

### House Foreign Affairs Committee Subcommittee on the Middle East, North Africa, and Central Asia

Iran's Escalating Threats: Assessing U.S. Policy Toward Iran's Malign Activities September 14, 2023

Written statement by Suzanne Maloney Vice President and Director, Foreign Policy, The Brookings Institution

Thank you to the Chairman, the Ranking Member, and distinguished Members for inviting me to contribute my views on the escalating threats posed by Iran's malign activity and U.S. policy to counter these threats. It is an honor for me to address this committee.

I am Vice President and Director of Foreign Policy at the Brookings Institution. The Brookings Institution is a U.S. nonprofit organization devoted to independent research and policy solutions. Its mission is to conduct high-quality, independent research and, based on that research, to provide innovative, practical recommendations for policymakers and the public. The testimony that I am submitting represents solely my personal views and does not reflect the views of Brookings, its other scholars, employees, officers, and/or trustees.

Iran has occupied a central place in the U.S. foreign policy agenda since the 1979 revolution that ousted its pro-Western monarchy. The ruling system forged in the revolution's aftermath was steeped in hostility toward Washington and has sought to upend the regional order through terror and subversion. The Iraqi invasion of Iran a year later cemented the revolutionaries' strategic alienation and prompted the resurrection of the nuclear program initiated by the Shah. At home, internecine power struggles among the revolutionary coalition gave way to repression in the name of Islam.

Much has changed within Iran over the ensuing four and a half decades, but the Islamic Republic remains a disruptive and dangerous force in the international arena. Recognizing the seriousness of this threat, the Biden Administration revived diplomatic efforts to constrain Tehran's nuclear advances and has signaled readiness to deter Iran's regional threats. However, progress has been limited and in many respects, the challenges posed by Iran to its own people, its neighbors, and to U.S. interests around the world has only intensified as a result of Tehran's unchecked nuclear program, its long track record of terrorism, hostage-taking, and violent subversion, its deepening involvement in Russia's barbaric and illegal war in Ukraine, and its brutality toward its own citizens.

As I've argued earlier this year in *Foreign Affairs* magazine, <sup>1</sup> it's time for a new U.S. approach on Iran, one that ensures international constraints on and visibility into Iran's nuclear activities, deters Tehran from advancing its most provocative nuclear and regional ambitions, and preserves space for the Iranian people who have fought for democracy for more than a century to bring about lasting change.

I'll begin with a brief review of Iran's malign activities and from there will offer recommendations for U.S. policymakers at what is truly a critical moment for forestalling an even more dangerous Iran.

<sup>&</sup>lt;sup>1</sup> Suzanne Maloney, "After the Iran Deal: A Plan B to Contain the Islamic Republic," *Foreign Affairs* March/April 2023, <a href="https://www.foreignaffairs.com/middle-east/iran-nuclear-deal-plan-b-contain-islamic-republic">https://www.foreignaffairs.com/middle-east/iran-nuclear-deal-plan-b-contain-islamic-republic</a>. My testimony draws from this article.



#### Iran's Malign Activities

#### **Nuclear Expansion**

More than 20 years have passed since the revelation that Iran had developed clandestine uranium enrichment facilities in violation of its commitments under the Nuclear Nonproliferation Treaty. Since that time, the United States, with considerable international support, has devoted intense diplomatic and deterrent efforts to thwart Iran's nuclear advances and ensure that Tehran does not achieve weapons capability. Despite the regime's investment of decades and enormous financial costs, Tehran has not yet crossed the threshold of nuclear weapons capability. And yet this track record also highlights the determination of Iran's leadership to sustain its nuclear ambitions even at an immensely high economic price and the failure of the international community to prevent Tehran from making exponential advances in its nuclear infrastructure and know-how. Today, Tehran is at or near the point of nuclear latency, and the avenues for verifiably reversing its capabilities have narrowed and become

The most significant achievement in the long-term effort to forestall Iran's nuclear progress was the 2015 Joint Comprehensive Plan of Action, which was the culmination of years of negotiations among the major world powers and imposed the more stringent set of restrictions on any aspiring nuclear power in history. The deal provoked considerable debate and justifiable critiques here in Washington as well as among America's closest partners in the Middle East, but to date critics have provided few alternative policy approaches that achieve more substantial results in constraining or rolling back Iran's nuclear capabilities at a tolerable cost. Since the 2018 decision by the Trump administration to exit the JCPOA, Iranian leaders have systematically accelerated its nuclear activities in violation of its commitments under the agreement. These steps have included exceeding the deal's restrictions on enrichment levels, amassing stockpiles of enriched uranium significantly beyond the agreement's limits, installing more advanced and efficient centrifuges, scaling back its cooperation with the International Atomic Energy Agency by disconnecting monitoring devices and denying access to IAEA inspectors.

These developments have effectively eliminated the one-year breakout timeline established after the JCPOA implementation, leaving little to no window of time for the international community to react should Tehran choose to race for a bomb. Tehran has not yet taken the most drastic steps available, such as disavowing its adherence to the NPT or curtailing all cooperation with the IAEA. And there are some hopeful signs of Iranian restraint, including recent IAEA reports of a deceleration in the accumulation of uranium enriched to 60 percent. Fundamentally, however, the risk posed by Iran's nuclear program is more urgent today than ever, and the options available to the United States and its partners appear more limited and far less easily obtained.

#### Iran's Destabilizing Policies and Extraterritorial Aggression

Iran's threats to its neighbors are longstanding and well-known. Since the 1979 revolution, Tehran and its proxies have terrorized its neighbors and have helped fuel insurgencies and civil wars in Lebanon, Iraq, Syria, and Yemen. This posture reflects a core aspect of the Islamic Republic's ideology; to extend its leaders' vision of an Islamic order, Tehran has sought to subvert its neighbors through force as well as propaganda. As with Iran's nuclear program, its regional posture has amplified considerably over the past two decades, first as Tehran managed to use the American decapitation of Saddam Hussein's regime to achieve a position of primacy in Iraq and later as it capitalized on that experience to

One of the most important elements of Iran's regional and international power projection is its deployment of proxy militias. Over decades, and with limited effective pushback from regional states or

the international community, Tehran has assembled an adaptive and complex network of regional militias with discrete organizational structures and leadership and overlapping interests and ties to Iran's security and religious establishment. This proxy infrastructure has enabled the Islamic Republic to wield significant influence across the broader Middle East. In seeking to entrench its own influence at the expense of its adversaries, Iran's power projection is purposeful rather than wanton, conscious of the balance of costs and benefits, opportunistic in exploiting openings or weakness, inventive in its implementation, and wide-ranging in scope. Tehran's troublemaking is not limited to its own neighborhood; this is a regime that has orchestrated terror attacks from Buenos Aires to Bulgaria.

In addition, Tehran continues to amass the largest inventory of ballistic missiles in the region and has deployed them against U.S. assets and interests across the Middle East, and has developed extensive cyber capabilities to complement its other tools. Since the Biden administration took office, Iranian missiles and drones have been used in attacks against civilians in Saudi Arabia and the United Arab Emirates, as well as targeting American forces based in Syria and Iraq. In addition, Iranian threats to shipping in the Persian Gulf remain a serious concern, with attacks, harassment, and/or seizures of dozens of tankers in the Gulf over the past several years. These incidents appeared to accelerate in frequency and severity in 2021 and early 2022, with only selective reprisals from Washington. In recent months, attacks on U.S. forces and interests in the region by Iran and/or its proxies appear to be experiencing a pause, which some reports suggest may be linked to ongoing backchannel or official dialogues with U.S. officials.

Beyond the Middle East, Iranian leaders have demonstrated a greater readiness to engage in malign behavior and a higher degree of risk-tolerant in attacking individuals and entities around the world. This was of course commonplace for much of the Islamic Republic's first two decades in power, which included dozens of assassination attempts and other attacks against individuals and institutions across the Middle East, Europe, North America, Africa, and Asia. Beginning in the late 1990s, after a German court implicated Iran's senior leadership in the killings of exiled activists in Berlin, Tehran appeared to scale back some of these activities. Today, however, any Iranian restraint appears to have waned. Since at least 2011, the Iranian government has reportedly intensified its efforts to commit terrorist activities around the world that target and threaten dissidents and other perceived enemies, including former senior U.S. government officials.

#### Hostage-Taking

The US-Iran estrangement began with the deployment of an extraordinary tool of statecraft by the fledging Islamic Republic. The November 1979 seizure of the U.S. Embassy in Tehran achieved little for the embattled regime on the world stage, but it succeeded in forcefully evicting the liberal contingent of the post-revolutionary coalition and consolidating power in the hands of radical theocrats. After an excruciating 444 days, the standoff was resolved via a carefully crafted sequencing of reciprocal arrangements codified in the 1981 Algiers Accords. Thus began a persistent reliance on hostage-taking by the Islamic Republic, as well as its proxies, to achieve political, diplomatic, and economic objectives. In the decades since the Algiers Accords, Iranian authorities have unjustly detained dozens of foreign and dual nationals under a variety of pretexts.

The primary driver behind these seizures is simple: the Islamic Republic's foundational moments have embedded within the DNA of the Iranian state and its leadership a deep-seated paranoia toward external actors and states, together with a readiness to utilize official and semi-official violence against individuals. And yet, it is also clear that the ideological basis of the Iranian regime's hostage-taking has

an opportunistic dimension as well. Tehran has utilized its unjust detentions of foreign nationals to extort economic concessions, the release of Iranians convicted of crimes in foreign countries, or other benefits.

In January 2016, the release of five Americans after months or even in some cases years of unjust imprisonment in Iran —including a *Washington Post* reporter, a Christian pastor, and a former U.S. Marine—was timed to coordinate with the settlement of a nearly 40 year-old financial dispute between the United States and Iran, effected with payments to Tehran that were transacted via the airlift of foreign currency. And Nazanin Zaghari-Ratcliffe, a British-Iranian woman who was detained for more than six years while visiting family with her young daughter, was finally allowed to leave Iran in February 2022 after the British government settled a £400 million debt stemming from pre-revolutionary arms sales.

Several other releases of Western hostages in Iran have coincided with the simultaneous release of Iranians arrested in the United States on sanctions violations. These include the 2019 release of Xiyue Wang, a then-doctoral student who was arrested in Tehran while conducting archival research on 19<sup>th</sup> and 20<sup>th</sup> century Eurasian history, and the 2020 release of U.S. Navy veteran Michael White.

Over the past 15 years, Tehran's use of hostage-taking as a tool of achieving economic benefits or other concessions appears to have expanded. Along with dozens of individuals from European countries and beyond, a number of U.S. citizens have been unaccounted for and/or unjustly detained in Iran. Among them are Siamak Namazi, an Iranian-American consultant who was first prevented from leaving Iran only four days after the JCPOA was concluded in July 2015; several months later, he was taken to Iran's infamous Evin Prison and remained there for nearly eight years until his recent furlough. Other Americans detained in Iran include businessman Emad Sharghi and environmentalist Morad Tahbaz, as well as several Iranian nationals with U.S. permanent resident status. And Tehran has never provided an accounting for the Robert Levinson, a retired U.S. government employee who went missing during a 2007 trip to Iran's Kish Island and is presumed dead.

Namazi, Sharghi, and Tahbaz are among five U.S. nationals who have been the focus of an emerging agreement that will provide Tehran with access to \$6 billion in funds previously held in the Republic of Korea in restricted accounts to accounts in Qatar that can be used by Tehran for humanitarian purchases. The Americans remain under house arrest in Tehran while these arrangements are underway.

#### Domestic repression

This hearing takes place only two days before the first anniversary of the death of Mahsa Amini, the young Iranian woman who was arrested and abused for allegedly violating the Islamic Republic's legally mandated standards for women's dress. That incident prompted the eruption of protests across Iran, which lasted for months. Many demonstrators demanded not merely an end to Iran's religiously-inspired dress code, but an end to the Islamic Republic itself.

The extraordinary courage of Iranian women in challenging mandatory veiling precipitated an extraordinary groundswell of public activism in opposition to the theocracy. All around the country, Iranians returned to the streets for weeks and months despite the certain knowledge that they would face severe consequences. Famous athletes, film directors, actors, and other cultural luminaries defied threats of reprisals and paid a high price to voice support for the uprising. The protests were accompanied by more forceful tactics of the opposition, including labor strikes and cyberattacks. The audacity of Iran's grassroots uprising captured the attention of the world, prompting the unusual step of removing Iran

from the United Nations Commission on the Status of Women as well as an independent investigation by the UN Human Rights Council.

The regime responded with brutal and high-tech regime crackdown, resulting in the arrests of at least 22,000 Iranians as well as 500 deaths, including a string of horrifically unjust executions meant to terrorize a deeply disaffected population. Efforts at intimidation have intensified as the anniversary approaches; among the many activists, artists, academics, and dissidents who have been detained in recent weeks is Amini's uncle.

As the streets have quieted in recent months, some may be tempted to downplay the significance of the recent unrest, which appears to lack any defined leader, organization, or affirmative vision for the future of Iran and whose manifestations have been relatively small-scale in comparison to previous periods of turmoil. After all, the Islamic Republic has endured seemingly every imaginable crisis—civil war, invasion, terrorism, earthquakes, drought, pandemic, and routine episodes of internal unrest—but still, the *nezam* (the ruling system) has survived, by any means necessary.

Still, Iran's experience over the past several years points to newfound regime fragility. Since its founding, the Islamic Republic has been confronted with an impasse over how to reconcile the contradictions between the revolution's ideological imperatives and the prerequisites of effective governance and statecraft. The divergence within Iran's political elites themselves on this question generated a persistent competition among them, and a succession of attempts to reform the ruling system from within. But as these gradualist approaches to overhauling the post-revolutionary state repeatedly unraveled, the regime's political base has narrowed. And the deep challenges to the existing order that have never been fully suppressed or satisfied manifest in recurrent eruptions of increasingly violent unrest. As Iranians have experienced before, individual acts of civil disobedience have a way of inspiring and sustaining more widespread social and political demands for change. As the theocratic system gears up for a rare and uncertain succession of its top leadership, popular disaffection and agitation represents a potent source of weakness for the regime.

#### Authoritarian Alignment

The Islamic Republic's intensifying threats at home and across the region complement a consequential evolution in the worldview of its ruling elite, one that has produced a turn toward the East and embrace of authoritarian powers. Ten years ago, Iran's leaders considered access to Western markets and systems, such as the European-based SWIFT financial messaging service, so vital to the country's economy and the regime's stability that they overcame more than 30 years of aversion to direct negotiations with Washington. The economic imperative was central to Tehran's decision to accept restrictions on its nuclear program; Khamenei himself has explained that "The reason why we entered into negotiations and made some concessions was to lift sanctions."

Today, thanks at least in part to the U.S. withdrawal from the JCPOA, Iranian leaders no longer see the West as a preferable or even a viable conduit for economic benefits. Iran's supreme leader and other senior officials have long predicted the decline of Washington's influence and capabilities, and they see developments over recent years as a confirmation that American predominance has given way to the rise of competing non-Western power centers, shifting the locus of global influence away from Washington and its allies toward a rising Asia.

On this basis, Tehran has sought to build on the cooperation between the Islamic regime and the People's Republic of China that began during the Iran-Iraq war, investing significant efforts in developing closer diplomatic and economic ties with Beijing in recent years. A blockbuster economic

deal, ostensibly valued at \$400 billion, was concluded between the two countries in in July 2021. In March 2023, Chinese Foreign Minister Wang Yi presided triumphally over the final breakthrough in long-running negotiations among Iranian and Saudi diplomats, where they agreed to reestablish diplomatic relations after a seven-year breach. It was a win for all three countries – and a deliberate slap in the face to Washington. Beijing's increasing willingness to defy the reimposition of U.S. sanctions in 2018 has provided a crucial lifeline for Iran's economy, preventing its wholesale collapse and encouraging wider sanctions-busting. China's helping hand has enabled Tehran to steadily regain its presanctions oil exports, and as of August 2023, its oil exports to China reportedly reached their highest point ever, at 1.5m barrels per day.

Over this same period, Tehran has also sought to close ranks with Moscow, pressing forward despite some internal resistance with a newly strengthened strategic understanding even as Russia launched its attack on Ukraine. Iranian president Ibrahim Raisi travelled to Moscow a few weeks before the invasion, a visit that he and other officials described as a "turning point" in the bilateral relationship. As Russia's relationship with the West has deteriorated, Tehran and Moscow have exchanged a series of high-level visits and significantly upgraded military, economic, and energy cooperation. The fruits of this new partnership include a mostly speculative commitment of \$40 billion Russian investment in Iran's gas development and sanctions-proof trade corridors and financial mechanisms.

Most importantly, the cagey cooperation established between their militaries in Syria has now blossomed into what Biden administration officials have described as a "a full-fledged defense partnership" with significant military value to both regimes. Russia has already deployed thousands of Iranian UAVs to degrade Ukraine's critical infrastructure, and Tehran is helping to train Russian soldiers and transfer the drone production systems to Russia to enable industrial-scale production of even more advanced drones. Ballistic missile exports to Moscow may be next in line. In return, Moscow has promised fighter jets, helicopters, and newer air defense systems. Russia has recently transferred Yak-130 jet trainers, and Iranian pilots are already preparing for an anticipated delivery of a squadron of Russian Sukhoi SU-35 combat aircraft, a major boost to Tehran's aging inventory.

With Tehran's accession to the Shanghai Cooperation Organization in September 2022, the influential Iranian newspaper *Kayhan* celebrated what its editors described as a newfound convergence among "the three great powers" – Russia, China, and Iran. Similarly, Iran's invitation last month to join the BRICS emerging economies group buoys the regime on the international stage. Unlike Washington or European governments, Moscow and Beijing are disinclined to condition trade or diplomatic ties on liberal norms of domestic or foreign policy. Their own strategic interests are served by fueling Iranian intransigence, as a means of distracting the West and gaining leverage. For Iranian theocrats, these relationships have been described as an insurance policy for the regime, buffering it from international pressure. The cumulative effect of Iran's alignment with authoritarian great powers is to incentivize its recalcitrance toward the core concerns of Washington and many other states, including around Iran's nuclear program, its regional posture, and its treatment of its own citizens.

#### U.S. Policy Responses to Iran's Malign Activities

Iran's 1979 revolution transformed a core strategic and economic partner into an implacable antagonist determined to undermine American interests and allies. The Washington policy response took shape in the days after the November 1979 seizure of the U.S. Embassy in Tehran, when President Jimmy Carter's crisis team in the days recommended a two-track strategy that held open the door to negotiations while increasing the costs for Iran of its destabilizing policies. For more than 44 years, that

same formula for U.S. policy toward Tehran – balancing coercion and engagement – has remained largely unchanged. Each successive administration, Republican as well as Democratic, has deployed economic and military pressure to counter Iran, and each has sought a direct dialogue with Iranian leaders.

It has all been to little avail. The American track record on Iran has been modest: Washington and its partners have slowed Tehran's 30-year endeavor to acquire nuclear weapons capability and blunted the reach of some Iranian proxies. But there have been few meaningful breakthroughs or sustained reversals in Iran's most problematic policies, and even Washington's closest partners have often proven reluctant to jeopardize trade or diplomatic ties with Iran. Today, the Iranian government's capacity and readiness to stoke instability and violence at home and abroad has intensified significantly since 1979, in large part due to catastrophic American miscalculations, such as the 2003 invasion of Iraq.

The seeming intractability of the Iran challenge has made this issue a perennial object of partisan contention, culminating with the pitched battle over the Obama administration's 2015 nuclear deal with Tehran. For its proponents, that agreement vindicated multilateral diplomacy as a tool for resolving even the toughest challenges posed by Tehran. For critics, both in Washington and the region, the JCPOA represented an unthinkable American capitulation to an eventual Iranian nuclear breakout. Those arguments propelled the Trump administration's 2018 decision to withdraw from the deal, which in turn precipitated an escalation in Iran's regional aggression and an acceleration of its nuclear program outside the restrictions of the deal.

The Biden administration assumed office in January 2021 determined to resuscitate the JCPOA through negotiations with Iran and the other great powers that remain parties to the agreement. This was a sensible plan for an administration eager to downsize America's post-9/11 entanglements in the Middle East and to signal renewed U.S. leadership in the world. An essential element of the U.S. approach to Iran under President Biden has been the robust and effective cooperation with U.S. partners and allies, especially those in the region such as Israel.

Unfortunately, the Iranian regime's recalcitrance and the shifts in the broader geopolitical balance have impeded diplomatic progress. Savoring its status as the aggrieved party, Tehran has largely refused to engage directly with American officials and stonewalled efforts to finalize the text of a revised nuclear accord throughout 2022. The hard-won consensus among the other parties to the deal during the protracted JCPOA negotiations was shattered by Russia's invasion of Ukraine and intensified competition between Washington and Beijing.

Consumed with the war in Ukraine and the looming challenge of China, the Biden administration has sought to navigate this uncertain new environment with tactical ambiguity and informal understandings with Tehran. Reports of informal understandings between the United States and Tehran may have generated some positive momentum, including the apparently imminent return of Americans detained unjustly in Iran. However, while this backchannel approach may enable some limited problem-solving, it cannot provide a viable platform for managing the profound challenges posed by Iran's destabilizing policies. Indeed, non-binding arrangements may invite escalation by encouraging Iranian brinksmanship or straining Israeli patience. President Biden has promised that Iran will not get a nuclear weapon under his watch, and if he intends to fulfill on that pledge, his administration will have to devise a credible framework that can withstand public – and Congressional – scrutiny.

To be sure, effective diplomacy requires discretion. But no agreement between old adversaries can be durable or enforceable if its terms are shrouded in secrecy. The track record for secret diplomacy

### B | Foreign Policy at BROOKINGS

between the United States and Iran over the past 44 years is dismal; in fact, since the disastrous Iran-Contra episode, U.S. administrations from both parties have typically insisted that any dialogue with Iran be open and authoritative. Any new arrangements between the United States and the Islamic Republic must be held to the same standard.

In public statements, Secretary of State Antony Blinken has insisted that the administration's diplomatic efforts to ensure that wrongfully detained Americans are released from captivity in Iran is not part of a wider dialogue that would provide economic incentives in exchange for de-escalatory steps on Iran's nuclear or regional policies. As the Secretary has said, we must all welcome any Iranian steps that ameliorate the regime's menacing behaviors. The administration should be forthcoming with Congress, in closed session if appropriate, and with the American people about the current contours of any official negotiations, directly or via third parties, especially those that may entail incentives provided to Tehran in exchange for actions undertaken by the regime.

Let me also take this opportunity to appeal for greater bipartisan cooperation around the challenges posed by Tehran. The past decade has witnessed an immensely deleterious polarization of the debate around Iran policy, both here in Washington and around the country. I've had the privilege to work with Republican and Democratic administrations on Iran, and there is substantial alignment around the nature of the Iranian threat and the most effective tools for countering Tehran's malign policies among the American people and their representatives and leaders across both sides of the aisle. Unfortunately, it is also evident that the fierce disagreements in Washington have at times stymied opportunities to enhance U.S. deterrence.

The United States must craft a new strategy that integrates the totality of the Iran challenge, not just the nuclear issue. The administration can begin by regrouping with those states still willing to cooperate around the threats posed by Tehran. That means developing a consensus with France, Germany, the United Kingdom, and other like-minded states around steps they are prepared to undertake to prevent Tehran from crossing the thresholds that would bring it to the brink of nuclear weaponization. These are, for the most part, well known. They include Iran enriching plutonium or uranium to 90 percent purity; ending or seriously impeding International Atomic Energy Agency access and inspections to its facilities; withdrawing from the Nuclear Non-proliferation Treaty; and resuming overt weaponization activities. Together with European partners, the Biden administration should outline the compelling economic, political, and military consequences that await Iran if it goes over these lines.

This message should be bolstered with a stepped-up pace of military exercises in the region that clearly signal coalition capability to undertake the operations necessary to strike Iran's nuclear facilities, such as those conducted with Israel in December 2022 and January 2023. The Pentagon should continue to ensure a high tempo of U.S. force presence in the Persian Gulf, bolster the nascent multilateral security planning and coordination between Israel and the Gulf states, and invest in strengthening an integrated regional air defense system as a means of underscoring the United States' readiness and willingness to follow through on any threats.

The JCPOA's "Transition Day" is fast approaching, which will terminate United Nations restrictions on Iran's missile and drone programs and could remove corresponding European sanctions on a wide array of individuals and entities involved with Iran's nuclear, missile, and other weapons programs. Unfortunately, fear of precipitating further escalation by Iran has dissuaded the European parties to the deal from deploying the "snapback" provision of the JCPOA, which enabled any party to the deal to reimpose UN sanctions on Iran that were suspended after the agreement came into force. Snapback

comes with real risks of an Iranian escalation, but it would jettison the illusion that the 2015 bargain can be resuscitated and reimpose the symbolic force of United Nations sanctions.

The snapback provisions are not the only economic leverage these states have over Tehran. Our European partners have tended to view trade and investment in Iran as important carrots for positively shaping Iranian behavior. For this reason, sanctions have traditionally been a tool of last resort for Europe. In fact, until late 2022, Germany retained a program of export credits and other trade promotions to incentivize, at least in theory, economic cooperation with Tehran. But each of these countries played a critical role in pressuring the Islamic Republic to engage in serious negotiations to constrain its nuclear program a decade ago, and today Tehran's destructive role in Ukraine has once again recalibrated their approach toward Iran. The Biden administration should work with the UK, France, and Germany to sustain or even intensify most of their existing restrictions on Iran's nuclear, missile, drone and other weapons programs even after Transition Day. The same diplomatic infrastructure that Washington and its partners built to coordinate sanctions against Russia could be deployed to create new measures against Iran. U.S. partners could, for example, target the assets of Iran's *aghazadeh* class of regime crony capitalists, much as they have targeted the assets of Russian oligarchs.

Iran may not be moved by the West alone, given its belief that the United States and its allies are in decline. As a result, Washington and its partners should push hard to get China—one of Tehran's self-proclaimed partners, and a major buyer of Iranian oil—to cooperate. This will be uniquely challenging. Historically, Beijing has mostly played a free-rider role in nuclear diplomacy with Tehran, and there's no reason to believe that Chinese leaders are prepared to assume greater responsibility for preventing Iran from acquiring nuclear weapons, especially as tensions between Beijing and Washington reach new heights.

But China is not Russia; its economy remains deeply intertwined with those in the West. And China's economy is dependent on energy from the Persian Gulf, giving Chinese leaders a strong self-interest in preventing a crisis in the region—which an Iranian nuclear weapon would likely precipitate. To date, Beijing has played a hugely important role in sustaining the Iranian economy by defying sanctions to import more than a million barrels of oil per day over the last several years. The Biden administration should work quietly with China to curtail those imports, making clear that Washington is prepared to enforce U.S. sanctions through actions such as the recent disruption of a covert smuggling scheme and seizure of nearly 1 million barrels of oil.

As Iran's deployment of hostage diplomacy has re-emerged as a prominent avenue for its regime to achieve leverage vis-à-vis the United States and its allies and partners, more needs to be done to limit the scope of this grotesque tool of Iranian statecraft. American and European travel advisories provide insufficient protection for individual travelers and expose governments to Tehran's inhumane extortion practices. More must be done to deny Tehran opportunities to replenish its hostage arsenal and continue the cycle of suffering and inducements to effect individual extrications. Recent proposals by former U.S. government officials to invalidate U.S. passports for travel to Iran would have only a marginal dissuasive impact, since the majority of American visitors are dual nationals who may utilize Iranian travel documents. Still, these and other steps should be contemplated as a means of deterring travel flows, such as ensuring visibility around the frequency and severity of Iran's weaponization of individual travelers, along with the establishment of a dedicated working group among key partners at risk to identify mechanisms for discouraging tourist and other discretionary travel to Iran.

### B | Foreign Policy at BROOKINGS

Deterring Iran's nuclear ambitions and its coercive regional and foreign policies will require a much higher level of vigilance from the United States and its partners in Europe, the Middle East, and beyond. And it jeopardizes the determined efforts of the Biden administration to extract America from the ruinous conflicts of the Middle East in order to focus on the most urgent strategic challenge of a rising authoritarian China. But leaders don't have the luxury of disregarding brewing crises, especially those with transformative impact on the security environment for American interests and allies. And as the Ukrainian conflict shows, with foresight, skilled coordination, and leadership, even a polarized world can in fact rally in surprisingly effective ways to confront aggression.

There is one more way the United States can help stop Iran's nuclear ambitions—and the regime's wider malfeasance at home and abroad. The current Iranian government is unlikely to forfeit its nuclear program or stop fueling conflicts across the world. But the Iranians who have taken to the streets have made it clear they want a democratic government focused on the needs of its people, rather than on adventurism. Such a government would almost certainly be far less interested in acquiring nuclear weapons or promoting insurgencies, and so Washington should do what it can to help the protesters achieve their aims.

To be sure, there are serious limits to Washington's capacity to effect meaningful positive change in Iranian politics. After more than four decades, America has only the most tangential reach into the halls of power in Iran, or its streets. Ultimately, the future of Iran will depend on Iranians themselves. But U.S. policymakers can work with like-minded allies and partners to ensure that the international community shines a spotlight on the heroic efforts of these Iranians, continues to expose Tehran's repression, and finds ways to hold the Iranian government accountable by working closely with the established UN fact-finding mission and pressing partners around the world to downgrade diplomatic relations with Iran.

The United States can also assist the Iranian people by expanding their access to information and communications. The Biden administration has already stepped up its engagement with technology providers to help Iranians talk with one another and with the outside world. It should also work with service providers to create and distribute, through U.S. government funding where necessary, a wider array of circumvention tools and to expand Iranians' access to virtual private networks that can keep them connected to the open internet. Washington can similarly help by investing in Persian language broadcasting capabilities to erode the regime's media monopoly.

There should be no illusions – the Islamic Republic remains a significant challenge to American interests and to international security. Addressing the Iranian challenge will require resourceful diplomacy, resolute projection of American capabilities around the world; a readiness to work with allies, partners, and a wider coalition of states; and a determination to support the democratic aspirations of the Iranian people.