



The Future of Iranian Terror and Its Threat to the US Homeland

**Testimony by
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Chairman King, Ranking Member Higgins, and distinguished members of the subcommittee, thank you for the opportunity to testify before you this morning about the Iranian threat.

In this testimony, I analyze the impact of the July 2015 nuclear agreement, formally known as the Joint Comprehensive Plan of Action (JCPOA), on Iran's strategic decision-making, regional and domestic ambitions, and policy toward the United States. I specifically attempt to explain why this agreement has failed to spur a rapprochement in U.S.-Iranian relations and instead exacerbated Tehran's hostility.

The JCPOA has not changed Iran's long-time objectives in the Middle East: regional hegemony, the contraction of U.S. forces and influence, and the subjugation of Sunni Islamic states beneath a dominant Shiite crescent. The nuclear deal in fact makes these ends more achievable, since it provides Iran with billions of dollars in sanctions relief. Despite this opportunity, the leadership in Tehran fears that the JCPOA constitutes a ruse to infiltrate its body politic and moderate its radical Islamist ideology. As a result, Iran has increased its aggression against the United States and its allies in order to demonstrate that the nuclear deal will not alter its commitment to its vision of the Islamic Revolution.

As Tehran takes more destructive measures to demonstrate its Islamist bona fides, the JCPOA has also provided the Iranian regime with an opportunity to leverage the agreement as a bargaining chip in its dealings with Washington. Recognizing that the JCPOA's preservation amounts to the Obama administration's foremost foreign policy priority, Tehran has repeatedly threatened to withdraw from the deal in order to deter the United States from imposing any meaningful consequences for its aggression. This ploy has enabled the Islamist regime to set the terms of its relationship with America and advance its extremist agenda with relative impunity.

To reverse this dynamic, the United States must adopt a paradigm shift that treats Iran's nuclear program and non-nuclear aggression as interrelated problems that require a comprehensive strategy. It must seek to raise the costs of Tehran's belligerence by imposing meaningful penalties for any type of Iranian misbehavior — nuclear or non-nuclear. It should make clear not only that it does not consider Iran part of the solution to the region's problems, particularly Syria's civil war, but also that it actively opposes its rise as a regional power. The past seven months of Iranian provocations already provide ample warning of Tehran's malign plans in the post-nuclear deal era. Now America must act to stop them.

America's Hope, Iran's Suspicion

Over the past two years, the Obama administration has repeatedly portrayed a nuclear agreement as a means to achieve a broader U.S.-Iranian rapprochement that could spur Tehran's rise as a moderate regional power committed to peaceful coexistence with its Sunni neighbors.

In January 2014, President Obama suggested that a nuclear deal, in conjunction with other steps to stem Iran's extremist policies, could facilitate a new "equilibrium developing between Sunni, or predominantly Sunni, Gulf states and Iran in which there's competition, perhaps suspicion, but not an active or proxy warfare."¹ In March 2014, he advised America's Sunni Gulf allies to prepare for a new era in which the United States no longer favors the "existing order and the existing alignments" in the region, and has ceased to be "an implacable foe of Iran."²

¹ David Remnick, "Going the Distance," *The New Yorker*, January 27, 2014, <http://www.newyorker.com/magazine/2014/01/27/going-the-distance-david-remnick>.

² Jeffrey Goldberg, "Obama to Israel -- Time Is Running Out," *Bloomberg*, March 2, 2014, <http://www.bloombergview.com/articles/2014-03-02/obama-to-israel-time-is-running-out>.

“They’ve got a chance to get right with the world,” said President Obama in December 2014, adding that Iran could become “a very successful regional power that was also abiding by international norms and international rules, and that would be good for everybody.”³ A nuclear agreement, he claimed in April 2015, may initiate a process that leads to a new “equilibrium in the region, and Sunni and Shia, Saudi and Iran start saying, ‘Maybe we should lower tensions and focus on the extremists like [ISIS] that would burn down this entire region if they could.’”⁴ Moreover, he said that month, it may even “strengthen the hand of those more moderate forces inside of Iran.”⁵

After Iran and the P5+1 finalized the JCPOA on July 14, 2015, the White House continued to press this line of argument. “They have the ability now to take some decisive steps to move toward a more constructive relationship with the world community,” President Obama said that day. “And the truth of the matter,” he added, “is that Iran will be and should be a regional power.”⁶ In August 2015, he cited Syria’s civil war as a potential arena for cooperation, arguing that the deal held out the “the possibility that, having begun conversations around this narrow issue, that you start getting some broader discussions about Syria, for example.”⁷ On January 17, 2016, the JCPOA’s Implementation Day, President Obama said the deal presented “the opportunity at least for Iran to work more cooperatively with nations around the world to advance their interests and the interests of people who are looking for peace and security for their families.”⁸

For the Islamist regime, however, the negotiations constituted both an opportunity and a threat. On the one hand, it offered the prospect of long-sought sanctions relief that would restore Iran’s ailing economy. On the other hand, as President Obama’s own rhetoric seemed to indicate, an agreement could serve as a ruse to reorient Tehran’s regional agenda and even temper its radical Islamist character, which Iran’s supreme leader, Ayatollah Ali Khamenei, regards as the essence of the regime. Having achieved the former, Khamenei now aims to prevent the latter.

Tehran’s fears of such U.S. ambitions long predate the international community’s concern over Iran’s nuclear program. At its root, Tehran’s ideology, a product of the 1979 Islamic Revolution, views Shiite Iran as the vanguard of authentic Islam in a region corrupted by Western influence and values. Ayatollah Ruhollah Khomeini, the Islamic Republic’s founding father and first supreme leader, argued that America poses not only a physical threat but also a spiritual threat: It seeks to destroy Islam and transform the Middle East into a secular, godless region marked by violence, greed, and promiscuity. In this conspiratorial worldview, both Israel and the Sunni Arab states are agents of the United States, which secretly guides and manipulates their actions as part of a nefarious plot to overthrow the Iranian regime. In this context, stated Khomeini, America’s defeat constitutes not only a political goal, but also a religious imperative.⁹

These core principles of Iran’s ideology remain unchanged, and lie at the heart of the Khamenei regime’s identity. Waging war against the United States “is one of the principles of the [Islamic] Revolution,” Khamenei said on August 4. “If fighting against arrogance does not take place, it means that

³ Interview with Steve Inskeep, NPR, December 29, 2014, <http://www.npr.org/2014/12/29/372485968/transcript-president-obamas-full-npr-interview>.

⁴ Thomas L. Friedman, “Iran and the Obama Doctrine,” *The New York Times*, April 5, 2015,

<http://www.nytimes.com/2015/04/06/opinion/thomas-friedman-the-obama-doctrine-and-iran-interview.html>.

⁵ Interview with Steve Inskeep, NPR, April 7, 2015, <http://www.npr.org/templates/story/story.php?storyId=397933577>.

⁶ Thomas L. Friedman, “Obama Makes His Case on Iran Nuclear Deal,” *The New York Times*, July 14, 2015,

<http://www.nytimes.com/2015/07/15/opinion/thomas-friedman-obama-makes-his-case-on-iran-nuclear-deal.html>.

⁷ Interview with Fareed Zakaria, CNN, August 9, 2015, <http://transcripts.cnn.com/TRANSCRIPTS/1508/09/fzgps.01.html>.

⁸ “Statement by the President on Iran,” The White House, January 17, 2016, <https://www.whitehouse.gov/the-press-office/2016/01/17/statement-president-iran>.

⁹ See Imam Khomeini, *Islam and Revolution: Writings and Declarations of Imam Khomeini (1941-1980)*, Translated and Annotated by Hamid Algar (Mizan Press, 1981).

we are not followers of the Holy Quran at all.”¹⁰ “The Revolution,” he said on September 16, “is a permanent process, not a temporary one.”¹¹ America, he said on October 7, “is a transgressor by nature. It is in the nature of world-devouring powers to transgress, to advance, to occupy and to dig-in their claws.”¹² On August 17, he asserted that the United States “is the epitome of global arrogance” and “knows nothing about human morality and it is not ashamed of committing any crime — of any nature.”¹³ On November 3, he asserted — citing a statement by Ayatollah Khomeini — that America “was behind all problems” and lies at “the root of all evil things.” “If they could destroy the Islamic Republic,” Khamenei added, “they will not hesitate even for a moment.”¹⁴

Similarly, he claimed on July 18, “the enemy planted the Zionist regime in the region so that they can create discord and busy regional countries with themselves.”¹⁵ On August 22, in an apparent reference to Sunni Arab nations opposed to Iran, he argued that the “enemies sometimes use certain Islamic countries to say and do what they want.” These states, he continued, “have been deceived and used as a tool.”¹⁶ According to a November 4 statement on Khamenei’s website, “Al-Qaeda, Al- Nusra Front, FSA (Free Syrian Army), ISIS (Islamic State in Iraq and Syria) and many other names should not be confusing; they are all Western backed mercenaries fighting proxy wars.”¹⁷ For Khamenei, the United States was even behind the November 2015 terror attacks in Paris that claimed 130 lives.¹⁸

Iran’s ideology remains crucial to understanding Tehran’s behavior in the post-nuclear deal era: Khamenei fears that the nuclear deal, despite the opportunity it presents for economic recovery, represents yet another underhanded U.S. attempt to undermine the Islamic Revolution.

On October 7, he identified two types of negotiations: the modern type, which “means giving something and receiving something else in return,” and the American type, which “means penetration.”¹⁹ “They pursue something called ‘negotiations,’” he explained on September 9, “but negotiations are just an excuse and a tool for penetration. Negotiations are an instrument for imposing their demands.”²⁰ On October 21, he contended that America entered the nuclear negotiations “not with the intention of resolving matters justly, but rather it was for the pursuit of their hostile goals against the Islamic

¹⁰ “Leader’s speech in meeting with students,” Official Website of Ayatollah Ali Khamenei, July 11, 2015, <http://english.khamenei.ir/news/2104/Leader-s-speech-in-meeting-with-students>.

¹¹ “IRGC blocks the enemy’s infiltration,” Official Website of Ayatollah Ali Khamenei, September 16, 2015, <http://english.khamenei.ir/news/2155/IRGC-blocks-the-enemy-s-infiltration>.

¹² “Leader’s speech in meeting with commanders and personnel of Islamic Revolution Guards Corps,” Official Website of Ayatollah Ali Khamenei, October 7, 2015, <http://english.khamenei.ir/news/2194/Leader-s-speech-in-meeting-with-commanders-and-personnel-of-Islamic>.

¹³ “Leader’s speech to members of Ahlul Bayt World Assembly and Islamic Radio and TV Union,” Official Website of Ayatollah Ali Khamenei, August 17, 2015, <http://english.khamenei.ir/news/2109/Leader-s-speech-to-members-of-Ahlul-Bayt-World-Assembly-and-Islamic>.

¹⁴ “‘Death to America’ means death to American policies and arrogance,” Official Website of Ayatollah Ali Khamenei, November 3, 2015, <http://english.khamenei.ir/news/2298/Death-to-America-means-death-to-American-policies-and-arrogance>.

¹⁵ “Leader’s speech in meeting with ambassadors of Islamic countries,” Official Website of Ayatollah Ali Khamenei, July 18, 2015, <http://english.khamenei.ir/news/2112/Leader-s-speech-in-meeting-with-ambassadors-of-Islamic-countries>.

¹⁶ “Leader’s speech to Hajj officials,” Official Website of Ayatollah Ali Khamenei, August 22, 2015, <http://english.khamenei.ir/news/2118/Leader-s-speech-to-Hajj-officials>.

¹⁷ “ISIS qualifies for staging U.S.’s latest puppet show in the region,” Official Website of Ayatollah Ali Khamenei, November 4, 2015, <http://english.khamenei.ir/news/2164/ISIS-qualifies-for-staging-U-S-s-latest-puppet-show-in-the-region>.

¹⁸ “Who is behind the Paris attacks?,” Official Website of Ayatollah Ali Khamenei video, 4:06, November 17, 2015, <http://english.khamenei.ir/news/2454/Who-is-behind-the-Paris-attacks>.

¹⁹ “Leader’s speech in meeting with commanders and personnel of Islamic Revolution Guards Corps,” Official Website of Ayatollah Ali Khamenei, October 7, 2015, <http://english.khamenei.ir/news/2194/Leader-s-speech-in-meeting-with-commanders-and-personnel-of-Islamic>.

²⁰ “Strong economy, developing science and revolutionary spirit,” Official Website of Ayatollah Ali Khamenei, September 9, 2015, <http://english.khamenei.ir/news/2136/Strong-economy-developing-science-and-revolutionary-spirit>.

Republic.”²¹ The United States, he noted on September 3, says the nuclear deal has provided it “with certain opportunities both inside Iran and in the region.” However, he continued, “if they get close to these opportunities, this will be a starting point for nations and countries to become humiliated and backward and to experience various sufferings.”²²

To prevent such an outcome, Khamenei insisted during the talks that Iranian negotiators must focus exclusively on exchanging nuclear concessions for sanctions relief — that is, the “modern” type of negotiations — and would not prefigure any change in U.S.-Iranian relations, which could serve as an avenue for Western infiltration. Iran’s sole “purpose of entering into the nuclear negotiations is to lift sanctions,” he said on June 23, just three weeks before the JCPOA’s finalization.²³ And by this standard, he declared after the deal, Tehran succeeded. “They wanted to use [the nuclear deal] as a means to exert influence in our country,” he said on August 17, “but we blocked their path and we will definitely block their path in the future as well.”²⁴ On September 9, he again asserted triumphantly that Tehran “did not allow [negotiators] to negotiate with America on other matters.”²⁵

Thus, according to the supreme leader, the nuclear deal marked not a precursor to further cooperation, but an “exceptional” case — as Khamenei put it on July 18 — of U.S.-Iranian diplomacy that served only to advance Tehran’s narrowly defined economic goals. “Our policy towards the arrogant government of America will not change in any way despite these negotiations and the document that has been prepared,” he stressed that day. “As we have said many times, we have no negotiations with America on different global and regional issues. ... The American policies in the region are 180 degrees the opposite of the policies of the Islamic Republic.”²⁶

At the same time, however, Khamenei recognized that the Obama administration’s intense yearning for an agreement also presented Iran with an invaluable strategic opportunity: By repeatedly threatening to withdraw from the agreement if the United States attempted to punish the regime for its support of terrorism, Tehran could use the JCPOA as a coercive mechanism to deter meaningful consequences for its misbehavior, both with respect to the nuclear file and with respect to the broader region. Ironically, the JCPOA could actually facilitate Iran’s regional aggression rather than spur the regime to discontinue it for the sake of a U.S. rapprochement.

Seven Months of Provocations

The diplomatic relationship between the United States and Iran in the post-nuclear deal era reflects the asymmetry of the nuclear deal itself. In its eagerness to reach an agreement, the United States abdicated virtually every red line it had publicly articulated during the negotiations — from dismantling Iran’s nuclear infrastructure and ensuring anytime-anywhere inspections to linking sanctions relief with

²¹ “Leader’s letter to President Rouhani regarding the JCPOA,” Official Website of Ayatollah Ali Khamenei, October 21, 2015, <http://english.khamenei.ir/news/2336/Leader-s-letter-to-President-Rouhani-regarding-the-JCPOA>.

²² “Leader’s speech in meeting with Assembly of Experts,” Official Website of Ayatollah Ali Khamenei, September 3, 2015, <http://english.khamenei.ir/news/2132/Leader-s-speech-in-meeting-with-Assembly-of-Experts>.

²³ “Leader’s speech in meeting with government officials,” Official Website of Ayatollah Ali Khamenei, June 23, 2015, <http://english.khamenei.ir/news/2088/Leader-s-speech-in-meeting-with-government-officials>.

²⁴ “Leader’s speech to members of Ahlul Bayt World Assembly and Islamic Radio and TV Union,” Official Website of Ayatollah Ali Khamenei, August 17, 2015, <http://english.khamenei.ir/news/2109/Leader-s-speech-to-members-of-Ahlul-Bayt-World-Assembly-and-Islamic>.

²⁵ “Strong economy, developing science and revolutionary spirit,” Official Website of Ayatollah Ali Khamenei, September 9, 2015, <http://english.khamenei.ir/news/2136/Strong-economy-developing-science-and-revolutionary-spirit>.

²⁶ “Leader’s sermons at Eid ul-Fitr prayers,” Official Website of Ayatollah Ali Khamenei, July 18, 2015, <http://english.khamenei.ir/news/2102/Leader-s-sermons-at-Eid-ul-Fitr-prayers>.

sustained compliance.²⁷ Today, in its eagerness to preserve the agreement, the administration has failed to offer a meaningful challenge to Iran's regional aggression, domestic repression, violations of international laws and norms, and other acts of defiance against the United States and its interests.

This imbalance has created a dynamic that allows Tehran to set the terms of U.S.-Iran diplomacy. Whereas the White House has exerted great pains to avoid almost any step that Tehran may perceive as hostile, the Islamist regime has felt free to refrain from exercising any reciprocal discretion. In so doing, it has ruthlessly exploited Washington's desperation to safeguard the JCPOA.

Regional Aggression

Since July 2015, Iran, in conjunction with Russia, has strengthened its military support for Damascus, thereby prolonging and exacerbating Syria's bloody civil war. For Tehran, the preservation of the Assad regime, its foremost regional client, constitutes its single greatest regional priority. A pro-Iran regime in Syria gives Tehran a foothold in the Levant and provides a pathway for military and financial support of its Lebanese proxy, the terrorist group Hezbollah, which has also benefited from increased Iranian largesse since the JCPOA.²⁸ According to Staffan de Mistura, the U.N. special envoy for Syria, Iran spends \$6 billion annually to prop up Assad's regime.²⁹

On July 18, Supreme Leader Khamenei explicitly affirmed that the deal would not affect Iran's support for Damascus. "In Syria," he said, "the policy of arrogance is to overthrow — at any price — the government that is known for its resistance against Zionism, but our policy is against theirs."³⁰ In the coming months, fearing that any dispute with Tehran would prompt it to abandon the JCPOA, the Obama administration reversed its earlier position that Assad must leave power as part of a negotiated resolution, effectively putting Washington on the same page as Tehran.³¹

At the same time, Iran has also continued to support its other proxies and foment violence throughout the Middle East. In Iraq, Shiite militias remain the beneficiaries of robust Iranian military and economic aid, and likely were responsible for kidnapping three Americans in Baghdad last month.³² In Afghanistan, Iran has recruited thousands of Afghans, some by force, to fight in Syria, Human Rights Watch stated in January,³³ while General John Campbell, commander of U.S. forces in Afghanistan, said in October 2015 that he has received reports of Iranian money and arms flowing to the Taliban.³⁴

²⁷ See Tzvi Kahn, "FPI Analysis: What U.S. Officials Required, What the Iran Deal Concedes," Foreign Policy Initiative, July 28, 2015, <http://www.foreignpolicy.org/content/fpi-analysis-what-us-officials-required-what-iran-deal-concedes>.

²⁸ See Max Peck, *Doubling Down on Damascus: Iran's Military Surge to Save the Assad Regime*, Foundation for Defense of Democracies, January 2016, http://www.defenddemocracy.org/content/uploads/documents/Doubling_Down_on_Damascus.pdf.

²⁹ Eli Lake, "Iran Spends Billions to Prop Up Assad," Bloomberg, June 9, 2015, <http://www.bloombergview.com/articles/2015-06-09/iran-spends-billions-to-prop-up-assad>.

³⁰ "Leader's speech in meeting with ambassadors of Islamic countries," Official Website of Ayatollah Ali Khamenei, July 18, 2015, <http://english.khamenei.ir/news/2112/Leader-s-speech-in-meeting-with-ambassadors-of-Islamic-countries>.

³¹ Matthew Lee and Bradley Klapper, "Assad can stay, for now: Kerry accepts Russian stance," Associated Press, December 15, 2015, <http://bigstory.ap.org/article/ed88e4c5d57341eba365a966300f67e3/kerry-moscow-talks-syria-ukraine>.

³² "2 groups eyed in kidnapping of Americans in Baghdad," CBS News, January 21, 2016, <http://www.cbsnews.com/news/iraq-shiite-militias-eyed-kidnapping-americans-dora-baghdad>.

³³ "Iran Sending Thousands of Afghans to Fight in Syria," Human Rights Watch, January 29, 2016, <https://www.hrw.org/news/2016/01/29/iran-sending-thousands-afghans-fight-syria>.

³⁴ General John Campbell, "Gen. Campbell Confirms There are Reports that Iran is Arming the Taliban," YouTube video, 0:54, posted by SenatorAyotte, October 6, 2015; see also Margherita Stancati, "Iran Backs Taliban With Cash and Arms," *The Wall Street Journal*, June 11, 2015, <http://www.wsj.com/articles/iran-backs-taliban-with-cash-and-arms-1434065528>.

In Bahrain, the government arrested 47 member of an Iran-backed terror cell that it accused of planning attacks in the country,³⁵ while in late September 2015, the Gulf island state withdrew its ambassador from Iran after the discovery of a large bomb-making factory linked to Tehran's Islamic Revolutionary Guard Corps (IRGC).³⁶ In Yemen, Iran continues to train and equip the Houthis. In September 2015, Saudi Arabia intercepted an Iranian ship in the Arabian Sea carrying missile launchers, antitank shells and missiles destined for the Tehran-backed rebels.³⁷

Nuclear and Ballistic Missile Defiance

Since the JCPOA's finalization, Tehran has openly defied the United States and international community on key disclosure provisions related to inspections of Iran's nuclear program. Under the agreement, Iran committed to resolving the international community's outstanding concerns about the possible military dimensions (PMD) of its nuclear program. Instead, it stonewalled the International Atomic Energy Agency's (IAEA) investigation, providing misleading or incomplete responses to the U.N. watchdog's questions. The agency ultimately concluded that Iran concealed, and continues to conceal, efforts to weaponize nuclear material, and engaged in weapons-related work as recently as 2009.³⁸ Nevertheless, the United States voted in favor of an IAEA Board of Governors resolution that closed the PMD file,³⁹ paving the way for the JCPOA's implementation and directly contradicting the Obama administration's earlier pledge to seek full PMD disclosure as part of a final deal.⁴⁰

Similarly, Iran has stated that it will refuse to allow inspectors to enter any military sites,⁴¹ effectively repudiating President Obama's claim that the JCPOA allows the IAEA "to access any suspicious location."⁴² With the consent of the United States, Tehran also reached a confidential side deal with the IAEA that permits it to self-inspect the Parchin military complex, making a further mockery of the verification regime.⁴³ Olli Heinonen, former deputy director general and head of safeguards at the IAEA, stated that the procedures at Parchin "departed significantly from well-established and proven safeguards practices." Moreover, he said, the P5+1's failure to object to Iran's clean-up efforts at the site after the IAEA had requested access effectively "acquiesces to Iran's violations of the spirit, if not the letter, of international inspections standards."⁴⁴

³⁵ "Bahrain says foils plans for attack by Iran-linked terrorist group," Reuters, November 4, 2015, <http://www.reuters.com/article/us-bahrain-iran-idUSKCN0ST2GJ20151104>.

³⁶ "Bahrain withdraws ambassador from Iran after bomb-factory find," Reuters, October 1, 2015, <http://www.reuters.com/article/us-bahrain-security-iran-idUSKCN0RV5E620151001>.

³⁷ Ahmed Al Omran and Asa Fitch, "Saudi Coalition Seizes Iranian Boat Carrying Weapons to Yemen," *The Wall Street Journal*, September 30, 2015, <http://www.wsj.com/articles/saudi-coalition-seizes-iranian-boat-carrying-weapons-to-rebels-in-yemen-1443606304>.

³⁸ IAEA Board of Governors, *Final Assessment on Past and Present Outstanding Issues regarding Iran's Nuclear Programme* (GOV/2015/68), December 2, 2015, <https://www.iaea.org/sites/default/files/gov-2015-68.pdf>.

³⁹ Francois Murphy and Shadia Nasralla, "U.N. watchdog decides to close nuclear weapons probe of Iran," Reuters, December 15, 2015, <http://www.reuters.com/article/us-nuclear-iran-resolution-idUSKBN0TY1YF20151215>.

⁴⁰ Interview with Judy Woodruff, PBS Newshour, April 8, 2015, <http://www.pbs.org/newshour/bb/iran-must-disclose-past-nuclear-military-activities-final-deal-says-kerry>.

⁴¹ Mohammad Javad Zarif, Interview with Christiane Amanpour, CNN, July 14, 2015, <http://www.cnn.com/TRANSCRIPTS/1507/14/ampr.01.html>.

⁴² "Statement by the President on Iran," The White House, July 14, 2015, <https://www.whitehouse.gov/the-press-office/2015/07/14/statement-president-iran>.

⁴³ "Text of draft agreement between IAEA, Iran," Associated Press, August 20, 2015, <http://news.yahoo.com/text-draft-agreement-between-iaea-iran-193603978.html>.

⁴⁴ Olli Heinonen, "Strengthening the Verification and Implementation of the Joint Comprehensive Plan of Action," Foundation for Defense of Democracies, November 2015, http://www.defenddemocracy.org/content/uploads/documents/Strengthening_Verification_JCPOA.pdf.

In October and November, Iran conducted two ballistic missile tests, directly violating a U.N. Security Council resolution that prohibits such actions.⁴⁵ On January 17, the United States belatedly announced new designations of an illicit procurement network supporting Iran's ballistic missile programs,⁴⁶ a move it had previously postponed reportedly in order to facilitate a prisoner swap between the two nations (see next section).⁴⁷ Nevertheless, in light of the billions of dollars in sanctions relief Iran received as part of Implementation Day, the new sanctions amounted to pinpricks, prompting an unrepentant Tehran to respond that it will now continue its ballistic missile program "more seriously."⁴⁸

American Hostages as Bargaining Chips

While the safe return of U.S. hostages from Iran's notorious prisons should elicit relief, the recent prisoner swap between Washington and Tehran comes at a price that ultimately serves to encourage future Iranian belligerence. In exchange for innocent Americans incarcerated on trumped-up charges, including *Washington Post* reporter Jason Rezaian, U.S. Marine veteran Amir Hekmati, Idaho pastor Saeed Abedini, and previously undisclosed prisoner Nosratollah Khosravi-Roodsari, the Obama administration released seven Iranians who violated sanctions on Tehran's nuclear or military program. (Iran released another previously undisclosed prisoner, Matthew Trevithick, separately.) The White House also dismissed charges against 14 other Iranians it had sought to arrest.

Such a trade hardly constitutes a "reciprocal humanitarian gesture," as President Obama claimed.⁴⁹ In fact, the swap effectively incentivizes Iran to capture more U.S. hostages in order to engage in further extortion. Tehran already probably recognizes such potential: The exchange notably failed to secure the release of another prisoner, Siamak Namazi, whom Iran likely retained to serve as a future bargaining chip for concessions it failed to obtain as part of it. Moreover, the United States acquired no new information about the location of former FBI agent Robert Levinson, who went missing in Iran in 2007 and may be languishing in an Iranian prison.

Equally troubling, the 14 pardoned Iranians included two men who helped transfer soldiers and weapons to the Assad regime and Hezbollah, thereby serving to enflame and prolong Syria's bloody civil war. Hamid Arabnejad and Gholamreza Mahmoudi, senior officials at Iran's privately owned Mahan Air, have long utilized the airline to transfer soldiers and arms to the Syrian battlefield — and may now continue their efforts with impunity.⁵⁰

Moreover, if the Obama administration delayed the announcement of ballistic missile sanctions over concerns it would torpedo the prisoner exchange, Iran may have learned an even more troubling lesson: Additional hostages can prevent new sanctions.

⁴⁵ Jay Solomon and Gordon Lubold, "Iran Test-Fires Another Missile, U.S. Says," *The Wall Street Journal*, December 8, 2015, <http://www.wsj.com/articles/white-house-backs-closing-u-n-probe-into-irans-nuclear-program-1449595905>.

⁴⁶ "Treasury Sanctions Those Involved in Ballistic Missile Procurement for Iran," U.S. Department of the Treasury, January 17, 2016, <https://www.treasury.gov/press-center/press-releases/Pages/jl0322.aspx>.

⁴⁷ Lesley Wroughton, Patricia Zengerle and Matt Spetalnick, "Exclusive: In negotiating to free Americans in Iran, U.S. blinked on new sanctions," Reuters, January 16, 2015, <http://www.reuters.com/article/us-iran-nuclear-prisoners-exclusive-idUSKCN0UU0WS>.

⁴⁸ "Iran Vows to Continue Advancing Missile Program," Fars News Agency, January 18, 2016, <http://en.farsnews.com/newstext.aspx?nn=13941028000442>.

⁴⁹ "Statement by the President on Iran," The White House, January 17, 2016, <https://www.whitehouse.gov/the-press-office/2016/01/17/statement-president-iran>.

⁵⁰ Josh Rogin, "Prisoner Swap May Help Iran Arm Assad," Bloomberg, January 17, 2016, <http://www.bloombergview.com/articles/2016-01-17/prisoner-swap-may-help-iran-arm-assad>.

Naval Aggression

Iran's capture of 10 U.S. Navy sailors in the Persian Gulf on January 13 — just hours before President Obama's 2016 State of the Union address and days before Implementation Day — marked yet another attempt to demonstrate that Iran's hostility toward America would endure in the post-nuclear deal era. In fact, the regime's release of video footage of the sailors' surrender, as well as a video of one sailor issuing an apology, not only reflected a deliberate effort to humiliate the United States, but may have violated international law. Still, rather than penalize Iran for this aggression, Secretary of State John Kerry thanked Tehran for its "cooperation in swiftly resolving" the crisis it had created.⁵¹

The incident, said Maj. Gen. Hassan Firouzabadi, chair of Iran's Armed Forces General Staff, "demonstrated the awareness and precision of the Iranian armed forces regarding American movements in the region. It taught them how vulnerable they are against the Islamic Republic's mighty forces."⁵² Brig. Gen. Hossein Salami, deputy commander of the IRGC, expressed similar sentiments. "No country in the world has been able to detain an American soldier since World War II," he gloated. "Yet when these soldiers entered our waters, small Iranian vessels ... surrounded and arrested them. These ten sailors surrendered to five or six young IRGC members."⁵³ At the end of January, Supreme Leader Khamenei awarded medals of honor to the IRGC commanders involved in the seizure.⁵⁴

The episode followed a similar act of Iranian naval aggression less than three weeks earlier. On December 26, Iran test-fired rockets near the USS Harry S. Truman, an American aircraft carrier, almost triggering an international crisis.⁵⁵ "These actions were highly provocative, unsafe, and unprofessional and call into question Iran's commitment to the security of a waterway vital to international commerce," said Navy Commander Kyle Raines, spokesman for the U.S. Central Command.⁵⁶ Nevertheless, the United States apparently did nothing in response.

Domestic Oppression

Iranian human rights abuses have increased dramatically since the JCPOA. In fact, according to the International Campaign for Human Rights in Iran, Tehran in late 2015 carried out the "largest [human rights] crackdown since the violent state suppression of the protests that followed the disputed 2009 presidential election in Iran."⁵⁷ In recent weeks, the regime has also moved to disqualify thousands of reformist candidates from running in Iran's upcoming parliamentary elections.⁵⁸ The new repression comes as a direct response to the JCPOA: Tehran seeks to reinforce its message that a post-nuclear deal

⁵¹ "On U.S. Navy Sailors' Departure From Iran," U.S. Department of State, January 13, 2016, <http://www.state.gov/secretary/remarks/2016/01/251139.htm>.

⁵² Sepah News, January 13, 2016. Translated by American Enterprise Institute Critical Threats Project, "Iran News Round Up," January 13, 2016, <http://www.irantracker.org/iran-news-round-january-13-2016>.

⁵³ Defa Press, January 15, 2016. Translated by American Enterprise Institute Critical Threats Project, "Iran News Round Up," January 15, 2016, <http://www.irantracker.org/iran-news-round-january-15-2016>.

⁵⁴ "Iran leader awards medals to IRGC commanders," Press TV, January 31, 2016, <http://www.presstv.ir/Detail/2016/01/31/448139/Iran-leader-awards-medals-to-IRGC-commanders>.

⁵⁵ Jim Miklaszewski, Courtney Kube, Ali Arouzi and Alastair Jamieson, "U.S. Carrier Harry S. Truman Has Close Call With Iranian Rockets," NBC News, December 30, 2015, <http://www.nbcnews.com/news/world/u-s-carrier-harry-s-truman-has-close-call-iranian-n487536>.

⁵⁶ "Iranian Revolutionary Guards fired rockets near U.S. warships in Gulf - U.S.," Reuters, December 29, 2015, <http://www.reuters.com/article/usa-iran-warship-idUSKBN0UD00R20151230>.

⁵⁷ "Largest Wave of Arrests by Iran's Revolutionary Guards Since 2009," International Campaign for Human Rights in Iran, November 19, 2015, <https://www.iranhumanrights.org/2015/11/irgc-intelligence-arrests>.

⁵⁸ Aresu Eqbali and Asa Fitch, "Iran Hard-Liners Reassert Influence on Election Slate," *The Wall Street Journal*, January 19, 2016, <http://www.wsj.com/articles/iran-hard-liners-reassert-influence-on-election-slate-1453227140>.

Iran will continue to oppose democratic forces that appear to embrace Western values of liberty and equality.

In October 2015, Dr. Ahmed Shaheed, the United Nations' special rapporteur on the situation of human rights in Iran, released a report detailing a grim litany of human rights abuses over the past year.⁵⁹ Perhaps most notably, the document states that Iran continues “to execute more individuals per capita than any other country in the world.” Moreover, it noted, Iran has tortured prisoners and denied them access to lawyers; restricted the political rights of religious minorities and regime opponents; curbed women's rights in civil, political, social and economic arenas; and persecuted Baha'is, Christians, and Sufi Dervish minorities. At the same time, Tehran has continued to reject continuous requests — issued in vain by the office of the special rapporteur since 2005 — for country visits.

The report nonetheless expressed hope that the nuclear agreement will spur the regime “to redouble its efforts” to improve human rights. The data it catalogues, however, suggest that such a prospect remains unduly optimistic. In fact, in an irony fraught with bleak symbolism, the Islamist regime — as the International Campaign for Human Rights in Iran recently observed — has even attempted to silence Iranian media outlets critical of the JCPOA.⁶⁰

Needed: A Paradigm Shift

On a practical level, Iran has continued provoking the United States in the post-nuclear deal era for a simple reason: Because it can. By making clear that it values the preservation of the JCPOA above all else, the Obama administration has effectively enabled Tehran to use the agreement as a bargaining chip to secure its broader agenda. Put differently, the JCPOA offers Tehran the tactical means to advance its ideological commitment to the defeat of America's efforts to moderate the regime. In this sense, the JCPOA has effectively backfired on the White House, serving to undermine rather than facilitate President Obama's stated goals for a post-nuclear deal rapprochement.

To be sure, Iran has complied with the core initial requirements of the nuclear deal: It has reduced its stockpile of low-enriched uranium by 98 percent, removed the core of the Arak heavy water reactor, and disabled 12,000 centrifuges. These developments, however, should offer little comfort. Tehran possessed strong incentives to comply with the JCPOA's preliminary obligations: reentry into the global economy and restored access to as much as \$100 billion in frozen assets. But now that the regime has achieved these goals, it retains fewer incentives to keep its commitments in the long term. In fact, Iran can now simply engage in smaller-scale violations of the JCPOA but simultaneously deter any meaningful penalty by threatening to abandon the agreement in its entirety. In effect, it can challenge the White House to choose between punishing minor violations, thereby giving Iran cover to abandon the JCPOA, or allowing the deal to dissolve over time through the sheer accumulation of Iranian infringements.

The regime's preference for modest, incremental cheating would be consistent with its decades-long history of flouting nuclear agreements: As Mark Dubowitz of the Foundation for Defense of Democracies has observed, “The Iranian regime cheats incrementally, not egregiously, even though the sum total of its incremental cheating is egregious.”⁶¹ Perhaps more notably, it may explain why the JCPOA, likely at Iran's insistence, contains no provision for addressing incremental cheating, and allows

⁵⁹ U.N. General Assembly, 70th Session, *Situation of human rights in the Islamic Republic of Iran* (A/70/411), October 6, 2015, <http://shaheedoniran.org/wp-content/uploads/2015/10/SR-Report-Iran-Oct2015.pdf>.

⁶⁰ “Rouhani Government Suppresses Nuclear Deal's Critics,” International Campaign for Human Rights in Iran, August 5, 2015, <https://www.iranhumanrights.org/2015/08/publication-shutdown>.

⁶¹ “The Iran Nuclear Deal and its Impact on Terrorism Financing,” Testimony before the House Financial Services Committee, July 22, 2015, <http://financialservices.house.gov/uploadedfiles/hrg-114-ba00-wstate-mdubowitz-20150722.pdf>.

snapback sanctions only in the event of vaguely defined “significant non-performance.”⁶² Ambiguous statements from the Obama administration that the United States possesses a “host of calibrated penalty tools” to address minor violations are unlikely to impress Ayatollah Khamenei.⁶³

Moreover, American inaction can cause other states in the region to freelance their own efforts to combat Tehran, often at the expense of U.S. interests and values. The recent contretemps between Saudi Arabia and Iran, triggered by Riyadh’s unjust execution of a pro-Iran Shiite cleric, reflects the inevitable result of a U.S. policy that remains willing to sacrifice regional stability on the altar of the nuclear deal. By treating Iran as a regional partner, America may risk unintended consequences that serve to enflame tensions between Iran and countries that still treat the Islamic Republic as their enemy. If America’s Sunni allies lack faith in America’s willingness to defend them against an increasingly aggressive Tehran, they may accelerate their own pursuit of nuclear weapons, thereby heightening proliferation concerns.

So long as the Obama administration fails to appreciate the nature and implications of Tehran’s strategy and objectives, the Islamist regime’s aggression will continue to intensify in the months and years to come. To reverse this dynamic, the United States must adopt a fundamental paradigm shift in its approach to its relationship with Tehran. Rather than treat Iran’s nuclear program and Iran’s non-nuclear belligerence as separate problems, Washington should aim to address them both as part of a comprehensive strategy rooted in the premise that Iran’s fear of Western infiltration continues to guide its view of the nuclear deal.

In practice, this means that the United States must seek to raise the costs to Iran for its ongoing regional aggression by increasing terrorism-related sanctions and taking steps to deter international investment in entities affiliated with the IRGC, which spearheads Iran’s global terror operations and bears responsibility for many of its human rights abuses.⁶⁴ It means that the United States must impose meaningful punishments for *any* violation — major or minor — of the JCPOA or U.N. Security Council resolutions. It means that the United States must partner with Sunni Arab states opposed to Iran, including Saudi Arabia, notwithstanding other policy disagreements. And finally, it means that the White House cannot continue to treat Iran as a potential partner in solving the region’s problems, particularly Syria’s civil war.

Such an approach would represent a dramatic reversal of President Obama’s original hopes for U.S.-Iranian relations after the nuclear deal. Nevertheless, a robust defense of U.S. allies and national interests offers the best prospect for actually effecting meaningful Iranian change in the long term. Iran will not modify its policies in response to American goodwill, but in response to deterrent steps that seek to alter Tehran’s cost-benefit analysis. If the White House continues to hope, against overwhelming evidence, that Iran will reciprocate America’s goodwill gestures on its own accord, it should not be surprised if Iran concludes that it has little to lose by continuing to provoke the United States.

Thank you again for the opportunity to testify today. I look forward to your questions.

⁶² Joint Comprehensive Plan of Action, July 14, 2015, Paragraph 36, <https://assets.documentcloud.org/documents/2165399/full-text-of-the-iran-nuclear-deal.pdf>.

⁶³ Adam Szubin, “Beyond the Vote: Implications for the Sanctions Regime on Iran,” Keynote Address before The Washington Institute for Near East Policy, September 16, 2015, <http://www.washingtoninstitute.org/uploads/Documents/other/SzubinTranscript20150916-v2.pdf>.

⁶⁴ See Emanuele Ottolenghi, “The Iran Nuclear Deal and its Impact on Iran’s Islamic Revolutionary Guards Corps,” Testimony before the House Committee on Foreign Affairs’s Subcommittee on the Middle East and North Africa, September 17, 2015, http://www.defenddemocracy.org/content/uploads/documents/Ottolenghi_HFAC_IranDeal_IRGC.pdf.