

“Iran on Notice: The Future of U.S. Policy Toward Iran”

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Chairmen Royce, Ranking Member Engel, Members of the Committee, thank you for the opportunity to testify today. The election of Donald Trump and the apparent willingness of his national security team to sharpen U.S. policy toward Iran allow us to consider hard-hitting policy recommendations that were anathema to President Obama’s softer, more conciliatory approach during the past eight years. A tougher approach should target the decayed base of popular support for the regime, ratchet up international law enforcement efforts, take advantage of increasingly intractable problems within the regime itself, and lay the foundation for a multi-year effort to change the behavior of the regime. Despite all of its shortcomings and failings, however, the Islamic Republic is not on the verge of collapse. In the graphic below, the conditions for a “Persian spring” or even major reform are not present:

The Evolution of Change Indicators in Iran				
	Dec 1979	May 1996	May 2009	Feb 2017
Leading indicators of change				
Regime no longer functional	Yes	Somewhat	Somewhat	Somewhat
Economic downturn	Yes	Yes	Yes	Yes
Security services undermined	No	No	No	No
Political elite infighting	Yes	Somewhat	Somewhat	Somewhat
Elite support to opposition	No	No	Somewhat	No
Widespread popular dissatisfaction	Yes	Yes	Yes	Yes
Willingness to protest	Yes	No	Yes	No
Organized resistance	Yes	No	Yes	No
Charismatic leader	Yes	No	Somewhat	No
Tools to effectively communicate	Yes	No	Somewhat	Yes
	Why Khomeini won then...			...and why change is unlikely

Instead, the recommendations below argue for increasing military and non-military pressure to moderate regime behavior over time. If implemented, they would add some heft to the decision by former National Security Advisor Flynn to put Iran on notice, strengthen our own national security apparatus in the process, and send a clear signal that we intend to hold Iran accountable for its illicit and destabilizing activities.

Recommendation #1: Overhaul Voice of America (VOA) and Radio Free Europe (RFE)’s “Radio Farda.” Ratings have hit rock bottom due to watered down programming, low morale, and the

corrosive and undermining presence of regime apologists who often do a better job justifying Iran's nuclear program than the regime itself. There is no excuse for this, especially given the low credibility of government controlled media. A revitalized Persian media offensive has a target rich, anti-regime Iranian audience: 50 million regular viewers of satellite TV, 44 million internet users, 20 million users of social networks and "secure" messaging apps, and 18 million smart phones (all mostly used by youth). Suggested reforms include the following:

- In addition to programmatic changes, VOA and RFE should have a strict policy of employee screening. Existing background checks are inadequate, even on Iranians coming directly from IRIB and other Iranian govt. ministries. It would be fairly easy for a sophisticated intelligence service such as Iran's MOIS to infiltrate VOA and RFE and take the edge off of anti-regime programming.
- Deeply integrate VOA and RFE with U.S. Iran policy. VOA and RFE should go beyond reporting the news. They should also be platforms for explaining U.S. policy, exploiting divisions and conflicts within the regime, bolstering reformists and calling for free and fair elections, weakening international support for Iran, and highlighting Iran's links to regional destabilization. VOA should create a "Window to Washington" program on U.S. policy.
- Compound the impact of existing fissures in Iran: While the Green Movement is either dead or on life support, protests do occur on a very regular basis across the country. Persian media outlets should be shining a light on protestors, from angry factory workers and ethnic groups to women's rights activists and impoverished teachers. Even though these protests tend to be local and short-lived, we should help these "unconnected clusters of dissent" coalesce and lead to stronger anti-regime behavior. Congress should mandate regular reports from the Administration on the foreign policy value of U.S.-sponsored Persian media programs.
- Countering regime efforts to block transmissions: Congress should ensure VOA, RFE, and others have the capability to broadcast even when the regime blocks incoming transmission. This could include the use of wireless signals (WIMAX) into areas such as Iranian Kurdistan where the govt. regularly blocks foreign media signals. Our allies in the region have potential roles to play in this regard.
- Include programs that expose the interconnectivity between the IRGC's existing economic empire and corruption. Investigations into the illicit networks of Reza Zarrab and Babak Zanjani alone could fill dozens of hours of air time. VOA and RFE should amplify their reporting on corruption by building on the work of popular shows such as the Last Page ("Safhe-ye Akhar").

Recommendation #2: Use the reforms to Persian media mentioned above to spearhead an information warfare campaign against Iran. In addition to highlighting ties to terrorism and corruption, U.S.-led efforts should focus on harnessing the untapped anger, resentment, and willingness to speak out against the regime.

- Women: The women's movement in Iran is more about recapturing the rights women used to have. Nobel Laureate, Shirin Ebadi, was a judge before the 1979 Islamic Revolution. Today, women are prohibited by law from becoming judges. No social group has lost as much as women in the Islamic Republic, and no issue packs more hidden energy in Iran than women's rights and gender equality.

- Teachers and other low wage earners: The regime's inability to counter growing inequality and poverty is a growing problem. Efforts have failed and the regime has no plan for lifting the growing mass of low wage earners above the poverty line. The results is evident in some sort of strike or demonstration almost every day in Iran.
- Ethnic Groups: Several are so disenfranchised in the Islamic Republic that they are not allowed to name their children in their native languages. The regime has prevented the construction of a Sunni mosque in Tehran, despite the more than one million Sunni residents. The plight of Azeri, Baluch, and other ethnic minorities are important axes of Iran's dysfunctional civil society.
- Social Crises: The regime's malfeasance has created a number of crises in areas from health to welfare, each of which has spurred the creation of small but organized movements. Record levels of air pollution in Tehran and other major cities, harmful radiation due to government interference with satellite TV signals, high youth unemployment, drug addiction, and rampant prostitution.

Recommendation #3: Declassify intelligence that shows the links between Iran, al-Qa'ida, the Taliban, and violent Sunni and Shia terrorist groups. Iran has successfully hijacked the "global war on terror" narrative that used to be led by the United States. Today, it effectively markets itself as the leading state sponsor of counter-terrorism. This exposure should extend to the drug trade.

- Links between al-Qa'ida and Iran's security services exist and should be exploited as part of the media campaign mentioned above. It would undermine Iran's self-proclaimed status on the front lines of the war against radical Islam, while further eroding domestic support for the last generation's revolutionary zeal.
- This should go hand in hand with releases of similar information on GCC support to Sunni extremists. US credibility will benefit most if we air the dirty laundry of all sides. Deputy Crown Prince Mohamed bin Salman (MbS) and his generation could become effective partners in this regard as they attempt to rebrand the Kingdom.
- Iran's hand in drug trafficking, both inside Iran and across the region, should be further explored and exploited. Several international narcotics trafficking investigations have pointed to IRGC involvement, either in distribution inside Iran or in transit on the way to Turkey and ultimately Europe and the United States.

Recommendation #4: Expand and facilitate the PL-110 program. There are few incentives for well-placed individuals inside the Iranian government to risk their lives to cooperate with the U.S. government. Congress should broaden PL-110 authorities to increase the number of aliens U.S. government agencies can bring into the United States every year. The process is lengthy, cumbersome, and overly restrictive.

- D/CIA has the right to give away 100 green cards every year to individuals who provide extraordinary assistance to U.S. intelligence collection and covert action efforts. This number should increase dramatically in order to increase the number of potential defectors and to stimulate the "brain drain" of Iranian scientists and senior technocrats from government agencies overseeing Iran's most sensitive nuclear and conventional military sites, ongoing R&D, strategic policy, and illicit procurement. We should encourage our European counterparts to do the same.

- PL-110 should not be limited to intelligence activities. We should also reward those who enable international law enforcement efforts. Investigations and operations that lead to the identification, arrest, and even extradition of individuals involved in activities that violate the JCPOA, support terrorist proxies, etc.
- An expansion of PL-110 could go hand in hand with a reinvigorated Treasury attache cadre in areas around the world that are vulnerable to transnational organized crime. Sanctions, designations, and other Treasury actions from Washington can only go so far. Our overseas national security and diplomatic corps has a very limited understanding of threat finance, stunting the development of working-level law enforcement relationships.

Recommendation #5: Expose the scope of Iranian corruption and human rights abuse by adding Iranian individuals to the Magnitsky List, or by creating one specific to Iran. Most Iranians are well aware of the staggering depth of corruption in Iran today, particularly among the IRGC and conservative power elite. Even President Rouhani routinely regards corruption as one of the largest failures of the Islamic Revolution.

- Congress should pass legislation calling on the Administration to produce quarterly reports on Iranian government corruption and violations of human rights. The unclassified report would further delegitimize Iran’s ruling class, enable democratic and reform-minded elites in Iran, serve as fodder for English and Persian media, and underscore U.S. support to the silent majority of Iranians who are increasingly disconnected to the Islamic Revolution.
- Congress should also provide funding for U.S. government website upgrades. Efforts to denigrate the regime would be well served if our own law enforcement websites had the capacity to serve as secure transceivers of valuable information. Doing so would occasionally uncover compromising information that could be exploited in social media, used in law enforcement investigations, or disseminated to companies that are either active in Iran or considering the possibility.
- Crime matrix: Treasury or State should have a website with a matrix that lists individuals and entities in Iran followed by their involvement in or links to corruption, human rights violations, terrorism, money laundering, drug trafficking, nuclear proliferation, etc. The worst offenders of the regime should be highlighted up front, from the Supreme Leader himself and his closest financial managers such as Vahid Haqqanian and Mohammad Mokhber to the head of finance for the Astan-e Qods Foundation, Sayyed Morteza Bakhtiari.

Recommendation #6: Bolster Najaf, Iran’s main rival in the competition for leadership over the worldwide Shia community. Najaf in Iraq and Qom in Iran have long struggled to be the primary “source of emulation” for Shiites around the world. Iran’s model is a theocracy that puts the clergy in positions of political power, whereas Iraq’s leading authority Grand Ayatollah Sistani sticks to a more orthodox interpretation of Shia Islam that encourages the clergy to steer clear of politics.

- We should encourage Arab allies to openly support Najaf’s more tolerant “quietist” traditions, particularly important in the run-up to a possible succession of Supreme Leader Khamenei in Iran and the passing on of the 86 year-old Sistani.
- This should involve the promotion of the most prominent and revered figures in Iran such as Ayatollah Shirazi and others (who are against Khamenei) and in Iraq who support more

tolerant and less militant and politicized forms of Shia Islam. Iran is aggressively involved in a soft war to undermine support for Sistani and other Grand Ayatollahs likely to replace him.

Recommendation #7: Change the rules of engagement. IRGC fast boats swarming U.S. vessels is one dimension of a sustained pattern of provocation in the Gulf. There were at least 35 such “close encounters” in 2016 alone, a constant reminder of Iran’s threat to commercial traffic carrying 17 million barrels per day of oil and gas through the Strait of Hormuz.

- The U.S. should deal militarily with IRGC threats and harassment in the Gulf. Tough rhetoric and firing warning shots are not enough to deter Iranian aggression. New rules of engagement should be made clear to Iran in keeping with General Flynn’s marker to put Iran on notice.
- U.S. should provide missile defense, security guarantees, and overt training and support to Bahrain and our GCC allies to deter and defend against the full spectrum of asymmetric threats posed by Iran.
- The U.S. should also encourage Saudi Arabia and its GCC partners to continue their regional strategy of pushing back against Iranian aggression across the region. As Riyadh in particular has learned in Syria and Yemen, there is a steep learning curve that will last for several years. On the other hand, Iran has been active in cyber war, proxy war, conventional war, and various forms of covert action for decades. If we ever hope to downsize our role, the GCC countries must do more to balance security in the region.

These are just a few recommendations for a new U.S. policy on Iran that focuses more intently on Iran’s malign, destabilizing behavior across the region. I appreciate the opportunity to present them before the Committee.