECT CHALLENGE TO THE SAFETY OF THE UNITED STATES AND OUR DEMOCRATIC ALLIES

Not since the failure of the League of Nations in the 1930s to confront the aggression of the dictatorships in Japan, Italy, and Germany have we seen the willful avoidance of reality which is now underway with regard to Iran.

In the 1930s Winston Churchill read Hitler's *Mein Kampf* and came to understand that Hitler meant exactly what he said. Churchill found himself isolated and alone among British political leaders as the British government refused to recognize the depth of Hitler's evil and the seriousness of his statements.

The League of Nations found itself able to issue press releases and diplomatic condemnation but unable to do anything effective about the Japanese invasion of Manchuria and later China, the Italian invasion of Abyssinia (now Ethiopia) and later Albania, Germany broke the Versailles Treaty by remilitarizing the Rhineland and then absorbed Austria and occupied Czechoslovakia.

Each weak, paper response of the democracies simply increased the contempt and boldness of the dictators.

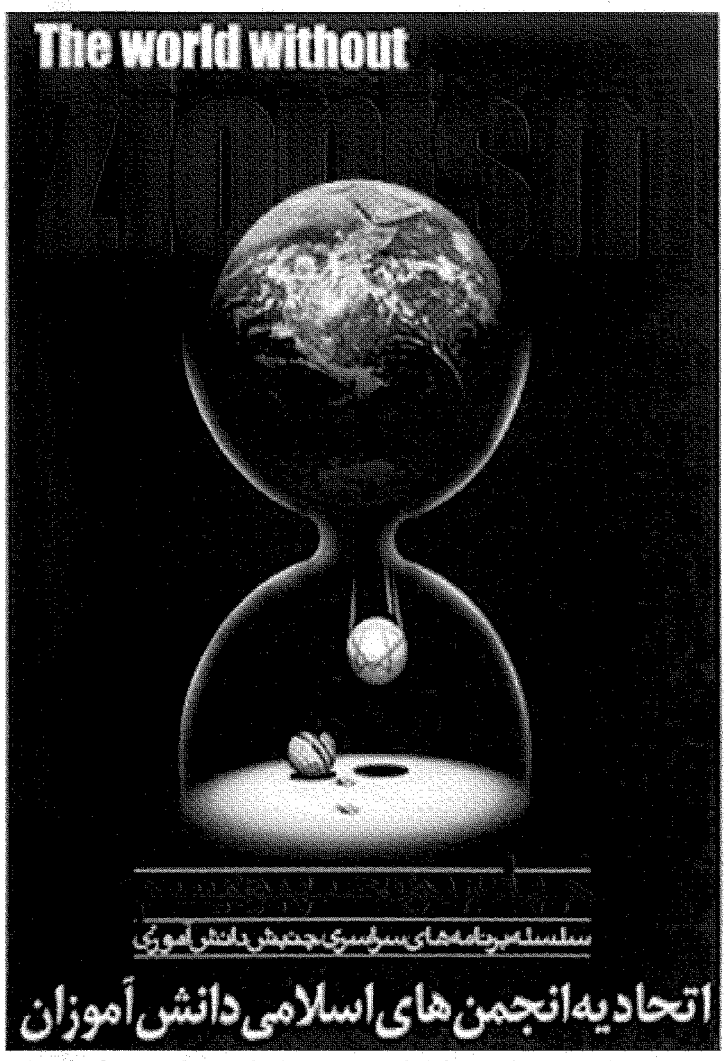
There are lessons to be learned from the 1930s and those lessons apply directly to the current government of Iran.

Indeed, the new Iranian President does not even require us to read a book like *Mein Kampf* to understand how serious he is. He enthusiastically makes speeches proclaiming to the world his commitment to genocidal annihilation of another nation. Furthermore his senior foreign policy leader has endorsed his vicious threats. Iranian Foreign Minister Manouchehr Mottaki told Iranian state run television that "the comments expressed by the president is the declared and specific policy of the Islamic Republic of Iran..."

Meanwhile the civilized world wrings its hands and the United Nations acts with contemptible weakness.

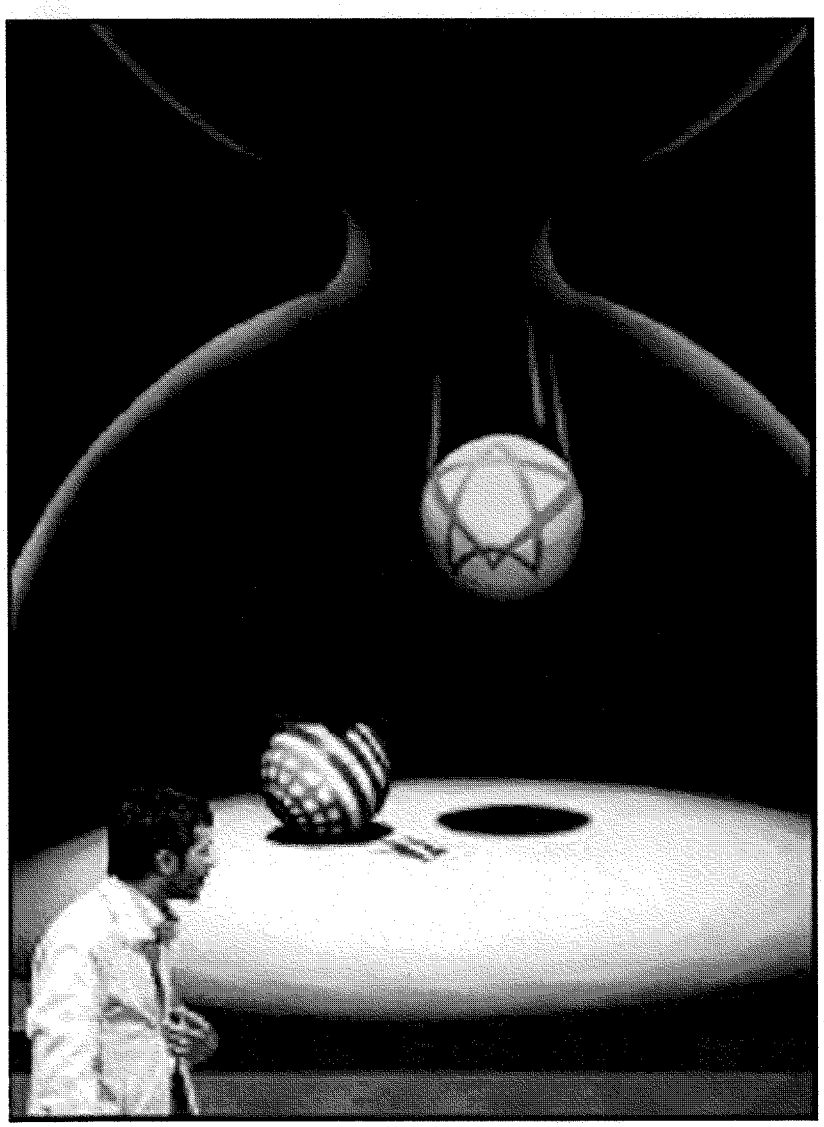
In the next two pages you can see illustrations of Iran's declared foreign policy.

Iran's Declared Foreign Policy



Iran's President Mahmoud Ahmadinejad delivered a speech on October 26, 2005 at the "The World Without Zionism" conference in Tehran before 4,000 people, where he spoke of wiping Israel "off the map" and of achieving the goal of a "world without America and Zionism." The Iranian government produced these visual props for this important speech - in English - designed to send a message to America, Israel, and the English speaking world.

Iran's Declared Foreign Policy



The President of Iran Mahmoud Ahmadinejad is looking at Israel - depicted as a glass ball - falling to the bottom of an hourglass where the United States already lies broken.

Statement by Gary Samore
Vice President for Global Security and Sustainability
John D. and Catherine T. MacArthur Foundation

Before the U.S. Senate Committee on Homeland Security
And Governmental Affairs
Subcommittee on Federal Management, Government Information, and
International Security
November 15, 2005

Meeting Iran's Nuclear Challenge

Thank you, Mr. Chairman for giving me this opportunity to discuss the Iranian nuclear issue.

I would like to briefly discuss the main technical conclusions of the study on Iran produced by the London-based International Institute of Strategic Studies (IISS) in September, and then I will focus most of my remarks on the diplomatic state-of-play concerning international efforts to prevent Iran from acquiring a nuclear weapons capability.

First, from a technical standpoint, the IISS study concludes that Iran still faces a number of hurdles before it achieves a nuclear weapons capability, as measured by its ability to produce fissile material for nuclear weapons. Even if Iran tired to go for a bomb as quickly as possible, we estimate that it

would take several years - we say a minimum of 5 years – before Iran could produce enough weapons-grade uranium for a single bomb. This represents the time required to complete and then operate a pilot scale centrifuge plant to produce 20-25 kilograms of weapons-grade uranium. It would take Iran a longer period of time – over a decade – to complete industrial scale enrichment facilities or facilities to produce and separate significant quantities of plutonium to support a more substantial nuclear weapons program.

None of these technical barriers are fatal, but they create space and time for international efforts to deny Iran a nuclear weapons capability. Unfortunately, the effectiveness of diplomatic efforts over the past two and a half years, since Iran's secret nuclear activities were first publicly revealed, has been decidedly mixed. On one hand, to avoid referral to the UN Security Council, which Tehran fears could lead to political isolation, economic sanctions, and even military attack, Iran has been compelled to cooperate with investigations by the International Atomic Energy Agency (IAEA) into its nuclear secrets and to suspend key elements of its enrichment activities since October 2003. On the other hand, Iran has adamantly rejected all diplomatic efforts to permanently cease its fuel cycle

program in exchange for assistance to its nuclear power program and other economic and political inducements offer by European negotiators. Similarly, Iran is very unlikely to accept the current Russian proposal for partial Iranian ownership of an enrichment facility on Russian soil in return for ending its indigenous enrichment program.

In other words, Iran has made tactical concessions under pressure to accept limits or delays in its nuclear fuel cycle program, but it has not been willing to abandon the program altogether at any price. This seems to reflect a deeply held and long standing conviction among all major elements of Iran's leadership that Iran needs to acquire a nuclear weapons option, although Iranians claim there are different views on the wisdom of actually building nuclear weapons. Under these circumstances, the immediate diplomatic objective is to maintain pressure to delay the program by keeping the suspension in place and requiring Iran to cooperate with the IAEA investigations.

Unfortunately, Tehran calculates that the balance of power is shifting in its direction, reducing the risk of referral to the UN. From Tehran's standpoint, the tight oil and gas market affords protection against the risk of economic

sanctions, and the US entanglement in Iraq provides protection against the risk of US military attack. Nonetheless, Tehran has acted cautiously. In August, Tehran resumed operations at the Esfahan Uranium Conversion facility, converting yellowcake into UF6, while maintaining the suspension on the manufacture, installation, and operation of centrifuge machines at the Natanz enrichment plant. Moreover, Iran has continued to dribble out enhanced cooperation with the IAEA, allowing additional access to the Parchin military testing facility, where it is suspected of conducting weaponization experiments. Using these salami tactics, Iran has successfully defeated Western efforts at the IAEA Board of Governors meeting to refer Iran to the UN Security Council.

The near term danger, Mr. Chairman, is that Iran will calculate that it has a window of opportunity to advance its nuclear program further by lifting the suspension on some or all of its enrichment activities, while continuing to cooperate with IAEA inspections. The challenge is to mobilize strong international support for enrichment as a red line, having already failed to enforce conversion as the trigger for referral. The key is Russia and China. Certainly, both Moscow and Beijing share the Western view that Iran is seeking to develop a nuclear weapons capability, and they have privately

warned Iran not to resume enrichment. But, it is not clear that Moscow and Beijing are prepared to support referral to the UN Security Council if Iran resumes its enrichment program or that they would support serious international pressure on Iran in the event that referral takes place and Iran refuses to restore the suspension. Basically, Russia and China do not want to be dragged into a confrontation over Iran's nuclear program, which could jeopardize their relations with Iran as well as their overall relations with the U.S. and European powers. Therefore, we need to convince Moscow and Beijing that the best way to avoid a crisis is to convince Iran not to aggravate the situation by resuming enrichment. That requires a strong warning by Russia and China to Iran not to expect protection if Iran decides to breach the enrichment redline. Confronted with such a threat, Iran may decide that it has no choice but to keep the suspension in place for the time being, which could create conditions for resuming formal negotiations.

Thank you Mr. Chairman. I look forward to responding to your questions and comments.

PREPARED TESEIMONY OF

RAY TAKEYH
SENIOR FELLOW, MIDDLE EAST STUDIES
COUNCIL ON FOREIGN RELATIONS

SENATE COMMITTEE ON HOMELAND DEFENSE

NOVEMBER 15, 2005

THE CHALLENGE OF IRAN

Mr. Chairman and members of the committee, thank you for allowing me the privilege to come before you to discuss the threat posed by the Islamic Republic of Iran. Today, as for much of the past quarter of century, Iran presents a formidable challenge to yet another U.S administration. From proliferation of weapons of mass destruction to terrorism, democratic transformation to human rights, Iran has long embodied an entire range of American concerns. The Islamic Republic of Iran is many things. It is a country poised to acquire nuclear weapons within the decade; it is a state that has long supported terrorist organizations and plotted the overthrow of its neighbors. Yet, it is also a nation with a vibrant civil society and a sophisticated populace. And most importantly, Iran defines and shapes the character of radical Islam. It was the first place that fundamentalists came to power and challenged the United States, and it is the place where the dimensions of political Islam are actively debated and contested. The type of foreign policy that Iran pursues will thus cast a long shadow over Middle Eastern politics.

Iran's Internal Power Struggles

After twenty-six years in power, the complexion of the Iranian regime is changing. A younger generation of conservatives is beginning to come to power with its own distinct views and ideologies. Mahmoud Ahmadinejad's presidential triumph concludes a remarkable resurgence of the right that has now captured all the relevant elected institutions. For the new generation of conservatives, it is the war with Iraq not the revolution that is their defining experience. Their isolation from the United States, suspicion of the international community that tolerated Iraq's chemical weapons use against Iran, and their continued attachment to the tenets of the revolution, define their ideology. In the meantime, the corruption of the founding leaders of the republic and their lack of revolutionary resolution offends the stern war veterans. The new generation of conservatives are unyielding in their ideological commitments, earnest in their belief that the "Government of God" has relevance and persistent in their simplistic claim that all problems can be resolved if Iran returns to the roots of the revolution.

Despite the conservative jubilation, their political hegemony may prove short-lived. The right's monopolization of power has burdened it with responsibilities that the reformers did not have. The reformers can be absolved for some of their failures by the divided nature of the government and right-wing obstructionism. The conservative consolidation of power over all the relevant organs of the state deprives them of such an excuse. Given their intellectual poverty, corruption and attachment to anachronistic policies, the hardliners have no viable solutions to Iran's manifold political and economic troubles. The moderate newspaper, *E'temad* captured the

predicament of the hardliners, warning, "With all the capabilities, and the consolidation of the powers that they enjoy, they should be able to solve all the problems without the slightest excuse." On the eve of their most impressive power grab, the conservatives may yet face a disgruntled public that they can neither appease nor contain.

The alarmist headlines and the astonishing power of the conservatives should not conceal the fact that the clerical establishment is still divided along factional lines. Indeed, a persistent problem with the Western observers is their perception of Iranian politics as static. The reformist triumphs of the 1990s were seen by many as inevitably ushering a new democratic epoch. While today, the conservative assumption of power is seen as necessarily permanent and durable. In Iran, however, politics is a shifting landscape. It is not inconceivable that the reformers may stage yet another comeback and reclaim the parliament in the next election. Nor can it be ruled out that Ayatollah Hashemi Rafsanjani or one of his pragmatic protégés will assume the office of the presidency yet again. The conservatives have a daunting mandate, namely fixing Iran's economic ills. Should they prove unable to discharge that burden, then they may yet face another populist backlash.

There are already signs that the clerical system is re-balancing itself and seeking to restraint its impetuous new president. Mahmoud Ahamdinejad's inexperience and ideological stridency has cost Iran dearly. His inflammatory speech at the Untied Nations last September was largely responsible for fostering a coalition within the International Atomic Energy Agency for potential referral of Iran to the Security Council. And, his more recent call for "wiping Israel off the map," has led to Iran's condemnation by a wide range of international actors and leading powers. On the domestic front, Ahmadinejad's cabinet choices with their marked incompetence have received a poor reception even from the hard-line parliament that has refused to confirm many of his candidates. Indeed, as of today, Iran still does not have an oil minister, a critical portfolio for a country that is so reliant on energy exports for its livelihood. Given this record, in an unprecedented move, the Supreme Leader Ali Khamenei has empowered Rafsanjani to "supervise" the workings of the office of the presidency, particularly in the realm of foreign affairs. How this latest attempt to curb Ahmadinejad will work in actual reality is hard to tell, but there does appear a determination by the leadership of the state to check his excesses and impose limits on his expansive ideological vision.

Iran's innovative intellectual class is not without ideas about how to proceed and forge new constitutional arrangements designed to foster a more inclusive polity. After all, Iran's constitution has been amended before, most notably in 1989 when the powers of the Supreme Leader were considerably augmented. The problem so far has been the absence of will, and the refusal to engage in protest and confrontation to achieve political aims. There are signs that the reformers and pragmatists most recent repudiation by a sullen electorate has finally injected them with a measure of resolution. The so-called "anti-fascist front" that evolved during the presidential campaign uniting the pragmatists and the reformers is beginning to congeal. A younger generation of activists led by reformers such as Muhammad Reza Khatami , the former president's younger brother, and the Rafsanjani protégé and former mayor of Tehran, Gholam-Hussein Karbaschi are openly discussing the prospects of a common front and examining ideas about how to alter the fundamental contours of the state. A more determined effort, coalescing Iran's factions against the reactionary right may yet belie the notion that the conservative manipulations can perpetuate their political monopoly.

Iran today is a nation in search of an identity, a state that oscillates between promises of democratic modernity and retrogressive tradition. Despite all its sensational setbacks, the one enduring legacy of Muhammad Khatami's reform movement and its electoral triumphs is to make

it impossible for Iran to become a rigid authoritarian state. The call for representation and the rule of law, accountability and equality have transformed an average Iranian from a passive observer of clerical politics into an active agent of change. The resilience of the forces of progress stems from their diversity. Clerical reformers, disillusioned youth, burdened middle class, women seeking emancipation and intellectuals yearning for freedom of through have come together in their demand for a government responsive to its citizenry. Despite the apparent consolidation of conservative power, and the election to the presidency of an unreconstructed ideologue, Iran will change. In the long-run, Iran's sophisticated and youthful populace can neither be appeased by cosmetic concessions nor silenced by threats of coercion.

However, Iran's democratic transition must come on its own terms, and at its own pace. The castigation of Iran as an "axis of evil" or denigration of its political process, only provides ammunition to hardliners decrying Iran's democrats as unwitting agents of Western machination. Contrary to Washington's depictions, the struggle in Iran is not a simple conflict between the people and the mullahs. Iran's factional politics, ideological divisions and political rivalries are much more complex and nuanced. The dissident clerics within the seminaries, the young functionaries waging a turf war in the government, the student organizations defying the authorities and the women who persistently challenge the prevailing religious strictures are all part of the same inchoate movement seeking to liberalize the parameters of the state. The stark distinction between the people and the regime quickly fades when one considers how de-centralized and flexible Iran's Islamic order has become in the intervening three decades. Before stepping in the convoluted fray of Iranian politics, Washington would be wise to have a better appreciation of Iran's complexities and contradictions.

What is to be done? At the outset it must be appreciated that the notion of "regime change" is more of a slogan than a policy. The United States does have an important stake in Iran's internal struggles. Iran will change, however, this will not be a change imposed or accelerated from abroad. The best manner of impacting Iran's internal struggles is to reconnect the two societies. Cultural exchanges, academic scholarships, and more relaxed visa policy can once more yield an interaction between two peoples that have long been estranged. Beyond that the United States would be wise to temper its rhetoric and relax its economic sanctions. For too long, we have relied on the hard stick of coercion, it is time to overwhelm Iran with America's more compelling soft power. By integrating Iran into the global economy, the US can generate internal pressures for transparency and decentralization that will press Iran toward a more responsible international conduct. Through a multifaceted approach, the Untied States can best deter Iran's provocative policies in the short-run and cultivate a democratic transition in the long-run.

Iran's Nuclear Calculations

Contrary to many Western assumptions, Iran's quest for nuclear weapons does not stem from irrational ideological postulations, but from a judicious attempt to craft a viable deterrent posture against a range of threats. It is often argued that Iran's dangerous and unpredictable neighborhood grants it ample incentive for acquiring nuclear weapons. However, it is hard to see how persistent volatility on Iran's frontiers can be ameliorated by the possession of such weapons. Instability in Afghanistan and Central Asia may be sources of significant concern for Iran's defense planners, but nuclear weapons can scarcely defuse such crises. A more careful examination reveals that Iran's nuclear program has been conditioned by a narrower but more pronounced set of threats. Historically, the need to negate the American and Iraqi threats has been Iran's primary motivation. In more recent times, the simmering concerns regarding the stability of

a nuclear-armed Pakistan have similarly enhanced the value of such weapons to Iran's planners. In the end, for Iran this is a weapon of deterrence not one of power projection.

From the Islamic Republic's perspective, the Gulf is its most important strategic arena, constituting its most reliable access to the international petroleum market. For long, it was Iraq that actuated the theocratic elite toward a search for a nuclear option. Saddam's Iraq not only sought hegemony over the Gulf, and indeed the larger Middle East, but also waged a merciless eight-year war against Iran. It is the developments in the Gulf that will likely condition Iran's defense posture and nuclear ambitions for the foreseeable future.

The impact of the Iran-Iraq war on Tehran's nuclear calculations cannot be underestimated. Iraq's employment of chemical weapons against Iranian civilians and combatants led to an estimated 50,000 casualties and permanently scared Iran's national psyche. Whatever their tactical military utility, in the hands of Saddam chemical weapons were tools of terror, as he hoped that through their indiscriminate use he could frighten and demoralize the Iranian populace. To an extent this strategy proved effective, Iraq's targeting of Iranian cities during the latter stages of the war did much to undermine the national support for the continuation of the conflict. Far from being a historic memory, the war and its legacy are debated daily in the pages of newspapers, in the halls of the universities and the floor of the parliament. The dramatic memories of the war have led to cries of "never again" uniting a fractious public behind the desire to achieve not just a credible deterrent posture but potentially a convincing retaliatory capability.

Beyond the human toll, the war also changed Iran's strategic doctrine. During the war, Iran persisted with the notion that technological superiority cannot overcome revolutionary zeal and a willingness to offer martyrs. To compensate for its lack of weaponry, Iran launched human wave assaults and used its young population as a tool of an offensive military strategy. The devastation of the war and the loss of "martyrdom" appetite among Iran's youth have invalidated that theory. As Rafsanjani acknowledged, "With regards to chemical, bacteriological and radiological weapons, it was made clear during the war that these weapons are very decisive. We should fully equip ourselves in both offensive and defensive use of these weapons." Moreover, the indifference of the international community to Saddam's crimes also left its mark, leading Iran to reject the notion that international treaties and compacts can ensure its security. Deterrence could no longer be predicated on revolutionary commitment and international opinion, as Iran required a more credible military response.

The overthrow of Saddam's regime has diminished but by no means eliminated the Iraqi challenge. The unpredictable nature of developments in Iraq has intensified Iran's anxieties and further enhanced the utility of the nuclear option. Should Iraq emerge as a close US ally policing the Gulf on the behest of its superpower benefactor, Iran will stand marginalized and isolated. Indeed, the long-standing ambition of successive Iraqi governments to assert predominance in the Gulf may finally be nurtured by a superpower seeking local allies to contain recalcitrant states such as Iran. A revival of the Nixon Doctrine, whereby the US sought to ensure the stability of the Persian Gulf by arming its pliant Iranian ally, with Iraq now assuming that role, would seriously constrain Tehran's options. A presumptive nuclear capability would grant Iran a greater ability to assert its interests and press its claims. At any rate, the unforeseen conduct of the sovereign Iraqi government compels the theocratic leadership to formulate a range of contingencies, and one such option is to sustain a robust nuclear research program.

Iraq is not the only potential problem that Iran faces, as looking east lies a nuclear-armed Pakistan with its own strain of anti-Shiism. Although General Musharaff is routinely celebrated in Washington as reliable ally in the war against terrorism, Pakistan's past is more checkered and

problematic. Throughout the 1990s, Pakistan perceived the demise of the Soviet Union as a unique opportunity to exert its influence in Central Asia and to capture the emerging markets in that critical area. Afghanistan was viewed as an indispensable bridge to Central Asia, and Pakistani intelligence services did much to ensure the triumph of the radical Taliban movement in the ensuing Afghan civil war. The rise of the Taliban and the eventual establishment of the al-Qadea camps in Afghanistan had much to do with Pakistan's cynical strategy. Throughout the 1990s, such Pakistani machinations caused considerable tensions with Iran that was uneasy about the emergence of a radical Sunni regime on its borders.

Although since September 11th with Pakistan's final abandonment of the Taliban, its relations with Iran have improved, the specter of instability in Islamabad haunts Iran's leadership. The possibility of the collapse of the current military government and its displacement by a radical Sunni regime with access to nuclear weapons is something Iran must guard against. The detonation of the bomb by Pakistan in 1998 caused considerable anxiety in Tehran with Rafsanjani stressing, "This is a major step toward proliferation of nuclear weapons. This is a truly dangerous matter and we must be concerned." Along with Iraq, Pakistan is a potential threat that Iran must take into consideration as it plots its defense strategy.

Although both Iraq and Pakistan constitute long-term sources of concern, today the United States stands as Iran's foremost strategic challenge. US-Iranian relations have become even more strained in recent years. Under the auspices of the Bush Doctrine, the United States has granted itself the right to employ preemptive military intervention as a means of disarming radical states. The massive projection of American power on all of Iran's frontiers since September 11th has added credence to the Iranian claim of being encircles by the United States.

The remarkable success of Operation Iraqi Freedom in overthrowing Saddam cannot but have made a formidable impression on Iran's leadership. The fact remains that Iraq's anticipated chemical weapons did not deter Washington from military intervention. As an Iranian official confessed, "The fact that Saddam was toppled in twenty-one days is something that should concern all the countries in the region." Conversely, North Korea offers its own lessons and possibilities. Pyongyang's presumed nuclear capability has not only obviated a preemptive invasion, but actually generated potential security and economic benefits. President Bush may loathe Kim Jong Il, but far from contemplating military action, the United States and its allies are considering an economic relief package and security guarantees to dissuade North Korea from its nuclear path. The contrasting fates of Iraq and North Korea certainly elevate the significance of nuclear weapons in the Iranian clerical cosmology.

Post September 11th developments in the Middle East have had a paradoxical impact on the Islamic Republic. Two of Iran's foes, the Taliban and Saddam Hussein, have been overthrown by the United States. In the meantime, Iran's American nemesis is entangled in an Iraqi quagmire, draining its resources and tempering its ambitions. Nevertheless, the Iranian clerical elite expect a turbulent future, which accentuates its sense of insecurity. Iran remains in America's crosshairs, at a time when the US military presence in the region has never been greater. The influential *Iran News* emphasized this point in an editorial stressing, "Based on Bush's record after 9/11, one can only conclude that the US has not invaded our two immediate neighbors to the east and the west just to fight al-Qaeda. Consequently, astute political observers warn that Iran is next on the US list of direct targets." Such anxieties enhance the apparent strategic utility of nuclear weapons to Iran and validate the claim that the Islamic Republic requires such a capability to ensure both regime survival and territorial integrity.

Today, the Islamic Republic stands at crossroads. For the past two years, Iran has been involved in delicate negotiations with Britain, France and Germany, regarding the direction of its nuclear program. Ultimately, the course of Iran's nuclear policy maybe decided less by what Europeans say, than by what Americans do. The nature of Iran's relations with the United States and the type of security architecture that emerges in the Persian Gulf are likely to determine Iran's decisions. It is neither inevitable nor absolute that Iran will become the next member of the nuclear club, as its internal debates are real and its course of actions is still unsettled. The international community and the United States will have an immeasurable impact on Iran's nuclear future. A more imaginative US diplomacy can still prevent Iran from crossing the nuclear threshold and assembling a bomb.

As Iran grabs headlines and as its nuclear program becomes subject of sensationalist accounts and exaggerated claims, it is important to appreciate that this is not the first time that the international community has faced a proliferation challenge. Since the inception of the atomic bomb, many states have looked at its awesome power as a solution to their security problems, and yet their course of action was reversed. In the past two decades, states as varied as Brazil, Argentina and South Africa, eventually retreated from the nuclear precipice. Although each state is different and must be viewed within the context of its national experiences, in all cases, lessened external threats have been critical to relinquishment of nuclear ambitions. In a similar vein, economic incentives such as favorable commercial ties and access to international lending organizations have been effective, as they provide palpable benefits to ruling elites. It is rare, however, for a state that views nuclear weapons as fundamental to its security interests to dispense with such weapons under relentless threats of military reprisal and economic strangulation. Decades of pressure and economic sanctions ultimately did not dissuade Pakistan from pursuing a nuclear option that it felt was necessary for national survival. Similarly, it appears that China's tense relations with the United States ultimately pushed it towards an indigenous nuclear capability irrespective of costs and burdens. In the end, it appears that a clever mixture of incentives and penalties can accomplish more in the realm of counter-proliferation then can threats of military reprisal and economic coercion.

As Washington seeks to grapple with Iran's nuclear challenge, it must accept that its doctrine of preemption with its threats and its hostile rhetoric has limited utility in altering Iran's path. Indeed, such belligerent US posture only assists those within the theocracy that insist that the American danger can only be negated through the possession of the "strategic weapon." A more constructive American diplomacy can still go a long way to assure the success of its non-proliferation pledges. The fortunate aspect for the Bush administration is that a diplomatic process is already underway, as the Europeans have been negotiating with Iran for more than two years. It is inconceivable that such negotiations encompassing issues such as security and trade cooperation can succeed with an effective American participation. It is time for the United States to stop standing on the sidelines shouting invectives at both European diplomats and their Iranian counterparts and participate in the talks that can finally resolve Iran's nuclear imbroglio.

TEHERAN'S NUCLEAR RECKLESSNESS AND THE U.S. RESPONSE

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

November 15, 2005

Ilan Berman
Vice President for Policy
American Foreign Policy Council

Senator Coburn, distinguished members of the Subcommittee:

It is an honor and a pleasure to be here. Thank you for the opportunity to testify before you today regarding Iran's nuclear ambitions and the policy options available to the United States.

This hearing comes at a crucial time. Next week, the Board of Governors of the International Atomic Energy Agency (IAEA) will meet to once again consider the possibility of referring the Iranian nuclear "file" to the United Nations Security Council. The outcome of that meeting will have ramifications for the safety and security of the United States, and for the future of American strategy in the greater Middle East.

IRAN'S NUCLEAR AMBITIONS

Since August 2002, when an Iranian opposition group disclosed information about two previously-unknown clandestine Iranian nuclear facilities, the world has woken up to the frightening possibility that the radical regime now in power in Tehran may soon possess a nuclear arsenal. More than three years later, much is still unknown about Iran's nuclear program. Yet compelling evidence suggests that Iran's efforts are much more than simply an attempt to develop an additional source of energy.

- Iran's atomic endeavor is massive in scope, encompassing as many as two-dozen sites scattered throughout the country, and focusing on both

uranium enrichment and plutonium conversion. This represents a far greater effort than is necessary simply for the generation of supplemental electricity, the avowed goal of Iran's nuclear program.

- Like its chemical- and biological weapons programs and its expanding arsenal of ballistic missiles, Iran's nuclear program has been placed under the direct control of the regime's clerical army, the *Pasdaran*.[1] This strongly suggests that Iran's atomic effort is intended for distinctly military applications.

- Iran has engaged in a pattern of diplomatic obfuscation and deception designed to prevent full oversight of its nuclear processes. Tehran has managed to circumvent its December 2003 decision to sign on to the Additional Protocol to the Nuclear Nonproliferation Treaty (NPT), which permits snap inspections and invasive monitoring of segments of its nuclear sector by the IAEA, and has "sanitized," moved and otherwise hidden suspect sites from international inspectors, preventing effective oversight of its nuclear efforts.[2]

- Iran has rejected proposals that would have provided it simply with sufficient nuclear capabilities for energy development. These include a February 2005 European offer to supply the Islamic Republic with light-water nuclear reactors suitable for electricity generation, but not for the production of weapons-grade uranium.[3]

To date, the international response to this nuclear challenge has been woefully inadequate. Since mid-2003, when the IAEA first found that Iran had failed to meet its obligations under the NPT, the European Union has been engaged in a complicated, halting set of diplomatic negotiations with the Islamic Republic. These talks, spearheaded by the "EU-3"—Great Britain, France and Germany—have unsuccessfully attempted to secure a lasting Iranian freeze on uranium enrichment in exchange for economic and political incentives (including accession to the World Trade Organization and the provision of aeronautical components for Iran's aging fleet of airliners.)

Since February 2005, the Bush administration has thrown its weight behind this diplomatic initiative, engaging in nuclear dialogue with Iran via the EU-3. It has done so despite President Bush's declaration that the United States "will not tolerate" a nuclear-armed Iran[4], and notwithstanding serious structural flaws with the scope and objectives of the negotiating process itself.

REGIONAL IMPACT OF A NUCLEAR IRAN

Iran's atomic endeavor holds the potential to dramatically alter the strategic balance in the Middle East. Already, Iranian advances have begun to change the political climate in the Persian Gulf. Over the past five years, in an indicator of mounting concern over Iran's expanding nuclear and ballistic missile capabilities, a number of regional states have signed bilateral military agreements with the Islamic Republic.[5] Over time, such pacts can be expected to make the Persian Gulf less and less hospitable to the United States, as regional nations seek a *modus vivendi* with a nearly-nuclear Iran.

Likewise, Iran's atomic advances hold the potential to touch off a dangerous regional arms race, as neighboring states accelerate their efforts to acquire a counterweight to Iranian capabilities. The beginnings of such a trend are already becoming visible; In October 2003, the *Washington Times* revealed details of a secret agreement between Saudi Arabia and Pakistan granting Riyadh access to Pakistani nuclear technologies in exchange for cheap, steady supplies of Saudi crude.[6] Similarly, discoveries of trace plutonium at Egyptian nuclear facilities have deepened international suspicions about the nuclear aspirations of the government of Egyptian President Hosni Mubarak.[7]

A nuclear Iran can also be expected to pose a major proliferation threat. The *Pasdaran* is the Iranian regime's principal point of contact with terrorist groups such as Hezbollah. Its control of the Iranian nuclear program raises the possibility that Iran's nuclear advances could translate into substantial terrorist gains. Indeed, the Islamic Republic's provision of large quantities of indigenously-made "Fajr-5" short-range missiles and artillery rockets to Hezbollah over the past three years[8] suggests that this represents a very real danger. Compounding such worries, Iran's new, hard-line president, Mahmoud Ahmadinejad, recently confirmed publicly that his government is prepared to provide nuclear technology to any number of other Muslim states.[9]

The greatest casualties of Iran's nuclear progress, however, are likely to be internal forces opposed to the current Iranian regime. Armed with atomic weaponry, Iran will have far greater ability to quash domestic dissent with impunity, without concern over decisive international retaliation—much the same way China did in its brutal, bloody suppression of student protests in Tiananmen Square in 1989. A nuclear capability therefore can be expected to substantially dim prospects for internal transformation within the Islamic Republic, and to provide the Iranian regime with a new lease on life.

TOWARD AN AMERICAN APPROACH

How should the United States respond to this challenge? The fundamental problem is that Iran's "nuclear clock" is ticking much faster than its "regime change" clock. Altering that equation should be the starting point for any serious American strategy.

Fortunately, the United States has several tools by which it can delay Iran's nuclear ambitions, and mitigate their impact on the Middle East:

International cooperation – For the moment, U.S. and foreign intelligence services are in agreement that Iran's nuclear program has not yet reached a "point of no return" (although there are substantial differences of opinion over exactly when Iran will cross that threshold). And because Iran still depends on foreign assistance for its nuclear endeavor, the United States can work with its international partners to influence the pace at which Iran progresses toward the "bomb." As part of this process, Washington can and should pressure countries in Europe and Asia to: impose stricter monitoring on sales of potential dual-use technologies to Iran; create greater domestic penalties for WMD-related exports to Iran, and; more stringently enforce existing domestic legislation prohibiting WMD-related trade.

Counterproliferation – Since its establishment in May 2003, the Bush administration's most important counterproliferation effort—the Proliferation Security Initiative (PSI)—has emerged as a major strategic success. Today, the PSI encompasses more than 60 countries in one form or another, and can be credited with successfully curtailing much of North Korea's missile trade with the Middle East. So far, however, the PSI has not been adapted to comprehensively address the contemporary threat from Iran. The White House should make it a priority to do so. Through closer cooperation with likeminded states in the Persian Gulf and Eastern Mediterranean on intelligence-sharing and interdiction, the United States has the ability to complicate Iran's acquisition of WMD and ballistic missile technologies from foreign suppliers, and to simultaneously stem the onward proliferation of these capabilities to rogue states or terrorist groups.

Gulf defense – Over the past several years, fears of Iran's expanding capabilities have begun to drive many of the Persian Gulf states toward accommodation with the Islamic Republic. Preserving U.S. coalition solidarity in the region requires the provision of local antidotes to the Iranian strategic threat. Robust deployments of American theater missile defenses among the Gulf Cooperation Council (GCC) states, for example,

> will help blunt Iran's ability to engage in nuclear blackmail against those nations. A deepening of Washington's bilateral military dialogue with individual Gulf states likewise might lessen regional dependence on Iran. So would the creation of a formal American security architecture capable of providing countries currently threatened by Iran with concrete mutual defense guarantees.

It is important to recognize, however, that while these steps may help to complicate Iran's efforts (and mitigate their regional impact), they cannot end them. Iranian policymakers have embraced the idea of nuclear weapons as central to ensuring regime stability, and to "preempting" the possibility of military action on the part of the United States. Moreover, the Iranian nuclear endeavor actually appears to enjoy broad support among ordinary citizens, irrespective of their attitudes toward the ruling regime in Tehran.

The ultimate question, therefore, revolves around regime character. The danger of a nuclear Iran does not stem from the Iranian nuclear program itself. Rather, it comes from the nature of the regime that will ultimately wield those weapons. Iran's intimate relationship with international terrorism, and its potential for catastrophic proliferation, suggests that an Islamic Republic armed with nuclear weapons would constitute a truly global threat.

As a result, the United States must do more simply deter and contain Iran. It must also focus its energies upon means by which it can spur a fundamental transformation of that regime.

NOTES:

[1] See, for example, David R. Sands, "Army Takes Control of Iran Nukes," *Washington Times*, October 5, 2005; See also Michael Eisenstadt, "Iran Under Khatami: Weapons of Mass Destruction, Terrorism, and the Arab-Israeli Conflict," testimony before the Senate Foreign Relations Committee Subcommittee on Near East and South Asian Affairs, May 14, 1998, http://www.iranwatch.org/government/US/Congress/Hearings/sfrc-051498/us-sfrc-eisenstadt-051498.htm.

[2] Conversations with U.S. government officials, Washington, DC, June and July 2004.

[3] "Iran Refuses EU Nuclear Reactor Offer," *Al-Jazeera* (Doha), February 13, 2005, http://english.aljazeera.net/NR/exeres/39DB0CFD-B58B-484D-BF50-A8146C9498E4.htm.

[4] David E. Sanger, "Bush Says U.S. Will Not Tolerate Building of Nuclear Arms by Iran," *New York Times*, June 19, 2003.

[5] In the year 2000, the government of Oman reportedly signed a sweeping agreement on military cooperation with Iran. See *Vision of the Islamic Republic of Iran Network 1* (Tehran), April 10, 2000; Saudi Arabia followed suit in 2001, coming to terms with the Islamic Republic on a long-awaited agreement regarding security cooperation, narcotics interdiction, and terrorism. See "Iran, Kuwait Sign Agreement on Military Cooperation," Xinhua (Beijing), October 2, 2002; In 2002, officials in Kuwait did the same, formalized a similar deal with Iran covering bilateral military security. See Ali Akbar Dareini, "Iran, Saudi Arabia Sign Landmark Security Pact," Associated Press, April 17, 2001.

[6] Arnaud de Borchgrave, "Pakistan, Saudi Arabia in Secret Nuke Pact," *Washington Times*, October 22, 2003.

[7] "'Traces of Plutonium Found Near Facility,'" *Jordan Times* (Amman), November 7, 2004.

[8] See, for example, "Hezbollah Amassing Weapons in Southern Lebanon," *Aerospace and Defense*, September 30, 2002; See also Michael R. Gordon, "Hezbollah's Rocket Arsenal Worries Officials," *Edmonton Journal* (Alberta), September 27, 2002.

[9] "Iran Offers Nuclear Technology to Islamic States," *Associated Press*, September 15, 2005.

IRAN'S STRATEGIC WEAPONS PROGRAMMES
a net assessment

Press Launch
Arundel House, London
6 September, 2005

REMARKS BY
Dr John Chipman, Director, IISS

INTRODUCTION

Welcome to the press launch of the latest IISS 'Strategic Dossier' – *Iran's Strategic Weapons Programmes – A Net Assessment*. This dossier is the third in our series, which has included similar publications on Iraq (published in September 2002) and North Korea (published in January 2004).

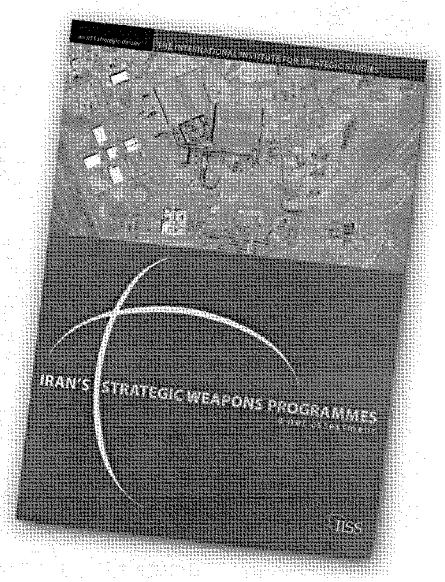
Each of our dossiers has presented a particular set of assessment challenges. Unlike North Korea under Kim Jong Il and Iraq under Saddam Hussein – police states at home and pariah states abroad – Iran has a more open society, with a more complex and diverse internal political system, a broader range of public opinion, and more interest in preserving its international respectability and avoiding world condemnation and isolation. This relative openness has meant that there is more in the public domain about Iran's capacities and there are greater opportunities to discuss information that has become public with relevant officials in Iran. Nevertheless, as in all areas of great military sensitivity, there remains a good deal that cannot be known for certain from the outside. Where information is too scarce to make a firm judgement, we make this clear.

SOURCES AND ASSESSMENT CHALLENGES

In the nuclear area, to avoid referral to the UN Security Council, Iran has submitted to extensive investigations by the International Atomic Energy Agency (IAEA) since 2003 to verify Iran's acknowledgement of undeclared nuclear activities extending back over nearly 20 years. The results of these IAEA investigations form the basis for our nuclear assessment. We also benefited from discussions with knowledgeable experts, as well as technical briefings and visits to nuclear facilities organised by the Iranian Atomic Energy Organization. Although a number of uncertainties remain about past and current activities, including the history of Iran's enrichment and reprocessing efforts, we judge it is unlikely that Iran is hiding significant stocks of fissile material or production facilities for such material.

Much less reliable technical information is available on Iran's suspected chemical and biological weapons (CBW) programmes, which have not been exposed to the same degree of international inspections. Given this limited information base, we evaluate a range of public sources, including official US government estimates, other reports of Iranian procurement efforts, and claims by opposition groups. In most cases, the accuracy and reliability of this information cannot be confirmed and so our judgements are more circumspect. In contrast, the existence of Iran's ballistic missile programme is not in question, but details of missile production facilities and capabilities and operational military details, such as inventories, deployment and doctrine are less clear from available public sources.

With all these pitfalls in mind, we have tried to present a balanced and cautious set of assessments in individual chapters on Iran's nuclear, chemical and biological capabilities and its ballistic missile programme. To help establish the



political context, we have also included an opening chapter that recounts a political history of Iran's nuclear programme, analysing how domestic and international political factors have shaped the course of Iran's nuclear development for nearly 40 years, including a detailed account of the more recent EU-3 negotiations with Iran. Finally, the conclusion seeks to summarise our judgements about technical capabilities and the political motivations that form the basis for our overall assessment of the risks posed by Iran's strategic weapons programmes.

NUCLEAR WEAPONS CAPABILITIES

Public estimates for how long it would take Iran to acquire nuclear weapons range from only a few years to at least a decade. In our dossier, we analyse several different possible scenarios, based on both technical and political factors. From a technical standpoint, the most critical factor is Iran's ability to produce sufficient quantities of nuclear weapons usable fissile material, requiring approximately 20–25kg of weapons-grade uranium or 6–8kg of separated plutonium for a simple implosion device. For over two decades, Iran has sought to develop fuel cycle capabilities in both areas. In the uranium area, Iran is constructing pilot- and industrial-scale gas centrifuge uranium enrichment facilities at Natanz. These facilities are designed to produce low enriched uranium (LEU) to provide fuel for the Bushehr nuclear power plant, but they could be converted to produce enough highly enriched uranium (HEU) for a dozen or so nuclear weapons annually. In the plutonium area, Iran is commissioning a heavy-water production plant and is constructing a 40 megawatt (MW) heavy-water research reactor that could produce enough weapons-grade plutonium for one or two nuclear weapons a year, assuming that Iran builds a reprocessing facility to separate this plutonium from spent fuel.

Of the two approaches, the centrifuge enrichment programme is closest to fruition. Nonetheless, we estimate that it will likely take Iran at least few years to complete and operate the pilot scale enrichment plant at Natanz, currently planned to contain 1,000 centrifuge machines.

Firstly, Iran will need to resolve technical problems at the Esfahan Uranium Conversion Facility (UCF) in order to produce sufficient quantities of high quality uranium hexafluoride (UF_6) feed material for enrichment. The particular chemical process and the equipment used by Iran in the initial yellowcake purification step in the conversion process are inferior for producing clean UF_6. As a result, the UF_6 produced at the UCF thus far is too contaminated with traces of molybdenum and other elements to be used as feed material. With practice, Iran should be able to overcome this problem, although it may mean running the UCF at very low capacities.

Secondly, Iran will need to complete and operate the pilot-scale centrifuge facility at Natanz before it can produce weapons-grade uranium in sufficient quantities to support a nuclear weapons programme. Currently, a single cascade of 164 machines is installed at the pilot plant. The cascade only operated briefly with UF_6 gas before the October 2003 suspension agreement with the EU-3 took effect, and its ability to sustain prolonged operations is unknown. In any event, it would take more than a decade for a 164-machine cascade to produce enough weapons-grade uranium for a single nuclear weapon, assuming ideal conditions. Despite the suspension, Iran has already manufactured and assembled enough centrifuge machines (more than 1,200) to complete the additional five 164-machine cascades originally planned for the pilot centrifuge plant. But, based on Iran's demonstrated rate of installing and testing centrifuges at the pilot plant before the October 2003 suspension, and the likelihood that some of these machines will fail, we estimate it will probably take at least a year or two to install and test the remaining cascades and work out the usual start-up problems that typically plague first-time centrifuge operators before the facility could operate on a reliable sustained basis.

Once it is operational, the pilot-scale centrifuge facility will have a limited capability to produce the highly enriched uranium (HEU), of about 90% U-235, required for nuclear weapons use. Under ideal conditions, a pilot plant of 1,000 P-1 centrifuges can theoretically produce about 10kg of HEU a year starting from natural uranium feed, thus requiring about 2–3 years of operation to produce enough weapons grade uranium for a single weapon. However, the pilot plant (as currently planned) is configured to produce low enriched uranium (LEU) of about 5% U-235 for nuclear power reactor fuel rather than HEU, and continuous operation is unrealistic. As a result, actual production of HEU is likely to be considerably less than the theoretical maximum, perhaps as much as 50%. Iran could scrap its current plans and build the pilot plant in a configuration to maximise HEU production, but this would take at least a year or two. If the pilot plant is built and completed as currently planned, it would take a further six months to reconfigure it for improved HEU production.

As an alternative to producing HEU directly from natural uranium feed, Iran could produce a stockpile of LEU, ostensibly for nuclear power reactor fuel, and then break out by using this material as feed to produce HEU in a short period of time. In theory, with LEU feed, the 1,000-machine pilot plant could produce enough HEU for a single weapon within several months of operation, even taking into consideration likely inefficiencies and some requirements for re-configuration. However, unless Iran acquired an alternative source of LEU feed, the plant would need to operate for at least a few years to produce enough LEU for a running start to produce enough HEU for a single weapon.

Thus, in any break out scenario involving the 1,000-machine pilot centrifuge plant, at least a few years of high operation would be needed to produce enough HEU for a single nuclear weapon, whether this involves direct production of HEU from natural uranium or production of a stockpile of LEU that is then used to produce HEU. Iran could reduce this time by installing additional enrichment capacity, depending on the rate at which Iran can manufacture, assemble, install and test additional centrifuge machines and cascades. Based on partial data from IAEA reports, Iran has been able to manufacture and assemble additional centrifuge machines at a rate of between 50 and 100 new machines a month. Assuming Iran cannot easily increase this rate of production, it could double its enrichment capacity within a year or two of resuming the manufacture of centrifuge machines, with additional time required to install and test the machines in cascades.

In conclusion, if Iran threw caution to the wind, and sought a nuclear weapon capability as quickly as possible without regard for international reaction, it might be able to produce enough HEU for a single nuclear weapon by the end of this decade, assuming it can

1) produce sufficient quantities of clean UF_6;
2) complete the pilot centrifuge plant; and
3) operate the plant on a high capacity basis over a period of a couple years.

Unanticipated technical problems in any of these areas would lengthen the time frame.

As an alternative, if Tehran does not feel compelled to acquire nuclear weapons urgently or judges that the risk of breaking out with a marginal capacity is too great, it could wait until it completes the industrial-scale centrifuge plant at Natanz, planned to contain 50,000 machines. Although the industrial-scale plant is likely to take more than a decade to complete, such a facility could produce enough HEU for a nuclear weapon within a few weeks (with natural feed) or even a few days (with LEU feed) without reconfiguration, thus denying other countries adequate time to act before break out was achieved. In addition, this approach would enhance Iran's options to pursue covert enrichment options because the completion and operation of industrial-scale conversion and enrichment facilities would substantially facilitate efforts to conceal and construct smaller secret facilities.

In contrast to the production of weapons-grade uranium, Iran's ability to produce weapons-grade plutonium seems more distant. Iran's 40-megawatt heavy-water research reactor at Arak is in the early stages of construction, scheduled for completion in 2014. However, the project is likely to run over time. Moreover, although Iran has conducted laboratory-scale reprocessing experiments, it has very limited technical expertise to build an industrial-scale reprocessing facility. In theory, if Russia delivers fresh fuel, the Bushehr nuclear power reactor could accumulate substantial quantities of weapons-grade plutonium within only a few months of operating. In order to acquire that plutonium, however, Iran would need to build a reprocessing facility suited to Bushehr fuel. This poses some additional technical challenges beyond those that exist for building a reprocessing facility for fuel obtainable from the Arak reactor.

Assuming Iran produces sufficient quantities of fissile material, Iran's ability to design and fabricate nuclear weapons from this material is unknown. The IAEA has conducted some limited investigations of possible weaponisation research and development, but has found nothing conclusive. Some analysts speculate that Iran might have acquired a nuclear design from the A.Q. Khan network (as Libya did), but this has not been confirmed. According to press accounts, Western intelligence agencies have acquired a large set of computer files from an Iranian source, showing studies to develop a nuclear warhead for the *Shahab*-3 missile, but the details of this reported research are not public, and it is not clear whether this research has gone beyond theoretical studies. Thus, on the basis of public information, it is not possible to assess the status of Iran's suspected nuclear weaponisation efforts.

CHEMICAL AND BIOLOGICAL WEAPONS CAPABILITIES

Compared to its nuclear programme, it is much more difficult to assess Iran's suspected chemical and biological weapons capabilities. For many years, public US government estimates have accused Iran of stockpiling chemical and biological agent and weapons, but there is no conclusive evidence in the public domain to support this accusation. The most recent US government estimates have become more cautious about asserting that Iran actually possesses a CBW stockpile, while still claiming that Iran continues a CBW research and development programme and seeks dual-use materials, equipment and expertise to further its chemical weapons capabilities. From public information, we cannot determine whether Iran is conducting offensive CBW research. Nonetheless, it is certainly true that the development of Iran's civilian, chemical and biotechnical infrastructure has enhanced Iran's inherent ability to produce chemical and biological weapons agents if it decided to do so. Rather than risk exposure – especially in the area of maintaining stocks of agent or actual weapons – Iran may be content to conduct CBW research and development within its civilian activities (which would be very difficult to detect) and maintain a break out capability, in the event that the production and weaponisation of chemical and biological agents was deemed necessary.

BALLISTIC MISSILES

Iran's ballistic missile programme is based primarily on liquid fuel technology acquired from North Korea – the short range *Shahab*-1 (*Scud*-B) and *Shahab* -2 (*Scud*-C) missiles, with effective ranges of 300–500km, and the intermediate range *Shahad*-3 (*No dong*) missiles, with an effective range of 1,300–1,500km. We estimate that Iran has deployed a single *Shahab*-1/2 missile brigade, comprising three or four missile battalions for a total of 12–18 mobile missile launchers and 48–72 missiles in the field, and at least one *Shahab*-3 missile battery, which would normally consist of 3 launchers and 12 missiles in the field. Additional missiles are stored in reserve. As far as is known, Iran's missile forces are armed with conventional high explosive warheads, although Iran could probably build primitive CBW warheads if it chose to do so. Based on the most recent flight tests in 2004, Iran is seeking to develop a smaller warhead for the *Shahab*-3, which appears consistent with reports of research into the development of a nuclear warhead for the *Shahab*-3, but the details of this reported research are not available.

CONCLUSIONS

Unlike countries driven by a sense of national survival, Iran has not launched a dedicated effort to acquire nuclear weapons as quickly as possible at all costs. While most Iranians support the nuclear programme as a matter of national pride and accomplishment, and deeply resent efforts by outside powers to deny Iran the benefits of modern technology, few Iranians openly profess a desire for nuclear weapons. Officially, Iran claims that its nuclear programme is entirely peaceful and that the enrichment programme is only intended for fuel production. Privately, most Iranians make more sophisticated arguments, knowing that the 'purely peaceful' justification is not entirely plausible. Iran, they say, needs a latent nuclear weapons capability to stay afloat in a sea of nuclear states and to strengthen Iran's bargaining position against more powerful countries, such as the United States, but they assure that Iran would never actually build nuclear weapons. Except for some hardliners, they say, Iranians are sophisticated enough to recognise that nuclear weapons would make Iran a target of international hostility, spur further proliferation in the region, and help America enhance its security presence in the region. Finally, they say, Supreme Leader Khamene'i (like Ayatollah Khomeini before him) has ruled that nuclear weapons are contrary to Islam. Even if these arguments are genuine, however, the temptation for Iran's leaders eventually to translate nuclear potential into reality could be difficult to resist once the option is available.

Iran's nuclear option is not imminent. On purely technical grounds, Iran appears to be at least several years away from producing enough fissile material for a nuclear weapon, and whether Iran has the expertise to fabricate a nuclear weapon from this material is unknown. This 'worst case' scenario assumes that Tehran blatantly reaches for nuclear weapons without regard for international reaction. Up to now, however, Tehran has been more cautious. It has been prepared to accept delays and limits on its nuclear activities in the interests of dividing international opposition and avoiding confrontation. Rather than dash for a bomb, Iran may seek gradually to acquire a much more substantial nuclear production capability over a decade or more – for example by completing a large-scale centrifuge plant for producing nuclear fuel – before it decides whether to exercise a weapons option. The challenge for international diplomacy in these circumstances is a delicate one. It will be important on the one hand to apply pressure and create inducements to persuade Iran not to develop a fuel cycle capability that it could later turn into a weapons programme. On the other hand, it will be important to apply international diplomacy in a way that does not inspire Iran to abandon all restraint and seek a nuclear weapons capability without regard to the international repercussions. For its part, Iran must decide if mastery of the fuel cycle is worth the international isolation that in the current climate would no doubt result from its refusal to compromise on this point. It will also have to judge whether its power and status is reinforced or weakened if it defies the wishes of an international community aroused to the dangers of allowing a country to sneak towards a nuclear weapons capability. The IISS has provided with this dossier a technical analysis of present, putative and potential capabilities. The greater difficulty is conjuring a satisfactory diplomatic outcome to the present impasse.

Questions for the Record from R. James Woolsey

- How should the U.S. address Russia's influence and relationship with Iran?

It is not Russia's reactor sales, in and of themselves, to Iran that in my judgment creates the risk of advancing Iran's nuclear weapons program. There are some 30 countries in the world that use nuclear reactors for generating electricity, but the spread of that technology alone is not the main problem. The principal difficulty is that when, as is the case with Iran, the nation utilizing the reactor also insists on acquiring the technology for uranium enrichment and fuel processing, it is thereby able to carry out essentially all of the steps necessary to have a nuclear weapon. So far in response to Iran's insistence on maintaining access to uranium enrichment and fuel processing technologies Russia has been at least somewhat cooperative with the U.S. and other states that are trying to keep Iran from moving toward the capability to have nuclear weapons. Russia has been less cooperative in selling modern air defense capabilities to Iran – this air defense may make it substantially harder for the U.S. or other nations to use military force against Iran if all other options are exhausted and such proves to be the last hope to prevent Iran from acquiring nuclear weapons.

The IAEA is a creature of a terribly flawed non-proliferation regime. Growing out of the Atoms for Peace programs of the 1950's, the NPT and the IAEA are not part of an international regime that puts sufficient emphasis on blocking the development of uranium enrichment and fuel processing capabilities. The real villain of the story is, much more than Russia, Pakistan, and especially A.Q. Kahn, one-time head of the Pakistani nuclear program and the man chiefly responsible for Iran's access to these capabilities. Over the long run, in order for the IAEA to function effectively we would need to have a substantially amended treaty that blocks the export of uranium enrichment and fuel processing and requires such to be done in only a very limited number of countries.

- How would U.S. withdrawal from Iraq in the war against terrorism impact the situation in Iran?

In my opinion withdrawal before we have defeated the insurgency in Iraq and before Iraq has a reasonable chance to move toward a stable government, including major elements of democracy and the rule of law, would embolden the theocratic and totalitarian forces in both Iraq and Iran. If we succeed in Iraq there is at least some chance that Iran will move in a similar direction. If we leave Iraq early and thereby fail there, we will see the theocratic and totalitarian forces in both countries (and in others) substantially strengthened.

- What additional recommendations would you provide for how the U.S. should respond to Iran being a sponsor of terrorism and its aggressive plan to build a nuclear program?

We should first try peaceful regime change in Iran. This may include, in addition to improved communications with the Iranian people and assistance to opposition groups, bringing charges before an international tribunal (modeled after that in Sierra Leone that indicted Charles Taylor) against President Ahmedinejad. We should also implement financial and travel sanctions against the leaders of the Iranian regime. We should prepare to implement restrictions on Iran's imports, especially of refined diesel and gasoline.

If all else fails -- and the Iranian nuclear program would be the likely trigger although non-nuclear terrorist attacks could play such a role as well – we should prepare to remove the Iranian regime by force. In preparation for such a contingency we should now substantially increase our defense budget and enhance the capabilities of all military services; in particular we should increase the size of the Army and the Marine Corps.

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