American Enterprise Institute for Public Policy Research

Statement before the House Committee on Foreign Affairs Subcommittee on Terrorism, Nonproliferation, and Trade on "State Sponsor of Terror: The Global Threat of Iran"

Beyond Nuclear: The Increasing Threat from Iran

Frederick W. Kagan

Christopher DeMuth Chair and Director, Critical Threats Project

American Enterprise Institute

February 11, 2015

The views expressed in this testimony are those of the author alone and do not necessarily represent those of the American Enterprise Institute

Thank you for the opportunity to appear before the committee today. The protracted negotiations about Iran's nuclear program have distracted attention from other aspects of the threat Iran poses to the security of the United States and its allies in the region and around the world. Preventing Iran from acquiring the ability to field a nuclear arsenal is certainly essential, but it is not sufficient, even if any of the deals under discussion were likely to achieve it. Iran has deployed conventional and irregular forces to numerous conflicts throughout the Middle East, and it retains the ability to conduct terrorist operations using its own or proxy forces in Europe, Latin America, and possibly elsewhere. Iran has significantly increased its ballistic missile force over the past few years, both in size and in capability. Tehran also appears to be undertaking an expansion of its conventional military capabilities. The global Iranian threat—independent of the status of its nuclear program—is greater today than it has ever been.

Iranian involvement in the conflicts in Syria and Iraq is well known, but it is worth recalling some of the details. Iran has deployed elements of the Islamic Revolutionary Guards Corps (IRGC) Qods Force, IRGC conventional combat units, advisors from the Law Enforcement Forces, assets of the Ministry of Intelligence and Security, and significant political and economic advisors to help the regime of Bashar al Assad survive. Iran has also encouraged and supported the deployment of thousands of Lebanese Hezbollah conventional forces into Syria as well, a deployment unprecedented in Hezbollah's history.

Iran has deployed a similar mix of forces to Iraq, although on a smaller scale, and without the conventional forces of Hezbollah. The mix includes lethal Iranian-backed Shi'a militias such as Asaib Ahl al Haq, which had been fighting in Syria and was recalled to Iraq after the fall of Fallujah and then Mosul. The commander of the IRGC Qods Force, General Qassem Soleimani, spends a great deal of time in Iraq coordinating the activities of the Shia militias he helped establish years ago and over which he retains control. It is widely reported that Soleimani sleeps in the al Askari Shrine in Samarra, but I also learned on a recent trip to Baghdad that he apparently has a house in the Green Zone as well. Iranian military activities in Iraq are ostentatious. Tehran's proxy militias largely control the province of Divala and the area around the Samarra Shrine, and they are intertwined with the Iraqi security forces in those areas. The Iraqi Security Forces must tolerate this militia presence because they do not have the wherewithal to replace them. ISF weakness has created an opening that Iranian-backed lethal militias are filling. There was even in mid-late January a large billboard in the center of the Green Zone memorializing an IRGC brigadier general killed in the fighting, with the IRGC logo prominently displayed. By no means all of the Iraqi security forces are under the control of Iran, nor do they wish to be. I heard from political leaders on all sides who have grave concerns about the strength of Iranian proxy militias and the influence Iran is acquiring through its military intervention in Iraq. These forces threaten the sovereignty of the Iraqi state.

Iran has also managed to open up a new front in its regional struggle against Saudi Arabia, by embracing and supporting the al Houthi movement in Yemen. There is a great deal of complexity in the relationship between the Houthis and Iran, but some things are very clear. The leadership of the Houthis has been increasingly vocal in its support for Iran and has praised Iran for backing its movement. The Iranians, for their part, have dramatically increased their rhetorical support for the Houthis, and there are indications that they are providing significant material support as well. The question of Iran's relationship with the Houthis has gained much greater importance following the January Houthi coup d'etat in Sana'a, which has placed that movement firmly in control of Yemeni politics for the moment, although by no means in control of Yemen. Although the Houthis are not in fact orthodox Shia, and Yemen has historically not

suffered significantly from sectarian conflict, the movement's rise and increasingly close ties with Iran are now inflaming Yemenis along sectarian lines. Al Qaeda in the Arabian Peninsula is thus finding it easier to recruit and operate because it can now position itself as a defender of the Sunni against an Iranian and Shia assault.

The evolution of this tragic dynamic in Yemen epitomizes one of the most serious problems with the idea that the United States could benefit from allying itself with Iran. Iran's leaders have always been at pains to claim that they stand at the head of a nonsectarian Islamic revolution, but they have never been able to persuade the majority of the Muslim community of the truth of that claim. In reality, Iran is seen as a Shia sectarian actor throughout the Arab world, and it preferentially supports Shia proxy groups and individuals. Those groups and individuals tend to be highly sectarian, particularly in light of the rapidly growing sectarian conflict or not, their activities have helped fuel. Whether Iran's leaders mean to stoke sectarian conflict or not, their actions have been a powerful accelerant to sectarian violence throughout the region, and it appears that they are either unwilling or unable to change. That fact in itself should be enough to dissuade us from the notion that an alliance with Iran, even if one were on offer, would be helpful in solving the region's problems.

There is, however, no such alliance on offer. The Obama administration has repeatedly suggested that the current nuclear negotiations can be part of a larger effort at rapprochement with Iran, much to the consternation of our allies in the region. But the Iranian regime has repeated ad nauseam its unwillingness to engage in any such rapprochement and its refusal to see the negotiations in those terms, despite hints of a possible openness to a sort of temporary détente far removed from any actual reconciliation of interests. Anti-Americanism is a core element of the regime's ideology. It is a critical justification for the regime's concentration of power in its own hands, politically, economically, and socially. The supposed efforts of the United States and the West to undermine the Islamic Republic by exporting our culture and ideas to Iran's people form a significant excuse the government uses to sustain one of the most sophisticated and draconian censorship regimes on the planet. Any serious rapprochement with the United States would badly undermine the regime's justifications for this and many other oppressive activities it regards as essential to its survival, and it is almost impossible to imagine the current leadership embracing any such approach.

We must assume, therefore, that Tehran will continue to see the United States as a dangerous and aggressive enemy regardless of the outcome of the nuclear negotiations. Iran's leaders will continue to believe that America is attempting to build an alliance of Arab states and Israel with the aim of containing Iran and eventually bringing down the current regime. Iran has held this view without alteration since the 1979 Revolution, and nothing that President Obama can do in the next two years is likely to change it. Iran will therefore continue to be an enemy state, preparing itself for either offensive or defensive war against the United States and its allies in the region, with or without a nuclear program.

The further relaxation of sanctions on Iran as a consequence of any nuclear deal will dramatically assist Iran in these preparations. Iran's leaders have articulated in great detail how they would use additional post-sanctions funding to address major structural problems in their economy. The Supreme Leader and President Rouhani have described an economic doctrine they call "Resistance Economy," which aims to ensure that Iran will never be vulnerable to sanctions again in the future.¹ An influx of money and investment at this stage will also fuel Iran's ability to sustain the military and paramilitary forces it has deployed around the region and to fund its violent and sectarian proxies. A nuclear deal without some sort of real rapprochement, therefore, will actually increase the Iranian military threat to America's interests and allies in the Middle East and possibly beyond.

It would certainly be desirable to make a verifiable deal with Iran that insured that the Islamic Republic would not be able to develop and field a nuclear arsenal. Judging from the leaks coming from negotiating teams on both sides, however, it does not appear that any such deal is on the table. We must recognize in any case the stakes involved in gambling on a partial deal, and the price we are likely to pay in increasing regional and even global threats from Iran as sanctions are lifted. One thing is absolutely certain, however. A deal with Iran that addresses only narrow technical issues related to the nuclear program does not even begin to address the challenge Iran poses to the United States, its allies, and the West. Addressing that challenge would require developing a coherent and nuanced strategy toward Iran, something that is notably absent today.

¹ Amir Toumaj, "Iran's Economy of Resistance: Implications for Future Sanctions," AEI's Critical Threats Project, November 17, 2014, <u>http://www.irantracker.org/analysis/toumaj-irans-resistance-economy-implications-for-sanctions-november-17-2014</u>.