

**U.S. POLICY TOWARDS THE ISLAMIC REPUBLIC
OF IRAN**

HEARING
BEFORE THE
COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE
ONE HUNDRED ELEVENTH CONGRESS
SECOND SESSION

APRIL 14, 2010

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U.S. POLICY TOWARDS THE ISLAMIC REPUBLIC OF IRAN

WEDNESDAY, APRIL 14, 2010

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The committee met, pursuant to notice, at 10:32 a.m. in room SR-253, Russell Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Lieberman, Reed, Akaka, E. Benjamin Nelson, Udall, Hagan, Begich, Burriss, Kaufman, McCain, Chambliss, Thune, Wicker, LeMieux, Brown, and Collins.

Committee staff members present: Richard D. DeBobes, staff director; and Leah C. Brewer, nominations and hearings clerk.

Majority staff members present: Madelyn R. Creedon, counsel; Jessica L. Kingston, research assistant; Michael J. Kuiken, professional staff member; William G.P. Monahan, counsel; and Russell L. Shaffer, counsel.

Minority staff members present: Joseph W. Bowab, Republican staff director; Christian D. Brose, professional staff member; and Daniel A. Lerner, professional staff member.

Staff assistants present: Paul J. Hubbard, Christine G. Lang, and Breon N. Wells.

Committee members' assistants present: James Tuite, assistant to Senator Byrd; Vance Serchuk, assistant to Senator Lieberman; Carolyn Chuhta, assistant to Senator Reed; Nick Ikeda, assistant to Senator Akaka; Greta Lundeberg, assistant to Senator Bill Nelson; Ann Premer, assistant to Senator Ben Nelson; Patrick Hayes, assistant to Senator Bayh; Gordon Peterson, assistant to Senator Webb; Tressa Guenov, assistant to Senator McCaskill; Jennifer Barrett, assistant to Senator Udall; Lindsay Kavanaugh, assistant to Senator Begich; Roosevelt Barfield, assistant to Senator Burriss; Anthony Lazarski, assistant to Senator Inhofe; Sandra Luff, assistant to Senator Sessions; Clyde Taylor IV, assistant to Senator Chambliss; Jason Van Beek, assistant to Senator Thune; Brian Walsh, assistant to Senator LeMieux; Scott M. Clendaniel, assistant to Senator Brown; Kevin Kane, assistant to Senator Burr; and Ryan Kaldahl, assistant to Senator Collins.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody.

The committee today will hear testimony from Michèle Flournoy, Under Secretary of Defense for Policy; Bill Burns, Under Secretary

of State for Political Affairs; General James Cartwright, Vice Chairman of the Joint Chiefs of Staff; and Lieutenant General Ronald Burgess, Director of the Defense Intelligence Agency (DIA), on one of the most difficult and important security challenges of our time, the Islamic Republic of Iran. Instead of acting in a way to become a respected member of the community of nations, Iran's leaders disregard international norms, abuse the rights of their own people, support terrorist groups, and threaten regional and global stability. Iran's refusal to be open and transparent about its nuclear program jeopardizes the security of its neighbors and other countries in the Middle East.

There is a strong, bipartisan determination on this committee and in this Congress to do all that we can to stop Iran from acquiring nuclear weapons. President Obama has focused considerable effort towards that goal because in his own words, the long-term consequences of a nuclear-armed Iran are unacceptable, and he said that he doesn't, "take any options off the table with respect to Iran." I support the view that, if Iran pursues a weapon, all options including military options should be on the table. The possession of a nuclear weapon by Iran would be a threat to the region and to world security.

The administration has sought, through a variety of means, to engage with the Government of Iran to make clear the benefits available to them and its people if it complies with international norms. It also makes clear the consequences if it seeks nuclear weapons. Through five United Nations (U.N.) Security Council resolutions and multiple U.S. laws and executive orders, the United States has sought to work both multilaterally and unilaterally to persuade Iran to abide by its obligations under the Nuclear Non-proliferation Treaty (NPT) and its safeguards agreements with the International Atomic Energy Agency (IAEA).

We have sought and continue to seek the support of the international community including Russia, China, and other countries that regularly trade with Iran. Concerted, coordinated international, diplomatic, and economic efforts will hopefully make Iran understand in practical terms the consequences of its actions. One of the issues that we will discuss today is what additional diplomatic and economic efforts could be effective in persuading Iran to forgo its uranium enrichment program and meet all of its obligation to the IAEA and the international community.

Iran's external activities in the region are also deeply troubling. It continues to provide material support to violent elements in both Iraq and Afghanistan that are responsible for the loss of American servicemembers' lives and those of countless Afghans and Iraqis. Iran also provides financial assistance, munitions, and other support to the terrorist organization Hezbollah in Lebanon and Hamas and other terrorist extremist elements in Gaza.

While neglecting its international obligations and playing a negative role in the region, Iran has also engaged in a deeply troubling pattern of behavior targeting its own citizens. In the wake of elections last June that were widely considered fraudulent, Iranians by the hundreds of thousands poured into the streets in nonviolent protest. The regime responded with brutality.

Internal security forces and government-affiliated groups set upon protesters with guns and clubs. There was widespread abuse and torture of Iranians detained without legitimate charges. Prominent voices for reform have been silenced, often brutally.

Illegitimate show trials aimed at intimidation, not justice, have resulted in harsh sentences including executions. The regime has cracked down on freedom of expression and interfered with the use of cellular, Internet, and other means of communication to block the free flow of information. This campaign of violence against its own people has further solidified an international consensus that Iranian leaders must not only fulfill their obligations to the global community but also respect the human and civil rights of their citizens.

The committee will hear today from representatives of the Department of Defense (DOD), the Department of State (DOS), and the Intelligence Community (IC). There are several issues on which the committee is eager to learn more:

- An updated assessment on Iran's intentions and capabilities regarding nuclear weapons;
- The status of ongoing diplomatic efforts aimed at securing tough, international sanctions against Iran;
- Iran's support to extremist elements in the region;
- Iran's campaign to stifle internal dissent and the free flow of information; and
- U.S. military contingency planning regarding Iran.

A closed session will follow this morning's public hearing. We thank the witnesses for their service and for the valuable information that they're going to provide to the committee as we consider these important issues. All of the witnesses' statements that have been submitted will be included in the record.

Senator McCain.

STATEMENT OF SENATOR JOHN McCAIN

Senator McCAIN. Thank you, Mr. Chairman. I also thank our distinguished witnesses for joining us here this morning and for their many years of service to our country.

As the chairman has pointed out, and we all know, we meet here today to discuss U.S. policy toward Iran, which at present is focused foremost on the imperative of preventing that government from acquiring a nuclear weapons capability. The reasons for this are very clear. However, even as we focus on Iran's nuclear ambitions, we must not lose sight of the Iranian regime's broader pattern of threatening behavior.

This is a government that trains, equips, and funds extremist groups that are violently subverting many of Iran's neighbors. This is a government that is systematically violating the human rights of Iran's people. This is a government that is already working aggressively to overturn the balance of power in the Middle East. These, among other reasons, are precisely why Iran's rulers cannot be allowed to obtain nuclear weapons.

The question we are here to answer is: how do we stop one of the world's most dangerous regimes from acquiring the world's most dangerous weapons? I never thought a policy of engagement

with Iran's rulers would succeed. But I understand why the President pursued it.

Now after Iran's persistent intransigence, it is long past the time to put teeth into our policy. The administration declared last year that Iran would face consequences by September 2009. Then, that deadline slipped to the end of the year. Now it's April 2010. Iran still has not faced any consequences for its actions. This delay has harmed U.S. credibility.

Clearly, we and our partners will need to impose our own sanctions on Iran, above and beyond what is ultimately authorized by a new UN Security Council resolution. We should start immediately with the sanctions legislation that is now before Congress. The record of the past year is discouraging.

It's difficult to dispute that Iran is closer to possessing a nuclear weapons capability today than it was a year ago. If we remain on our current course, Iran will likely achieve a nuclear weapons capability. In short, over the past year, the balance of power in the Middle East has been shifting in favor of our enemies. We see the latest evidence of that today in reports that the Syrian government has transferred long-range Scud missiles to Hezbollah. This is a dramatically dangerous and destabilizing action.

Nevertheless, we already hear some assert that we can live with a nuclear Iran. This idea rests on a host of assumptions that are highly questionable.

To start, will the old rules of two-dimensional deterrence apply to a volatile region with multiple nuclear powers and possibly less rational actors?

How would Iran's possession of a nuclear weapons capability embolden its support for violent groups currently engaged in terrorism, assassination, and subversion in the Middle East?

Would the United States assume greater burdens of extended deterrence to prevent a cascade of proliferation?

Could we assume these responsibilities as we further reduce our nuclear arsenal?

Perhaps most importantly, would a U.S. policy of containing or deterring a nuclear Iran really be credible if it is backed by the same government that would be tolerating what it had formally insisted was intolerable?

I hope our witnesses can help us to answer these critical questions today.

Ultimately, we must remember one thing above all others. The question of whether the Iranian regime becomes a nuclear weapons power is less a question of capabilities than it is a test of wills, both Iran's and certainly ours. Iran is economically weak. It is militarily weak, as General Petraeus has observed. Following last year's election, the Iranian regime is more politically compromised than ever. Indeed, I said at the time, I believe that when the young woman, Neda Agha-Soltrani, bled to death in the street last year, it was the beginning of the end of the Iranian regime.

The United States, for all of our challenges, still enjoys extraordinary power and influence in the Middle East with strong and capable friends and allies. We have the capabilities to prevent or delay Iran from getting these weapons if we choose to. What actors in the region currently question is our judgment and our resolve;

whether the United States is more determined to stop Iran from acquiring nuclear weapons than the Iranian regime is committed to acquiring these weapons.

We should have no illusions about the catastrophic consequences of Iran developing a nuclear weapons capability.

It would threaten the reliable supply of energy on which the global economy depends.

It would threaten the security of perhaps the very existence of close allies.

It would deal a potentially fatal blow to the NPT regime and the rules-based international order that the United States and our allies have spent more than 60 years building.

Worst of all, it would destroy the credibility of U.S. power, for it would show that our government could not achieve a major, national security goal set forth by three administrations of both parties.

After such a failure, it's hard to imagine that friends and enemies alike would put much stock in America's pronouncements. Make no mistake, if Iran achieves a nuclear weapons capability, it will not be because we couldn't stop it, but because we chose not to stop it. The stakes couldn't be higher. I look forward to hearing and learning from our witnesses.

Chairman LEVIN. Thank you very much, Senator McCain.

Senator MCCAIN. By the way, Mr. Chairman, I would ask to put in the record the various statements from the administration over the last year and a half or so that state time is running out; the deadline is near. Press Secretary Robert Gibbs stated on December 3: "We're going to have consequences if they don't turn around;" December 20, 2009; the list goes on and on of the threats that we have made against the Iranians. So far there has been no action.

George Schultz, my favorite Secretary of State in all the world, once said, as his Marine drill instructor told him, "never point a gun at somebody unless you're ready to pull the trigger." We keep pointing the gun. We haven't pulled a single trigger yet. It's about time that we did.

Chairman LEVIN. Those will be made a part of the record.

[The information referred to follows:]

Deadline: September 2009

"[...] We will reevaluate Iran's posture towards negotiating the cessation of a nuclear weapons policy. We'll evaluate that at the G20 meeting in September."

– *President Obama, July 10, 2009*

"I think, based on the information that's available to us, that the timetable that the president has laid out still seems to be viable and does not significantly increase the risks to anybody."

– *Defense Secretary Gates, July 27, 2009 (while in Israel)*

Deadline: December 31, 2009

"By the end of the year we should have some sense whether or not these discussions are starting to yield significant benefits."

– *President Obama, May 18, 2009*

"Time is running out. That deadline is the end of the year."

– *Robert Gibbs, December 3, 2009*

"That [December 31st deadline] is a very real deadline for the international community."

– *Robert Gibbs, December 22, 2009*

Deadline: TBD 2010

"Now, we've avoided using the term 'deadline' ourselves. That's not a term that we have used, because we want to keep the door to dialogue open."

– *Secretary of State Hillary Clinton, January 7, 2010*

"STEPHANOPOULOS: But bottom line is, if they don't turn it around by Dec. 31, sanctions will come?"

AXELROD: Well, we're talking -- *plainly*, there are going to be consequences if they don't turn around."

– *David Axelrod, December 20, 2009*

Chairman LEVIN. Secretary Flournoy.

**STATEMENT OF HON. MICHÈLE A. FLOURNOY, UNDER
SECRETARY OF DEFENSE FOR POLICY**

Ms. FLOURNOY. Chairman Levin, Senator McCain, other distinguished members of the committee, I appreciate the opportunity to appear before you today to discuss our ongoing efforts related to Iran. The Obama administration considers the challenges posed by Iran to be one of our top national security priorities. To address those challenges, we have developed a strategy based on two central objectives.

First, we are working to prevent Iran from acquiring nuclear weapons.

Second, we are countering Iran's destabilizing activities and support for terrorism and extremists in the Middle East and around the world.

The focus of my testimony here today is to lay out for you the role of DOD in the strategy. The U.S. military is currently in a supporting role, helping quietly to build the confidence of our Middle Eastern partners by enhancing regional security cooperation, while supporting our broader diplomatic strategy. Our regional security cooperation efforts not only reassure anxious states in the region, but also send a clear signal to Iran that its pursuit of nuclear weapons will lead to its own isolation and will ultimately make it less, not more, secure.

Iran's nuclear and missile programs represent a significant threat to Israel. In the face of this threat, we continue our effort to ensure Israel's qualitative military edge. We are working closely with the Israelis to develop multi-layered ballistic missile defenses.

For a number of years, we have worked with the countries of the Arabian Peninsula as well as other partners in the region to develop a common architecture that includes bilateral and multilateral security initiatives. These include a regional network of air and missile defenses, shared early warning systems, counterterrorism and counterpiracy programs, programs to build partner capacity, and efforts to harden and protect our partners' critical infrastructure. In fact, we currently have substantial missile defense assets in a number of Gulf partner nations.

Our U.S. Central Command (CENTCOM) maintains a robust exercise schedule in the region and a sizable force presence which reaffirms our commitment to our partners. We also maintain a full schedule of bilateral and multilateral engagements going up to the highest levels. In the last 2 months alone, Secretary Gates and Chairman Mullen have both traveled to the region.

Strengthening the capacities of vulnerable states in the region is vital. It's a vital avenue for countering destabilizing Iranian activities. We believe we are seeing some results.

In Iraq and Lebanon, for instance, our efforts to develop the capacity of security forces and improve governance has helped to weaken Iran's proxies. Iraqi security forces have increased their capabilities and have showed continued willingness to combat terrorist and militant organizations, including Iranian backed groups. We also just witnessed a round of successful national elections, despite Iranian attempts to interfere in the process during the lead up to the vote.

Non-sectarian nationalist parties and coalitions won a significant share of the votes, while the parties Iran most preferred performed less well. Iraqis appear to have once again rejected candidates whom they saw as too closely aligned with Iran and its regional agenda as we also saw during the 2009 provincial elections. Overall, this suggests the growing sense of Iraqi nationalist identity that's becoming a significant counterweight to destabilizing Iranian interference.

In Lebanon, we are working with our partners to strengthen national institutions and support efforts to extend government au-

thority throughout the country, including into the south. Central to this work is the development of Lebanese armed forces as a national non-sectarian force that can effectively counter terrorism, secure Lebanon's borders, and implement all Lebanon related U.N. Security Council resolutions. Effectively implementing these resolutions requires ending Iranian support for Hezbollah and undermining Hezbollah's terrorist goals and militant presence in Southern Lebanon and beyond Lebanon's borders. Neither of these is attainable without strong Lebanese institutions, effective Lebanese armed forces, and a sovereign, stable Lebanese state.

While we certainly have much further to go towards achieving these twin goals of preventing Iranian acquisition of nuclear weapons and countering Iran's destabilizing activities in support for extremists, we believe that we are making progress on both fronts. The administration's diplomatic efforts have helped shore up the international consensus needed to effectively place pressure on Iran.

Meanwhile, our efforts in DOD have helped to shore up the ability of our regional partners to defend themselves and to counter destabilizing activities from Iran. We have also reassured our partners that the United States is fully committed to their security. Your support on this committee for these efforts has been critical over the past year. We look forward to continuing to work with you as we move forward.

Thank you very much.

[The joint prepared statement of Ms. Flournoy and General Cartwright follows:]

JOINT PREPARED STATEMENT BY HON. MICHÈLE A. FLOURNOY AND GEN. JAMES E. CARTWRIGHT, USMC

Chairman Levin, Ranking Member McCain, and members of the committee. We appreciate the opportunity to appear before you today to discuss our ongoing efforts involving Iran.

The Obama administration considers the challenges posed by Iran to be among the top national security priorities facing the United States. To address this concern we have developed a strategy based on two central objectives. First, we are working to prevent Iran from acquiring nuclear weapons. Second, we are countering Iran's destabilizing activities and support for extremists in the Middle East and around the world.

For the past year, the primary thrust of the administration's strategy has been focused on diplomacy and, specifically, the pursuit of a dual-track strategy of engagement and pressure. Unfortunately, despite the President's genuine and extensive efforts at engagement, Iran has so far failed to respond constructively. However, this approach has been successful in demonstrating to the international community that it is Iran and not the United States that is standing in the way of dialogue, and it has helped build greater international consensus as we use the pressure track to try to bring Iran to the negotiating table.

The focus of our testimony today is to lay out for you the part that the Department of Defense plays in the administration's strategy towards Iran. The Department's primary focus continues to be enhancing regional security cooperation with our Middle Eastern partners. This focus not only reassures anxious states in the region, but also sends a clear signal to Iran that pursuit of nuclear weapons will lead to its own isolation and in the end make it less—not more—secure.

DOD is also working actively to counter destabilizing Iranian activities by strengthening the capacities of vulnerable states in the region. In Iraq and Lebanon our efforts to develop the capacity of security forces and improve governance have weakened Iran's proxies. Meanwhile, we are working closely with the Iraqis on conducting counterterrorism operations, sharing intelligence, and interdicting arms shipments to counter Iran's influence in Iraq and throughout the region.

Finally, through prudent military planning we continue to refine options to protect U.S. and partner interests from Iranian aggression, deter Iran's destabilizing

behavior, and prepare for contingencies—all while reducing the risk of miscalculation.

REASSURING OUR PARTNERS

In other words, for the present, the U.S. military is in a supporting role, helping quietly to build confidence with regional partners through normal military activity, while supporting the diplomatic strategy. Iran's nuclear and missile programs represent a significant threat to Israel. In the face of this threat, we continue our efforts to ensure Israel's Qualitative Military Edge, and are working closely with the Israelis to develop multi-layered ballistic missile defenses.

In the wider region, the cornerstone of our approach is USCENTCOM's Regional Security Architecture. For a number of years, we have worked with the countries of the Arabian Peninsula, as well as other partners in the region, to develop a common architecture that includes bilateral and multilateral security initiatives such as a regional network of air and ballistic missile defense systems, shared early warning, counter-terrorism, counter-piracy, building partner capacity, and hardening and protecting our partners' critical infrastructure. These efforts have gained greater traction with the region's growing concerns about Iranian activities. USCENTCOM also maintains a robust exercise schedule in the region and a sizeable force posture and presence, which reaffirm our commitment to our partners.

We also maintain a robust schedule of bilateral interactions beyond the purely military sphere. Through the Gulf Security Dialogue, the State Department and DOD in tandem are strengthening political-military relationships in the region and focusing on regional perspectives and common security interests while encouraging multilateral cooperation on counter-terrorism, counter-proliferation, and the regional reintegration of Iraq. We also conduct regular bilateral defense engagements during which security challenges of common interest are discussed and efforts to address these challenges are synchronized. Moreover, senior leader engagements highlight the valued relationships and common interests we share with partner nations. In the last 2 months alone, Secretary Gates, Chairman Mullen, and General Petraeus have all traveled to the region.

Ultimately, all of these defense activities continue to support U.S. diplomatic efforts by signaling to our partners the U.S. Government commitment to the region's security.

COUNTERING IRANIAN DESTABILIZING ACTIVITIES

Beyond reassurance, we are also actively countering Iran's destabilizing activities throughout the region. We just witnessed a round of successful national elections in Iraq. Nationalist parties and coalitions won a significant share of votes while parties Iran most preferred performed less well. Early Iranian attempts to dictate the quick formation of the new Iraqi Government were rejected and the Iraqi public has made clear that they will not accept Iranian interference into their internal affairs and candidates whom they see as too closely aligned with Iran and its regional agenda. The growing capabilities of the Iraqi security forces, as well as their continued willingness to combat terrorist and militant organization, including groups backed by Iran, is another sign that Iraqi nationalist identity is a significant counter to destabilizing Iranian interference.

These elections are the latest in a series of strategic setbacks that Iran has suffered in its efforts to establish dominance over the Iraqi political system. Other successes include: the Iraqi-led "Charge of the Knights" operation in 2008 that drove Iranian-backed militias out of Basra; the U.S.-Iraq Security Agreement and Strategic Framework Agreement in November 2008 that embody the shared U.S. and Iraqi commitment to a long-term partnership between sovereign states; and the January 2009 provincial elections in which parties that were seen as too closely aligned with Iran suffered significant setbacks.

Going forward, we expect that Iran's ability to influence Iraqi domestic affairs will be constrained by a combination of four trends: enhancements in Iraq's security, governance, and economic capacities; Iraqi nationalism; recognition among the leading Iraqi political forces of the value of a strategic relationship with the United States; and progress in reintegrating Iraq into the broader region.

In Lebanon, we are working with our partners to strengthen national institutions and support efforts to extend government authority throughout Lebanon. Central to this work is the bolstering of the Lebanese Armed Forces as a national, non-sectarian force that can effectively counter terrorism, secure Lebanon's border, and implement all Lebanon-related United Nations Security Council Resolutions (1559, 1680, and 1701), and exert government control throughout Lebanon's territory. Effectively implementing these resolutions requires ending Iranian support for

Hezbollah and undermining Hezbollah's terrorist goals and militant presence in Southern Lebanon and beyond Lebanon's borders. Neither of these is attainable without strong Lebanese institutions, effective Lebanese armed forces, and a sovereign, stable Lebanese state.

In Afghanistan, Tehran's influence and activities have not been as obtrusive as in Iraq. Indeed, we and Iran share the stated goal of a strong, stable, prosperous Afghanistan, but Iran's actions do not necessarily match its rhetoric. Iran is playing a double game in Afghanistan. It combines rhetorical and material support for the Afghan Government with a continuing amount of material support to insurgents that impedes U.S. and Allied efforts to stabilize the country. Iran's historic, cultural, and economic ties with much of western Afghanistan, its religious affinity with Afghanistan's minority groups, and its extensive border result in Iran's having a critical stake in Afghanistan's future. Tehran generally sees the Taliban as an enemy and does not want to see them back in power, but nevertheless has provided limited lethal assistance to the Taliban to hedge against increased U.S./Western presence on its eastern border. As ISAF troop levels increase, and as the Afghan Government expands its capacity, we will be better positioned to protect against any substantial challenges from Iran in Afghanistan in the near term. However, we recognize that, going forward, Iran's interests will continue to play a significant role in the regional balance that affects Afghanistan's stability.

PRUDENT PLANNING

It is the Department of Defense's responsibility to plan for all contingencies and provide the President a wide range of military options should they become necessary. As both the Secretary and the Chairman have stated, military options are not preferable. This administration is committed to a multifaceted diplomatic strategy to resolve all our issues with Iran. But as the President has stated we do not take any options off the table.

CONCLUSION

Iran is a serious threat to U.S. national security both because of its nuclear program and its destabilizing activities across the Middle East. The administration remains committed to a diplomatic strategy of engagement and pressure. The Department of Defense is doing everything it can to support this policy, by reassuring our partners in the region, addressing Iranian destabilizing activities, and conducting prudent planning.

Chairman LEVIN. Thank you very much, Secretary Flournoy.
Secretary Burns?

STATEMENT OF HON. WILLIAM J. BURNS, UNDER SECRETARY OF STATE FOR POLITICAL AFFAIRS

Ambassador BURNS. Thank you very much, Chairman Levin, Senator McCain, and distinguished members of the committee. Thank you very much for inviting me to appear before you today.

Iran's defiance of its international obligations poses as profound and complicated a challenge as any we face in the world today. Iran's leadership continues to expand its nuclear program. A nuclear-armed Iran would severely threaten the security and stability of a part of the world crucial to our interests and to the health of the global economy. It would seriously undermine the credibility of the U.N. and other international institutions and seriously undercut the nuclear nonproliferation regime at precisely the moment we are seeking to strengthen it.

These risks are only reinforced by the wider actions of the Iranian leadership, particularly its longstanding support for terrorist groups; its opposition to Middle East peace; its repugnant rhetoric about Israel, the Holocaust, and so much else; its brutal repression of its own citizens; and its efforts to choke off the free flow of information, a universal right of all Iranians.

Our policy aims to prevent Iran from developing nuclear weapons and to counter its other destabilizing actions. President Obama has also made clear, including in his Nowruz message last month, that we will stand up for those rights that should be universal to all human beings and stand with those brave Iranians who seek only to express themselves freely and peacefully. We have pursued that policy through a combination of tough-minded diplomacy, including both engagement and pressure, and active security cooperation with our partners in the Gulf and elsewhere.

We have sought to sharpen the choices before the Iranian leadership.

We have sought to demonstrate what's possible, if Iran meets its international obligations and adheres to the same responsibilities that apply to other nations.

We've sought to intensify the costs of continued defiance and to show Iran that pursuit of a nuclear weapons program will make it less secure, not more secure.

Last year, we embarked upon an unprecedented effort at engagement with Iran. We did so without illusions about whom we were dealing with; where the scope of our differences over the past 30 years of engagement has been both a test of Iranian intentions and an investment in our partnership with the growing coalition of countries concerned about Iran's nuclear ambitions.

We sought to create early opportunities for Iran to build confidence in its intentions. In Geneva last October, we supported, along with Russia and France, a creative proposal by the IAEA to provide fuel for the production of medical isotopes at the Tehran research reactor that could have produced an opening for progress. Unfortunately, Iranian leaders spurned that offer. What appeared to be a constructive beginning in Geneva was ultimately repudiated by Tehran. Instead, Iran pursued a clandestine enrichment facility near Qom; refused to continue discussions with the U.N. Security Council Permanent Five Members plus Germany (P5+1) about international concerns over its nuclear program; provocatively expanded its enrichment operations even further in violation of U.N. Security Council resolutions; and drew new rebukes from the IAEA in the Director General's most recent report.

Iran's reckless intransigence has left us no choice but to employ a second tool of diplomacy, economic and political pressure. As the President emphasized in Prague last week, we must insist that Iran face consequences because it has continually failed to meet its obligations. We cannot and we will not tolerate actions that undermine the NPT, risk an arms race in a vital region, and threaten the credibility of the international community and our collective security.

Our efforts at engagement have made it much harder for Iran to deflect attention from the core of the problem, which is its nuclear ambitions and its unwillingness to meet its international obligations. It has put us in a much stronger position to mobilize effective international pressure. Already we have seen evidence of mounting international concern.

We've seen increases in international cooperation to stop arms shipments and financial transactions that aid terrorists, threaten Israel, and destabilize the region. We saw last November, for the

first time in 4 years, the tough new IAEA Board of Governors resolution sharply criticizing Iran. We saw a strong U.N. General Assembly Iran Human Rights Measure in December and a similarly strong European Council declaration later that same month.

Now, we are moving urgently toward a new U.N. Security Council Sanctions Resolution. Our purpose is to send a unified message of international resolve with a range of concrete measures that will affect Iran's strategic calculus. A year ago, neither Russia nor China would engage in such an effort and much of the rest of the international community was drifting on the Iran issue.

Today, Russia, which was our partner in the Tehran Research Reactor Proposal, is also our partner in pursuing a new resolution. President Medvedev reaffirmed in Prague last week his support for smart, targeted sanctions. President Obama had a constructive discussion 2 days ago on the margins of the Nuclear Security Summit with President Hu of China, and the Chinese Ambassador to the United Nations has joined formal negotiations of a new resolution in New York.

We continue to work closely with Britain, France, and Germany, our other partners in the P5+1. We seek the strongest possible resolution in the shortest possible time this spring. We will seek to use this as a platform to expand upon the existing sanctions regime. Equally evident to Iranians are the informal expressions of international censure including the voluntary departure of long-standing foreign investors and trade partners and the increasing isolation of a country that had only just begun to emerge from the self-imposed autarky of the early post-revolutionary era.

Neither our formal penalties nor the increasing ostracism Iran faces from the world will alter its agenda overnight. But, we believe that the mounting weight of political and financial pressures on its leadership will have an impact on Tehran. Together, with an increasing number of international partners, we are absolutely determined to ensure that Iran adheres to the same responsibilities that apply to other nations. Too much is at stake to accept anything less.

Thank you.

[The prepared statement of Ambassador Burns follows:]

PREPARED STATEMENT BY AMBASSADOR WILLIAM J. BURNS

Iran today presents a profound and complicated challenge. In defiance of its international obligations, Iran's leadership continues to expand and advance the most proliferation sensitive and provocative elements of its nuclear program. A nuclear armed Iran would threaten the security of our ally Israel, the Persian Gulf and the broader Middle East, the credibility of international institutions such as the United Nations, and the viability of the nuclear nonproliferation regime. The grave risks at stake with Iran's nuclear program are only amplified by its other deeply destabilizing policies and its treatment of its people. Iran ranks perennially as the world's leading state sponsor of terrorism, supporting Hizballah, Hamas, Palestinian Islamic Jihad, Iraqi militants, and the Taliban. As the international community works to restart a meaningful dialogue between Israel and the Palestinians, Iranian leaders foment hatred against Israel. At home, the government's brutal crackdown on peaceful protestors who went to the streets in the thousands to demand their universal rights has outraged the world.

For all these reasons, Iran represents a paramount priority for U.S. foreign policy. President Obama has been clear that Iran must not develop nuclear weapons. He has sought to strengthen our diplomatic options for dealing with the challenges posed by Iran, and offered Tehran a pathway toward resolving the concerns of the international community. From his earliest days in office, the President has made

clear that the United States is prepared to deal with the Islamic Republic of Iran on the basis of mutual interest and mutual respect. As part of this principled engagement, the United States has been a formal party to the P5+1 talks with Iran since April 2009. We have recognized Iran's right under the NPT to the peaceful uses of nuclear energy. With our partners in the international community, we have demonstrated our willingness to negotiate a diplomatic resolution to the deep differences between us. We embarked upon this effort to engage with the Islamic Republic with no illusions about our prospective interlocutors or the scope of our 30-year estrangement.

Together with our allies and international partners, we sought to create opportunities for Iran to build confidence in its nuclear intentions. These opportunities included the discussions last October in Geneva of the IAEA proposal to provide fresh fuel for the Tehran Research Reactor. We offered Iran a follow-on opportunity to meet with the P5+1 to discuss these issues further. We also called on Iran to grant the IAEA full and immediate access to its formerly undeclared enrichment facility near the city of Qom. These were opportunities for Iran to demonstrate its good faith and address the concerns of the international community. But we cautioned Iran that engagement was not sustainable without a constructive response demonstrating Iran's serious willingness to address international concerns about its nuclear program.

Unfortunately, Iranian leaders spurned serious negotiations, and what appeared to be a constructive beginning in Geneva was ultimately repudiated by Tehran. Instead, Iran revealed a clandestine enrichment facility near Qom, provocatively continues its enrichment operations in violation of UNSC resolutions, and refused to meet again with the P5+1 to discuss its nuclear program. Iran balked at the key elements of the IAEA's TRR proposal. While Iran allowed IAEA inspections of the Qom facility, it did not provide all the access the IAEA requested, nor answers to the IAEA's questions concerning the nature of the facility and Iran's intent in constructing it. Iran also failed to address fundamental questions about evidence suggesting it had sought to develop a nuclear warhead. These failures drew new rebukes from the IAEA in the Director General's most recent report.

While our overtures did not generate sustained negotiations with Iran, they have demonstrated our sincerity in seeking a peaceful resolution. As a result of our patient pursuit of direct negotiations—and the recalcitrance of Iran's response—we now see a broader international consensus about the urgency of the Iranian threat and new frustration among even some of Iran's friends and trade partners. This newfound multilateral understanding strengthens our diplomatic hand as we have intensified the second track of our dual-track diplomacy toward Tehran—utilizing pressure to convince Tehran to change its course. As the President said in Prague just last week, we must insist that Iran face consequences because it has continually failed to meet its obligations. We cannot, and will not, tolerate actions that undermine the NPT, risk an arms race in a vital region, and threaten the credibility of the international community and our collective security.

Already, the heightened concerns of the international community have manifested themselves in a variety of ways. They have generated increased cooperation on stopping arms shipments and financial transactions that aid terrorists, threaten Israel, and destabilize the region. This strengthened multilateral cooperation has also produced a series of new formal measures, including the critical November 2009 IAEA Board of Governors resolution, the U.N. General Assembly Iran Human Rights measure in December, and the European Council declaration on Iran. In this regard, we are moving with a sense of urgency toward a new U.N. Security Council Resolution. At the START signing ceremony last week in Prague, Russian President Medvedev reaffirmed the need for smart sanctions. Formal negotiations among the P5+1 on a new resolution also began last week in New York. While the process of getting consensus around a new UNSCR is always challenging, we are working aggressively to adopt concrete measures that will serve as a platform to strengthen and expand upon existing sanctions and target the power centers most likely to have an impact on Iran's strategic calculus.

Concerns about Iran's destabilizing activities are not limited to the P5+1 and our European partners. Many governments in the region have legitimate fears about Iran's policies and the advancement of its nuclear program. Iran's neighbors are working to counter and diminish Iran's negative influence. These states support the responsible and transparent development of civilian nuclear energy, but have publicly declared their opposition to the pursuit of nuclear weapons and emphasized their grave concerns about Iran's nuclear intentions. We continue to work with these regional partners as they develop mechanisms to better manage the political, diplomatic, and security challenges Iran poses. In addition, we have launched inten-

sive diplomatic outreach efforts to other key states to discuss the need for additional pressure to bring Iran back to the negotiating table.

Equally evident to Iranians are the informal expressions of international censure, including the voluntary departure of longstanding foreign investors and trade partners, and the growing isolation of a country that had only just begun to emerge from the self-imposed autarky of the early post-revolutionary era. Neither our formal penalties nor the increasing ostracism Iran faces from the world will alter its agenda overnight, but we believe that the mounting weight of political and financial pressures on its leadership can persuade Tehran to reassess its approach to the world.

Pressure cannot be an end in itself. The threat and implementation of sanctions is intended to underscore to Iran's leaders the costs and benefits of the alternatives before them. President Obama made clear in his Nowruz message last month that we remain committed to meaningful engagement. Together with our international partners, we acknowledge Iran's right to the peaceful uses of nuclear energy, but we must and we will seek to ensure that Iran fulfills the same responsibilities that apply to other nations and which it took upon itself freely. For this reason, we will continue to press Iranian leaders to take concrete steps to reassure the world that its nuclear program is intended for peaceful purposes. Our resolve to uphold and strengthen the rules of the international system reflects our core commitment to our own vital security and to shaping a better future for the world, commitments that are shared by our allies and partners.

Our interests with respect to Iran extend well beyond the nuclear issue. As the President said last month in his Nowruz message, our responsibility is, and will remain, to stand up for those rights that are universal to all human beings. That includes the right to speak freely, to assemble without fear, and the right to the equal administration of justice. The Iranian Government's use of unwarranted arrests, prolonged detentions, and violence against its citizens represent outrageous violations of the most fundamental duties of government. While this repression has quashed large-scale protests in recent months, deep rifts remain evident between the government and much of its citizenry, and among the power brokers who have long supported the Islamic system. These cleavages wrought by the post-election turmoil will continue to shape the political future of the Islamic Republic in ways that we cannot fully anticipate, and the United States will continue to speak out on behalf of those who are seeking merely to exercise their universal rights.

The Iranian Government has also pursued a policy to limit its citizens' access to information. In response, the United States continues to make available tools that create the space—on the Internet, in journalism, and in the arts—where free thought and expression can flourish. As part of that effort, the U.S. Government is pursuing ways to promote freedom of expression on the Internet and through other connection technologies. We are working around the world to help individuals silenced by oppressive governments, and have made Internet freedom a priority at the United Nations as well, including it as a component in the first resolution we introduced after returning to the U.N. Human Rights Council.

In conclusion, let me note our deep and continuing concern for the safety and well being of all American citizens currently detained or missing in Iran. We urge the Iranian Government to promptly release Shane Bauer, Sarah Shourd, and Josh Fattal, and all other unjustly detained American citizens so that they may return to their families. We also call upon Iran to use all of its facilities to determine the whereabouts and ensure the safe return of Robert Levinson.

Chairman LEVIN. Thank you very much, Secretary Burns.
General Cartwright.

**STATEMENT OF GEN. JAMES E. CARTWRIGHT, USMC, VICE
CHAIRMAN OF THE JOINT CHIEFS OF STAFF**

General CARTWRIGHT. Mr. Chairman, my concerns were included in Secretary Flournoy's prepared and delivered comments. I will await your questions.

Chairman LEVIN. Thank you so much, General.
General Burgess.

**STATEMENT OF LTG RONALD L. BURGESS, USA, DIRECTOR OF
THE DEFENSE INTELLIGENCE AGENCY**

General BURGESS. Chairman Levin, Senator McCain, and other members of the committee, thank you for this opportunity to testify on Iranian military capabilities and intentions. I've submitted my prepared statement for the record. I would like to briefly summarize the main points.

The Iranian leadership has four strategic objectives: the first is regime survival; the second is obtaining a pre-eminent, regional role; Iran's third strategic objective is to have a leading role in the Islamic world and beyond; and finally, Iran seeks to become a regional economic, scientific, and technological power house.

Iran seeks to achieve these objectives with an aggressive strategy that counters western influence in the region. One principle tool employed by Iran is the active sponsorship of terrorist and paramilitary groups to serve as a strategic deterrent and intimidate and pressure other nations. This includes the delivery of lethal aid to select Iraqi Shia militants in Iraq and the Taliban in Afghanistan.

In contrast to Iran's aggressive foreign policy is its conventional military posture, which is largely defensive. It is intended to protect the regime from external and internal threats. While DIA currently assesses that Iran is unlikely to initiate a conflict intentionally or launch a preemptive attack, it does have the capability to restrict access to the Straits of Hormuz with its naval forces temporarily and threaten U.S. forces in the region and our regional allies with ballistic missiles.

Iran continues to invest heavily in advanced air defenses and the potential acquisition of Russian SA-20 surface-to-air missiles is a major part of that effort. Coastal defense cruise missiles remain an important layer in Iran's strategy to defend the Persian Gulf and the Straits of Hormuz. Iran's unconventional military capabilities, which include paramilitary forces trained to conduct asymmetric warfare, would present a formidable force on Iranian territory. These forces would include commando and Special Forces units, smaller specially trained teams embedded within the conventional force units and selected militia and law enforcement personnel.

With regard to weapons of mass destruction and ballistic missile delivery systems, Iran is developing technological capabilities applicable to nuclear weapons. Uranium enrichment and heavy water nuclear water reactor activities continue in violation of U.N. Security Council resolutions. Iran has gone to great lengths to protect its nuclear infrastructure by locating facilities in buried, hardened facilities. It also seeks to protect them by acquiring sophisticated air defense systems.

Iran is continuing to develop ballistic missiles which could be adapted to carry nuclear weapons. Iran claims to have an extended range variant of the Shahab-3 missile and a 2,000-kilometer medium range ballistic missile called the Ashura. Beyond the steady growth in its missile and rocket inventories, Iran has boosted the lethality and effectiveness of existing systems by improving their accuracy and developing new submunition payloads.

In closing, DIA concurs with General Petraeus' testimony before this committee last month that the Iranian regime is the primary

state level threat to stability in the CENTCOM area of responsibility. The potential threats posed by Iran and evolving trends inside that nation remain a high priority for DIA collectors, analysts, and counterintelligence professionals. Thank you, sir.

[The prepared statement of General Burgess follows:]

PREPARED STATEMENT BY LTG RONALD L. BURGESS, JR., USA

Good morning, Chairman Levin, Ranking Member McCain, and members of the committee. Thank you for this opportunity to testify regarding Iran's military posture, and for your continued support to the dedicated men and women of the Defense Intelligence Agency (DIA), many of whom are forward-deployed directly supporting our military forces in Afghanistan, Iraq, and around the world.

IRAN'S STRATEGY AND DOCTRINE

The strategic objectives of Iran's leadership are first and foremost, regime survival; making Iran the preeminent regional power; attaining a leading role in the Islamic world and on the international stage; and turning Iran into an economic, scientific, and technological powerhouse.

Iranian leadership pursues a security strategy intended to deter an attack on its territory and increase its relative power in the region. For years, it has promulgated its "20-Million Man Army" and asymmetric warfare doctrine as deterrents to any would-be invader. Iran has also extended its outreach and support to governments and groups which oppose U.S. interests and threaten regional security. Diplomacy, economic leverage, and active sponsorship of terrorist and paramilitary groups are tools Iran uses to implement or further its aggressive foreign policy. In particular, Iran uses terrorism to pressure or intimidate other countries and more broadly to serve as a strategic deterrent.

Iran's military strategy is designed to defend against external threats, particularly from the United States and Israel. Its principles of military strategy include deterrence, asymmetrical retaliation, and attrition warfare. Iran can conduct limited offensive operations with its strategic ballistic missile program and naval forces.

IRAN'S REGIONAL INFLUENCE

Iran's 20-year outlook plan from the year 2005 seeks to make Iran a "top regional power". Among other objectives, its current 5-year plan seeks to expand bilateral, regional, and international relations, strengthen Iran's ties with friendly states, and enhance its defense and deterrent capabilities. Commensurate with that plan, Iran is seeking to increase its stature by countering U.S. influence and expanding ties with regional actors while advocating Islamic solidarity. It also seeks to demonstrate to the world its "resistance" to the west. Iran is attempting to secure influence in Iraq and Afghanistan while undermining U.S. efforts by furnishing lethal aid to Iraqi Shia militants and Afghan insurgents. It also provides weapons, training, and money to Lebanese Hezbollah, its strategic proxy and partner.

The Iranian regime uses the Islamic Revolutionary Guard Corps-Quds Force (IRGC-QF) to clandestinely exert military, political, and economic power to advance Iranian national interests abroad. The Quds Force conducts activities globally, including gathering tactical intelligence; conducting covert diplomacy; providing training, arms, and financial support to surrogate groups and terrorist organizations; and facilitating some of Iran's provision of humanitarian and economic support to Islamic causes.

Iran also provides Lebanese Hezbollah and Palestinian terrorist groups—notably, HAMAS, the Palestinian Islamic Jihad, and the Popular Front for the Liberation of Palestine-General Command (PFLP-GC)—with funding, weapons, and training to oppose Israel and disrupt prospects for Arab-Israeli peace. The Quds Force is Iran's primary vehicle for providing materiel and lethal support to Lebanese Hezbollah, which Iran views as an essential mechanism for advancing its regional policy objectives.

Iran continues to drive a multi-pronged soft power strategy in Iraq, including continued support to select Iraqi surrogate groups. The Quds Force Ramazan Corps is responsible for carrying out Iran's policy in Iraq. To more effectively execute regime policy, the Quds Force posts officers in Iran's diplomatic missions throughout Iraq. Both outgoing Iranian Ambassador to Iraq, Hassan Kazemi-Qomi, and incoming Ambassador, Hassan Danafar, are Quds Force officers.

Iran also continues to provide money, weapons, and training to select Iraqi Shia militants and terrorists despite pledges by senior Iranian officials to cease such sup-

port. Iran offers strategic and operational guidance to militias and terrorist groups to target U.S. forces in Iraq. In addition to providing arms and support, the Quds Force is responsible for training Iraqi insurgents in Iran, sometimes using Lebanese Hizballah instructors. The Quds Force provides insurgents with the training, tactics, and technology to conduct kidnappings, small unit tactical operations, and employ sophisticated improvised explosive devices (IEDs). In addition to weapons and support, Iran continues training Iraqi Shia militants in the use of IEDs, particularly deadly IEDs known as explosively formed penetrators (EFPs), and the counter-measures designed to defeat these weapons.

Iran continues to influence events in Afghanistan through a multi-faceted approach involving support for the Karzai government while covertly supporting various insurgent and political opposition groups. Tehran's support for the Government of Afghanistan is reflected in its diplomatic presence and the numerous Iranian non-governmental organizations (NGOs) active in the country. Tehran has also pledged over a billion dollars in aid, but has actually paid only small fraction of that pledge. Iran has used the threat of repatriating the large Afghan refugee population residing in Iran as a lever to influence the Government of Afghanistan, especially during the harsh winter months. Iranian officials met with President Karzai and his main opponent Abdullah Abdullah throughout the presidential election campaign, and worked hard to appear as the consensus maker during the post election period. Tehran has also leveraged longstanding relationships with numerous Afghan leaders including Gulbuddin Hekmatyar and Ismail Khan, both of whom lived in Iran for a period of time.

Arms caches uncovered in Afghanistan over the last 3 years contained large amounts of Iranian manufactured weapons, including 107mm rockets, which we assess IRGC-QF delivered to Afghan militants.

Iran has been involved in Lebanon since the early days of the Islamic Republic, seeking to expand ties with the large Shia population. The IRGC played an instrumental role in the establishment of Lebanese Hizballah and has continued to be vital to the development of the organization.

IRAN'S MILITARY FORCES

According to the Constitution of the Islamic Republic, the Supreme Leader is commander in chief of the armed forces, which consists of three main components: the regular military (sometimes referred to as the Artesh); the Islamic Revolutionary Guard Corps (IRGC) or Pasdaran, and the Law Enforcement Force (LEF). The regular military and IRGC come under the control of the Ministry of Defense and Armed Forces Logistics (MODAFL). These forces are responsible for defending Iran's borders and providing for internal security. The LEF is formally subordinate to the Ministry of Interior, and plays a key role in internal security and frontier security. Iran's defense spending as a share of GDP is relatively low compared to the rest of the region.

The Islamic Republic of Iran Ground Force (IRIGF) comprises armored, infantry, and commando divisions, as well as several independent armor, infantry, airborne, and commando brigades, and artillery groups. Additionally, the IRGC Ground Resistance Forces (IRGCGRF) includes Provincial Corps, which generally include armor and infantry brigades and artillery groups. Each brigade is allocated Basij battalions which support brigade combat operations.

DIA assesses the Islamic Republic of Iran Navy (IRIN) includes some 18,000 personnel. The IRIN is organized into four naval districts, which likely include submarine, missile boat, patrol boat, and auxiliary units; naval aviation units and naval riflemen and marine commando units. An additional 20,000 personnel comprise the Islamic Revolutionary Guard Corps Navy (IRGCN), which also includes missile, torpedo, and small patrol boat units, several anti-ship coastal defense missile batteries, and naval riflemen and commando units.

The Islamic Republic of Iran Air Force (IRIAF) is estimated to comprise 52,000 personnel, stationed at 10 fighter bases, 19 fighter/fighter bomber and trainer squadrons, 1 reconnaissance squadron, and 10 transport/tanker squadrons. While the exact force structure is unclear, the Islamic Revolutionary Guard Corps Air Force (IRGCAF) is estimated to include 5,000 additional personnel and possess some capability to support ground attack missions.

The IRIAF remains largely dependent on 1970's-era U.S. aircraft like the F-4 Phantom II, the F-14A Tomcat, and the F-5E Tiger II. Its most advanced fighter is the MiG-29 Fulcrum, and it has managed to keep a substantial portion of its fleet of U.S.-supplied aircraft flying. While Iran has not procured significant numbers of new aircraft in over 10 years, it has sought to meet some of its requirements by developing an indigenous combat aircraft, most of which is derived from its U.S.-

built F-5A Freedom Fighters and F-5E Tiger IIs. One noteworthy project is the twin-tailed Saeqeh (Thunderbolt), of which several examples have apparently been built.

Iran's military exercises and literature make it clear its air planners understand the value of airborne early warning and command, control, communications, computers, and intelligence systems, airborne intelligence, electronic warfare platforms, unmanned aerial vehicles (UAVs) and airborne refueling. Iran has an active program and two families of reconnaissance, target and lethal UAVs. However, the IRIAF has been unable to progress in other areas. For example, the IRIAF's lone airborne early warning and control system platform crashed in September 2009, killing all seven people on board. Iran is also building precision-guided munitions for the IRIAF, but recent large-scale exercises showed fighters delivering conventional unguided munitions.

The Air Defense Force includes a headquarters element and regional air defense sectors. Iran has a small, but growing, number of surface-air-missile (SAM) sites, and numerous anti-aircraft artillery (AAA) sites.

In 2009 Iran established a separate air defense force under the command of Brigadier General Ahmad Miqani, as a fourth force in the Artesh. The new service consolidates equipment and personnel under a single commander and has authority over both regular and IRGC air defense units. Publicly, Iranian officials gave a number of reasons for creating an air defense force, including the need to better defend its nuclear sites, improve the maneuverability and capability of its air defense forces, and consolidating information-gathering and air defense forces in a single service. Iran is unlikely to seek to develop a fully integrated nationwide air defense system. Instead, it seems to prefer a point defense strategy, with its strongest defenses located around key strategic centers.

Tehran continues to invest heavily in advanced air defenses, and the potential acquisition of the Russian SA-20 SAM remains a major part of its air defense modernization efforts. Iran's procurement of modern SAMs with automated command, control, and communications systems will be a significant upgrade to existing Iranian air defense capabilities and improve its ability to protect senior leadership and key nuclear and industrial facilities. Iran acquired modern SA-15 short-range surface-to-air missiles in 2007 and has displayed newly acquired and indigenously built radar systems at its Holy Defense Week parade.

Coastal defense cruise missiles (CDCMs) are an important layer in Iran's defense of the Persian Gulf and Strait of Hormuz. Iran can attack targeted ships with anti-ship cruise missiles (ASCMs) from its own shores, islands, and oil platforms using relatively small mobile launchers.

The C801/802 is Iran's primary CDCM, first imported from China in 1995. It is capable of engaging targets at a range of 6 nautical miles, and has greater accuracy, a lower cruising altitude, and a faster set-up time than the Seersucker missile Iran used during the Iran-Iraq War. The C801/802 allows Iran to target any point within the Strait of Hormuz and much of the Persian Gulf and the Gulf of Oman. Iran has worked with China to develop shorter range missiles, including the C701, for deployment in narrow geographic environments.

Iran can readily deploy its mobile CDCM launchers anywhere along its coast. These systems have auto control and radar homing guidance systems, and some can target using a remote air link. Iran's objective is to overwhelm enemy air defenses with mobile CDCMs, combined with multiple rocket launchers (MRLs), coastal artillery, and ballistic missiles.

Iran has historically placed the majority of its conventional force strength—to include armor, mechanized infantry, and infantry units—close to its borders with Iraq and Turkey. This reflects its defensive military doctrine, which is designed to slow an invasion and force a diplomatic solution to hostilities. Iranian military training and public statements echo this defensive doctrine. Iran continues to build its capability to counter more advanced adversaries, including the recent merger of the Basij Resistance Forces with IRGC ground forces.

Iran's unconventional forces, to include its paramilitary forces trained according to its asymmetric warfare doctrine, would present a formidable force on Iranian territory. These forces would include commando and special forces units, smaller specially trained teams embedded within the conventional force units, selected Basij forces, and combat patrols of the Law Enforcement Forces. Numbers of personnel could exceed 1 million.

THE IRGC-QUDS FORCE (IRGC-QF)

Iran established the Islamic Revolutionary Guard Corps-Quds Force in 1990 as an elite unit within the IRGC. Although its operations sometimes appear at odds

with the public voice of the Iranian regime, it is not a rogue element; it receives direction from the highest levels of government, and its leaders report directly, albeit informally, to Supreme Leader Ali Khamenei. The Quds Force employs complementary diplomatic and paramilitary strategies.

The Quds Force stations operatives in foreign embassies, charities, and religious/cultural institutions to foster relationships with people, often building on existing socio-economic ties with the well established Shia diaspora. At the same time, it engages in paramilitary operations to support extremists and destabilize unfriendly regimes. The IRGC and Quds Force are behind some of the deadliest terrorist attacks of the past three decades, including the 1983 and 1984 bombings of the U.S. Embassy and annex in Beirut, the 1983 bombing of the Marine barracks in Beirut, the 1994 attack on the AMIA Jewish Community Center in Buenos Aires, the 1996 Khobar Towers bombing in Saudi Arabia, and many of the insurgent attacks on coalition and Iraqi security forces in Iraq since 2003. Generally, it directs and supports groups actually executing the attacks, thereby maintaining plausible deniability within the international community.

Support for these extremists takes the form of providing arms, funding, and paramilitary training. In this, Quds Force is not constrained by ideology; many of the groups it supports do not share, and sometimes openly oppose, Iranian revolutionary principles, but Iran supports them because of common interests or enemies.

The Quds Force maintains operational capabilities around the world. It is well established in the Middle East and North Africa, and recent years have witnessed an increased presence in Latin America, particularly in Venezuela. As U.S. involvement in global conflicts deepens, contact with the Quds Force, directly or through extremist groups it supports, will be more frequent and consequential.

Each Provincial Corps in the Quds Force possesses a unit, called Saberin, which has limited special operations capabilities. These units rotate to northwest Iran to perform counter-insurgency operations against the Kurdish Free Life Party (PJAK) and to the southeast against Jundallah.

IRAN'S SUPPORT TO TERRORISM

Over the last 3 decades, Iran has methodically cultivated a network of sponsored terrorist allies and surrogates capable of conducting effective, plausibly deniable attacks against the United States and Israel.

Through its longstanding relationship with Lebanese Hizballah, Iran maintains a capability to strike Israel and threaten Israeli and U.S. interests worldwide. With Iranian support, Lebanese Hizballah has exceeded 2006 Lebanon conflict armament levels. On November 4, 2009, Israel interdicted the merchant vessel *FRANCOP*, on which Iran was attempting to smuggle weapons probably destined for Lebanese Hizballah including large quantities of 122mm and 107mm surface-to-surface rockets, 106mm antitank shells, mortar shells, hand grenades, and small arms ammunition. The Quds Force operates training camps in Lebanon, training LH and other fighters. Iran also provides hundreds of millions of dollars per year in funding to support Lebanese Hizballah.

Iran provides Kata'ib Hizballah (KH)—an Iraqi Shia terrorist group—and other Iraqi militant groups with weapons and training. Inside Iran, the Quds Force or Lebanese Hizballah-led training includes: small arms, reconnaissance, small unit tactics, and communications. Selected individuals or groups receive more specialized training in assassinations, kidnappings, or explosives. Iranian materiel assistance and training increased the lethality of roadside Improvised Explosive Devices (IED) and improvised rockets, enhancing the capabilities of the supported groups in Iraq, Afghanistan, and the Levant.

Iran's support to Palestinian groups—including HAMAS, the Palestinian Islamic Jihad, and the Popular Front for the Liberation of Palestine-General Command—produced improvements in their capabilities and increased the threat to Israeli and U.S. interests in the region. Iranian training and material support assisted HAMAS in the development of the Qassam rocket, extending its range to 40km. Iran also continues to smuggle weapons, money, and weapons components into the Gaza Strip through tunnels in the Philadelphi corridor.

The Quds Force has provided limited and measured lethal support to select Afghan insurgent and terrorist groups since at least 2006. Iranian supplied 107mm rockets, plastic explosives, and mortar rounds have been recovered in Taliban-affiliated cache locations.

IRANIAN'S NUCLEAR AND BALLISTIC MISSILE WEAPONS CAPABILITIES

Iran is actively developing its nuclear program, including uranium enrichment and heavy water nuclear reactor activities in direct violation of multiple United Na-

tions Security Council resolutions. This includes construction of the secret enrichment facility located on an IRGC military base near Qom that was revealed in the fall 2009. Iran also continues to develop ballistic missiles which could be adapted to deliver nuclear weapons.

Tehran has refused to cooperate with the International Atomic Energy Agency, particularly by refusing full access to facilities, documents, and personnel as the IAEA investigates Iran's nuclear program. Iran's nuclear activities and related lack of openness with the international community raise serious questions about Iran's intent and pose a significant threat to the peace and stability of the Middle East.

Iran has gone to great lengths to protect its nuclear infrastructure from physical destruction. It has placed an emphasis on a number of factors to include locating facilities in buried sites, establishing hardened facilities and attempting to acquire sophisticated air defense systems.

Over the past two decades, Iran has placed a significant emphasis on developing and fielding ballistic missiles. Iran began ballistic missile acquisition and production programs in the 1980s during the Iran-Iraq War to address its inability to counter Iraqi missile attacks. Iran currently has the largest deployed ballistic missile force in the Middle East. Since 2006, Iran has demonstrated its missile capabilities in four highly-publicized exercises, nicknamed "Noble Prophet."

Iran continues to develop ballistic missiles capable of targeting Arab adversaries, Israel, and central Europe, including Iranian claims of an extended-range variant of the Shahab-3 and a 2,000-km medium range ballistic missile (MRBM), the Ashura. Beyond the steady growth in its missile and rocket inventories, Iran has boosted the lethality and effectiveness of existing systems with accuracy improvements and new sub-munition payloads.

Short-range ballistic missiles provide Tehran with an effective mobile capability to strike coalition forces in the region. Iran continues to improve the survivability of these systems through technological advances, such as solid-propellant and the use of anti-missile defense tactics.

Iran has also developed medium-range ballistic missiles, and continues to increase the range, lethality, and accuracy of these systems. The Shahab 3, based on the North Korean No Dong, can reach all of Israel. The Ashura or "Sejil" is an indigenous, two-stage missile under development, which uses solid-propellant technology, reducing the launch preparation and footprint.

DIA assesses that, with sufficient foreign assistance, Iran could develop and test an intercontinental ballistic missile (ICBM) capable of reaching the United States. In late 2008 and early 2009, Iran launched the Safir, a multi-stage space launch vehicle (SLV), demonstrating progress in some technologies relevant to ICBMs. Iran displayed its next-generation SLV, the Simorgh, in February 2010. The Simorgh is much larger than the Safir and shows progress in booster design that could be applicable to an ICBM design.

CONCLUSION

In summary, Iran seeks to increase its regional power by countering Western influence, expanding ties with its neighbors, and seeking a leadership role in the Islamic world. Diplomacy, economic leverage, and active sponsorship of terrorist and paramilitary groups are the tools Iran uses to drive its aggressive foreign policy. Nevertheless, internal security remains the regime's primary focus. While it is unlikely to initiate a conflict intentionally or launch a pre-emptive attack, Iran uses its military forces to defend against both external and internal threats. Iran does have the capability to restrict access to the Strait of Hormuz with its navy temporarily and threaten U.S. forces in the region and our regional allies with missiles. Iran assesses the benefits gained from its use of terrorist surrogates outweigh the costs. Tehran has gone to great lengths to protect its nuclear infrastructure from physical destruction. Iran presents a wide array of threats and challenges to the United States and its allies.

Let me conclude by saying the potential threats posed by and evolving trends in Iran are among the highest priorities for the Defense Intelligence Agency. As General Petraeus noted to this committee last month, "the Iranian regime is the primary state-level threat to stability" in the U.S. Central Command area of responsibility. It is a core responsibility of the DIA to ensure our Nation has the best available intelligence to protect deployed U.S. personnel and their families, our allies, and partners from the threats posed by Iran. DIA also retains a core responsibility to prevent strategic surprise on a larger scale from any quarter, including Iran. In my recent visits with DIA's military and civilian personnel deployed to the Middle East, I remain impressed by—and thankful for—their willingness to serve the Na-

tion. On their behalf, I thank this committee for your strong support and continuing confidence in the Defense Intelligence Agency and its mission.

Chairman LEVIN. Thank you very much, General Burgess. We're going to have a 7-minute first round.

Secretary Flournoy, the President said, "I've been very clear that I don't take any options off the table with respect to Iran." Now, that means to me that military options remain on the table, and my question is: does the President's statement about options on the table include military options, and in turn, do they include options of a maritime quarantine or blockade of Iran's oil exports or import of refined petroleum products?

Ms. FLOURNOY. Senator Levin, as the President said, all options are on the table. We see it as DOD's responsibility to plan for all contingencies and provide the President with a wide range of military options, should they become necessary. But, as both Secretary Gates and Chairman Mullen have stated, military options are not preferable. We continue to believe that the most effective approach at this point in time is a combination of diplomacy and pressure in terms of how best to change Iranian behavior.

The President has stated that no options are off the table. In terms of specific options or contingencies, I prefer to discuss those in a closed session.

Chairman LEVIN. Is it fair to say that the options that I described are included in the all-options comment?

Ms. FLOURNOY. I would rather address that in a closed session, sir.

Chairman LEVIN. Is your word all options? Is that your statement?

Ms. FLOURNOY. Yes, all options are on the table.

Chairman LEVIN. That's fine, including military options?

Ms. FLOURNOY. Yes.

Chairman LEVIN. I just want to say that I think that it's important that be the case. Secretary Flournoy, I support very much what you said because I think it's critical that Iran understand the seriousness of our purpose and the unity behind a strong message to them.

General Cartwright, I was going to ask you about the contingency plans being prepared. I assume your answer is the same as Secretary Flournoy on that question?

General CARTWRIGHT. It is, sir.

Chairman LEVIN. Alright. I know that's not the preferable option. It never is. But it also has to remain as an option.

Secretary Burns, can you tell us what additional specific sanctions are we seeking at the U.N. that are not already in U.N. Security Council resolutions?

Ambassador BURNS. Senator Levin, as I said, I think we built increasing momentum toward a strong U.N. Security Council resolution. Intensive negotiations on the text of that resolution have just begun. Russia and China are taking active part in that effort.

We want to build on the existing sanctions by looking at ways in which we can increase pressure, particularly with regard to the financial sources that Iran draws upon to finance its proliferation activities and its nuclear program. We want to look at ways in which we can, in particular, target the activities of the Islamic Rev-

olutionary Guard Corp (IRGC), which has been eminently involved in the nuclear program. It was an IRGC facility at which the Qom clandestine enrichment facility has been constructed.

The IRGC has also expanded its economic role and controls a number of companies in Iran, which also provide, I think, room for us to explore in a new U.N. Security Council resolution. It's going to be a difficult process in New York. It always is in trying to work toward a tough U.N. Security Council resolution.

But, we don't have a higher priority right now. We're going to work to try to make those measures as strong as we possibly can and to achieve them in as quick a time as we can.

Chairman LEVIN. We know that you're not able, in this setting, to describe the exact status of those discussions and negotiations. But, in general, let me ask you whether the administration would support the Senate-passed legislation known as the Dodd-Shelby Act, which would make sanctionable efforts by foreign firms to supply refined gasoline to Iran or supply equipment to Iran that could be used by Iran to expand or to construct the oil refineries.

Ambassador BURNS. Senator, I'd say a couple of things.

First, I think our efforts toward a new U.N. Security Council sanctions resolution are one element in the strategy which I described before. We think that a U.N. Security Council resolution helps send a strong, unified message of international resolve, which is important. We believe it will contain some significant measures to increase economic pressure.

We believe it can also provide a legal and political platform off of which the United States, the European Union (EU), and other countries can consider further measures consistent with our own laws to amplify the impact of whatever gets done in New York. We want to work with Congress with regard to the legislation that you mentioned. We share the sense of purpose, the goals, as well as the sense of urgency, that we know all of you feel about this issue. Our interest is in simply working with you to try to shape an approach which is going to have maximum impact and be as effective as possible.

What that means, I think, is that we want to aim for an approach which is going to encourage other governments and foreign companies to cut their ties with Iran, and is going to avoid penalizing countries and companies, which are actually beginning to cooperate in that effort. We look forward to working with you on that.

Chairman LEVIN. I hope you will be supportive of that bill that we passed, including the specific provision that we think is an important part of it and would add great pressure if they're aware of the fact that that type of action is under consideration.

General Burgess, let me ask you, my understanding is that the U.N. is satisfied that the centrifuges at Natanz are being used at the moment to produce low-enriched uranium (LEU), which is enriched to 5 percent or less, and that these centrifuges are not yet being used to produce highly-enriched uranium (HEU) at a level needed for nuclear weapons, which is above 80 percent enrichment. Is that correct?

General BURGESS. Sir, the open source reporting would corroborate that, but any further discussion of that would be better in closed session.

Chairman LEVIN. Alright. Now, if Iran decided to produce HEU for nuclear weapons, which is above 80 percent enrichment, with the installed centrifuges that they have, how long would it take, approximately, to produce enough HEU for one nuclear weapon?

General BURGESS. Sir, the general consensus, not discussing the exact number of centrifuges that we actually have visibility into, is we're talking 1 year.

Chairman LEVIN. To produce that much HEU for one nuclear weapon, should they begin to do that?

General BURGESS. Yes, sir, for one nuclear weapon. You characterized it correctly, Senator.

Chairman LEVIN. That's fine. Finally, has the IC determined whether Iran has decided to produce HEU?

General BURGESS. Sir, as we stated in the 2007 National Intelligence Estimate (NIE), that still stands that we do not have inside information that the regime has made the decision to move in that direction.

Chairman LEVIN. Thank you.

Senator Collins, I guess you are next. The last shall be first.

Senator COLLINS. Thank you, Mr. Chairman.

General Burgess, let me follow up on the question that the chairman just asked you. It's my understanding that there is a new NIE that has been completed on the very question that has just been raised, but not yet released. Is that accurate?

General BURGESS. Ma'am, I think it is accurate to say that there is an NIE currently underway. The decision on when it will be released and when it will be finished has not been determined yet.

Senator COLLINS. Do you expect that the findings in this NIE will be the same as the findings of the 2008 or 2009 review? It blurs together; the NIE that you just referenced?

General BURGESS. Ma'am, it would be better if we discussed that in closed session.

Senator COLLINS. Ok.

Secretary Burns, 2 weeks ago, I met with the Director General of the IAEA, Mr. Amano, and I was, first of all, very impressed with the contrast in his reporting on Iran versus his predecessor. He is much more willing to give an accurate, straightforward assessment of Iranian capabilities. He expressed frustration about the lack of compliance by Iran with the transparency measures, known as the Additional Protocol, that would allow for more intrusive inspections by the IAEA inspectors. To date, the Iranians have completely ignored the recommendations in the IAEA's February report.

We all know that the administration is working hard with the U.N. Security Council to try to produce an effective sanctions regime. Many of us, however, are concerned that the sanctions that come out of the U.N. Security Council may well be inadequate to accomplish the goal of increased transparency and getting the Iranians to halt the work that they are doing. What could be done by our country if the U.N. Security Council does not follow through with tough and effective sanctions?

Ambassador BURNS. Thank you very much, Senator.

What we've been doing is to try to use every lever that we already have at our disposal to encourage foreign companies and foreign entities to cut their ties with Iranian economy. Already, I think, we've seen a considerable amount of movement in that direction.

You've seen major energy companies like Total, ENI, and Statoil, who have said they're not going to do any new investment in Iran.

You've seen a number of companies stop gasoline sales to Iran including Reliance, Glencore, IPG, and Lukoil, most recently.

You've seen some major international banks—Deutsche Bank and HSBC—pull out of business with Iran.

Just today, I saw a story in the press that Daimler, the German carmaker, is pulling out of its business in Iran.

We're continuing to work very hard to use the existing legislation and existing U.S. law to encourage companies to move out of that kind of business. That is having an impact, I think, on the Iranian economy and on its calculations. As I said before, a U.N. Security Council resolution is one of a number of elements in our strategy. It does provide a platform for the EU and its members, as it has done in the past, to consider other kinds of measures that it can take to implement in a very tough way whatever it is that the U.N. Security Council is able to agree to.

I think, to answer your question, is that we have a number of other tools that we're using on which we can build.

Senator COLLINS. Madame Secretary, Secretary Gates on Sunday raised a very serious verification question publicly about the Iranian nuclear program. He said, "If their policy is to go to the threshold, but not assemble a nuclear weapon, how do you tell that they have not assembled? It becomes a serious verification question, and I don't actually know how you would verify that."

What assurances can you provide that we will know before it is too late that Iranian's nuclear program has gone from worrisome to the level that Vice President Biden has described as unacceptable? In other words, if Iran has compiled all the components for a nuclear weapon but stops short of actually assembling them, how will we know when that point is reached? What will be our response?

Ms. FLOURNOY. Senator Collins, I think that's actually, maybe, a question that's better for my intelligence colleagues. I think that what Secretary Gates was making clear is there are many pieces to this puzzle. There are many different things that go into a nuclear weapons capability. There are some that we have a very good sense of and we have fairly high confidence in.

But I think there's always a question of what you don't know. I would say if we want to get into the particulars of that, I would suggest we have that by bringing in our intelligence colleagues in a closed session.

Senator COLLINS. Secretary Burns, let me return to the issue of the U.N. Security Council resolution. How long will our country wait for the U.N. Security Council to act before moving onto other sanctions either unilaterally or with our allies?

Ambassador BURNS. Ma'am, as the President has made clear, what we seek is the strongest possible sanctions resolution in the

shortest possible time this spring. We approach this with a real sense of urgency. We are building momentum, most recently with the decision by China to engage in a serious negotiation in New York over the text and the content of a new resolution.

I think a new U.N. Security Council sanctions resolution is an important element of our strategy for intensifying pressure. We're going to do everything possible to try to achieve that in, as the President has said, a matter of coming weeks, this spring.

Senator COLLINS. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Collins.

Senator Lieberman.

Senator LIEBERMAN. Thanks, Mr. Chairman. Thanks to you and Senator McCain for convening this very important hearing. Thanks for this distinguished panel of witnesses. What we're dealing with here, today, is what I believe to be the most significant security threat to our country in the world. It has Armed Services Committee implications, obviously, and so, I think it's very appropriate that we're holding this hearing.

There was an important exchange, I think, between you, Mr. Chairman, and the witnesses about having all options on the table. I was very interested in the press conference that President Obama held yesterday at the conclusion of the Nuclear Security Summit. He said, I presume in response to a question, maybe not, in regard to sanctions, "sanctions are not a magic wand. What sanctions do accomplish is hopefully to change the calculus of a country like Iran, so they see there are more cost and fewer benefits to pursuing a nuclear weapons program."

Of course, I agree with that. It's why I think it's so urgent that we go to the strongest possible sanctions. I also agree with what the President said. It's, in a sense, a different language than we've used, that sanctions are not a magic wand. They're not a guarantee that we will achieve the objective we want to achieve.

As the witnesses all know, a succession of American administrations of both political parties have made clear over and over again. I would daresay every Member of Congress of any political party has made clear over and over again; it is unacceptable to us in terms of our security and our values that Iran obtain nuclear weapons. That, I assume, is why we continue to say, Secretary Burns and Secretary Flournoy, that all options, including the military, remain on the table. That is to guarantee that the unacceptable, which is that Iran obtain nuclear weapons, does not become reality. We have to keep all options, including the military option, on the table.

Am I reading that correctly? Am I hearing it correctly, Secretary Flournoy?

Secretary FLOURNOY. Yes, Senator. The President has said both that a nuclear Iran is unacceptable and that all options are on the table. We've also said that, at this moment in time, we believe there are other options that need to be pursued in their fullest. That's what we're doing with regard to both engagement and pressure, sanctions as well as other measures.

Senator LIEBERMAN. Of course, I agree with that. I have the same sense of urgency that Secretary Burns referred to about the sanctions, but I also feel that if the sanctions do not work, then we

have to be prepared to use military force to stop the unacceptable from happening, which is that Iran become a nuclear power.

I want to pursue a line of questioning here about why it's so justified that the bipartisan consensus over a period of time in our country has been that it is unacceptable for Iran to have nuclear weapons. In that regard, I would really urge everyone here, and everyone who can get their hands on it, to read the prepared testimony of General Burgess for this hearing today. It is very powerful.

General Burgess outlines the goals of the Iranian regime and makes clear that the IRGC and the Quds force, and I quote from his opening statement, "are not a rogue element," referring to the Quds force. It receives direction from the highest level of government. Its leaders report directly albeit informally to Supreme Leader Ayatollah Ali Khamenei.

General Burgess then goes on to describe a series of what he calls "deadly terrorist attacks" over the last 3 decades that the IRGC and Quds force have been involved in, going back to the bombings at the U.S. Embassy and annex in Beirut and the killing of over 240 marines in the bombing of the barracks in Beirut in 1983, coming right forward to the support that the Quds force and the IRGC have given to extremists and insurgents in Iraq that have been responsible for the killing of hundreds of Americans. It's very worrisome and compelling testimony.

General Burgess, is it fair to say, these are my words, but I ask you that there already is a lot of American blood on Iranian hands?

General BURGESS. Sir, that would be a fair statement.

Senator LIEBERMAN. So, when the Iranians, the leadership, the fanatical leadership, chant death to America, it's actually something they've already tragically made happen. It's something that we have to take seriously.

General, the other statement that you made, which I find very striking, and I quote here, "DIA assesses that with sufficient foreign assistance, Iran could develop and test an intercontinental ballistic missile (ICBM) capable of reaching the United States." Would you elaborate on that statement that's in your prepared testimony?

General BURGESS. Senator, what I would say in this setting, and we can have further discussion in closed session, is that the Iranians continue, as I said in my statement, to develop a capability in their missile system. They are improving not only their range, but their accuracy. They have certain capabilities. If others decide to assist them, they can leapfrog that technology as they have given indication of some testing that is of concern to us.

Senator LIEBERMAN. Ok. I appreciate that. In the closed session, I want to take up with you what your particular concerns are about the kinds of foreign assistance Iran might receive to achieve the capability to launch a ICBM, presumably at some point, carrying nuclear weapons against the United States.

Secretary Burns, I think sometimes to appreciate the urgency of the matter, it's important to look forward and ask what the world would look like if Iran achieved nuclear capacity. I want to ask you just to speak briefly for a few moments. Is it fair to conclude that a nuclear Iran would strengthen the hand of terrorist groups that

are proxies for Iran, such as Hamas, Hezbollah, and the extremists in Iraq, if Iran had nuclear weapons?

Ambassador BURNS. Yes, sir. That is fair to say. I think the consequences of a nuclear-armed Iran truly would be catastrophic. I think you could easily stimulate a regional arms race which could have enormous dangers and carry enormous risks for stability in a part of the world that matters greatly to us and to some of our closest friends.

I think it would also do enormous damage, not only to the credibility of the U.N. and international institutions, but to the nuclear nonproliferation regime at exactly the moment as we saw in the Nuclear Security Summit over the last couple of days when we're working hard to try to strengthen that regime. I don't think anyone should underestimate what's at stake.

Senator LIEBERMAN. I appreciate your answer. I agree totally on the last point that all the steps that are occurring now, the New START, the nonproliferation to terrorists that was a subject of the summit yesterday, all, in my opinion, will be decimated if Iran goes nuclear.

My time is up. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Lieberman.

Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman.

General Cartwright, how long will it be until Iran could have a nuclear weapon capability?

General CARTWRIGHT. To go into detail of capability, in other words we talked earlier about a single weapon, just to give an example in an open forum. We talked at 1 year the potential to have a weapon capability.

Senator MCCAIN. Just 1 year?

Secretary Burns, do you believe that Russia and China would agree to sanctions that included the cutoff of refined petroleum products into Iran?

Ambassador BURNS. I think that's going to be very difficult to achieve.

Senator MCCAIN. Do you believe that China will agree to sanctions at all through the U.N. Security Council?

Ambassador BURNS. Yes, sir. I do.

Senator MCCAIN. You do? You're on the record. You believe that China will agree to sanctions through the U.N. Security Council that would have meaningful affect?

Ambassador BURNS. Yes, sir. I think that it's, as you asked is that possible? I do believe that's possible, yes.

Senator MCCAIN. Is it probable?

Ambassador BURNS. We'll have to see, sir. We're just beginning a serious negotiation in New York. As I mentioned before, President Obama and President Hu had a constructive conversation about this a couple of days ago.

I think we and the Chinese agree that we need to send a strong message to Iran. So, yes, sir, I do think it's possible.

Senator MCCAIN. Probable.

Ambassador BURNS. Yes, sir, I think it is likely that we would be able to produce a U.N. Security Council resolution.

Senator MCCAIN. When do we envision this taking place?

Ambassador BURNS. Sir?

Senator MCCAIN. Six months?

Ambassador BURNS. I hope very much in weeks. We're going to work very, very hard to try to achieve a new sanctions resolution that has meaning this spring in the shortest possible time.

Senator MCCAIN. Why doesn't the United States, with our allies, who have agreed that they would act with us—I'm talking about the French, British, and Germans—act unilaterally, at least to put some sanctions that could have some effect on the Iranian behavior rather than waiting for the U.N. Security Council, which we have been waiting now for about a year and a half, at least? Let me put it this way: the sanctions so far that have been enacted by the U.N. Security Council have been, in the view of most observers, ineffective.

Ambassador BURNS. Sir, I'd just say two quick things.

First, our closest European allies expressed strong support for trying to achieve a new U.N. Security Council resolution as a part of our strategy.

Senator MCCAIN. Haven't they also agreed to join with us in imposing sanctions right away?

Ambassador BURNS. Sir, their very strong preference, they can speak for themselves on this, is to try to achieve a U.N. Security Council resolution as a part of our strategy. As I mentioned before that a resolution can serve as a legal and political platform for the EU and some of our key European partners to take other steps as they have in the past.

My second comment, sir, very quickly is that we're continuing to work very hard to use existing legislation, existing U.S. law, to discourage companies from doing business with Iran. We've had some success in doing that. Major oil companies like Statoil, like ENI, like Total, major banks, insurance companies including Allianz from Germany, are pulling out of business in Iran. A number of major companies, as I mentioned before, have announced that they're not going to sell gasoline to Iran anymore, Reliance, Vitol, and Lukoil most recently from Russia.

We're going to continue to work that hard as well.

Senator MCCAIN. But none of these actions have had any perceptible affect on Iranian behavior.

Ambassador BURNS. I think the Iranians do notice when these things happen. I think they are concerned about it. I think one way of judging that is the considerable effort that the Iranians are putting into, right now, to discourage a new U.N. Security Council resolution and to work hard with members of the U.N. Security Council against that.

Senator MCCAIN. I'll be very interested to see if your prediction comes true; that meaningful sanctions will be agreed to by the Russians and the Chinese. They've been playing rope-a-dope with us for now over a year. I'll be very interested to see if your optimism comes true. I see no justification for it.

Ms. Flournoy, I noticed with interest that you talked about the importance of strengthening Lebanon and national security implements, U.N. Security Council resolutions, assert government control throughout Lebanon's territory. Have you seen any progress

there including implementing the U.N. Security Council resolution that calls for the disarmament of Hezbollah?

Ms. FLOURNOY. We have an extensive assistance program with the Lebanese armed forces.

Senator MCCAIN. I'm aware of the assistance program. I'm asking if you have seen any progress in disarming Hezbollah.

Ms. FLOURNOY. I think we have seen an increase in their political will to do this. We have not yet seen them accomplish that goal. This is a work in progress, and it's going to take some time.

Senator MCCAIN. Is it of some concern to you the reports are today that Syria has given Scud missiles to Hezbollah that are now in place in Southern Lebanon?

Ms. FLOURNOY. We are very concerned about those.

Senator MCCAIN. Is that a sign of progress?

Ms. FLOURNOY. Of course not, sir.

Senator MCCAIN. Of course not. But, you would never know it from the statement you made, saying that we're working with our partners to strengthen national institutions.

There has been no progress in disarming Hezbollah. There has been no progress in decreasing tensions there. As everybody knows, the Scud missile now in Southern Lebanon change the equation rather significantly if Hezbollah either decides to attack or decides to respond to some Israeli action.

Ms. FLOURNOY. Sir, if I could.

Senator MCCAIN. Yes.

Ms. FLOURNOY. We have seen the Lebanese armed forces exert control in areas that were previously dominated by Hezbollah. It is a work in progress.

Senator MCCAIN. I would be very interested in seeing that.

Ms. FLOURNOY. Have we got there? No, we have not gotten to where we want to go yet.

Senator MCCAIN. I would be very interested in seeing those areas of any significance that have been taken over by the Lebanese military. Obviously, Hezbollah controls the areas of Southern Lebanon that they want to. They now have veto power over any action that the Lebanese government might take. Both Prime Minister Hariri and Walid Jumblatt both said that they had to go to Damascus, both individuals whose fathers had been assassinated by Hafez al Assad.

So your rosy scenario is not corroborated by the facts on the ground, which is an indication of our weakening position throughout the region because of our failure to act.

I guess my time is expired.

Chairman LEVIN. Thank you, Senator McCain.

Senator Reed.

Senator REED. Thank you very much.

General Cartwright, we will all acknowledge that a sanctions approach is not a magic wand. Is a military approach a magic wand?

General CARTWRIGHT. No, Senator, it's not. When you look at the military side of the equation, we are working hard to support things like sanctions and other diplomatic activities in the region with the capabilities of strengthening the region's military, strengthening nation states to be able to defend themselves, and

improving capabilities in the area. But, military activity alone is not likely to be decisive either.

Senator REED. Let's just take it a step further; if you want to reserve comments at the closed session, that's fine. The usual proposal for a military action is some type of discreet strike to disrupt the nuclear facilities in Iran. I presume that would not be 100 percent effective in terms of knocking them out. It would probably delay them, but that if they're persistent enough, they could at some point succeed.

Is that a fair judgment from your position?

General CARTWRIGHT. That's a fair judgment.

Senator REED. So, the only absolutely dispositive way to end any potential weapons program would be to physically occupy their country and to disestablish their nuclear facilities. Is that a fair, logical conclusion?

General CARTWRIGHT. Absent some other unknown calculus that would go on, it's a fair conclusion.

Senator REED. After 7 years in Iraq and more years in Afghanistan, are military forces prepared to conduct such an operation?

General CARTWRIGHT. I think our military forces with high confidence could undertake such an operation. But, I think that there would be consequences to our readiness and to the challenges that we already face in this Nation economically to pay for a war, et cetera.

Senator REED. With consequences within Iraq and Afghanistan?

General CARTWRIGHT. With consequences in Iraq and Afghanistan.

Senator REED. How many forces do you think it would be necessary to conduct such an operation?

General CARTWRIGHT. I'd reserve that for a closed session, sir.

Senator REED. More than we have committed already into Afghanistan and Iraq?

General CARTWRIGHT. I'd prefer to reserve that for closed session.

Senator REED. General Burgess, I think Senator Lieberman's acknowledgement of your testimony is very accurate. It is very sobering and very appropriate. But, I just want to continue on the issue that the IRGC is not a rogue force.

Now, I'll ask a question which may be a very dumb question. Is that good or bad? If there is a connection to a political organization, does that limit their operations or does it in any way constrain their operations or is it something that empowers them more?

The other side of the equation would be, there are countries where there are truly rogue forces that are controlled by no one. I think of Pakistan, and entities which are not controlled by the government; but controlled by security agencies, like Lashkar-E-Tayyaba, who pose potentially even more destabilizing roles. One of the real dangerous points about the Mumbai attack was if the Pakistanis knew about it, that's bad; if they didn't know, it's much worse.

So can you comment upon that?

General BURGESS. Sir, I think what I would say in this setting is that, as I laid out in the testimony, the Quds force, the IRGC folks, that there is some control that is directed from on high. How much and within what bounds that is put on them is not some-

thing I'm prepared to go into detail on. So, when we say they are not a rogue force, they are not truly, totally independent operators. There is some cognizance on high.

Senator REED. Again, a question, I think, from your answer is something that we will consider in closed session or with more of a debate and a conclusion. Is political control an opportunity that we might exploit in terms that the political leadership constrains them or is that something that further empowers them? I think we will need to defer the debate to later.

General BURGESS. Yes, sir.

Senator REED. Secretary Flournoy, you mentioned that it was a successful election in Iraq. The election was successful, very much so. I just returned from there recently as so many of my colleagues did.

The Iranians spent a lot of effort trying to consolidate the Shia into a block that would effectively insist upon a Shia-controlled government. The election was, in many respects, a vindication of nationalism and secularism, which was a significant, I think, achievement. Now, we're into the formation of government.

I think the Iranians lost the election. They're trying to win the formation. All the parties have gone to Tehran to talk to the Iranian forces. Can you comment now about the process going forward, in terms of the Iranian influence in the formation of the Iraqi Government and the longer-term in Iraq?

Ms. FLOURNOY. The Iranians did seek to influence the election, and they were not very successful. The parties they backed most strongly did not do all that well. That was the same result we saw in the provincial elections last year.

I think the Iraqi people are pretty clear that they don't want a government that's made in Tehran. There were talks that began in Tehran since then. The parties have also traveled to Turkey, to Saudi Arabia, and to other neighbors in the region.

I think those who are most likely to be in a position to actually form a government have asserted their commitment for inclusion of all the blocks represented and so forth. I think Iran has had a history now, over the past several years, of overplaying its hand in Iraq. It tried to stop the Status of Forces Agreement and the Strategic Framework Agreement, and it didn't succeed. It was funding militants in Basra, yet a successful offensive was conducted against them. They tried to influence the last two elections, and their candidates and parties have not done so well.

So, yes, they're trying to influence the process. Yes, we have to watch their meddling very carefully. But, I don't think they're going to be successful because I think, ultimately, Iraqi nationalism will trump Iranian meddling.

Senator REED. Thank you, my time is expired.

Chairman LEVIN. Thank you, Senator Reed.

Senator Thune.

Senator THUNE. Thank you, Mr. Chairman. Thank you all for being with us today and for your service to our country.

Secretary Flournoy and Secretary Burns, does it remain U.S. policy to prevent Iran from achieving a nuclear weapons capability?

Ms. FLOURNOY. Yes, sir.

Senator THUNE. Would you say that, absent a credible military threat, Iran is less likely to come to the negotiating table and suspend its nuclear program?

Ms. FLOURNOY. I think the President has been very clear that all options are on the table. Right now, we believe the best combination is diplomatic engagement and pressure.

Senator THUNE. I want to come back to the discussion you were having with Senator McCain regarding U.N. Security Council resolutions. I think the President has said that he's not interested in waiting months for a new sanctions regime to be in place. I'm interested in seeing that regime in place in weeks.

With regard to the potential timing of that, I guess the question I would have is, how long will the United States seek a U.N. Security Council resolution on Iran before moving on to other sanctions?

Ambassador BURNS. Senator, the President has been very clear that we want to achieve the strongest possible sanctions resolution in the shortest possible time, this spring. We're working very hard toward that end. Formal negotiations on the new resolution have begun in New York now with the Russians and Chinese participating.

I can't give you an exact date. All I can tell you, sir, is we share the same sense of urgency about getting this done as quickly as we can and sending the strongest possible message to Iran.

Senator THUNE. If that doesn't come into place in the near future, is the United States willing to act with partners outside the U.N. context to impose the type of crippling and biting sanctions that you've been talking about for the past year?

Ambassador BURNS. Senator, I do believe it's possible to achieve that result in New York. As I said, I think it's also possible then to use that as a platform for taking some of the other kinds of measures that the EU, for example, has taken in the past. I think that's the most effective approach for us to take right now.

Senator THUNE. There was, Secretary Burns, a story in the Sunday, March 7, New York Times that the Federal Government has awarded billions of dollars in contracts to companies that are doing business in Iran or were at the time of the contract. According to the article, 49 companies that currently do business with the United States are doing business in Iran and show no signs of ceasing that activity. Many of these companies are subsidiaries of major U.S. corporations.

If the United States is to have any credibility as we seek international sanctions on Iran, shouldn't we start by barring subsidiaries of U.S. corporations from doing business with Iran?

Ambassador BURNS. Sir, we take very seriously the concerns that were raised in that article. I think it's worth noting that half of the companies that were mentioned in that New York Times article have already pulled out of business in Iran.

With regard to the question of subsidiaries, sir, American companies are already prohibited from doing business with Iran. If American companies seek to create subsidiaries simply for the purpose of evading U.S. law, the Treasury Department has legal basis to go after them, and does it. With regard to foreign subsidiaries of U.S. companies, we've already seen in recent weeks some movement in

the right direction; both Halliburton and Caterpillar's foreign subsidiaries have pulled out of their business connections in Iran.

We took the basis for the article very seriously. We're continuing to push hard.

Senator THUNE. Are we doing enough to target the banks that are doing business in Iran or that are sanctioning companies that are doing business with the IRGC? It just seems like you continually hear these stories and those reports. We talk about targeting their dependence upon imported gasoline and cutting off financing through the banks that are supporting it.

I'm hard pressed to see where we're taking the steps that are necessary and effective, if we're serious about putting the pressure that you talk about on that regime.

Ambassador BURNS. Senator, a number of companies, foreign companies, and banks, if faced with the choice between doing business with the United States and doing business with Iran are making, what from our point of view, the right choice. The tally sheet, as you look at, has a number of major banks. I mentioned Deutsche Bank and HSBC. The number of companies that have ceased gasoline sales to Iran, including Reliance, Vitol, and Lukoil, the Russian company most recently, is increasing.

I think our efforts are having an impact and we continue to work very hard at that.

Senator THUNE. The clock is ticking.

Ms. Flournoy and General Cartwright, I wanted to get your views on another subject. That's the ongoing development of the air/sea battle concept that is being proposed and specifically how it's going to affect our military strategy toward Iran. The Quadrennial Defense Review (QDR) directs the Navy and the Air Force to develop this new joint air/sea battle concept for defeating adversaries with sophisticated anti-access and area denial capabilities.

Could you provide your views on the development of this new air/sea battle concept, and how does this concept fit into our overall strategy with regard to dealing with Iran?

General CARTWRIGHT. The concept, as it's articulated in the QDR, is to look at anti-access capabilities, particularly in those nations that are bordered by oceans, seas, et cetera. What kind of capabilities in the 21st century we do believe DOD will need in order to penetrate those types of sophisticated counters? As we look at Iran, probably the areas of greatest relevance, and I'll defer also to Ms. Flournoy, are those things that are associated with the straits and narrows. Areas that are difficult are defined by being more easily defended with shorter-range capabilities and less sophisticated capabilities because of the lack of strategic depth and our ability to either prevail directly in the face of those threats or to work around them. A lot of what we're trying to understand is how do you find the synergies between those things that come from the sea and those things that are inherently long-range or otherwise tactical air.

How do you find the synergy to work against those types of threats, detect them, and then find a kill chain that would allow you to penetrate the area?

Senator THUNE. Can I just ask you to follow up? In your view, how will long range strike capability fit into that, this new air/sea battle concept?

General CARTWRIGHT. One of the key issues of long-range strike or the attributes of long-range strike is that it can close generally with a target much quicker than a surface force. So, from the standpoint of wearing down the offenses or eliminating them before you actually have to close with them, it gives you that opportunity.

Senator THUNE. Anything to add, Ms. Flournoy? Ok. My time is up. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Thune.

Senator Hagan.

Senator HAGAN. Thank you, Mr. Chairman. I, too, want to thank the witnesses for coming and giving us your testimony today. I think it's important having DOS and DOD here discussing this issue.

We know that Iran's nuclear weapons program, along with its military assistance to groups such as Hamas, Hezbollah, and the insurgency in Iraq and Afghanistan, serves as a threat to our national security interest. The nature of this challenge requires a whole-of-government approach that employs all aspects of national power. Has the administration formulated plans that integrate the diplomatic, informational, military, and economic instruments of national power into a comprehensive strategy that addresses the threat that Iran presents? Secretary Flournoy and Secretary Burns, if you all can comment on that?

Ambassador BURNS. Yes, ma'am. I think the short answer is yes. We've described, I think, a number of the elements of that comprehensive strategy. It's an enormously difficult challenge. But, I can't think of a higher priority for the United States than addressing that challenge energetically and forcefully.

Those elements include what we're trying to do diplomatically, both the effort at engagement, but also economic and political pressure because they complement one another. They're both parts of diplomacy. Also, the efforts that Under Secretary Flournoy has already described are continuing quietly to strengthen our security cooperation with our partners in the region, particularly in the Gulf. There are a range of other efforts that we make with partners around the world on this issue.

Ms. FLOURNOY. I would say that complementing our efforts for diplomatic engagement and economic pressure is changing attitudes. What we see in the region is actually a number of countries who share a great concern and anxiety about Iran's behavior and their capabilities development. They are actually starting to cooperate much more closely with us and with each other. We see this in terms of the essence of our defense cooperation, in terms of ballistic missile defense cooperation, in terms of the bilateral and multilateral conversations, information sharing, and plans coordination that's going on.

I would contest the idea that the balance of power is shifting to our enemies. We actually see Iran's behavior driving a lot of our friends closer to us and closer to each other in the Gulf region.

Senator HAGAN. Thank you. During the 2006 Lebanon war between Hezbollah and Israel, as well as during the 2007-2008 Gaza

conflicts between Hamas and Israel, both Hamas and Hezbollah demonstrated weapons arsenals that were larger than many other small nations. Many of the weapons and munitions employed by Hamas and Hezbollah can be directly linked to supplies provided by Iran.

Secretary Flournoy and General Cartwright, what steps, if any, is DOD taking to disrupt the proliferation of Iranian weapons and weapons technology to non-state actors throughout the region?

Ms. FLOURNOY. We have increased our intelligence focus on this. We've increased our intelligence sharing with others in the region. We have been bolstering their anti-smuggling capabilities in a number of partner states, so they can be more effective interdicting and stopping some of these flows. We're also applying substantial pressure to those states that are facilitating this movement of goods.

I don't know if you want to add anything?

General CARTWRIGHT. I think all of those things are true. This is still a difficult problem. I wouldn't want to lead you to believe that we've effectively cut the stream off.

We are working very hard with every capability that we have, in addition to trying to improve the capabilities, particularly of the nations that have these borders that are somewhat porous. But, this is a difficult problem.

Senator HAGAN. Secretary Flournoy, when you mentioned our intelligence focus, and you're sharing smuggling information with the other nations, are they actually doing something and taking active steps with the intelligence?

Ms. FLOURNOY. We see a mixed record. We could go into the details in closed session. Some countries are and some are not doing everything we would hope.

Senator HAGAN. Thank you. Despite the fact that many Iranian reformists are now in prison, and there are many that believe that the Green challenge of the most recent election has significantly narrowed the base of the regime to hard-line purists that are backed by revolutionary security forces. I was wondering, Secretary Burns, do you believe that the Green challenge has weakened Ahmadinejad's regime, and how serious would you consider the unrest within Iran to be?

Ambassador BURNS. I think that the concerns you saw manifested on the streets of Tehran and other Iranian cities are very real. I don't think they've gone away. I think they reflect a deep discontent. I think we've seen fissures not only between the regime and much of the population, but also within the leadership itself.

It's very difficult to predict, but I think they're very real issues.

Senator HAGAN. Thank you. We've been talking a lot about the sanctions. To my knowledge, no firms have been sanctioned under the Iran Sanctions Act (ISA) since its enactment in 1996. The ISA was then expanded during the 110th Congress and additional provisions have been passed by the House and Senate that, I think, are currently in conference.

Secretary Burns, what has the administration determined during its investigation into investments of Iran for violations of ISA, and what steps does the administration plan to take to ensure that the penalties are imposed for violations of this act?

Ambassador BURNS. First, ma'am, as I mentioned before, we have tried to make very active use of ISA and of existing U.S. law to discourage firms from doing business with Iran. There have been some specific instances of that actually occurring. At the same time, we go through scores of reports of new business deals, particularly in the energy sector, being done with Iranians. We have a number that have been highlighted by Members of Congress and are primarily within this administration; our preliminary review of that shows that a number of those cases raised by Members of Congress are in fact, problematic.

We're trying to make sure that we get this right because it means sifting through a lot of different information, some of which turns out to be unfounded, but some of it real. We look forward to staying in very close touch with Congress as we work through the results of that effort. We'd also be glad to provide a briefing in closed session about some of the results of the efforts so far.

Senator HAGAN. Ok. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Hagan.

Senator Brown.

Senator BROWN. Thank you, Mr. Chairman. Thank you all for coming and participating. Mr. Chairman, thank you for your leadership.

I know I'm new here, but one of the things that's always concerned me long before I got here was the fact that I don't believe that Iran takes us seriously when it comes to demanding full disclosure with regard to their nuclear capabilities. Iranian unemployment is high. Their cash reserves are dwindling, if not depleted. Their citizens are anxious for change.

We had, I felt, an opportunity to help them at some point in recent memory to effectuate change. It's always been my feeling that the answer is not in the U.N., but it's in the EU, and us really implementing draconian sanctions to effectuate change. It really comes down to the money; without money and without the refining products that they need to survive, they're not going to do anything. They're going to continue to string us and the world communities along and continue to develop their nuclear program. It doesn't take a brain surgeon to figure it out.

I'm concerned that every day that we delay is another day that they have to get closer to the capability to export terrorism around the region and the world.

Once again, I'm new here. I don't want to be disrespectful. But, what is the administration's plan when it comes to either exerting pressure or trying to work with France, Russia, and the other countries that have substantial financial assets in this region? Without their assistance, quite frankly, and without pulling the plug on the finances, I don't think we're going to be getting anywhere.

I'd like either Secretary to respond to that.

Ambassador BURNS. Yes, sir. First we share, absolutely, your sense of urgency. You're absolutely right about the consequences of a nuclear-armed Iran.

What we're seeking to do is mobilize the strongest and widest possible international pressure. A U.N. Security Council resolution is an important part of that because for many of our European allies, in particular, that provides an extremely valuable platform for

them to consider further measures that the EU can take. We're going to push as hard as we can, as I've said before, to achieve that range of measures as quickly as we can, not only in the U.N. Security Council, but also in terms of what we can do with others.

Senator BROWN. I just got back from Afghanistan and Pakistan, and I obviously heard of the influence of Iran, obviously in Afghanistan. As I'm aware, and as you're aware, there are two economic sanctions bills, one in the Senate, one in the House. I may be missing something, but I know health care is important to the administration. I know that now we're talking about financial regulation reform, and we may be doing immigration reform. We're not focusing on jobs, number one, though every other country that I just visited, Afghanistan and Pakistan, is.

I would think that these two bills that are in conference committee would be one of the top priorities of the administration. I'd like to know what influence or what activity the administration is putting on something that I think is a vital national security, not only to us, but to the rest of the world. I don't know; maybe I'm not privy to the information, but what's being done trying to get these bills passed, so we can get some real teeth and stop fooling around with Iran?

Ambassador BURNS. Senator, we want to continue to work with Congress to try to shape that legislation, so it's going to have the most effective impact. What I mean by that, sir, is to use whatever measures that the United States takes in a way that's going to encourage more countries and more companies to move out of business with Iran and that's not going to penalize those countries that are actually with us and moving in the right direction. That's why we want to work with you and your colleagues very much to try to achieve.

Senator BROWN. One final question, Mr. Chairman. I recently got back from Afghanistan, and one of the major concerns of not only the Karzai government, but of our leaders there is the influence that Iran is having there. What are some of the lessons that you learned in Iraq in curtailing Iranian influence that we can use in Afghanistan?

This is probably best for Secretary Flournoy, I would believe.

Ms. FLOURNOY. Again, I think that Iran, when its efforts to influence have become widely known by the populations it's seeking to influence, such as in places like Iraq or Afghanistan, those efforts have tended to be rejected. Again in Iraq, the reaction has been fairly consistent and strong. I think in Afghanistan, they are playing a double game where they are providing some support to try to influence the government while they're also trying to support and influence elements in the insurgency there.

I think that the more that meddling is exposed, the more it is rejected by the population they're trying to win over. I think that is a common lesson that will apply in both places.

Senator BROWN. In conclusion, Mr. Chairman, and through the people here speaking in front of us, I would just encourage more action. Like I said, I hate to keep saying I'm new here, but the people in my State, the people in this Country, and the people who are directly affected by what's happening in Iran are very, very con-

cerned about what's happening there and the delay, the delay, the delay, the talking, and the delay.

At some point, I'm hopeful that the administration will make this one of its top priorities and start focusing on the security of that region because a nuclear Iran and its ability to export terrorism throughout that region and the world should make people very, very concerned. I would ask you to pass that message to the President, as I plan to do. Thank you.

Chairman LEVIN. Thank you, Senator Brown.

Senator WICKER.

Senator WICKER. Thank you, Mr. Chairman. There has been a general agreement with the statement of Secretary Gates that Iran will not have the capacity to build a nuclear weapon for at least another year. General Cartwright, I'll begin with you and then perhaps General Burgess might also participate in this line of questioning.

I think that the testimony today has been that a year from now, it is possible that Iran might have attained the capacity to build a nuclear weapon. Is that correct, General Cartwright?

General CARTWRIGHT. I think there are several caveats that are associated with that. When we discussed it earlier, it was in the context of the ability to produce sufficient fissile material for a weapon. It didn't include the assembly, the testing, and all the things that go into a weapon. We could get into that more in the closed sessions.

Senator WICKER. Let me try a little more in a public forum. Is there anything you can tell us about their ability actually to assemble and actually have in their possession a nuclear weapon, to be able to deliver that nuclear weapon, or would a test be necessary for them to have any confidence level that they actually had something there?

I think the ultimate question on the minds of not only our constituents, but of people around the world, is when, based on what the Secretary has said publicly, might they have the capacity to harm another people?

General BURGESS. Sir, I think, as we said in the earlier discussion, they have enough LEU now that, if they further process and enrich that that in a year, if they continue to take that, they would have enough material for one weapon. I think anything further than that in this forum would be too much.

Senator WICKER. Alright. We'll just wait for the closed session on that.

Secretary Burns, you mentioned this scenario in an answer to Senator Lieberman's question of actually a nuclear-armed Iran and the things we would have to worry about in that regard. You mentioned a nuclear arms race, the harm done to the credibility of the U.N., and the devastating effect it would have on our efforts to prevent terrorist groups. Did I miss your saying that there would be the actual possibility of the weapon being detonated and actually harming someone in the neighborhood? Is there a reason why you did not mention that?

Ambassador BURNS. No, sir. There are many dangers connected with a nuclear armed Iran. Obviously, one of those dangers is actu-

ally the use of a weapon, which would have catastrophic consequences.

Senator WICKER. Are you able in an unclassified setting, such as this, to say when you think that ultimate act might occur? When might Iran be capable of taking that ultimate act?

Ambassador BURNS. No, sir. I think that's probably better left to a closed session.

Senator WICKER. Ok. Let me ask you then we have had optimistic testimony today about a meaningful sanctions resolution this spring. It is now April 14. I'm told that Iran is not on the U.N. Security Council agenda for April. Is that correct? Do we take anything from that, or is it a matter of simply changing the agenda on a moment's notice?

Ambassador BURNS. No, sir. What has started in New York is a very intensive negotiation amongst the five Permanent Members as well as Germany, the so called P5+1, about a new resolution. That's very much on the agenda of all of those members right now.

We're going to work as hard and as fast as we can.

Senator WICKER. Would it mean anything if the matter were placed on the official agenda of the U.N.? Would it bring any pressure to bear?

Ambassador BURNS. Sir, I leave the tactics to my colleagues at our mission in New York. It's a complicated challenge, and it's been very difficult in the past because we're talking about, of course, not only the 5 Permanent Members, but also the 10 elected members.

We have a great deal of work to do, and I don't want to underestimate the challenge. All I can tell you is we have no higher priority right now than trying to achieve that.

Senator WICKER. When we're talking about spring, Mr. Chairman, we're talking about April or May. This is a very optimistic scenario that you've painted.

I noticed today in the Los Angeles Times, China insisted on Tuesday that it has not shifted its approach on Iran's nuclear programs, despite White House claims on Monday that Beijing had become more open to sanctions on Tehran. A spokeswoman for the Chinese Foreign Ministry, Jiang Yu, told reporters in Beijing that, "China has always believed that sanctions and pressure cannot fundamentally resolve the issue."

Would you care, Mr. Secretary, to respond to that? Is this something different from what you and administration officials heard in person from Chinese leaders during the meeting in Washington?

Ambassador BURNS. Sir, what I would say is first, the Chinese also made clear in that same statement their strong support for the dual-track approach, which is not only about engagement, but also about pressure.

Second, they have agreed, after months and months of resistance, to engage directly in the negotiation of the text of the new resolution.

Third, I do believe that China is increasingly aware of many of the risks that you mentioned before to the stability in a part of the world that matters greatly to China and to its own economic hopes and hopes for economic growth. China also has a stake in the credibility and integrity of the U.N. and the nonproliferation regime.

Senator WICKER. Do you feel that China has, in fact, shifted its approach as a result of the last 2 days?

Ambassador BURNS. I do. Simply because up until a few days ago, the Chinese were not prepared to engage directly in negotiations over a new resolution; now they're participating actively in that process.

Senator WICKER. Lastly, if I might, Mr. Chairman. I see there's no one waiting behind me, and there may be follow up questions.

Chairman LEVIN. There are, but I think Senator Chambliss may wish to speak shortly.

Senator WICKER. If I could ask one question about taking things off the table because the chairman began with this. Does this, Secretary Flournoy, Nuclear Posture Review take anything off the table with regard to our subject matter today?

Ms. FLOURNOY. No, it does not, sir.

Senator WICKER. So, the language on page viii about strengthening the longstanding negative security assurance and when and where we would use nuclear weapons against non-nuclear weapon states that are part of the NPT, do those pertain to any country in this region that we're discussing today?

Ms. FLOURNOY. The negative security assurance is for a pledge that we will not use or threaten to use nuclear weapons against a given country and applies to countries who are non-nuclear, signatories to the NPT, and are in full compliance with their NPT obligations. Those are the criteria. In this case, Iran does not fit those criteria at this point.

Senator WICKER. Thank you, sir.

Chairman LEVIN. Thank you, Senator Wicker.

Senator Chambliss.

Senator CHAMBLISS. Thank you, Mr. Chairman.

Secretary Flournoy, gentlemen, I think it's pretty obvious that there's frustration with respect to this issue. That frustration didn't just start with this administration. This issue has been ongoing for some time.

I certainly share the thoughts that Senator McCain expressed and Senator Brown obviously expressed also about the fact that, in the eyes of the American people, we seem to be treading water on this issue while Iran is just sitting back and doing their thing and, frankly, almost sticking their finger in our eye. It really is, as Senator McCain said in so many words, time to quit ratcheting up the rhetoric and start ratcheting up the activity.

If we don't, we're going to look back and all of a sudden they're going to have a weapon. I'm not certain with all that I've learned over the years that we can do anything to stop that now. But, I appreciate what you said, Secretary Burns, about the opportunity that may be there.

Several of us just got back from Vienna and meeting with Director General Amano and other folks at the IAEA. Frankly, the previous leadership at the IAEA, in my opinion, was no leadership at all. It was extremely weak under ElBaradei.

Director General Amano is really taking this issue on head first. It has seemed like he has accomplished more in a few weeks than ElBaradei accomplished in several years. I'm hopeful that with his help that your optimism may bear fruit.

Let me direct this to Secretary Flournoy, General Cartwright, and General Burgess. How concerned are you that Iran has now told us that they are enriching uranium to 20 percent?

Ms. FLOURNOY. I think any steps that Iran takes to go down the enrichment path are worrisome. We are concerned about that. Even though that is not a weapons grade level, we don't want to see them making progress.

The fact is, they have also been having some technical problems with their program, as well.

Senator CHAMBLISS. Do you think they have the capacity to turn that uranium into fuel?

Ms. FLOURNOY. Into fuel for power reactors or for weapons usable fuel?

Senator CHAMBLISS. Into weapons.

Ms. FLOURNOY. I think that is certainly their aspiration. I think if they went down that path we would, at this point in time, know about it.

Senator CHAMBLISS. The IAEA expressed concern to our group about military work and design. Certainly that may be somewhat explained by work on conventional weapons. But, when you look at the combination of this added enrichment, plus their obvious work on weapon systems, it seems so.

General Burgess, maybe I'll direct this to you. Is there anything you can tell us about what may be going on with the combination of those two factors now in public?

General BURGESS. Sir, that would be better in a closed hearing.

Senator CHAMBLISS. Ok. General Cartwright, could you comment on the capabilities of IRGC naval forces, particularly as it relates to their ability to deny us access to the Strait of Hormuz in-between the Persian Gulf and the Gulf of Oman? Several CENTCOM commanders have, in the past, discussed Iran's military hardware acquisitions, and the development tactics seem to indicate that they might be posturing themselves in a manner that would allow them to deny us access to that area.

General CARTWRIGHT. Senator, I think in general terms, they are fortifying their capabilities to either reduce or deny access or constrict it. The difficulty here is one of tactics and objectives. If they close the straits off, they're closing off their only supply lines also. This would be a pretty significant activity in their calculus. But, to have the physical capacity to attempt to do that, they are moving in that direction.

We believe that we would be able to maintain the straits. But, it would be a question of time, impact, and the implications from a global standpoint on the flow of energy, et cetera, would have ramifications probably beyond the military actions that would go on.

Senator CHAMBLISS. General Burgess, when General Petraeus was before the committee about 3 or 4 weeks ago, we discussed the, at least public, dwindling of influence by the Iranians in Iraq. With the election dispute ongoing between Prime Minister Malaki and former Prime Minister Allawi, have you determined that there may, again, be increased Iranian influence being undertaken with respect to the dispute that seems to be ongoing internally?

General BURGESS. Sir, we've seen no discernable change in the actions. The Iranian folks are still trying to play on the ground with the current situation. But, it's the stuff that they're doing day to day.

It would be unfair for me to characterize recent activity as if we've seen a change with this latest election piece going on.

Senator CHAMBLISS. How about from a weapon standpoint?

General BURGESS. Sir, there have been no discernable change from what we have seen in the past.

Senator CHAMBLISS. Any change in weapons going into Afghanistan that you've noticed out of Iran?

General BURGESS. No, sir. I would say what we have seen in the past has been the current tempo. Most recently, we found a cache there around Herat, that was found in 2009, with some movement of some stuff in Iranian C-4 explosives and some other items. I think the Chairman of the Joint Chiefs has talked about that up here before.

Of course, what is unknown is when did it go into the country of Afghanistan? We don't know.

Senator CHAMBLISS. Ok. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Chambliss. We're going to move to executive session, but I want to clarify something before we do that. This has to do with the testimony you've given us; should Iran make a decision to do so, it could produce enough HEU in a year for one weapon. You indicated that response to my question and other questions.

U.S. intelligence agencies, according to Reuters yesterday, believe that Iran won't be capable of producing nuclear weapons for at least a year. But, it would probably be technically able to do so, if it chooses, within 3 to 5 years. Now folks, we have to clarify this issue before we leave here today, if we can, in public.

In terms of the HEU, your answer is clear. It would take about a year should they decide to do that. To move to 80 percent or more enrichment, it would take a year or more, about a year, to produce enough for one weapon. Okay, we're there with the new fuel for a weapon.

Now, you indicated in terms of putting together a weapon, that assembling a weapon is a different issue. We need an open session to learn something about that, since intelligence officials apparently are indicating that's something more than a year now. I know a number of us tried to get this, but help us out. Otherwise, your headline tomorrow is Iran can get a weapon in a year. That's going to be what's reported, unless you clarify that the uranium part of a weapon could be highly enriched in a year for one weapon.

Take the other pieces; tell us what you can, General Cartwright, in terms of number one, capability. I'm not sure how that's different from what they have now, which is capability. But, tell us what you can, should they make a decision today to put together a weapon.

We know the uranium piece of it. Tell us about the weapon development piece or what you can, in open session.

General CARTWRIGHT. I think the way I would approach that, Senator, is to say there are assumptions we made and talked about with the enriched material and getting us out to a year. When we

look at other examples of development, there is a trend that would say that it would take, already having the uranium, another 2 to 3, potentially out to 5 years, to move from the idea of having the material to a deliverable weapon that is usable.

Chairman LEVIN. No, I didn't say deliverable. I said put a weapon together.

General CARTWRIGHT. Then let's say usable tactically. Something that can actually create a detonation, an explosion that would be considered a nuclear weapon.

Chairman LEVIN. Now, what if this happened simultaneously? What if the enrichment to 80 percent or more started tomorrow and the decision to assemble a weapon happened tomorrow? Give us, then, your estimate of how long it would be before they would have a weapon.

General CARTWRIGHT. Again, I can't put that on a particular country. In other words, I can't put that on Iran. What I can tell you is that experience says that it's going to take you 3 to 5 years.

Chairman LEVIN. Ok.

Senator MCCAIN. Mr. Chairman, I'd like to pursue that if I could. You're saying to this committee that before the Iranians would have a deliverable nuclear weapon, it could be as long as 5 years?

General CARTWRIGHT. Senator, I can't tell you what problems they will encounter. I am telling you that, historically, going from having sufficient fissile material to a weapon takes that time.

Senator MCCAIN. We're asking for your assessment as to when they will have a nuclear weapon that is deliverable because that is obviously a very critical point in this entire situation. If it's 2, to 3, to 5 years, then that's one thing; if it's 1 year, then that's another.

Also, we seem to uncover from time to time additional facilities that the Iranians either have or are constructing. I guess that contributes to this dramatic difference between 1 year and 2, to 3, to 5 years. Every report I've seen is a year to 18 months. That's why I'm somewhat astonished to hear you say it could be 2, to 3, to 5 years.

Now, I'm not sure. This doesn't clarify it to me.

Chairman LEVIN. We're going to stay here until we get a clear answer on this. We have to. Yesterday the headline, Reuters, read "U.S. officials see Iran nuclear bomb probable in 3 to 5 years."

We're going to go through it again. Leave the deliverable part off. That assumes a missile, I think.

General CARTWRIGHT. Right.

Chairman LEVIN. Leave that off. If the decision were made today, by Iran, to put together a nuclear weapon, we understand that it would take 1 year on the HEU. Again, we got it.

Now, that doesn't put together. That's not the whole weapon. They have to put the weapon together, right?

Should they decide today to do that simultaneously, in parallel, to work on the HEU as they work on the assembly, tell us what you can from the IC's assessment about how long would it take for them to assemble a weapon based on everything you know about?

General CARTWRIGHT. Senator, again, you're asking me to know things I can't know, but 3 to 5 years is what I would tell you.

Chairman LEVIN. That is your best assessment?

General CARTWRIGHT. Yes, sir.

Chairman LEVIN. Ok. Now in terms of the missile, that's a totally separate issue. That's the deliverable part.

I assume when you say deliverable, is that a different factor because they would have to marry a weapon to a missile? They'd have to have a missile, and then it depends long-range, medium-range, and short-range capability.

Tell us what you can about the deliverable part, assuming that there's a missile involved. Now, they can deliver a weapon without a missile tactically, right? You can detonate a weapon without a missile. So the 3 to 5 years is the weapon piece.

Now, adding on the missile piece, what can you tell us about that?

General CARTWRIGHT. Again, I would probably tell you, not knowing exactly where they are in their capability, that it would still take them another 3 years. That does not necessarily mean it would be sequential.

Chairman LEVIN. Ok. That could be done in parallel, theoretically, too. Is that correct?

General CARTWRIGHT. Yes, sir.

Senator MCCAIN. Ok. Could I just ask again?

Chairman LEVIN. Sure.

Senator MCCAIN. They could develop a nuclear weapon, and it's going to be 3 years or longer.

General CARTWRIGHT. A nuclear weapon for a country, historically, takes 3 to 5 years.

Senator MCCAIN. I'm not asking about a country historically. I'm asking about Iran.

General CARTWRIGHT. Again, I'd rather take that particular question, to get to the exact assumptions, into a closed session, Senator. I can tell you that, normally such that that is, that with the HEU, you're still dealing in 3 to 5 years to create a weapon.

Chairman LEVIN. Is that sequential or could that be done together?

General CARTWRIGHT. It could be done in parallel.

Chairman LEVIN. Which means the 3 to 5 could include the 1 year for the HEU?

General CARTWRIGHT. Potentially.

Chairman LEVIN. Ok. Senator Lieberman?

Senator LIEBERMAN. Thanks, Mr. Chairman. The obvious point to me, as I hear you, is the best we can ask you to do is make predictions based on history. Obviously, no one knows or can say the future with any certainty.

But, I just want to come back to something Senator Reed referred to, which was my reference quoting President Obama yesterday about sanctions not being a magic wand. Senator Reed went on to say that military action isn't a magic wand and raised the prospect and took you down a road, a hypothetical, of the only way we can be certain that we could stop Iran from having a nuclear weapon is if we occupied Iran.

I want to say first, from my point of view, that all options are on the table. That's not anything I've heard anyone really, seriously talk about. I think what anyone is talking about is, if it becomes necessary to use military force to stop the unacceptable, which is

an Iranian nuclear program, either covert action on the ground and/or limited strikes from the air, so that whatever might be necessary.

I just don't want to leave the impression because then Senator Reed asked you about what effect the ground invasion of Iran or occupation of Iran would have on our activities in Iraq and Afghanistan. I don't think anybody is thinking of that. I certainly am not.

I wanted to say one final word about General Burgess' prepared testimony. One of the things he also does here is to lay out, in very powerful form, how weak the conventional military of Iran is. That's very important for us to acknowledge.

General Cartwright, going back to what I just said, do you agree that the United States enjoys an overwhelming advantage of conventional warfare against Iran including particularly with regard to air and naval capability?

General CARTWRIGHT. I do.

Senator LIEBERMAN. In the event it is needed, and I'm not saying anybody is planning to do so, is it within the military power of the United States to establish air and naval dominance over Iran?

General CARTWRIGHT. It is.

Senator LIEBERMAN. In the event that we chose to do so, is it within the military power of the United States to strike the Iranian nuclear program in a way that would seriously disrupt and delay it?

General CARTWRIGHT. I'd like to take that to closed session.

Senator LIEBERMAN. Ok, because that's what we're talking about here. In the end, the one sure way for Iran to not go nuclear is for its people and government to decide not to go nuclear. That's where I come back to what President Obama said yesterday about sanctions. That's the whole aim of sanctions. I quote again, "what they're aimed at accomplishing is changing the calculus of a country like Iran, so they see there are more cost and fewer benefits to pursuing a nuclear weapons program." I might add, for myself, that I think there's a higher probability that that calculus will change if they think we're serious about all the options that are on the table including military. Do you agree with that?

General CARTWRIGHT. I do, Senator. The reason that we believe that the sanctions and other measures, short of military activity, are important is because they give us more time, more decision time, more opportunities to intervene in ways that are nonkinetic.

Senator LIEBERMAN. Understood. I appreciate that. I thank you very much.

Chairman LEVIN. Can you please describe nonkinetic for the layperson?

General CARTWRIGHT. Not requiring military attacks.

Chairman LEVIN. Thank you.

Senator Chambliss.

Senator CHAMBLISS. I'll direct this to Secretary Burns, but anybody else should feel free to respond. It looks to me like, Mr. Secretary, you've set your own time table and that is 12 months. That's the best guess, according to General Cartwright, that they could be weaponized.

If that's the issue that we're going to prevent, then we have to have sanctions put in place in time to stop the weaponization of

Iran within 12 months. Now, that means in my mind pretty significant sanctions are going to have to be put in place to work within a short period of time. Is there a plan in place to work within a short period of time? Is there a plan in place with respect to those sanctions that we can talk about in this setting?

Ambassador BURNS. Senator, first I'll defer to General Cartwright on this, but I don't think we're talking about weaponizing in 12 months. The conversations suggest a different kind of timeframe for that.

That does not, however, diminish the sense of urgency we feel about putting in place the strongest possible sanctions regime. That means using a U.N. Security Council resolution. That also means looking at measures we can employ and have employed in the past.

It involves us continuing to push foreign companies to sever their ties with Iran in a variety of sectors. We're going to keep pushing on all those fronts just as hard as we can and as fast as we can.

Senator CHAMBLISS. Secretary Fournoy, did you want to add something?

Ms. FLOURNOY. I just wanted to add with regard to the time that we have taken for engagement and to work the sanctions piece through the U.N. There are steps that we can take unilaterally and we have taken unilaterally. But, our judgment is that, if we really want to impose pressure on Iran that actually affects their calculus, the only way to be effective is to do that multilaterally, to have the international community with us.

I think the fact that we made a good-faith engagement with Iran has actually brought more of the international community with us now that we are moving on the pressure track. The fact that we're taking the time to try to get a U.N. Security Council resolution will provide the legal and political framework that will get us more effective measures by others, like the EU, down the road. I think that the timeframe is frustrating for all of us, but I think we will be much more effective having taken the time to bring the international community with us to apply coherent and cohesive pressure on Iran.

Senator CHAMBLISS. Let me go back to General Cartwright. I think Senator Levin is right. We need to walk away from here with clarity.

Now, I understood you to say that, in your opinion, Iran could have a nuclear weapon within 12 months and, within 3 to 5 years, they'd have the capability of delivering that. Now are you saying something different from that?

General CARTWRIGHT. I am, sir. I'm saying 3 to 5 years is an historical estimate of how long it takes a nation with a low enriching capability to move both through the high enrichment protocols and then to the things that would put it together to make it a weapon. That is 3 to 5 years. One year was the discussion about how long it would take to produce HEU.

Senator CHAMBLISS. Ok.

Chairman LEVIN. Since I think that's probably the clearest summary that we've had, we probably ought to stop and quit while we're ahead. [Laughter.]

This hearing has been very useful to us.

First of all, we thank you all for coming in, particularly Secretary Burns. We know it's not always the case that we have a DOS representative here. In this case, it was important. We very much appreciate it.

We hope we've not gone beyond what it is appropriate in our questions. We know you wouldn't in your answers for you to address. Hopefully the unity of this committee, and I think you've heard here how much strength and unity we feel and have about this issue, about stopping Iran from getting a nuclear weapon, came through today. We hope that that unity that you heard here, and the American people will hopefully hear from this committee and this Congress, will help you in your efforts to gain support internationally for what you're trying to do.

We hope that's one of the outcomes. We know that information is an important outcome for us and the American people. It's also important that Iran hear a very strong, unified message about Congress standing behind strong measures.

Hopefully, that will help you in gaining those strong measures that can be used without military force. The military option has to be there, we believe, but I think most of us, maybe all of us, hope for you to succeed in your diplomatic efforts as well. It's serious, and there's great unity of purpose.

We thank you all for your testimony. We'll see you right after we all run over and vote. There's a vote on the Senate floor. We'll see you over in the Office of Senate Security in the Capitol Visitor Center in a classified session. We stand adjourned in the open session.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR DANIEL K. AKAKA

SANCTIONS PLANNING

1. Senator AKAKA. Secretary Burns, President Obama recently stated that one of the greatest threats to U.S. and global security is nuclear proliferation. Despite previous rounds of sanctions and the threat of additional sanctions, Iran has declared that it will continue development of its nuclear program. What happens if this round of negotiations and sanctions fails to slow or stop Iran's program?

Secretary BURNS. The administration remains committed to its dual-track strategy, which ultimately presents Iran with two choices: It can rejoin the international community economically and politically by fulfilling its international obligations under the Nuclear Non-Proliferation Treaty and to the U.N. Security Council and International Atomic Energy Agency (IAEA), or it can face increasing pressure and condemnation for its non-compliance.

At the moment, we are focused on securing broad international support for a new U.N. Security Council resolution with meaningful sanctions followed by states' adopting additional national measures. We believe that these kinds of multilateral measures can most effectively underscore to the Iranian Government the cost of defying the international community. They are also the most difficult to evade.

Of course, we continue to work independently and with our allies to take measures to deny Iran access to the technology and know-how it needs to develop further its nuclear program, and are working with our partners to limit Iran's ability to use the international financial system to fund its proliferation activities.

Ultimately, as the administration has said before, all options are on the table.

2. Senator AKAKA. Secretary Flournoy, has the Department of Defense (DOD) considered how to stop Iran's nuclear program if negotiations for sanctions, or if sanctions, fail to stop Iran's nuclear program? Please explain what DOD is doing to address Iran's nuclear program and the long-term implications for U.S. national security.

Secretary FLOURNOY. DOD is committed to supporting the dual-track strategy of engagement and pressure and believes it is premature to talk about other options. The Department supports the current policy by focusing on enhancing regional secu-

riety cooperation with partners in the Middle East. This focus not only reassures anxious states in the region, but also sends a clear signal to Iran that pursuit of nuclear weapons will lead to its own isolation and in the end make it less—not more—secure. In addition, it is the Department's responsibility to conduct prudent military planning, but as the Secretary has made clear, while all options remain on the table, he does not view use of kinetic force as the preferable course of action.

3. Senator AKAKA. Secretary Burns, while U.S.-Iran economic relations are limited, the United States has a key interest in Iran's relations with other countries. As some European countries have curbed trade and investment dealings with Iran, other countries, such as China and Russia, have emerged as increasingly important economic partners. Iran also has focused more heavily on regional trade opportunities, such as with the United Arab Emirates. What courses of action can the United States take to encourage others to curb trade and investments with Iran with the goal of getting Iran to give up its nuclear weapons ambitions?

Secretary BURNS. The United States will continue to make clear to the international community—both to governments and private sector—that Iran is not a good place to do business. As part of our efforts to increase the pressure on Iran to change its leadership decisionmaking calculus, the U.S. Government has actively engaged with foreign governments and companies to urge them to avoid commercial activity with Iran. These efforts are bearing fruit, as we are seeing a positive trend of companies recognizing the increased risks of doing business in or with Iran and announcing that they are either discontinuing their operations there or committing not to engage in any new activity with Iran. So far this year, more international firms have announced they are leaving Iran or undertaking no new business, than in the last 5 years combined. These companies include Ernst & Young, Price Waterhouse Coopers, Lloyds, ABB Ltd., Caterpillar, Daimler AG, the Huntsman Corporation, Ingersoll Rand, Linde, Siemens, Allianz, Munich Re, Baker Hughes, ENI Spa, IPG, Glencore, Lukoil, Reliance Ltd., Smith International, Trafigura, Vitol, and Total. Repsol also recently informed us that they are abandoning their negotiations over a \$10 billion project in the South Pars gas field.

4. Senator AKAKA. Secretary Burns, I understand that the administration is currently working with the United Nations Security Council (UNSC) Permanent Five Members Plus Germany (P-5+1) to establish sanctions against Iran in an attempt to compel Iran to abandon its nuclear weapons ambitions. However, P-5+1 countries maintain significant trade and financial interests with Iran. In today's challenged world economy, these interests are all the more significant. Given these significant trade and financial relationships, how can the United States ensure that potential UNSC sanctions have the best chance of success? Please describe any efforts the Department of State (DOS) is undertaking in this regard.

Secretary BURNS. The most effective sanctions are those that have the broadest international support. These can most effectively underscore to the Iranian Government the costs of defying the international community. They are also the hardest to evade.

We have been very clear in our message to both foreign governments and the international commercial sector that there are risks to doing business in Iran, especially as it continues to violate its international obligations on multiple fronts. We have seen that a number of companies are responding to the increased political risk of doing business in Iran. We will continue to be aggressive in our efforts on this front, as well as current efforts to impose additional accountability on Iran through expanded multilateral sanctions.

AMERICAN IMAGE

5. Senator AKAKA. Secretary Burns, public diplomacy is an important complement to traditional diplomacy in states like Iran, where large and youthful populations are frustrated by the government's failure to produce opportunities. What are your views on increasing the budget for U.S. radio, Internet, and video broadcasting to Iran and the possibility of cultural exchanges?

Secretary BURNS. With nearly three quarters of Iran's population under the age of 30, the vast majority of people living in the Islamic Republic were born after Ayatollah Khomeini's rise to power and most were only toddlers during the Iran-Iraq war. As a result, this new generation's perception of their place in the world is fundamentally different from that of their parents' generation. It is clear that the Internet and new media tools are playing an integral role in connecting Iranians to each

other and to the outside world, as well as providing a unique tool for Iranians to hold their government accountable.

The Department's Persian Digital Outreach Team is actively utilizing innovative approaches to reach Iranian youth through social networking and connective technologies. We post material on U.S. policy, Iran-U.S. relations, and American society on a wide variety of Persian-language web forums, blogs, and social media platforms such as Facebook, YouTube, Friendfeed, and Twitter that are widely used in Iran. Our social media presence reaches Iranian youth of various political views and ensures that the United States is represented in new media and conversation spaces. Additional resources would allow the State Department to broaden existing programs and explore innovative ways to leverage social networking tools and the traditional media to maximize the effectiveness of our diplomatic initiatives.

The Broadcasting Board of Governors (BBG) media programming for Iran, including the Voice of America's Persian News Network (PNN) and Radio Free Europe/Radio Liberty's Radio Farda, are among the very few Persian-language media outlets where the Iranian people can receive uncensored, unbiased, and current news and information. After the June 2009 elections in Iran, additional broadcasts were added as a temporary surge. The administration's request for fiscal year 2011 fully supports the pre-surge funding levels for Radio Farda and the PNN. The BBG expects to evaluate the situation in Iran going forward in fiscal year 2011, and will prioritize programming accordingly.

6. Senator AKAKA. Secretary Burns, do you believe that additional media and exchange initiatives would help change the U.S. image presented to young Iranians by their government?

Secretary BURNS. Given the lack of diplomatic ties with Iran for more than 30 years and the Iranian Government firm grasp over all forms of media, we are currently limited in our ability to influence how the government of Iran portrays the United States to its citizens. In light of this, we must continue efforts to directly engage the Iranian people so that their image of the United States is based on engagement with us, rather than what they are told by their government. Continued and enhanced people-to-people exchanges help fight misinformation, build cooperation, and lay the foundation for improved relations between the United States and Iran. We also need to continue expanding the use of social networking and connective technologies to not only get our message out but to also engage with the Iranian people via digital platforms.

Allocating additional resources would allow us to respond more effectively to the demographic shift in Iran by ramping up our digital outreach efforts in Persian, expanding engagement with Iranian youth, and improving our ability to rapidly respond to Iranian misinformation campaigns using multiple media platforms.

MISSILE DEFENSE

7. Senator AKAKA. General Cartwright, the administration modified its missile defense plans in the fall of 2009 to now include the Phased Adaptive Approach. Please provide your thoughts on the potential utility of the systems developed for this new approach with respect to our Iran policy and the previous missile defense approach.

General CARTWRIGHT. One of the key factors in changing our approach to European missile defense was updated assessment of the threat, specifically from Iran. The Phased Adaptive Approach and the land-based SM-3, or "Aegis Ashore" systems being developed were chosen for their ability to better defend against threat missiles originating in Iran. The first envisioned role of Aegis Ashore is defense of our forces, allies, and partners in Europe, and this new system will do that with greater effectiveness than the previous approach of two-stage Ground-Based Interceptors stationed in Europe. This effectiveness will be measured in both the capacity of the Aegis system's larger quantity of interceptors to respond to more threat missiles, as well as the system's ability to defend against the medium-range ballistic missiles which comprise the most immediate threat to Europe. Additionally, these capabilities are scheduled to be available in the 2015 timeframe, 3 years earlier than in the previous approach. These capabilities will contribute to the overall effort to deter Iranian aggression.

QUESTIONS SUBMITTED BY SENATOR CLAIRE McCASKILL

RELATIONSHIPS WITH NEIGHBORS AND SUPPORT FOR TERRORIST GROUPS

8. Senator McCaskill. Secretary Burns, Iran has a history of projecting its regional influence by strong-arming weaker countries in the region or inserting itself into the political affairs of countries such as Iraq and Afghanistan to throw off the efforts of the United States. I am particularly concerned about its role with neighbors Afghanistan and Pakistan. How would you characterize the relationship between Pakistan and Iran at this time?

Secretary Burns. While I cannot speak for other governments, as neighbors with economic, cultural, and religious ties, Iran and Pakistan both seem interested in maintaining a cordial relationship. Within the Pakistan-Afghanistan-Iran trilateral framework, both countries have exchanged views and agreed to coordinate their positions to support peace, stability, and development in Afghanistan. The Pakistan-Iran relationship, however, is strained by a number of competing interests. Ongoing differences over the future of Afghanistan cause tension, as does Pakistan's concern that Iran seeks to promote its sectarian Shiite socio-political model in Pakistan's Shia communities. Iran, for its part, fears Pakistan's relationship with elements of the Taliban. Iran is also troubled by Pakistan's ties with the West, particularly by the security relationship between our two nations.

9. Senator McCaskill. Secretary Burns, how would you characterize the relationship between Afghanistan and Iran at this time?

Secretary Burns. Iran pursues multiple agendas in Afghanistan, where it has strong historical, cultural, and economic ties. The Iranian economy has long been intertwined with the northern and western Afghanistan economy, and Iran has engaged significantly in Afghan politics since the Bonn Conference of 2001, in which it played a constructive role in encouraging the formation of an interim government. Iran's overall role is ambiguous, however, as it also pursues policies that undermine U.S. and NATO efforts in Afghanistan. While it provides constructive development assistance, we continue to receive reports that indicate Iran may also be providing military assistance to some insurgents.

10. Senator McCaskill. Secretary Flournoy, Secretary Burns, General Cartwright, and General Burgess, is Iran exacerbating the difficulties the United States and its partners face on the Afghanistan-Pakistan border?

Secretary Flournoy. Iran is playing a double game in Afghanistan. It provides rhetorical and material support for the Afghan Government while also providing sustained material support to insurgents, thus impeding U.S. and allied efforts to stabilize the country. Tehran generally sees the Taliban as an enemy and does not want to see them back in power. Nevertheless, Iran has provided limited lethal assistance to the Taliban to hedge against increased U.S./Western presence on its eastern border.

Secretary Burns. According to Afghanistan authorities, Iran has increased its cooperation with Afghan border guards to improve security on its border with Afghanistan. We, however, remain concerned that Iran has provided lethal support to elements of the Taliban, which is used against Afghan and NATO security forces, and international and Afghan civilians. Apart from these indications of support to the Taliban, we have no indications of significant Iranian activity along the Pakistan-Afghanistan border. We will continue to call on Iran to cease all such destabilizing support and work with Afghanistan forces to better deter, detect, and disrupt illicit border activities.

General Cartwright. Iran is playing a double game in Afghanistan. It combines rhetorical and material support for the Afghan government while providing a continuing amount of material support to insurgents thus impeding U.S. and allied efforts to stabilize the country. Tehran generally sees the Taliban as an enemy and does not want to see them back in power. Nevertheless, Iran has provided limited lethal assistance to the Taliban to hedge against increased U.S./Western presence on its eastern border.

General Burgess. [Deleted.]

11. Senator McCaskill. Secretary Flournoy, Secretary Burns, General Cartwright, and General Burgess, how would you characterize Iran's relationship with the Afghan Taliban, so-called Pakistani Taliban, Haqqani network, and other Pakistan-based terrorist groups?

Secretary Flournoy. Iran continues to provide lethal assistance to the various elements of the Afghan insurgency. Tehran's support for these groups is inconsistent

with its historic enmity, but fits with Iran's overall strategy of backing many groups to ensure a positive relationship with potential leaders, and hedging against foreign presence. However, ultimately because it does not share the same historic ties and ideological goals Iran does not have the same type of relationship with Afghan insurgent groups as it does with surrogates such as Shia militants in Iraq or Hezbollah in Lebanon.

Secretary BURNS. As a predominantly Shia country, Iran has an ambivalent relationship with the militant Sunni Taliban. It also remembers the 1998 murder of eight Iranian diplomats by the Taliban in Mazar-i-Sharif as well as Taliban atrocities against the Shia Hazara population of Afghanistan. While Iran has no interest in seeing the Taliban insurgency succeed, they are also uneasy about the large U.S. and NATO military presence on Iran's eastern border and do provide tactical support to select Taliban as a means to make this presence costly for the United States and our allies.

Iran's primary instrument for providing lethal support to the Taliban is the Islamic Revolutionary Guards' Qods Force, an element of the Iranian Government. This same organization provides weapons and training to the terrorist Hizballah organization and to select groups of Shia militants in Iraq.

General CARTWRIGHT. [Deleted.]

General BURGESS. [Deleted.]

DRUG TRAFFICKING

12. Senator MCCASKILL. Secretary Flournoy and General Cartwright, Afghanistan's opium trade that emanates throughout Asia, Europe, and elsewhere is a significant problem that vexes the U.S. Government. Iran, too, is wrestling with its own serious illegal drug issue; the UN estimates it has over 2 million addicts. Moreover, Iran is also a major transit route for drugs emanating from Afghanistan, many of which are bound for use in Europe. Given our non-normalized state of relations with Iran, how does DOD factor Iran into our regional counter-narcotics strategy?

Secretary FLOURNOY. The current interdiction effort in Afghanistan should result in fewer opiates exporting through Iran. We have bolstered the border crossing point in Islam Qalah in the northwest region of Afghanistan bordering Iran. Iran has made significant efforts to counter the drug flow coming from Afghanistan and has strengthened its borders with Afghanistan to bolster their efforts. DOD looks to DOS for diplomatic engagement with Iran on these issues during Paris Pact and United Nation meetings.

General CARTWRIGHT. The current interdiction effort in Afghanistan should result in fewer opiates exporting through Iran. We have bolstered the border crossing point in Islam Qalah in the northwest region of Afghanistan bordering Iran. The Department looks for ways to coordinate counternarcotic efforts with Iran, but given the current relationship between our two countries, it is difficult. Iran has made significant efforts to counter the drug flow coming from Afghanistan and has strengthened its borders with Afghanistan to bolster their efforts.

13. Senator MCCASKILL. Secretary Flournoy and Secretary Burns, how are we addressing Iran's role as a transit point for opium emanating from Afghanistan?

Secretary FLOURNOY. DOD has not focused specifically on Iran as a transit zone for Afghan opiates. DOD is, however, working with bordering nations, including Turkmenistan, Pakistan, and Turkey, to curb the flow of Afghan opium entering Europe and Asia. A whole-of-government approach, focusing on diplomacy, needs to be taken to address this issue.

Secretary BURNS. We are working with Afghanistan to build a border security force that has the manpower and resources to enhance border monitoring, detection, and disruption capabilities. In addition, we work closely with Iran's other neighbors, particularly Turkey and the Central Asian states, on border security and narcotics interdiction.

14. Senator MCCASKILL. Secretary Flournoy and Secretary Burns, although Iran has an obvious national interest in fighting the flow of drugs, does the Iranian state profit in any way from the illicit drug trade?

Secretary FLOURNOY. [Deleted.]

Secretary BURNS. The Iranian Government has taken aggressive actions to interdict the flow of drugs on its border, and the Iranian Government does not, as a matter of policy, encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. That said, we cannot rule out the possibility that cor-

rupt government officials may be taking advantage of the drug trade to line their pockets.

15. Senator MCCASKILL. Secretary Flournoy and Secretary Burns, how are DOD and DOS working with other regional actors, such as Turkmenistan, to address the issue of drug trafficking through Iran?

Secretary FLOURNOY. The U.S. Embassy Ashgabat has an internal counternarcotics working group consisting of State International Narcotics and Law Enforcement, State Political/Economics, State Export Control and Border Security (EXBS), and DOD representatives. This working group provides the Deputy Chief of Mission recommendations for counternarcotics programs and projects. As a result of this working group's efforts, and DOD counternarcotics funding, construction was completed on a border crossing point at Altyn Nasir. Moreover, there is funding in fiscal year 2010 to construct a second border crossing point at Sarahs. Both border crossing points are on the Iranian border. DOD counternarcotics has also provided training, scanning equipment, and radio communications equipment. In fiscal year 2010 DOD will continue to provide training and additional communications equipment.

DOD counternarcotics also supports counternarcotic efforts in Pakistan, building naval forces capacity to detect, monitor, and interdict drug shipments along the Makron Coast, some of which are headed for Iran.

Secretary BURNS. The State Department's bilateral assistance programs in Central Asia foster border security, law enforcement, and counternarcotics efforts that contribute to a regional solution to the Afghanistan-origin drug trafficking problem. Implementing partners include the U.N. Office on Drugs and Crime (UNODC), the International Organization for Migration (IOM), and various U.S. Government agencies. The U.S. Government appropriated over \$7 million toward counternarcotics programming in Turkmenistan in fiscal year 2009. DOS's EXBS program works to develop the capacities of border officials and facilities in Central Asian countries. The State Department Bureau of International Narcotics and Law Enforcement Affairs works to develop the capacity of law enforcement agencies in the region to interdict narcotics and investigate drug-related crime, in cooperation with national governments and the UNODC. On a multilateral level, the U.S. Government has provided \$3.8 million over 10 years for the development of the Central Asian Regional Information and Coordination Center, an information-sharing and operational coordination body that targets drug trafficking in the region.

The State Department and DOD also work closely in Turkmenistan to improve the capabilities of Turkmenistan's border guard to interdict narcotics along the Turkmen-Iranian border. DOD funded the construction of the Altyn Asyr border checkpoint, a main commercial port-of-entry on the Turkmen-Iranian border. In addition, the State Department has funded UNODC to conduct training of border guards and customs officers at this port-of-entry. DOD and State have followed a similar construction/training model at ports-of-entry at the Turkmen/Afghan and Turkmen/Uzbek borders. Additionally, U.S. Central Command has provided \$1.875 million in communications equipment toward counternarcotics efforts along Turkmenistan's borders.

16. Senator MCCASKILL. Secretary Flournoy, Secretary Burns, and General Burgess, do we have effective drug detection and interdiction capabilities along the Afghan-Iranian border?

Secretary FLOURNOY. Drug detection and drug interdiction are primarily law enforcement missions. However, DOD requested funding in fiscal year 2010 for a border crossing facility at Zaranj on the border with Iran, and we recently expanded Afghan Border Police training to cover Afghan policemen from Regional Command West at a training site in the village of Shouz. That site will train up to 3,700 Afghan Border Police personnel per year, many of whom will be posted on the Afghan border with Iran. As the lead agency for drug interdiction, the Drug Enforcement Administration may be able to provide additional information on its interdiction operations along the Afghan-Iranian border.

Secretary BURNS. The State Department is working with the Afghan Government to improve its drug detection and interdiction capabilities along the Afghan-Iran border, including efforts to build a border security force that has the manpower and resources to enhance border monitoring, detection, and disruption capabilities. The Department also encourages regional and multilateral initiatives, such as the UNODC's Triangular Initiative, which is designed to strengthen border control cooperation between Afghanistan, Iran, and Pakistan. I would refer you to DOD for further specific information on their work in the area.

General BURGESS. [Deleted.]

17. Senator MCCASKILL. Secretary Flournoy and Secretary Burns, has there been any cooperation with Iran on the issue of drug interdiction, either through the Afghans or through other third-party actors?

Secretary FLOURNOY. Historically, Iran, Pakistan, and Afghanistan do not conduct coordinated counternarcotic operations, although these countries have recently formed a partnership called the Triangular Initiative to improve their efforts to combat narcotics trafficking. We support increased cooperation among these countries on counternarcotic efforts.

Secretary BURNS. The United States does not have any direct, bilateral cooperation with Iran on drug interdiction in the Afghan border area. However, the U.S. Government has engaged Iran on drug interdiction efforts in multilateral forums such as the March 2010 meeting of the U.N. Commission on Narcotic Drugs, which was chaired by Iran. We also work on narcotics interdiction efforts directly with Iran's neighbors, such as Afghanistan, Turkey, and the Central Asian states, and in various regional forums like the Triangular Initiative, which in turn engage Iran directly on these issues. In Afghanistan, for example, we have worked with that nation's government to build a border security force that has the manpower and resources to enhance border monitoring, detection, and disruption capabilities.

IRAN SANCTIONS ACT

18. Senator MCCASKILL. Secretary Flournoy, the Iran Sanctions Act (ISA) was supposed to penalize companies doing business with the Iranian regime and supporting the Revolutionary Guard in particular. However, the U.S. Government has not enforced the ISA, in part due to concerns about reaction from allies. At the same time, DOD has spent millions on contracts with foreign and U.S. firms that violate the ISA. I realize that DOD and DOS are making some progress in dissuading some companies from doing business with Iran, but I feel like we have a long way to go for a robust enforcement of the ISA. Does DOD currently have contracts with companies who could be considered in violation of the ISA? If so, please provide a listing of these companies and reasoning as to why there is need for contracting with these companies.

Secretary FLOURNOY. We are concerned that the proposed Iran sanctions language in the fiscal year 2010 supplemental bill does not contain a presidential waiver provision for national security interests. As drafted this could seriously degrade DOD's ability to provide fuel support to military operations, including in Iraq and Afghanistan. DOD awards contracts to affiliates of BP, Shell, ENI, and Total, all of which are listed on the DOE/EIA website as doing business in Iran. Under the bill as currently written, these would become prohibited sources. While the contracts awarded to these firms represent less than 20 percent of the total contracts awarded by Defense Energy Support Center, they represent critical support in critical locations. For example, Shell is the supplier of JP-5 for the east gulf coast; Total holds 66 percent of the into-plane contracts for Africa and is the only source of aviation gasoline outside the United States. We are also concerned about the impact of Iran sanctions legislation on Turkish firms that truck fuel into Iraq, and on the Kuwaiti national oil company that supplies the majority of the fuel for operations in Iraq.

19. Senator MCCASKILL. Secretary Flournoy, does DOD have structures in place to vet companies for violations of ISA or other sanctions?

Secretary FLOURNOY. The Defense Logistics Agency, which is DOD's largest logistics combat support entity, and provides worldwide logistics support to the military services as well as several civilian agencies and foreign countries, uses Federal Acquisition Regulation 25.1103(a) to vet companies who violate the ISA or other sanctions. This regulation requires insertion of the following clause into every solicitation, contract, and subcontract: "(a) Except as authorized by the Office of Foreign Assets Control (OFAC) in the Department of the Treasury, the Contractor shall not acquire, for use in the performance of this contract, any supplies or services if any proclamation, Executive order, or statute administered by OFAC, or if OFAC's implementing regulations at 31 CFR chapter V, would prohibit such a transaction by a person subject to the jurisdiction of the United States. (b) Except as authorized by OFAC, most transactions involving Cuba, Iran, and Sudan are prohibited.... Lists of entities and individuals subject to economic sanctions are included in OFAC's List of Specially Designated Nationals and Blocked Persons..."

DLA contracting officers are required to check the list of Specifically Designated Nationals before awarding a contract in order to verify that the offeror and offeror's negotiators are not on the list.

QUESTIONS SUBMITTED BY SENATOR MARK BEGICH

COMPANIES OPERATING IN IRAN

20. Senator BEGICH. Secretary Burns, which energy companies and banks still do business in Iran?

Secretary BURNS. Given the large size of the global energy sector and our lack of an embassy presence in Iran, we do not have a comprehensive list of all of the energy companies that do business in Iran. Both the Government Accountability Office and the Congressional Research Service have published reports on companies doing business in certain parts of the energy sector. It is important to note, though, that these reports often rely on open source reporting, which we have found to be sometimes unreliable with respect to Iran. Furthermore, as you likely know, pursuant to our statutory obligations under the ISA, we track and monitor all of the major upstream development activities that could trigger sanctions under the act. The ISA has been a particularly useful tool which has been used to convince foreign companies to consider their interests in the United States when making decisions about participating in oil and gas development projects in Iran. We have convinced a significant number of companies to reduce or terminate their dealings with Iran in order to avoid additional scrutiny by our government. Partially as a result of our coordinated and comprehensive efforts, major international oil companies including Total, Statoil, ENI, Lukoil, and others have publicly committed not to undertake any new activities in Iran at this time. Repsol also recently informed us, but have not announced publicly, that they have taken the decision to discontinue their participation in the Persian LNG project. Other companies such as Shell, Reliance, Vitol, Trafigura, Glencore, and IPG have announced that they will no longer sell refined petroleum products to Iran.

With respect to the banks that are doing business in Iran we would refer you to the Department of Treasury, which is the agency that tracks this sector most closely.

21. Senator BEGICH. Secretary Burns, which companies have recently abandoned operations in Iran due to U.S. or international pressure?

Secretary BURNS. The United States is making clear that Iran is not a good place to do business. As part of our efforts to increase the pressure on Iran and change the Government of Iran's decisionmaking calculus, the U.S. Government has actively engaged with foreign governments and companies to urge them to avoid commercial activity with Iran. These efforts are bearing fruit, as we are seeing a positive trend of companies recognizing the increased risks of doing business in or with Iran and announcing that they are either discontinuing their operations there or committing not to engage in any new activity with Iran. So far this year, more international firms have announced they are leaving Iran or undertaking no new business, than in the last 5 years. These companies include Ernst & Young, Price Waterhouse Coopers, Lloyds, ABB Ltd., Caterpillar, Daimler AG, the Huntsman Corporation, Ingersoll Rand, Linde, Siemens, Allianz, Munich Re, Baker Hughes, ENI Spa, IPG, Glencore, Lukoil, Reliance Ltd., Smith International, Trafigura, Vitol, and Total. Repsol also recently informed us that they are abandoning their negotiations over a \$10 billion project in the South Pars gas field.

IMPACT OF SANCTIONS

22. Senator BEGICH. Secretary Burns, what U.N. sanctions have been imposed on Iran?

Secretary BURNS. Since 2006, Iran has been under international sanctions for failing to comply with U.N. Security Council resolutions that require it, primarily but not exclusively, to suspend its enrichment of uranium. The process of imposing Security Council sanctions came after a 2006 "referral" of the issue to the Council by the IAEA.

U.N. Security Council Resolution 1737, adopted about 6 months after the formation of the P5+1 working group on Iran's nuclear program, was the first U.N. resolution to actually impose sanctions on Iran for its refusal to suspend the enrichment of uranium and to meet other Security Council demands. Most significantly, 1737 sets up a process whereby the Security Council designated Iranian entities and persons as involved in its weapons of mass destruction (WMD) programs, and mandates U.N. member states freeze the assets on their territories that are owned or controlled by these entities. This list of designated entities was expanded in subsequent U.N. Security Council resolutions.

U.N. Security Council Resolution 1747 was adopted to further tighten international sanctions on Iran because of its refusal to meet the demands of previous resolutions, particularly the requirement that Iran suspend enrichment of uranium. It added a large number of entities and Iranian persons, mostly Revolutionary Guard commanders, subjected to those sanctions specified in Resolution 1737. UNSCR 1747 is also significant in that, in Annex II, it presents an incentive package to Iran, agreed by the P5+1 to try to induce Iran to comply. That package of incentives was further enhanced in June 2008. In addition, this resolution expanded sanctions beyond those applying directly to the nuclear program by banning Iran's export of arms. U.N. Security Council Resolution 1803, adopted March 3, 2008, imposed additional new sanctions on Iran. Resolution 1803 was particularly significant for imposing a mandatory ban on travel by certain Iranian persons named in Annex II to the resolution, going beyond the purely voluntary ban on travel imposed in Resolution 1747. Resolution 1803 also gave U.N. member states the authority to inspect cargo carried by Iran Air Cargo or the Islamic Republic of Iran Shipping Line if there is reason to suspect the vehicles operated by these entities are carrying WMD or other prohibited technology to Iran. Other measures, such as restricting export credits to Iran and ending dealings with several Iranian banks, are stipulated in the resolution but are not mandatory.

A subsequent resolution, 1835, reiterated the international community's insistence on Iranian compliance, but did not add any new sanctions.

23. Senator BEGICH. Secretary Flournoy, Secretary Burns, General Cartwright, and General Burgess, has there been any notable changes to Iranian conduct after past enactment of sanctions?

Secretary FLOURNOY. Sanctions are an imperfect tool and by no means a silver bullet. However, they do have both a material and psychological effect, particularly when they have broad international support. As such, I believe that if effectively targeted and leveraged, sanctions will have a substantial effect on the Iranian leadership's calculus. Whether that effect will bring Iran back to the negotiating table or convince it to make material concessions on its nuclear program remains to be seen.

Secretary BURNS. We believe that our multilateral efforts over the past several years have had an impact on Iran, which we seek to amplify through additional pressure. Past IAEA and UNSC resolutions have been effective in restricting Iran's access to materials, equipment, and technology that would make a material contribution to its nuclear program. These sanctions have also underscored the danger of business dealings with a country that stands in serial violation of its international obligations. As a result, dozens of businesses over several years have withdrawn from business in Iran, increasing Iran's isolation from international financial centers and trade.

General CARTWRIGHT. I will have to defer to Secretary Burns to provide a competent answer on this point. I am unable to state if there have been changes in Iranian conduct after sanctions were enacted.

General BURGESS. [Deleted.]

SENATE VERSION OF NEW IRANIAN SANCTIONS

24. Senator BEGICH. Secretary Flournoy and Secretary Burns, does the administration support the Dodd-Shelby Comprehensive Iran Sanctions, Accountability, and Divestment Act (S. 2799)?

Secretary FLOURNOY. The administration does not support the legislation as currently drafted but shares Congress's concerns and sense of urgency, and welcomes tools that will increase the pressure on Iran to meet its international obligations. The administration has already shared a number of ideas with Congress on changes it would like to see to the legislation, and we look forward to continuing to work with Congress to craft an appropriate way to achieve these common objectives.

Secretary BURNS. We believe that Congress and the administration share the objective of achieving Iran's compliance with U.N. Security Council Resolutions and the NPT. Accordingly, we have been working with the appointed Senate and House conferees to craft an appropriate way to achieve these objectives as the legislation goes through conference. Our goals remain the same: to change Iran's decision-making on its nuclear program, to keep our international coalition together so that Iran sees clearly the unity it faces, and to maintain the President's flexibility to conduct foreign policy.

QUESTIONS SUBMITTED BY SENATOR GEORGE S. LEMIEUX

TERRORIST NETWORKS IN SOUTH AND CENTRAL AMERICA

25. Senator LEMIEUX. Secretary Burns, one of my great concerns is the partnership developing between Iran and Venezuela. In an indictment earlier this year, a Spanish judge accused the Basque separatist group Euskadi Ta Askatasuna (ETA) and the narco-terrorist organization based in Colombia, Revolutionary Armed Forces of Colombia (FARC), of plotting to kill Colombian politicians in Spain with Venezuelan governmental cooperation. I am concerned that these terrorist groups could use the networks employed by organized crime organizations, drug traffickers, and narco-terrorists such as the FARC to smuggle terrorists or materials to support terrorism into the United States. What specific measures has the administration taken in the last 12 months to ensure Iranian ties with the Venezuelan Government do not facilitate operations by Hezbollah and Hamas in South and Central America?

Secretary BURNS. We are concerned with the increasing links between Iran and Venezuela and will continue to monitor this relationship closely. While we see a growing Iranian interest in and engagement with Venezuela, at this time, it appears to be largely diplomatic and commercial. As with any country, we fully expect Venezuela to meet its own international responsibilities and obligations, such as the U.N. Security Council's strict prohibition on trade in certain goods with Iran.

Where merited, we have taken targeted actions including: In October 2008, the Treasury Department designated both the Export Development Bank of Iran and its wholly-owned subsidiary in Caracas, Banco Internacional de Desarrollo, CA, for providing or attempting to provide financial services to Iran's Ministry of Defense and Armed Forces Logistics. This designation prohibits all transactions between the designees and any U.S. person, and freezes any assets the designees may have under U.S. jurisdiction. In June 2008, Treasury froze the assets of two Venezuelans for providing financial and other support to Hezbollah.

GREEN REVOLUTION

26. Senator LEMIEUX. Secretary Burns, what assistance is the United States or relevant nongovernmental organizations providing the Green Revolution in Iran?

Secretary BURNS. In addition to the moral support we lend activists working for civil rights in Iran, we continue to quietly help Iranians acquire the tools to create the space—on the Internet, in journalism, and in the arts—where free thought and expression can flourish. Since 2004, the State Department has supported projects to help Iranian civil society make its voice heard in calling for greater freedoms, accountability, transparency, and rule of law from its government. However, we do not fund political parties, movements, or factions. As the President has said, we are not interfering in the debate Iranians are having about their election and its aftermath. This is a debate among Iranians, about Iran's future.

Respecting the sovereignty of Iran, however, does not mean our silence on issues of fundamental rights and freedoms, such as the right to peacefully protest.

27. Senator LEMIEUX. Secretary Burns, do you see the Green Revolution in Iran as a strategic opportunity for substantive change for the Iranian people?

Secretary BURNS. It is still too early to tell what lasting impact the Green Movement will have on Iran's internal political dynamics, but prospects for reform remain uncertain. While we have not seen large-scale protests by the Green Movement in several months, deep rifts between the government and much of the public, and between various factions within the government, continue to persist. Unfortunately, we have not seen an end of the government's repressive tactics to stifle dissent or criticism.

IRANIAN MILITARY

28. Senator LEMIEUX. General Cartwright, Secretary Clinton recently commented that the Iranian military is probably playing a significant role in running Iran. "We see that the Government of Iran, the supreme leader, the president, the parliament, is being supplanted, and that Iran is moving toward a military dictatorship. Now, that is our view." What is your assessment of the role the Iranian Revolutionary Guard currently plays in governing the country?

General CARTWRIGHT. [Deleted.]

PURSUIT OF NUCLEAR WEAPONS TECHNOLOGY

29. Senator LEMIEUX. Secretary Flournoy, Secretary Burns, General Cartwright, and General Burgess, over the weekend, Secretary Gates said that it was the U.S. assessment that Iran was not yet nuclear capable. Last March, the CIA's Weapons Intelligence Nonproliferation and Arms Control Center (WINPAC) reported, "Iran continues to develop a range of capabilities that could be applied to producing nuclear weapons, if a decision is made to do so." How confident is the administration that the Iranian regime will not make the decision to produce nuclear weapons once they have the capability?

Secretary FLOURNOY. This answer is best given by the Intelligence Community (IC). I refer you to Lieutenant General Burgess's classified response.

Secretary BURNS. A U.N. Security Council resolution alone is unlikely to bring about the change in Iran's policies that we seek. But, in combination with the implementation of pressure across a wide array of Iranian interests, we believe this is the best way to bring about a shift in Iran's strategic calculus.

General CARTWRIGHT. I will have to defer to Secretary Flournoy to provide a competent answer on this point.

General BURGESS. [Deleted.]

30. Senator LEMIEUX. Secretary Flournoy, Secretary Burns, General Cartwright, and General Burgess, it seems the WINPAC report contradicts the 2007 National Intelligence Estimate assessing that Iran was "less determined to develop nuclear weapons than we have been judging since 2005." Do you agree?

Secretary FLOURNOY. Iranian nuclear intentions remain an issue of paramount interest and concern to the intelligence and the policy communities. As new information emerges, and as the Iranian nuclear program evolves, we evaluate and reassess Tehran's ultimate intentions. At this time, we continue to assess that Iran is keeping open the option to develop nuclear weapons in part by developing various nuclear capabilities that bring it closer to being able to produce such weapons, should it choose to do so. We continue to judge that Iran's nuclear decisionmaking is guided by a cost-benefit approach, which offers the international community opportunities to influence Tehran. Iranian leaders undoubtedly consider Iran's security, prestige, and influence, as well as the international political and security environment, when making decisions about its nuclear program.

Secretary BURNS. I would refer you the IC for its assessment on the pace of Iran's nuclear weapons capabilities.

General CARTWRIGHT. [Deleted.]

General BURGESS. [Deleted.]

31. Senator LEMIEUX. Secretary Flournoy, Secretary Burns, General Cartwright, and General Burgess, given the ever-changing nature of our intelligence assessments on the Iranian program, how long can we be certain that Iran is not nuclear capable?

Secretary FLOURNOY. The Iranian nuclear program and intentions remain issues of paramount interest and concern to the intelligence and the policy communities, and are matters that we continue to watch very closely. At this time, we continue to judge that Iran is not nuclear weapons capable. We assess that Iran is keeping open the option to develop nuclear weapons in part by developing various nuclear capabilities that bring it closer to being able to produce such weapons, should it choose to do so. As new information emerges and as the Iranian nuclear program evolves, we will continue to reevaluate and reassess Tehran's ultimate intentions and potential capabilities.

Secretary BURNS. Iran's extensive attempts over the past several years to engage in clandestine and undeclared nuclear activities have contributed greatly to the lack of international confidence in the nature of its nuclear program.

I would refer you to the IC for any further assessments on the pace of Iran's nuclear capabilities.

General CARTWRIGHT. Since this question directly concerns intelligence assessments I will have to defer to General Burgess to provide an answer.

General BURGESS. [Deleted.]

32. Senator LEMIEUX. Secretary Flournoy, what would be the effect on American forces in the Middle East if Iran were successful in developing a nuclear bomb?

Secretary FLOURNOY. The consequences of a nuclear-armed Iran would be highly destabilizing for the Middle East and could have significant implications for U.S. forces. However, no one can say with certainty how the situation might unfold. That is why we remain committed to preventing Iran from acquiring a nuclear weapon.

A nuclear armed Iran could cause other states in the Middle East to pursue nuclear programs. It could also embolden Iran in its actions throughout the region most notably by expanding its support for proxies. A nuclear-armed Iran could also cause strategic instability that could eventually lead to a regional conflict. Such consequences would increase the requirements on the U.S. military, put our forces at greater risk, and potentially draw us into conflict.

33. Senator LEMIEUX. Secretary Flournoy and Secretary Burns, is there a containment strategy for Iran in place and ready in the event they do acquire a nuclear weapon?

Secretary FLOURNOY. As the President has stated, our policy is to prevent Iran from acquiring nuclear weapons. Steps we take to build the capabilities of our partners to counter Iranian proxies and build an integrated air and missile defense architecture to contain and deter Iranian aggression support our diplomatic efforts to prevent nuclear proliferation in Iran.

Secretary BURNS. As the President and other senior U.S. Government officials have stated repeatedly, we will not accept a nuclear-armed Iran and we are committed to a diplomatic resolution over the Iran nuclear challenge. We will continue to pursue the administration's dual-track approach—combining engagement with pressure—to reach a peaceful solution. But similar to the military, we—in coordination with the interagency—are constantly reviewing our foreign policy strategies and modifying them as appropriate.

SANCTIONS

34. Senator LEMIEUX. Secretary Burns, the administration has frequently talked about meaningful sanctions. What types of sanctions do you think would be meaningful enough for Iran to stop pursuing its goal of developing nuclear weapons?

Secretary BURNS. The members of the P5+1 understand that we need to increase the pressure on Iran in order to bring it back to the negotiating table. While we cannot discuss the elements of a possible UNSCR, we can assure you that we are working intensively and very cooperatively with our partners in New York and in capitals on a broad range of proposals that we think will meet our common objective.

QUESTIONS SUBMITTED BY SENATOR DAVID VITTER

SECURITY COUNCIL AND CONGRESSIONAL SANCTIONS

35. Senator VITTER. Secretary Burns, the administration has seemingly put the Dodd-Shelby Comprehensive Iran Sanctions, Accountability, and Divestment Act (S. 2799) on hold in Congress, and instead is pursuing just the UNSC path. Presumably, a UNSC sanctions resolution will be weaker than what the United States could implement if they followed the direction of Congress. Therefore, I am afraid that the pursuit of a weaker sanctions resolution will simply delay stronger sanctions by the United States and will give the Iranians more time because both the process and the substance will further hold up action. If a UNSC resolution is ratified, do you think the United States should continue to aggressively pursue and implement S. 2799 that has been stalled in Congress?

Secretary BURNS. The administration shares Congress's concerns with Iran's nuclear program, and we ultimately share its goal of getting Iran to respect its international obligations and resolve concerns about the intent of its nuclear program. At this moment we are focused on creating a broad international coalition that can sharpen the choices for Iran through action at the U.N. Security Council. The most effective sanctions are those that are broadly enforced by the international community, which is why adopting a new resolution at the U.N. Security Council is so important.

36. Senator VITTER. Secretary Burns, if a UNSC resolution is ratified, will the administration delay the implementation of a bill from Congress sanctioning additional Iranian activities?

Secretary BURNS. We believe that Congress and the administration share the objective of achieving Iran's compliance with U.N. Security Council resolutions and the NPT. Accordingly, we have been working with the appointed Senate and House conferees to craft an appropriate way to achieve these objectives as the legislation goes through conference. Our goals remain the same: to change Iran's decisionmaking on its nuclear program, to keep our international coalition together so that Iran sees

clearly the unity it faces, and to maintain the President's flexibility to conduct foreign policy.

37. Senator VITTER. Secretary Burns, is the United States willing to act alone or in a smaller group of countries on sanctions if a UNSC resolution is not passed?

Secretary BURNS. At this moment we are focused on creating a broad international coalition that can sharpen the choices for Iran through action at the U.N. Security Council. We believe we will need to pressure Iran on multiple fronts in order to convince it to address international concerns over its nuclear program, and that pressure is most effective when it is applied by as broad a coalition as possible. We believe a new UNSCR can serve as a platform for additional national and multinational measures, and we are consulting with a wide range of partners on ways we can tighten existing sanctions.

38. Senator VITTER. Secretary Burns, how quickly can the United States act upon the possible voting down of a UNSC resolution?

Secretary BURNS. We are focused on creating a broad international coalition that can sharpen the choices for Iran through U.N. Security Council action. While diplomacy is obviously our first choice, we are also prudently preparing for the full range of contingencies on Iran, and the President has been clear that no options have been taken off the table.

[Whereupon, at 12:35 p.m., the committee adjourned.]

