

Testimony before the House Foreign Affairs Subcommittee on the Middle East, North Africa, and Central Asia on Iran's Escalating Threats: Assessing U.S. Policy Toward Iran's Malign Activities

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Chairman Wilson, Ranking Member Phillips, and distinguished members of the subcommittee, thank you for the opportunity to appear today as a member of this distinguished panel to discuss Iran and the impact of Western policy on this persistent challenge to our national security.

Although I advise a number of organizations, my comments today represent my views alone.

My testimony will focus on three issues:

First, I will offer an assessment of how Iran's leadership likely views its world and its policy goals in the coming years.

Next, I will review three issues likely to dominate the Iran policy debate in the coming months.

Last, I will offer recommendations on steps that could improve the impact and transparency of our national Iran policy.

Introductory remarks.

Iran is unique among America's many foreign policy challenges. Iran remains the only country that simultaneously poses a strategic, urgent, and lethal threat to the interests of the United States, its people, and its partners. Our response to this adversary's actions not only protects our interests but messages to the world our values, our place in global affairs, and our reliability as a security partner. I commend this committee for taking the time to discuss this issue.

This is a consequential time for Iran policy. September 16 will mark the first anniversary of the cruel death of Mahsa Amini and the beginning of months of unrest in which Iran's people – especially its women and girls – inspired the world with their heroism. The Islamic Republic simultaneously shocked the world with its violent response to these peaceful protests. Iran's nuclear program is at the precipice of weaponization. Tehran's support for terrorism continues, and the U.S. and its partners have thwarted multiple Iranian-led or sponsored attacks, including operations in the United States and against our military personnel in Syria. Iran's militias still destabilize the Middle East, and its drones have killed countless Ukrainian civilians in Russia's murderous war against their country. Iran's President, Ebrahim Raisi, will soon visit the United Nations (UN), where he will no doubt deliver a speech in which he will attempt to project defiance and confidence.

How do Iran's leaders see their world?

As you consider your policy options, it will be helpful to consider how Iran's leaders judge the success of their policies over the past two years. Unfortunately, events of this period give them reason for some confidence. Russia's invasion of Ukraine fractured Great Power unity and fostered Western

unwillingness to risk another major international crisis. Tehran's willingness to stand with Moscow tightened an increasingly troubling relationship. China's efforts to upset the existing international order cemented its political relations with Iran.

Western response to Iranian aggression has not been robust. Rhetoric and minor sanctions also dominated the international community's response to the alarming expansion of Iran's nuclear program and stonewalling of the International Atomic Energy Agency (IAEA); the torture and execution of peaceful protestors; hostage taking; piracy in international waters; and repeated attempts to kidnap or murder U.S. persons and journalists in the United Kingdom. The West largely stood silent as Iran and its proxies used Iranian missiles and drones against long-time U.S. partners in Saudi Arabia and the United Arab Emirates. These attacks targeted civilian areas inhabited by a multinational population, including hundreds of thousands of American men, women, and children. Tehran likely believes that a policy of calibrated and low-cost aggression will allow it to test traditional red lines and achieve strategic concessions from a West that has convinced itself that any military confrontation with Iran could ignite a conventional conflict.

Western policymakers claim to pursue a policy of deterrence but executed a policy heavy on financial inducements and a hope that informal agreements would change Tehran's behavior. As a result, Iran saw a massive revenue boost but rarely changed its behavior beyond actions that could be reversed quickly. Flush with resources and new Great Power political partners, it instead focused on facilitating the transition of Iran's leadership to a new generation of hard-line actors, oppressing its citizens, maintaining its militia and terrorist partners, and expanding its nuclear program to a level achieved only by nuclear weapons powers.

Nonetheless, Iran's leaders almost certainly view the future with deep concern and for good reason. Country-wide protests have erupted annually for more than five years. This unrest burns for weeks or months and draws upon young and old. Once unthinkable, protestors routinely called for an end to the regime and the death of Iran's Supreme Leader. Much like the final years of the Soviet Union, the Islamic Republic has become an architecture of stale ideology and coercion that masks rigged elections, corruption, incompetence, and violence against its disillusioned people.

The social and economic revolutions in the United Arab Emirates (UAE) and Saudi Arabia pose a direct threat to the Islamic Republic, much as the progress of the United States and Europe during the Cold War eroded the stability of the Soviet Union. Iran's people look across the Persian Gulf waters to a world of peace and prosperity that an ossified and archaic ideology denies them. Whereas Abu Dhabi, Manama, and Riyadh speak of Vision 2030, Iran's leadership only reiterates the spent and bankrupt ideology of Vision 1979.

The G-20 announcement of an infrastructure, energy, and trade corridor connecting India, the UAE, Saudi Arabia, and Europe is the latest example that the region is leaving Iran behind. Tehran plays no role in this historic trade connection. The fact that Israel partner in this project underscores Iran's economic and political irrelevance in its own neighborhood. Tehran has trumpeted its membership in the Shanghai Cooperation Organization and BRICS. However, Iran's leaders must be painfully aware that their primary economic partners are an increasingly isolated and economically weak Russia and China, the latter experiencing a significant economic contraction and flight of foreign investors.

How will Iran measure success?

We should next ask what goals Tehran hopes to achieve in the coming years.

First and foremost, the leaders of the Islamic Republic must achieve sufficient political and economic stability to enable the rising generation of post-revolutionary hardliners to retain power upon the death of 84-year-old Supreme Leader Khamenei. The men who dominate Iran's political elite have neutralized domestic political rivals and established a network – dominated by former Revolutionary Guard officials – to enrich themselves and preserve hard-line interests. Regime security forces will deal harshly with domestic opposition to their rule. Iran's leaders will reject rapprochement with the West despite the economic benefits because such engagement would undermine the justification for the regime and could introduce regime-destabilizing cultural influences.

A successful foreign policy will be critical for Iran. The Raisi administration will likely maintain an assertive, even confrontational, foreign policy to counter adversary coalitions and erode the international sanctions regime. Tehran understands that the threat of conflict is a constraining factor in Western decision-making. But Iran will avoid actions that could precipitate a conventional conflict with the United States. This policy will include steps to tighten its economic and military relationship with China and Russia, build relationships in the Global South through such organizations as BRICS, expand trade with Europe, and subvert the U.S.-led world order. Tehran will seek to reduce Western influence in the Middle East. Iran will perceive any decline in the U.S. military presence in the Middle East as validation of its strategy.

Iran will continue to resource militias and terrorist groups in Iraq, Syria, Yemen, and Lebanon and use them as an indirect but lethal tool against the U.S. and its partners to sustain Iran's influence in these countries and perhaps to attack the U.S. homeland. Iran has long seen that the U.S. deals with Iran-sponsored attacks as a law-enforcement or military matter involving Iran's proxies; Tehran rarely pays a price for its aggression.

In the long-term, Iran aspires to be a, if not the regional hegemon with a capacity to pressure global economies by actions against the Strait of Hormuz and Bab al Mandab maritime chokepoints. Western views of this region are often restricted to its role as an energy producer. It is also important to remember that more than ten percent of global trade – including 30% of all container trade and 16% of air cargo – transits this region. Disruption of this trade would have an immediate impact on the U.S. economy.

Iran is unlikely to agree to long-term limits on its nuclear program or even a significant reversal of nuclear achievements. Iran has consistently rejected demands to end enrichment, close facilities, or curtail research and development. But it will likely use the prospect of progress in nuclear talks as a shield against international pressure responding to its non-nuclear aggressions. Iran will aim to reduce the time it takes to build a nuclear weapon. The decision to weaponize will remain dependent on its assessment of whether it can do so without discovery and the likelihood of a U.S. or Israeli military attack on nuclear-related facilities and personnel. Iran will likely continue to improve the precision and survivability of its missile program and the sophistication of its Space Launch program in hopes that the latter will provide knowledge critical to developing missile technology to threaten the U.S.

Near-term issues that will define the Iran challenge

Next, I will review three issues likely to dominate the Iran policy debate in the coming months.

First, Iran will continue to oppress its people.

Iran is about to mark the first anniversary of the death of Mahsa Amini, and the ensuing protests that saw more than three hundred Iranians give their lives and tens of thousands of others suffer torture and sexual violence in Iran's prisons, all for the cause of freedom. Since these events, Tehran's leaders redoubled efforts to sustain hardline rule and reinforce the hijab mandate.

Even as we speak, Iran's security forces are taking steps to stifle any commemoration of last year's protests. They hope to keep Iran's restive population off the streets in the coming weeks using a combination of demonstration bans, pre-emptive arrests, and security force threats to family members. Tehran may succeed in muting protests, but we are likely to see ample evidence that the people of Iran seek an end to the Islamic Republic. Civil disobedience against the hijab mandate and brain drain will likely be constants for Iran's leaders. Another major outbreak of protests seems inevitable.

Second, Iran will likely accept only minimal and reversible restraints on its nuclear program.

U.S. officials have stated that Iran has not yet begun to take the steps necessary to build a nuclear weapon. But Iran's nuclear enterprise looks precisely like what a country would build if it planned to weaponize. Tehran has used the last two years of negotiations to achieve progress that many in years past would have believed to be sufficient justification for Western military action against that program.

The Biden administration and Europe energetically worked to restore a nuclear deal that ultimately favors many of Iran's nuclear ambitions. Nonetheless, Tehran rejected diplomacy and used the last two years to expand its program dramatically, block international inspectors, and harden facilities. Its nuclear policy seems aimed at normalizing an architecture that could be weaponized relatively quickly when Iran believes the moment is right. Iran can now produce one weapon's worth of weapons-grade uranium in about twelve days and sufficient fissile material for five or six nuclear weapons in a month.

Recent negotiations with Iran have reportedly slowed Iran's nuclear expansion. These concessions are largely symbolic, have no impact on break-out time, and are quickly reversible. In exchange, Tehran will have paid no price for its aggressive nuclear expansion but instead received financial relief critical to regime stability in exchange for slowing activity. If a deal allows Iran to continue production of uranium enriched to 60% - a level for which there is no civilian use – some may ask if the U.S. has accepted an enrichment program openly intended for military purposes. If so, some will say that we have shifted from nuclear deterrence to containment at a time when the credibility of the U.S. military deterrent is in question.

Tehran's defiance of the IAEA is particularly troubling. Other rogue regimes will watch this dynamic for a playbook they can follow. Iran has failed to follow through on multiple agreements to cooperate with the IAEA. Instead, it blocked IAEA verification efforts, denied access to critical data, harassed IAEA officials, and refused to explain uranium traces at undeclared nuclear sites. The IAEA increasingly will question its ability to declare that Iran's nuclear program remains peaceful. We should be concerned that tolerance of Iran's nuclear expansion undermines the very international institution tasked with ensuring the non-proliferation of nuclear weapons.

Third, absent a significant change in Western policy, Iran's hostage industry and support for terrorism will continue.

Few subjects involve more human tragedy than Iran's use of spurious charges to detain innocents for financial and political benefit. Hostages endure cruel treatment, and their families suffer years of anguish. According to multiple reports, and with the assistance of such partners as Oman and Qatar, the U.S. and Iran will soon initiate a hostage deal. In exchange for releasing five U.S. hostages, Iran will see a similar number of its nationals released from U.S. prisons and financial relief in the form of six billion dollars of unfrozen funds previously trapped in South Korea. This follows U.S. approval for Iraq to release approximately ten billion dollars to Iran in July. The administration is correct to say that its predecessor also authorized the release of frozen funds. However, it omits that previous and even current U.S. officials chose -until this point- to delay such actions when payments would resource Iran's lethal aggression without providing the intended humanitarian relief.

Likewise, while there is little reason to believe Tehran can access unfrozen funds for non-humanitarian purposes, their availability allows Iran to divert resources previously intended for humanitarian purchases to support its security forces, missile programs, proxy groups, and terrorism instead.

Hostage diplomacy is difficult, and we should respect those who attempt to bring our people home. Their options are few, and the families of hostages demand that every step is taken to return their loved ones. We should celebrate the return of our people. However, we cannot ignore the fact that this informal agreement brings significant negative consequences that may play out over years.

First, the deal does nothing to halt hostage-taking but confirms that hostage-taking brings significant financial and political benefits to the Islamic Republic. Dozens of hostages remain in Iran, including U.S. green card holders such as Shahab Dalili, long-time U.S. resident Jamshid Sharmahd, and many Europeans, including Johan Floderus, a Swedish citizen working for the European Union. Absent restrictions on the travel of U.S. and European citizens to Iran and severe multilateral diplomatic action against the regime, they will languish in Iran's prisons until Tehran receives ransom.

The deal also provides funds that help stabilize Iran's economy as it manages a sensitive leadership transition. The financial resources will likely also benefit Iran's military and regional proxies. Significantly, the infusion of funds weakens the impact of remaining sanctions and will mean that future sanctions will take longer to achieve their effects. Those who deride sanctions should recognize that when diplomacy fails, they are the only tool before military action. Tehran shows little interest in diplomacy. It is one thing to kick the policy ball down the road to create space to develop options. This policy decision adds weight to the ball and shortens the road to a possible military conflict.

We cannot ignore Iran's role as a leading sponsor of terrorism. The director of Mossad just announced that his service prevented twenty-seven terrorist attacks against Israelis this year. Iran's terrorism also included efforts to kidnap or kill former U.S. officials and private citizens within our borders and lethal threats to journalists in London. Although these operations were thwarted, the scale of Iran's terrorism exceeds any terrorist threat to the U.S. and its partners since 9/11.

Western response to Iran's terrorism has not been robust, treating U.S. incidents as crimes instead of incidents of state-sponsored terrorism. Tehran likely derived considerable satisfaction that while U.S. security officials openly guarded Americans against Iranian terrorists, their colleagues protected Iran's President Ebrahim Raisi during his 2022 visit to the UN. U.S. and partner UN delegates left the room in 2010 to protest remarks by then-Iranian president Ahmadinejad. Inexplicably, U.S. and partner officials remained in their seats when Raisi produced a picture of Qassem Soleimani during his General Assembly speech less than a week after Mahsa Amini's death.

Congressional steps that would improve Iran policy

I would like to close with several suggestions for improving the execution of our Iran policy.

Develop a bipartisan approach to Iran similar to our approach to China. The absence of a bipartisan approach has made the Iran issue a divisive element in our national discourse. The nuclear deal was a policy tool to address one aspect of the threat posed by Iran. The toxic debate over its success and the Trump administration's withdrawal from the deal in 2018 has taken the place of a long-overdue policy review. The designation of the bipartisan Select Committee on China provides a valuable template for a structure to address Iran. Bipartisan unity will strengthen our credibility with long-standing partners and the message of deterrence sent to Iran.

Encourage greater coherence in U.S. sanctions policy. Sanctions policy should be measured by its impact on adversary decision-making. Sanctions policy must also encourage partners to stand with us on a broad sanctions regime. The current approach to Iran sanctions does neither. The U.S. currently does little to enforce oil sanctions against Iran but claims enforcement remains in place. The targeted sanctions imposed in response to Iran's export of drones to Russia, hostage taking, terrorism, or oppression of its citizens have been insufficient to impact Tehran's policymakers. The decision to unfreeze Iranian funds in South Korea and Iraq will cause other countries to ask for similar treatment. Congress should seek an assessment of how we apply sanctions against Iran and how sanctions relief absent Congressional review impacts this vital policy tool.

Expand reporting on Iran's malign adventurism and U.S. response. The release of intelligence on Russia empowered our public diplomacy regarding Russia's invasion of Ukraine. Congress should require several unclassified reports on Iran. First, a detailed annual assessment of Iran's support for terrorism and its global militia and military footprint. Second, an estimate of the financial impact of sanctions levied during previous and current reporting periods. Last and within 30 days of any change in the application of sanctions, an unclassified estimate of the benefit to Iran brought by sanctions relief, and the likelihood that funds will resource malign activity.

Restrict U.S. travel to Iran. The unrestricted flow of U.S. travelers to Iran provides endless opportunities for Iran's hostage industry. Although we should encourage travel by Iranians to the U.S., we must restrict travel by American citizens and Lawful permanent residents save in the most limited and compelling humanitarian instances.

Expedite the sale and delivery of defensive weapons and joint development of defense technologies with partners at risk of attack by Iranian missiles or drones. Successful security partnerships and burden sharing require we provide partners with the technology to protect their people – and resident Americans – from Iranian missiles and drones. This support will also contribute to regional deterrence against Tehran by undercutting its confidence in the capabilities of its weapons.

Thank you for your attention. I look forward to your comments and questions.