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S. HRG. 114–357

IMPACTS OF THE JOINT COMPREHENSIVE PLAN OF ACTION (JCPOA) ON THE UNITED STATES INTERESTS AND THE MILITARY BALANCE IN THE MIDDLE EAST

HEARINGS

BEFORE THE

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

ONE HUNDRED FOURTEENTH CONGRESS

FIRST SESSION

JULY 29; AUGUST 4; AUGUST 5, 2015

Printed for the use of the Committee on Armed Services

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Available via the World Wide Web: http://www.fdsys.gov/

U.S. GOVERNMENT PUBLISHING OFFICE

21–483 PDF WASHINGTON : 2016

For sale by the Superintendent of Documents, U.S. Government Publishing Office
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IMPACTS OF THE JOINT COMPREHENSIVE PLAN OF ACTION (JCPOA) ON THE UNITED STATES INTERESTS AND THE MILITARY BALANCE IN THE MIDDLE EAST

WEDNESDAY, JULY 29, 2015

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

The committee met, pursuant to notice, at 9:47 a.m., in Room SD–G50, Dirksen Senate Office Building, Senator John McCain (chairman) presiding.

Committee members present: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Lee, Graham, Cruz, Reed, Nelson, McCaskill, Manchin, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich.

OPENING STATEMENT OF SENATOR JOHN MCCAIN, CHAIRMAN

Chairman MCCAIN. Since the time is here and our two witnesses that we requested to appear are here, I will go ahead and begin with my opening statement. As I have mentioned——

[Applause.]

Chairman MCCAIN. Hey.

[Laughter.]

Senator REED. That was for your opening statement, John.

[Laughter.]

Senator REED. There is such anticipation.

[Pause.]

Chairman MCCAIN. Good morning. The committee meets today to begin a series of oversight hearings on the Joint Comprehensive Plan of Action [JCPOA], which the United States and other major powers have signed with Iran.

We welcome our distinguished witnesses and thank them for joining us today. We appreciate Senators Kerry and Secretary Moniz and Secretary Lew being here. I would, for the record, I did not request the presence of Secretary Kerry or Moniz or Secretary Lew. I am glad they are here, at their desire to do so, since this focus of today's hearing, as befits the role of this committee, is on the strategic and military implications of the Iran agreement.

What we want to know, among other things, is how this agreement will affect regional security, proliferation, and the balance of power in the Middle East; what impact it may have on Iran's ma-

lign activities and hegemonic ambitions in the region; what it means for perceptions of American credibility and resolve among our allies and partners; and what the consequences are for U.S. defense policy, military planning, and force structure.

When we consider these broader strategic consequences of the agreement, the second-order effects, what is already a bad deal only looks that much worse. To this committee, perhaps of most concern about the agreement itself pertains to the verification and monitoring mechanisms.

As has been publicly reported, the inspections of Iran's facilities will be conducted by the International Atomic Energy Agency, or IAEA. There will be no Americans allowed on the ground, and the details of how these monitoring activities will occur in certain important instances are contained in a separate agreement between the IAEA and Iran, which the U.S. Government and the Congress have not seen.

Furthermore, the mechanism to resolve the longstanding international concerns about the possible military dimensions of Iran's nuclear program is contained in another side agreement between Iran and the IAEA, which the U.S. Government and the Congress have also not seen. To be sure, much is known about Iran's past weaponization activities, but we can never know what we do not know, which is why the Director of the IAEA has said that effective verification depends on resolution of the PMD [previous military dimensions] issue. How that will occur we do not know.

This presents a major problem. All of us will soon vote on the Iran agreement, and the merits of this agreement hinges on its verifiability. And yet we cannot even read key documents pertaining to these verification measures, and our own Government is not even a party to those agreements. I find that deeply troubling.

What is more troubling are the broader military implications of this agreement. Iran is not just an arms control challenge. It is a geopolitical challenge.

For years, many of us have urged the administration to adopt a broader strategy to counter Iran's malign activities in the Middle East. Unfortunately, that has not happened. Instead, we have watched with alarm as Iran's military and intelligence operatives have stepped up their destabilizing activities and increased their influence and control in places like Syria, Iraq, Lebanon, Yemen, Bahrain, and Gaza.

Iran has done all of this under the full pressure of a sanctions. Now Iran will soon receive a windfall of sanctions relief, estimated at roughly $60 billion or possibly as much as twice that. Yes, a good amount of that money will surely go to Iran's domestic priorities. But it is only fair to assume that billions of dollars that will flow to Iran's Revolutionary Guards Corps and the Quds Force, money that will likely be used to boost arms supplies to Iran's terrorist proxies, to sow chaos and instability across the region, and to double-down on Bashar Assad right when he needs it most.

This will present a host of new challenges for the Department of Defense. What is worse, not only could this agreement strengthen Iran's malign activities in the region, it is also likely to enhance Iran's acquisition of conventional military capabilities.

For nearly a decade, an international arms embargo has significantly hurt Iran's ability to build up and modernize its aging military. Throughout the nuclear negotiations, the administration insisted that its diplomacy was limited exclusively to the nuclear file. Indeed, just a few weeks ago, General Dempsey told this committee that, "Under no circumstances should we relieve pressure on Iran relative to ballistic missile capabilities and arms trafficking."

And yet, thanks to last-minute concessions by the administration, that is exactly what this agreement would do. At Year 5, the international arms embargo will disappear, and Iran will be free to acquire advanced military capabilities, such as fighter aircraft, attack helicopters, warships, and anti-access weapons.

At Year 8, international restrictions on Iran's ballistic missile programs will disappear, and Iran will be free to acquire through entirely licit means the necessary technology and materiel for ever more sophisticated ballistic missiles, including ICBMs [intercontinental ballistic missiles].

And in all of this, Iran will not only have billions of dollars with which to go on a shopping spree in the international arms market, but it is also sure to find plenty of States that are eager to sell those weapons, especially Russia and China. In this way, the Iran agreement not only paves Iran's path to a nuclear capability, it will further—it will further Iran's emergence as a dominant military power in the Middle East.

This has direct and dangerous implications for U.S. armed forces. The ultimate guarantee that Iran will not get a nuclear weapon is not a 109-page document. It is the capability of the U.S. military to do what is necessary if all else fails. And yet this agreement would enable Iran to construct the kind of advanced military arsenal that could make our military option far costlier to employ.

Instead of enhancing our deterrence of Iran, this agreement seems to enhance Iran's deterrence of us. In short, if this agreement fails, the U.S. service members are called upon to take action against Iran. Their lives could be at greater risk because of this agreement.

And that is perhaps the most troubling aspect of all about this agreement, what it means for America's credibility in the Middle East. Since 1979, Republican and Democratic administrations have sought to contain the Islamic Republic of Iran and prevent it from acquiring a nuclear weapons capabilities.

Our allies and partners have entrusted much of their own security to the United States because they have believed that our commitment were credible. In this way, America's role in the region has been to suppress security competition between states with long histories of mistrust and to prevent that competition from breaking into open war.

I fear this agreement will further undermine our ability and willingness to play that vital stabilizing role. Our allies and partners in the Middle East have increasingly come to believe that America is withdrawing from the region and doing so at a time when Iran is aggressively seeking to advance its hegemonic ambitions.

Now we have reached an agreement that will not only legitimize the Islamic Republic as a threshold nuclear state with an industrial enrichment capability, but will also unshackle its regime and

its long-held pursuit of conventional military power and may actually consolidate the Islamic Republic's control in Iran for years to come.

After turning three decades of U.S. foreign policy on its head, is it any wonder that this agreement may lead our allies and partners to question America's commitment to their security? As that happens, these states are increasingly likely to take matters into their own hands, and indeed, we already see evidence of that.

These fateful decisions may well manifest themselves in growing regional security competition, new arms races, nuclear proliferation, and possibly conflict, all of which would demand more, not less U.S. leadership and presence in the region. It would be ironic, but not historically unprecedented that a diplomatic agreement intended to decrease risk of conflict actually increased those risks instead.

All of us hope that will not be the case now, but it is the job of the Defense Department to be ready when our highest hopes fail us, and I fear there is much work to do.

I welcome the witnesses.

Senator Reed?

STATEMENT OF SENATOR JACK REED

Senator REED. Thank you very much, Mr. Chairman.

And good morning, Secretary Kerry, Secretary Moniz, Secretary Lew, Secretary Carter, General Dempsey.

Your appearance before the committee comes a little more than 2 weeks after the world woke up to the news that after 20 months of negotiations, the P5+1 and Iran agreed on the terms of the Joint Comprehensive Plan of Action. The agreement, no matter your position on it, is historic and, if implemented scrupulously, could serve as a strategic inflection point in the world's relations with Iran for international nonproliferation efforts and for the political and security dynamics in the Middle East.

And I commend the President and his negotiating team, from Cabinet officials to our Nation's scientists, for their persistence and hard work.

In the weeks ahead, Congress has a solemn obligation to carefully review the details of this historic agreement and to independently, independently validate that the agreement will meet our common goal of stopping Iran from acquiring a nuclear weapon. Today's hearing is part of that obligation, and I look forward to your testimony.

Secretary Kerry, you were the key architect of this agreement, and your willingness to take on what I am sure feels like a thankless endeavor is to be commended. I hope you will help us understand why it is your assessment that this agreement is a good deal and how you intend to direct our diplomats in the field to work with our partners in the region to address Iran's destabilizing activities in the region.

Secretary Moniz, you played an important role in negotiations, and you, too, have been a strong advocate for the Comprehensive Plan of Action throughout. During your testimony, I hope you will help us understand what gives you confidence in the technical safeguards built into this agreement, particularly with regard to, one,

the cutting off of Iran's pathways to a nuclear weapon; two, the cradle-to-grave access and portability of the supply chain; three, the dedicated procurement channel to manage all purchases of nuclear supply groups' trigger lists and dual- use items; and four, the IAEA additional protocol for enhanced inspections and its design for detecting elements of a covert weapons program; and finally, the limitation on Iran's enrichment program.

Secretary Carter, you are a unique Secretary of Defense, with a Ph.D. in physics, and having spent so much of your career on nuclear weapons, I look forward to your technical insights to these elements, as well as those of Secretary Moniz.

Both Secretary Carter and General Dempsey, while neither of you were a party to the negotiations, you have both recently traveled to the Middle East to speak with your counterparts about the agreement's potential implications for regional security. During your meetings, you undoubtedly heard the assessments of our partners and our allies on a range of issues, including how Iran may use sanctions relief to pursue its regional ambitions, expand its support to terrorist proxies, and invest more heavily in its military.

These are serious concerns and ones which I share. Our partners in Israel see Iran as a significant and ongoing threat to their national security interests. While Prime Minister Netanyahu is unlikely to ever endorse this historic deal, it is incumbent upon the United States to deepen further our cooperation on military and intelligence matters with Israel and to better understand the concerns of the Israelis.

It is also critical that our partners and allies in the Middle East know that the United States will not abandon the region in the wake of this nuclear agreement and that we will continue to stand alongside them as we confront common state and nonstate threats. The May 2015 joint statement following the U.S. and Gulf Cooperation Council, or GCC, meetings at Camp David provided a road map for how the administration intends to proceed. It also makes clear that the Department of Defense will be at the forefront of these efforts.

Critics of the Vienna agreement point to perceived flaws related to Iran's ballistic missile capability and its support of terrorist proxies across the region. The Camp David joint statement outlines our commitment to enhancing the ballistic missile defense capabilities of the GCC and improving their interoperability to increase collective defense in order to counter Iran's support of terrorist proxies.

The joint statement indicates that we will be increasing our training and exercise engagements with GCC special operations forces elements so as to better enable our partners to confront Iran's asymmetric capabilities. These are important efforts that I look forward to hearing about today.

I want to make one final point. These negotiations focused on denying Iran a pathway to a nuclear weapon. A nuclear Iran would be a more formidable force in the region. And as it has repeatedly demonstrated, not a force for peace and stability, but one that supports terror and seeks to impose its will throughout the Middle East.

Moreover, a nuclear Iran would likely prompt a nuclear arms race in the region that through action or design could lead to catastrophe. None of us would condone or ignore Iran's support of terror or other destabilizing activities in the region, but the focus of these negotiations were properly focused on nuclear weapons.

The history of arms control makes this point. As Fred Kaplan, a noted national security expert pointed out, the United States-Soviet strategic arms treaties signed throughout the Cold War didn't require the Soviet Union to disavow Communism and its support of Third World insurgencies or institute Jeffersonian democracy. But the deals were still very useful. They capped and in later years reversed the nuclear arms race, and they provided a forum for diplomacy, a cooling off of the distrust and hatred at a time when no other issue could have done so.

I look forward to the panel's responses as we continue to understand this agreement and evaluate the capacity to cut off all pathways to a nuclear device and provide long- term warning of violations so that an appropriate response can take place.

Thank you.

Chairman MCCAIN. Thank the witnesses for being here today. And Secretary Carter, could we begin with you?

STATEMENT OF HON. ASHTON B. CARTER, SECRETARY OF DEFENSE

Secretary CARTER. Yes, Mr. Chairman. Thank you.

And with your leave, I think that you preferred, and that is fine with us, if only I and General Dempsey make opening statements as the other witnesses——

Chairman MCCAIN. I hope that is agreeable to the other witnesses?

Secretary CARTER. It is. It is, I believe.

Chairman MCCAIN. Thank you.

Secretary CARTER. Thank you, Mr. Chairman.

Thank you, Ranking Member Reed. Thank you, all the members of the committee, for giving me the opportunity to testify this morning on our defense strategy toward this critical region in the wake, as the—as Senator Reed noted of my travels to the region last week, the chairman's also, and of course, very importantly, 2 weeks after the conclusion of the Joint Comprehensive Plan of Action.

I am pleased to be joined by my fellow Cabinet members, who can talk in detail about that agreement reached in Vienna. That deal is an important step, one brought about by the leadership of President Obama, the persistent diplomacy of Secretaries Kerry, Moniz, and others, crippling sanctions that Secretary Lew led and that Congress helped put in place.

It is a good deal because it prevents Iran from getting a nuclear weapon in a comprehensive and verifiable way. Once implemented, it will, therefore, remove a critical element of risk and uncertainty, one element of risk and uncertainty. But a critical element of risk and uncertainty from the region.

For those reasons and those my colleagues have provided in testimony before other congressional committees, I urge you to support it. I also urge you to support the broader elements of the de-

fense strategy in the Middle East I will describe, including and especially by supporting a stable and reformed defense budget to implement it.

The successful negotiation of this deal is one part of our broader foreign and defense policy. As the most influential power in the world, we have responsibilities all over the globe. The Middle East remains important to America's national interests, and as a result, the Department of Defense is committed to confronting the region's two principal security challenges, Iran and ISIL [the Islamic State of Iraq and the Levant].

The department's strategic approach to protecting our interests and confronting those challenges will remain unchanged. We will continue to maintain a strong military posture to deter aggression, to bolster the security of our friends and allies in the region, especially Israel, to ensure freedom of navigation in the Gulf, to check Iran's malign influence, and to degrade and ultimately defeat ISIL.

We are also continuing to advance our military capabilities that provide all options as the President has directed should Iran walk away from its commitments under this deal. Last week, I was in the Middle East, and I had the opportunity to visit with some of our men and women in uniform who are carrying out this strategy. I know how much all of you care for them, and like me, you are proud of their impressive work.

And I will tell you this morning what I told them. We are continuing full speed ahead, standing with our friends, standing up to ISIL, and standing against Iran's malign activity.

On ISIL, as I testified earlier this month, we have the right strategy in place, built on nine synchronized lines of effort, to achieve ISIL's lasting defeat. But we continue to strengthen execution. Today, in Iraq and other places, we are working with partners on the ground and in global coalition to enable capable and motivated ground forces to win back Iraq's sovereignty and peace on its own territory.

I saw several parts of that effort last week and spoke with some of our partners on the ground. We are headed in the right direction in this counter ISIL effort. We have made some progress, but we need to make more.

On Iran, this new deal, when implemented, will place significant limitations on Iran that will effectively cut off its pathways to the fissile material for a nuclear bomb. But it is also important to note that it places no limitations—let me repeat that—no limitations on what the Department of Defense can and will do to pursue our defense strategy in the region.

It places no limits on our forces, our partnerships and alliances, our intensive and ongoing security cooperation, or on our development and fielding of new military capabilities, capabilities we will continue to advance.

If Iran were to commit aggression, our robust force posture ensures we can rapidly surge an overwhelming array of forces into the region, leveraging our most advanced capabilities, married with sophisticated munitions that put no target out of reach.

Iran and its proxies will still present security challenges. Iran supports the Assad regime in Syria, backs Hezbollah in Lebanon whose fighting positions, by the way, I observed firsthand during

a visit to Israel's northern border last week with the Israeli defense minister, and is contributing to disorder in Yemen. And Iran still directs hostility and violence to our closest ally in the region, Israel.

In the face of that malign activity, we will continue to meet our commitments to our friends and allies in the region, especially Israel, and continue to build on and enhance our cooperation in meaningful ways. I made that clear last week in Israel, Saudi Arabia, Jordan, and Iraq.

I also made clear that we will continue to maintain our robust regional force posture, ashore and afloat, which includes tens of thousands of American personnel on our most sophisticated ground, maritime, and air and ballistic missile defense assets.

Our friends understand, despite our differences with some of them about the merits of this deal, that we have an enduring commitment to deterrence and to regional security. I am proud to say that our defense partnerships in the region have never been stronger. And as I made clear in Israel and as we agreed at Camp David with our Gulf partners, as Senator Reed indicated, we are committed to making them even stronger and more capable against a range of threats.

The United States will maintain its ironclad commitment to Israel's qualitative military edge, or QME. We will keep providing Israel with advanced capabilities. For example, next year Israel will be our first and only friend in the region flying the F–35 Joint Strike Fighter.

We continue to work with Israel on ballistic missile defense systems—in fact, three of them—the Iron Dome, David's Sling, and the Arrow system for missiles of progressively increasing range.

And we are working multilaterally and bilaterally to improve the capability and capacity of our Gulf partners also. At the GCC summit at Camp David, hosted by the President in May, and last week with Saudi leaders, I stressed a number of functional areas that will be critical to enabling Gulf countries to play a stronger regional role, including maritime forces; ground forces, including especially special operations and counterterrorism forces; air and ballistic missile defense forces; and cyber protection.

We also conduct over 50 military exercises a year with our regional partners. And we have offered sophisticated defense equipment, including the THAAD [Terminal High Altitude Area Defense] ballistic missile defense system and long-range precision strike capabilities to some of our Gulf partners.

In conclusion, this is a good deal because it removes a continued source of threat and uncertainty in a comprehensive and verifiable way by preventing Iran from getting a nuclear weapon. It is a deal that takes no option away from a future President. This is an important achievement and a deal that deserves your support.

Meanwhile, the United States, the Department of Defense, and the men and women of the finest fighting force the world has ever known, with your support, will continue to be committed to the defense of America's interests, friends, and allies, to counter ISIL and Iran's malign influence, and to uphold the President's commitment that Iran will not obtain a nuclear weapon should it walk away from this deal.

Thank you.

[The prepared statement of Secretary Carter follows:]

PREPARED STATEMENT BY SECRETARY OF DEFENSE ASH CARTER

Chairman McCain, Ranking Member Reed, Members of the Committee: thank you for the opportunity to testify this morning—after my trip to the Middle East last week—on our defense strategy in the region. And I am pleased to be joined by my fellow Cabinet members who can talk in detail about the Joint Comprehensive Plan of Action reached in Vienna earlier this month.

That deal is an important step . . . one brought about by the leadership of President Obama, the persistent diplomacy of Secretaries Kerry and Moniz and others, and the crippling sanctions Secretary Lew led and that Congress helped to put in place.

It is a good deal. It prevents Iran from getting a nuclear weapon in a comprehensive and verifiable way. Once implemented, it will therefore remove a critical element of risk and uncertainty from the region. For those reasons, and those my colleagues have provided in testimony before other Congressional committees, I urge you to support it. I also urge you to support the broader elements of the defense strategy in the Middle East I will describe, including and especially by supporting a stable and reformed defense budget.

The successful negotiation of this deal is one part of our broader foreign and defense policy. As the most influential power in the world, we have responsibilities all around the globe. The Middle East remains important to America's national interests. And, as a result, the Department of Defense is committed to confronting the region's two principal security challenges: Iran and ISIL.

The Department's strategic approach to protecting our interests and confronting those challenges will remain unchanged. We will continue to maintain a strong military posture to deter aggression; to bolster the security of our friends and allies in the region, especially Israel; to ensure freedom of navigation in the Gulf; to check Iran's malign influence; and to degrade and ultimately defeat ISIL. We're also continuing to advance our military capabilities that provide all options, as the President has directed, should Iran walk away from its commitments under this deal.

Last week, I was in the Middle East, and I had the opportunity to visit with some of our men and women in uniform who are carrying out this strategy. I know how much all of you care for our personnel, and like me, you are proud of their impressive work. And I will tell you this morning what I told them: we're continuing full speed ahead—standing with our friends, standing up to ISIL, and standing against Iran's malign activity.

On ISIL, as I testified earlier this month, we have the right strategy in place—built on nine, synchronized lines of effort—to achieve ISIL's lasting defeat. But we continue to strengthen execution. Today, in Iraq and other places, we are working—with partners on the ground and in a global coalition—to enable capable and motivated ground forces to win back Iraq's sovereignty and peace in its own territory. I saw several parts of this effort last week and spoke with some of our partners on the ground. We're headed in the right direction in this counter-ISIL effort: we've made some progress; but we need to make more.

On Iran, this new deal—when implemented—will place significant limitations on Iran that will effectively cut off its pathways to the fissile material for a nuclear bomb. But it is also important to note that it places no limitations—let me repeat that, no limitations—on what the Department of Defense can and will do to pursue our defense strategy in the region. It places no limits on our forces, our partnerships and alliances, our intensive and ongoing security cooperation, or on our development and fielding of new military capabilities—capabilities we will continue to advance.

If Iran were to commit aggression, our robust force posture ensures we can rapidly surge an overwhelming array of forces into the region, leveraging our most advanced capabilities, married with sophisticated munitions that put no target out of reach.

Iran and its proxies will still present security challenges. Iran supports the Assad regime in Syria, backs Hizballah in Lebanon—whose fighting positions I observed firsthand during a visit to Israel's northern border last week—and is contributing to disorder in Yemen. And Iran still directs hostility and violence to our closest ally in the region, Israel.

In the face of that malign activity, we will continue to meet our commitments to our friends and allies in the region, especially Israel, and continue to build on and enhance our cooperation in meaningful ways. I made that clear last week in Israel, Saudi Arabia, Jordan, and Iraq. I also made clear that we will continue to maintain

our robust regional force posture ashore and afloat, which includes tens of thousands of American personnel and our most sophisticated ground, maritime, air, and ballistic missile defense assets.

Our friends understand, despite our differences with some of them about the merits of this deal, that we have an enduring commitment to deterrence and to regional security. I am proud to say that our defense partnerships in the region have never been stronger. And, as I made clear in Israel and as we agreed at Camp David with our Gulf partners, we're committed to making them even stronger and more capable against a range of threats.

The United States will maintain its ironclad commitment to Israel's qualitative military edge. And we will keep providing Israel with advanced capabilities—for example, next year, Israel will be our first and only friend in the region flying the F–35 stealth fighter.

And we are working multilaterally and bilaterally to improve the capacity and capabilities of our Gulf partners. At the GCC Summit at Camp David hosted by the President in May, and last with week with Saudi leaders, I stressed a number of functional areas that will be critical to enabling Gulf countries to play a stronger regional role: including maritime forces, ground forces including especially special operations and counterterrorism forces, air and ballistic missile defense forces, and cyber protection. We also conduct over 50 military exercises a year with our regional partners, including the International Mine Counter Measure Exercise, and the Eagle Resolve and Eager Lion exercises, which deepen coordination and interoperability. And, we've offered sophisticated defense equipment, including the THAAD [Terminal High Altitude Area Defense] ballistic missile defense system and long-range precision strike capabilities, to some of our Gulf partners.

In conclusion, this is a good deal because it removes a continued source of threat and uncertainty in a comprehensive and verifiable way by preventing Iran from getting a nuclear weapon. It is a deal that takes no option away from a future President. This is an important achievement and a deal that deserves your support.

Meanwhile, the United States, the Department of Defense, and the men and women of the finest fighting force the world has ever known, with your support, will continue to be committed to the defense of America's interests, friends, and allies, to counter ISIL and Iran's malign influence, and to uphold the President's commitment that Iran will not obtain a nuclear weapon should it walk away from this deal.

Thank you.

Chairman MCCAIN. Thank you, Mr. Secretary.

General Dempsey?

STATEMENT OF GENERAL MARTIN E. DEMPSEY, USA, CHAIRMAN, JOINT CHIEFS OF STAFF

General DEMPSEY. Thank you, Chairman, Ranking Member Reed, and the members of this committee, for the opportunity to address your questions regarding the military implications of the negotiated deal with Iran.

Given our discussion before this body just a few weeks ago, I will keep my comments brief.

As I have stated previously, I was consulted on the military implications during the course of the negotiations and provided my best military advice appropriately. If followed, the deal addresses one critical and the most dangerous point of friction with the Iranian regime. But as I have stated repeatedly, there are at least five other malign activities which give us and our regional partners concern.

These run the gamut from ballistic missile technology to weapons trafficking, to the use of surrogates and proxies, to naval mines and undersea activity, and last, but not least, to malicious activity in cyberspace. The negotiated deal does not alleviate our concerns in those five areas. The negotiated deal does not change the military options at our disposal.

And in our ongoing efforts to counter the Iranian regime's malign activities, we will continue to engage our partners in the region to

reassure them and to address these areas. Ultimately, time and Iranian behavior will determine if the nuclear agreement is effective and sustainable. In the interim, I will continue to provide my best military advice and present military options.

With that, I stand subject to your questions.

Chairman MCCAIN. I mention to my colleagues we have a vote on right now, and usually we bounce back and forth, but I think that this is important enough for us to recess for until the completion of the second vote. I understand there is two, that one is ending right now and the other is beginning.

So I would ask the indulgence of our witnesses, and I apologize if they—if we could recess for approximately 10 minutes while we are able to complete these two votes. I think this hearing is important enough not to have us bounce back and forth because I think all members would like to hear the complete testimony.

So, again, my apologies. We will stand down for 10—10 minutes.

[Recess.]

Chairman MCCAIN. The committee will reconvene, and I want to thank the witnesses for their patience. I am sure they understand that from time to time, we are required to vote.

So I want to thank the witnesses for being here.

And General Dempsey, your statement has been completed. And is there any other statements that would like to be made? Then we will begin with questions, and we will have 5 minutes.

Secretary Carter, the issue has arisen that there is side agreements that have been made between the IAEA and Iran that apparently the Congress has not been made privy to, and could I ask that since these IAEA agreements, side agreements have to do with the weapons programs of the Iranians and the inspection and verification of those programs, will we in Congress receive the information concerning those side agreements in order to make a judgment as to the degree of verification?

Secretary CARTER. Chairman, I think it is important that the content of those agreements and the manner in which they provide for verification of the nuclear undertakings Iran is making in this agreement and the procedures of the IAEA be known to the Congress. I can't speak for the actual specific documents themselves. I am sure Secretary Moniz or Secretary Kerry can.

But it is an important part of the verification of the agreement, and obviously, verification is an important part of any—any agreement. Let me ask Secretary Moniz if he wants to add anything on the specifics of the IAEA?

Secretary MONIZ. Well, thank you, Ash.

I could certainly add that the—first of all, to be honest, sir, I would not call them side agreements in the sense that the agreement in the JCPOA is that Iran must cooperate for the IAEA to complete its process on PMD. Then the IAEA, as is standard, negotiates a safeguards confidential document with the country to define the protocols that will——

Chairman MCCAIN. Those protocols—those protocols are very important, Mr. Secretary. Are we going to be aware of those protocols? Because we know that with any agreement with a country such as Iran, the devil is in the details.

Secretary MONIZ. All I can say is that—well, first of all, I personally have not seen those documents.

Chairman MCCAIN. Which is astounding, to be honest with you. That is——

Secretary MONIZ. Well——

Chairman MCCAIN.—absolutely astounding that you have not seen the documents that are about the requirement for verification.

Secretary MONIZ. All I can say is that the agreement requires their cooperation with the IAEA, and this is the standard practice of the IAEA, whose independence is very critical to all of us.

Chairman MCCAIN. What is critical to all of us, Mr. Secretary, that we have verification of the—and inspections of Iranian activities because they have a clear record of cheating.

Secretary MONIZ. We agree.

Chairman MCCAIN. So, so we agree, all of us, I believe, that we should see those instruments of verification. Otherwise, how can we make a judgment as to these—this agreement can be enforced and verify with a country that has a long record of cheating?

Secretary MONIZ. The IAEA will, of course, then take the information that Iran must provide by October 15th and complete their report. And at that time, I think we will understand the IAEA's confidence in their—in their verification measures.

Chairman MCCAIN. So we are——

Secretary MONIZ. Building up, I might say, a very long history of this.

Secretary KERRY. Mr. Chairman? Mr. Chairman?

Chairman MCCAIN. So we are then dependent on the confidence of the IAEA, not the actual viewing of the agreement and verification. I don't think many of us would agree with that process.

General Dempsey, you told the committee just a few weeks ago, "Under no circumstances should we relieve pressure on Iran relative to ballistic missile capabilities and arms trafficking." Now we are seeing after 5 years a relief of sanctions on conventional arms and, of course, 8 years ballistic missiles.

How does that comport with the terms of this agreement with the statement that you made before the committee?

General DEMPSEY. Well, it won't surprise you, Chairman, to know that my recommendation was to keep pressure on Iran on the other malign activities for as long as possible, and that recommendation was made. And then it entered into the negotiating process.

I will say I think that time works for us as well as Iran in this regard, and so with the agreement made, and having had the opportunity to give my advice, I support it.

Chairman MCCAIN. Do you, Secretary Carter, believe that—that Iran will change its behavior as a result, if this agreement is finalized? And have you seen any indication of that?

Secretary CARTER. I have not, Mr. Chairman. And speaking just from my own judgment, I don't foresee that or have any reason to foresee that. That is why it is important that the agreement be verifiable. That is why it is important that Iran not have a nuclear weapon, and that is also why it is important that we keep doing everything that we need to do.

Defend our friends and allies, remain strong in the Gulf, freedom of navigation, ballistic missile defense, all the things we are doing. We need to keep doing those things, and the agreement doesn't limit us in any way.

Obviously, if Iran changes its behavior, that would be a welcome thing. But I see no reason to foresee that, Chairman, personally.

Chairman MCCAIN. I see no reason to foresee it, and I see them now with about $50 billion or $60 billion with which to pursue those malign activities, and I have seen Secretary Lew's testimony and others that don't worry, they will be using it for domestic purposes. They are doing it now with the assets that they have. One can only imagine what they might be doing with 50 billion or 60 billion additional dollars.

Look, I just would like to say again I know that the witnesses have very busy schedules, and I am grateful that you sought to testify before the committee today in order to help us understand this issue. And I thank you.

Senator Reed?

Senator REED. Thank you very much, Mr. Chairman.

Secretary Carter, you indicated in your statement that the United States has not given up any of its military options with respect to the region and to the Iranians. And I would presume also it has not given up any of its military intelligence and national intelligence operations with respect to Iran.

And those intelligence operations, I would presume, would be focused in great detail on potential violations of this treaty. Is that your sense, too?

Secretary CARTER. Yes. Without going into detail here, certainly we have intelligence activities focused on the Iranian nuclear program. But we have on everything else they are doing, malign activity, Quds Force, ballistic missiles, arms transfers, the whole—the whole thing. It is a very important intelligence effort.

Senator REED. And Secretary Moniz, I understand that General Clapper yesterday indicated that he is confident, I think is a reasonable explanation, of the intelligence community's ability to detect any significant violation of the treaties with or without direct contact with IAEA. Is that a fair judgment in your mind?

Secretary MONIZ. Yes. In fact, he and I, Clapper, CIA [Central Intelligence Agency] Deputy Director Cohen, National Geospatial Intelligence Agency head Cardillo all made statements. Clapper in particular said that we would have far greater insight into the Iranian program with the agreement. And I would add that far greater insight will persist essentially forever.

Senator REED. General Dempsey, in your military assessment, what is more effective in delaying or stopping the Iranian nuclear program at this time or in the near future, a military strike or this P5+1 agreement?

General DEMPSEY. Well, first, Senator, I would like to point out that the military options remain.

Senator REED. Right.

General DEMPSEY. Second, I think that a negotiated settlement provides a more durable and reduces near-term risk, which buys time to work with regional partners to address the other malign activities. But there are about five military implications. You have in-

vited me here today to talk about the military implications, if you would allow me?

Senator REED. Please.

General DEMPSEY. I mean, the first is it does reduce the risk of a near-term conflict with Iran over their nuclear program. Second, another military implication is we have to sustain those options. They have to be preserved into the future.

Third, there is clearly the opportunity for Iran to use some of the revenue that they gain for malign purposes, and that bears watching and collaboration with our regional partners, including Israel.

Fourth, this will require us to strengthen our relationships and our collaboration in that part of the world. Then derivative of that is, fifth, we will have to—we should maintain and will maintain our forward presence.

Those are the military implications.

Senator REED. The GCC in terms of the military expenditures, roughly double what the Iranians spend and has a capacity of even going much higher, given their revenues. Is that a fair assessment?

General DEMPSEY. Yeah, double is probably the average. Certain countries far more than that.

Senator REED. And one of the factors that we are going to have to work with our allies in the region is making sure that they are—those resources are focused and can deter or defeat any aggression or proxy aggression by the Iranians, and that is the whole point, I think, of the collaboration that you are undertaking?

General DEMPSEY. We have got a series of initiatives, both with the Israelis and the GCC, to better position ourselves to address those other malign activities.

Senator REED. And so, we have a situation develop where the resources are available. We are trying to reorganize in collaboration with the regional partners so they are much more effective to respond. So, essentially, we are not ignoring these hostile threats by the Iranians on the ground through proxy or anything else. Indeed, we are, in a sense, amping up our activities.

Is that fair?

General DEMPSEY. Well, what I would say, Senator, is you know my responsibility is to articulate risk and provide options to our elected leaders in how to mitigate them. And this does cause us to have to increase our military. We have to pay more attention to the malign activities.

Senator REED. Thank you very much, Mr. Chairman.

Thank you, gentlemen.

Chairman MCCAIN. Senator Inhofe?

Senator INHOFE. Thank you, Mr. Chairman.

Right now in the middle of one of the largest bills of the year, and I am the sponsor. Therefore, I haven't been in on all this fun. So I read this morning to see what happened yesterday, Secretary Kerry. This is in the, I guess, the Washington Post.

President Obama promised that his nuclear deal with Iran would not be based on trust, but rather unprecedented verification. Now it turns out Obama's verification regime is based on trust after all. Trust in two secret side agreements negotiated exclusively between Iran and the International Atomic Energy Agency that apparently no one, including the Obama administration, has seen.

And it goes on to say, "It turns out that only two parties, the IAEA and Iran, get to actually see it. However——" Well, and then further, in the U.S. News and World Report, it says, "By law, the administration is required to provide Congress with the contents of the nuclear deal and all related matters and annexes."

Secretary Kerry, do you agree with that analysis of the law, what your requirement is?

Secretary KERRY. Senator, let me just say to clarify on the earlier part of the question, Congress will be fully briefed on this—on this agreement in a classified session. And indeed, one of our key negotiators, the day- to-day lead negotiator, Wendy Sherman, was briefed on it. And Ernie Moniz was likewise briefed on it. So we are aware of what the basics of it are.

It is standard procedure. I mean, there are 189 countries that have an agreement with the IAEA that are signed up to the NPT [Non-Proliferation Treaty]. Not that many have agreements.

Senator INHOFE. Okay, but my question is, are we entitled to all the related materials and indexes?

Secretary KERRY. Correct. But, yes, those that are part of the agreement, per se. This is, by reference, and we—no country has access to the confidential agreements directly of the IAEA and a country.

Senator INHOFE. Well, I can't—I don't mean to interrupt you, but my time is limited here. I can't imagine that this wouldn't be a part of what we all would be briefed on.

Now yesterday, when Congressman Poe asked the question, he said the secret deal. Secretary Rice said that she has seen the deal with the IAEA, and she is going to share it with Congress. Now that is the question, if you have seen it since——

Secretary KERRY. No, but——

Senator INHOFE. Did you see it at the same time or prior to the time that Secretary Rice saw it?

Secretary KERRY. Senator, National Security Adviser Rice has not seen it.

Senator INHOFE. Well, she said she did yesterday.

Secretary KERRY. No, she has been briefed on it.

Senator INHOFE. Well, she did.

Secretary KERRY. I gave her exact quote to Congressman Poe, and the exact quote is that she has seen—she has been briefed on it. She hasn't actually seen the agreement.

Senator INHOFE. Okay. I will give you her quote and make sure it is in the record here. It says, "She said she did. She did see it. She did evaluate it. She said she did 6 days ago." That is 7 days ago now. She said 6 days ago she had seen it and reviewed it and that Congress will get to see it in a classified session.

Secretary KERRY. Well, Congressman, you are quoting—Senator, you are quoting Congressman Poe.

Senator INHOFE. Who is quoting her. This is in quotation marks.

Secretary KERRY. And I corrected him with her direct quote, which we took from public record. Her quote says that she has been briefed. She has not seen it.

Senator INHOFE. I have not seen that because I don't think that she did correct that. That was specific on something that happened 6 days before. As a matter of fact, that was in The Hill magazine.

Secretary KERRY. The White House press—the White House press briefing directly——

Senator INHOFE. The Hill magazine was—had something about that, and that was prior to the time. It was 7 days ago today, Secretary Kerry, that we had a confidential, classified briefing, right? I was there. You were there. Most of the people at this table were there.

And I would say this. In a classified session, you can't say what was said, but was that addressed at all?

Secretary KERRY. It was.

Senator INHOFE. Was that addressed at all?

Secretary KERRY. It was addressed. It was. A question came up about it, and the answer was given that, of course, Congress will be briefed with respect to the contents. And of course, you need to be briefed. Everybody needs to be briefed.

Senator INHOFE. My point is, Mr. Secretary, that that was a classified session where we were in a position to be briefed at that time, and we weren't.

Secretary KERRY. I don't think we had the full material to brief. I didn't have it, anyway. But we are prepared, and I think Wendy Sherman is going to be briefing very shortly on that, Senator.

But what we did provide, what we can provide is the actual road map that the IAEA put out, and the IAEA has issued a full road map of what their expectations are.

Senator INHOFE. I understand that. But I am talking about the deal, the secret documents. That is what I am referring to.

Secretary KERRY. Well, it is not—it is a confidential agreement. It is being—it is being postured as this great sort of——

Senator INHOFE. I think——

Secretary KERRY. It is a confidential agreement, which is the standard procedure of the IAEA, and we have lived with the IAEA, Senator. We have relied on the IAEA for years and years.

Senator INHOFE. Okay.

Secretary KERRY. And historically, the IAEA always creates what is called a comprehensive safeguards agreement, a CSA, which they negotiate with a country, and we don't get that exact—it is not shared with the world. And there are reasons that it is confidential that have to do with what you can get out of that country, but we do get briefed on it.

We are aware of it. Secretary Moniz has actually made some recommendations to the IAEA for them to actually tighten it up a bit. I think, Secretary Moniz, you might—you have certainly got confidence in it, in what you have heard——

Senator INHOFE. Mr. Secretary, my time has expired. But I would say to the chairman, it is incomprehensible that we didn't have full access to that, and I think most of the people agree with that.

But my time expired. Thank you.

Chairman MCCAIN. Senator Nelson?

Senator NELSON. Thank you.

Gentlemen all, thank you for your public service.

Mr. Secretary Lew, I want to go down a different road. We have heard so many different commentaries about how much of a windfall the sanctions relief would be for Iran. We have heard $100 bil-

lion, $150 billion. The chairman is speaking of $50 billion or $60 billion.

You tell me if this is correct. That basically, sanctions relief of what has been withheld is about $100 billion, but in that $100 billion, there are contractual obligations of Iran to pay some $50 billion. And therefore, the net that would approximately come to Iran would be about $50 billion.

Is that somewhere in the ballpark? That is correct?

Secretary LEW. Senator, that is roughly correct. I am happy to walk down the numbers, to the best of my knowledge.

Senator NELSON. You don't need to. I am trying to get concepts here.

Secretary LEW. Well, the one thing I would add is there is between $50 billion and $60 billion that is accessible. But that money is not sitting in U.S. banks.

Senator NELSON. That is where I wanted to go. That money is sitting in foreign banks, is it not?

Secretary LEW. It is sitting around the world in countries like China and India and many other countries.

Senator NELSON. China, India, Japan, even Taiwan, and UAE [United Arab Emirates], those banks?

Secretary LEW. Correct.

Senator NELSON. Therefore, if we denied the lifting of economic sanctions, that money is in the hands of foreign banks. What, in your professional opinion, is the likelihood that that money would be released——

Secretary LEW. Well, just to be clear, Senator——

Senator NELSON.—to Iran?

Secretary LEW. It is Iran's money that is tied up because of sanctions. So they have sold oil. The money has gone into these foreign accounts, and it is sitting there. If this agreement, this deal were to be rejected, the question is what do those other banks do?

I don't think they will feel bound to hold that money the way they have held it in an escrow away from Iran, and I think without a nuclear agreement, some of that money will start going back to Iran if there is no agreement, if this agreement is rejected.

Senator NELSON. So, to recapitulate then, if we were to reject it, the money is likely to flow because it is in the hands of foreign banks that would not be compelled to adhere to the United States wishes at that point. Is that correct?

Secretary LEW. Right. We do, obviously, have sanctions that we could impose in other ways, but this money is not sitting in U.S. banks. We can't lock it up directly. We need the cooperation of other governments, other central banks, other banks in order to keep this money from Iran.

And just to add one more detail, I think the notion that somehow a $50 billion, $60 billion check gets written is wrong. They can't spend all this money. This is the foreign Reserve that they need to settle their foreign transactions.

They are already using—doing transactions in some of these countries that are permitted, using their foreign Reserves as exchange. They still will need to buy things overseas. So they can't just spend all this money, or their ability to conduct international commerce goes away.

And as I have said before, they have hundreds of billions of dollars of competing domestic needs. So while I can't say that not a penny will go to malign purposes. I have never said that. I think the magnitude of resources available is highly exaggerated by the notion of thinking that it is some $50 billion transfer.

Senator NELSON. Mr. Secretary Moniz, can you explain to the committee the insight that you, we—the United States Government—will have as a result of this agreement on their uranium centrifuge program, number one, and, number two, on their plutonium program as a result of the agreement stating there has to be modifications and/or dismantlement of the plutonium reactor?

Secretary MONIZ. Yes, Senator. On the uranium centrifuges, we will have—well, the IAEA will have daily access and the use of advanced technologies to make sure that all of the idle ones are locked up and used only as replacements for broken ones. And they will confirm that they are broken.

In addition, for 20 years, we will have containment and surveillance of all manufacturing of key centrifuge parts. So it is, as General Clapper said, we have tremendously enhanced insight into their program.

On the plutonium, we will take—they will be required to take out the core part of the reactor, fill it with concrete. And then with international collaboration, and we will be part of that, we will make sure that the replacement reactor is the one that reduces plutonium production by about a factor of 10. So it is way below the amount needed for a weapon.

But second, they have also agreed that belt and suspenders, that the spent fuel for life, which is where the plutonium resides, will be sent out of the country. So we have very, very good containment there.

Senator NELSON. Thank you, Mr. Chairman.

Chairman MCCAIN. Senator Sessions?

Senator SESSIONS. Thank you, Mr. Chairman.

And thank all of you.

I have been a member of and chair now the Strategic Subcommittee. I worked with Senator Donnelly and Senator Nelson over the years. It has been the unified view of the world's developed nations that Iran not have a nuclear weapon. It is a grave threat to peace in the world.

Secretary Kissinger, sitting where you are, said a few months ago that if Iran gets a nuclear weapon, he named Turkey, Saudi Arabia, Egypt would get nuclear weapons. Proliferation dangers are very real, and that is why the whole world and even the U.N. [United Nations] has been firm on this.

So I am very worried about where we are, and I believe the initial error was the commencement of negotiations in 2009 after President Bush had pulled back from that because of the behavior of Iran. And experts in the region warned us that the Iranians are exceedingly patient, that talking can be a trap.

And the deeper you get into this talk, the less able you are to take corrective action and to alter the situation as we see it. So now we are at the end. The Iranians see long term, and I am afraid that we have endangered the goal that we had it pretty well a unanimous nation, world behind.

Secretary Carter, do you believe that Iran represents the world's foremost sponsor of terrorism?

Secretary CARTER. Let us see, state sponsor, probably so. I—there are, unfortunately, it is such a kaleidoscope these days that there are lots of sources of terror. But I think for state sponsorship, that is probably accurate.

Senator SESSIONS. I think that is consensus. Secretary Kerry testified yes to that question yesterday in the House.

Secretary CARTER. Right.

Senator SESSIONS. And I wish it weren't so.

Secretary CARTER. Me, too.

Senator SESSIONS. And there is a goal and dream that somehow Iran could be brought in from the cold and we can work with them, but I believe that it was former adviser to President Reagan, Bud MacFarlane, who said revolutionaries don't go back on the revolution. And you believe that the Supreme Leader Khamenei remains committed to the revolutionary goals of the Iranian revolution?

Secretary CARTER. I only read what he says, which suggests that he does.

Senator SESSIONS. I think he does. I don't think he has any intention to abandon that. Hasn't he—he was recently at an event and led a rally in which chants punctuated the rally, "Death to America. Death to Israel." Do you believe that those reflect his views?

Secretary CARTER. Again, I am not an expert, but certainly I can read the newspaper. Certainly seems so, and that is the reason to be so concerned about Iran, Iran's malign activities, support for terrorism, and especially to make sure they don't get a nuclear weapon, as which is key.

Senator SESSIONS. I think that is the only conclusion we can reach. I think he means what he says. We can think it is strange and unserious and not serious, but it is serious. It represents the radical ideological agenda of this regime, which makes it a pariah regime, which makes this a danger to the entire world.

And negotiating an agreement that allows them to obtain missiles is also dangerous, even if it is 5 years or 8 years out. Iranians are very patient.

Now you were asked earlier about this, and you said, "The reason we want to stop Iran from having an ICBM program is that the 'I' in ICBM stands for 'intercontinental,' which means having the capability to fly from Iran to the United States, and we don't want that."

I think that was a very clear policy decision of the United States. But doesn't this agreement allow after at least 8 years—and they have been known to cheat—to purchase on the open market items that would help assist them in building an ICBM system capable of reaching the United States?

Secretary CARTER. Well, I am, and I think we all need to be very concerned about their ballistic missile activities with or without this agreement. That is why ballistic missile defense is so important, including ballistic missile defense of the United States.

I spoke earlier about ballistic missile defense of Israel, which we also worked very hard with Israel on.

Senator SESSIONS. Well, I think the administration and you have supported missile defense for the United States.

Secretary CARTER. And also—I think we have, too.

Senator SESSIONS. And you say they shouldn't have this capability, and we should stop it. And this agreement, does it not, allows them to purchase anything they need on the world market after the date in the agreement?

Secretary KERRY. No, Senator. Could I answer that? It actually does not.

The 8 years represent the best that we were obviously able to negotiate with 3 countries of the 7, who said there should be nothing. But we were comfortable accepting the idea of the 8, which, by the way, still leaves us those 8 years with Chapter 7 enforcement with respect to that. But we were comfortable because we have a number of other tools already available to us, Senator, which we can apply to be able to prosecute their efforts with respect to missiles.

Specifically, we have the Missile Technology Control Regime. We have the executive order of the President of the United States, which allows him to sanction anybody who is providing any materials whatsoever for missile construction. We have the Proliferation Security Initiative with 100 countries, which allows us to block the transfer of materials for weapons construction.

We have the Iran, North Korea, Syria Nonproliferation Act. We have an additional two executive orders. So we have huge tools available to us way into the future——

Senator SESSIONS. It seems to me that last agreement, this agreement would trump that.

Secretary KERRY. No, there is no trumping of anything. These are all existing. We also have——

Senator SESSIONS. I don't know what the language is in the agreement for if it is not—has no meaning, Senator Kerry.

Secretary KERRY. Senator, these are additional agreements that we have outside of this agreement, which allow us to continue to protect us with respect to missile development. We also have additional U.N. [United Nations] sanctions that prohibit the flow of weapons to Hezbollah, prohibit the flow of weapons to Iraqi Shia, prohibit the flow of weapons to Houthi, prohibit the flow of weapons to——

Senator SESSIONS. Well, they are flowing now, are they not?

Secretary KERRY. Indeed, because they haven't been enforced, which is precisely what the administration has decided we need to do more effectively. And that is why in 3 days, I am meeting with the whole GCC in Doha to lay out the very specifics of the proposal for how we are going to push back against Iran.

But I would leave you with one thought, Senator. You have adequately and appropriately pointed to the rhetoric of the leader and to the things they are doing. Simple question. If that is what they want to do, are you better off preventing them from having a nuclear weapon, or do you want to go right back to where we were when they had 19,000 centrifuges, 12,000 kilograms of material, enough for 10 to 12 bombs.

They have already mastered the fuel cycle. So don't be looking 15 years down the road. Right now, they have this ability. And we

are stopping that. We are taking that away from them and providing a lifetime——

Chairman MCCAIN. The Senator's time has expired.

Secretary KERRY.—inspection.

Chairman MCCAIN. How did that North Korean one deal work out for you?

Senator McCaskill?

Secretary KERRY. Well, Senator, I can give you the complete differentiation.

Chairman MCCAIN. Senator McCaskill is—your time is expired. Senator McCaskill?

Secretary KERRY. It didn't work out for me. I didn't cut the deal.

Senator MCCASKILL. General Dempsey, is there anything in this agreement that would constrain our ability to take any military action that our country thought was necessary against Iran?

General DEMPSEY. No, Senator.

Senator MCCASKILL. Secretary Lew, I am concerned about the alternative to the deal. And one of the things I don't think has been covered enough in all of the testimony that has occurred, and I think all of us are following all of this very closely. I got the point that Senator Nelson was trying to make that the money is not in our control, and it appears, looking at it, if all the other countries walk away from us, if we reject this deal, that they are going to get the money one way or another.

Either they are going to get the money because they are entitled to it if we do the deal, or they are going to get the money because we can't control it. But I don't know that that is completely accurate.

And I think it is important because this is not about is this a good deal? This is also about what happens if we don't do this deal? And I think it is important to talk about whether the power the United States would have if this deal was rejected to, in fact, force our will on these countries that hold this money.

We have a lot of tools at our disposal, as the major economic power that we are. A lot of these are our NATO allies. Obviously, Japan. So I think it is fair that we shouldn't just say if we walk away from this deal, they are going to get all the money, and they are going—I think it is fair to try to really drill down, and you try to give us a picture.

Let us assume, I know none of you want to assume that this deal is rejected. But let us assume it is. At that moment, what power do we have as a country to keep this money from flowing to Iran and its nefarious activities?

Secretary LEW. Senator, that is a very fair question. And obviously, nobody can give you an entirely precise answer because there is perfectly legal ways for them to use some of this money now.

For example, if they buy Chinese goods, they can pay with their Reserves that are held in China. So they could make the decision that they are going to acquire the things they need to acquire through the countries where they have Reserves and chip away at those Reserves.

The question of what our unilateral sanctions can do versus multilateral sanctions is a complicated one. We have powerful, power-

ful unilateral tools. The United States is the world's banking center. The dollar is the Reserve currency. Transactions that go through U.S. financial institutions are within our grasp.

But that doesn't give us the ability to reach out to all foreign banks and to all foreign transactions. And I think that it is at our own peril if we have a sanctions regime where we are enforcing unilateral sanctions that the rest of the world is rejecting, which is very different from what has been going on over these last few years.

We have worked bilaterally with countries around the world to do things against their own economic interest because they agreed with us on the imperative of stopping Iran from getting a nuclear weapon.

If they see us walk away from an agreement that they believe would stop Iran from getting a nuclear weapon, I think the degree of cooperation we get goes down considerably. It is not black and white. It is not we go from being able to do everything to doing nothing. But what has made the sanctions regime so effective these last few years is the fact that we have had the international cooperation.

India and China have been buying less oil from Iran than would have been good for their economy. How do you enforce bilaterally with countries around the world doing things against their interest just by saying we insist?

So there are things we can do. There are certainly ways that——

Senator MCCASKILL. I think it——

Secretary LEW. But it gets much harder.

Senator MCCASKILL. And I appreciate that answer. But I really think it would be helpful for those of us who are really trying to analyze both scenarios if you all would try, to your best ability, put in writing what you envision, what would be our best effort at keeping Iran isolated if, in fact, this deal is rejected.

Because I don't think it is fair for us just to assume that we have no power if this deal is rejected because, clearly, we still are going to have a lot of power.

I am almost out of time. This is an important question, I think, for Secretary Moniz. And I know this is a hard question to give an exact answer to. But do you believe that if we walk away from this deal, Iran has a nuclear weapon by Christmas?

Secretary MONIZ. Well, I can't really answer that question. What I can say is——

Senator MCCASKILL. Do your best. I think it is important for us to know how close they are.

Secretary MONIZ. They—well. They are a nuclear threshold state today. They could certainly generate the nuclear materials within months, which is before Christmas. And what is then the unknown is the degree to which they have completed, which we can't discuss right now, other weaponization requirements.

That is what, of course, the IAEA, in building up its dossier over many years, which it now needs to complete, have certainly identified, labeled Iran as having had a structured program of activities relevant to nuclear weapons in the past. So it is a threshold state, and that is the risk we face. The deal will walk them back from

that threshold and give us permanently more insight into their—into any weapons program they might choose to pursue.

Senator MCCASKILL. Thank you, Mr. Chairman.

Chairman MCCAIN. Senator Wicker?

Senator WICKER. They are a nuclear threshold state, and they have denied all along that they had any intention of doing so up and to the present time. I think that is instructive.

I think Senator McCaskill may be onto something here with regard to all of the options before us. My friend Senator Reed asked a question about are we better off with a negotiated settlement or a military strike, as if those are the only two alternatives. Of course, we know that those are not the only two alternatives.

I wish our European friends, our Western allies had not been so eager to leave the sanctions regime, but they were. The United States could go it alone. And as the Secretary pointed out, we do have unilateral tools that would be effective.

So, you know, continue trying to get a good deal, continued unilateral tools on the part of the United States, making people choose between banking with America and banking with Iran. Those tools are there.

Let me say to you, General Dempsey, I appreciate your service, and I appreciate the many times you have come before this committee. We have disagreed and agreed from time to time. It would seem to me that your brief nine- sentence opening statement to this committee today amounts to damning this agreement with faint praise, I have to say.

You mentioned that there are six areas in which Iran is a bad actor, and you say five—five of these malign activities give us real concern, and you list them. But then you end and give us these words of assurance.

"Ultimately, time and Iranian behavior will determine if the nuclear agreement is effective and sustainable." That, sir, does not give me a confidence level, and I just have to tell you that, based upon your very brief and I think tepid endorsement of this agreement.

With regard to the conventional arms embargo, as late as the spring, we weren't hearing about this. General Dempsey, when did you become aware that there would be this huge relief from the conventional arms embargo, and isn't it a fact that it caught you by surprise?

General DEMPSEY. Well, first, Senator, I would ask you not to characterize my statement as tepid nor enthusiastic, but rather pragmatic. And I have said from the start that relieving the risk of a nuclear conflict with Iran diplomatically is superior to trying to do that militarily, but I will sustain the military options in case that becomes necessary.

As to your question about timing, I was consulted or asked for my advice episodically when military implications became part of the conversation. And probably about a week or two before the agreement was finalized, I gave my final recommendation regarding sanctions.

Senator WICKER. Well, late—that is very late in the agreement, and I would just say it seems to me that the advice that we have been getting on the other side of this agreement down through the

months and over time, this—this massive retreat from conventional arms embargos is something new and something very troubling.

Let me just say, Mr. Chairman, in the minute I have left that the assessment of the facts and the assessment of the effect this agreement will have by neighbors in the region I think is so instructive, should be so instructive to this Congress. And I don't blame my friends on the Democratic side of the aisle for having concerns also.

It is striking that from right to left, every ideology within the country of Israel is opposed to this agreement. It is striking that the Arab neighbors, the Saudis and others, are alarmed at this deal.

And I would submit to the record, Mr. Chairman, in the closing seconds an op-ed by Ari Shavit, senior correspondent for left of center Israeli newspaper Haaretz, in which he says, "The Iranian negotiating team succeeded in destroying completely the sanctions mechanism." He points out that, "The United States, European Union, Britain, France, Russia, and China recognize again and again Iran's right to develop advanced centrifuges, which could be 5 to 10 times bigger than the capacity of the old ones."

"This means," Mr. Shavit concludes, "that the international community is not only enabling, but actually ensuring the establishment of a new Iranian nuclear program, which will be immeasurably more powerful and dangerous than its predecessor."

I submit this article for the record, Mr. Chairman——

Chairman MCCAIN. Without objection.

[The information referred to follows:]

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The Iran deal: From thriller to horror story

The international community is ensuring the establishment of a new Iranian nuclear program, immeasurably more dangerous than its predecessor.

By Ari Shavit | Jul. 22, 2015 | 9:41 PM | 4

After a long, intensive work week and an intensive hour in Channel 1's television studio, I took a plane and craved for the moment in which I could finally close my eyes. But until take-off I decided to take a quick look at the thick document of the nuclear agreement with Iran. After reading all kinds of summaries, it was time to read the text itself.

"The joint comprehensive plan of action" that was signed in Vienna on July 14, 2015, turned out to be a thriller. While my neighboring passengers plunged into their dreams, I couldn't put down the 159-page document, which could turn the world we live in into a nightmare.

First of all, the points of light: The international negotiating team managed to get the Iranians to make a sweeping commitment not to develop and not to acquire nuclear weapons. More importantly, the team surprisingly succeeded in suspending the old Iranian nuclear program. The reactor in Arak, the enrichment facility in Natanz and the facility in Fordow will indeed stop threatening the world in the next decade. Reducing the number of centrifuges and the amount of enriched uranium and monitoring the known sites – these are all substantial achievements.

Then the shadows in the agreement: The Iranian negotiating team succeeded in destroying completely the sanctions mechanism that had been activated against Iran. It also managed to prevent real, effective supervision of secret, unknown nuclear sites.

Consequently, if the Islamic Republic decides to develop a covert nuclear program outside Fordow, Nantanz and Arak, it will have no difficulty doing so. The chance of its getting caught is low and the chance of reactivating the sanctions is slim. So the decision of whether to race or not to race toward the bomb in a new secret track will be very much up to Iran.

Now for the darkness: In the Vienna agreement, the United States, European Union, Britain, France, Russia and China recognize again and again Iran's right to develop advanced centrifuges. These centrifuges' enrichment capacity could be 5-10 times bigger than the capacity of the old ones, which Iran is now foregoing.

This means that the international community is not only enabling, but actually ensuring the establishment of a new Iranian nuclear program, which will be immeasurably more powerful and dangerous than its predecessor. In fact the Iranians are giving up an outdated, anachronistic deployment in order to build an innovative legitimate one, with the world's permission and authority.

"The joint comprehensive plan of action" will lead to Iran becoming in 2025 a muscular nuclear tiger ready to spring forward, with an ability to produce dozens of nuclear bombs.

After many hours of reading I had to stop. The thriller had become a horror story. Not only was the content inconceivable, the tone was, too. The fact is that in each chapter Iran's dignity is preserved, but the U.S. and Europe's isn't. The fact is that the Iranian Islamic Consultative Assembly, or Majlis, has a much higher status in the agreement than the American Congress. The fact is that Iran is unrepentant, does not promise a change of course and takes an almost supercilious attitude toward the other parties. As though it had been a campaign between Iran and the West, and Iran won and is now dictating the surrender terms to the West.

The thin jet of light from the reading lamp above me lit the historic document, which is going to shake the Middle East and shape the 21st century. In the quiet darkness of 40,000 feet high I looked at it and around, and shuddered.

Senator WICKER.—with a great deal of concern.

Thank you, sir.

Chairman MCCAIN. Senator Shaheen?

Senator SHAHEEN. Thank you, Mr. Chairman.

And thank you all very much, both for your efforts on this negotiation and for being here today.

Secretary Carter, you were in the Middle East last week. Can you tell us what you heard from our allies in the Middle East about how they felt about this agreement, specifically Saudi Arabia and Israel? Obviously, we have heard what Prime Minister Netanyahu has had to say.

Secretary CARTER. Sure. Sure, Senator.

Beginning with Israel, Prime Minister Netanyahu was very clear, as he has been clear publicly in his opposition to the deal. We discussed that, but then we discussed many other things as well.

Hezbollah's activity up on the border with Lebanon. In fact, I visited there. Our missile defense activities, our cybersecurity cooperation, our intelligence cooperation, lots of other regional issues. And so, we discussed many topics, but he was very clear.

Senator SHAHEEN. And excuse me for interrupting, but would you agree with Senator Wicker's characterization that the Israelis were united in their opposition to the agreement from left to right?

Secretary CARTER. I only spoke about this to the prime minister, of course, who is the leader of their country. He was, as he has been publicly, very, very clear.

Senator SHAHEEN. And what did you hear from some of our Arab allies in the Middle East?

Secretary CARTER. I spoke to the king of Saudi Arabia, who repeated to me a statement he had issued a few days before supporting the agreement. He referenced that—again, I don't think this is violating any confidence—that the verification and, as he put it, snapback provisions were particularly important to him. So he referenced those things.

And then, again, we went on to talk about other things that are more related to the defense agenda, including the—his air force's munitions, cyber concerns that Saudi Arabia has, and something that we started to discuss at the GCC, namely Saudi Arabia's role in countering ISIL, which is a whole other subject there.

Senator SHAHEEN. And did you hear from any of our other Arab allies in the Middle East that they support the agreement?

Secretary CARTER. I spoke to the Jordanians about it. Again, this wasn't a major topic with them. We had a lot of other things to talk about.

But did not express any opposition. I don't recall exactly what they said.

Senator SHAHEEN. Okay.

Secretary CARTER. It wasn't really the subject of our meeting there. Those are the three places that I met with.

Senator SHAHEEN. Thank you.

General Dempsey, is there a military option, short of invasion, that would roll back Iran's nuclear program more substantially over the next 10 years than the JCPOA does, in your opinion?

General DEMPSEY. Well, I would have to make assumptions about how often we would be compelled to conduct airstrikes or stand up munitions. But the military options that exist would disrupt the program by several years, but there is nothing to say we couldn't repeat it if necessary.

Senator SHAHEEN. And do you have—is there any intelligence information to suggest what Iran's response would be, should we engage in an airstrike against them?

General DEMPSEY. Yes, I wouldn't say it rises to the level of intelligence. But the analysis suggests that they would counter our presence in the region at every opportunity and use these other malign activities that they have available to them.

Senator SHAHEEN. Thank you.

Secretary Moniz, there has been a lot of discussion about the 24-day delay, and you have testified in the Foreign Relations Committee that to the extent to which we would be able to detect nuclear activity—so uranium—in an extended period beyond the 24-day delay.

What if the activity does not include nuclear material, to what extent are you—do you believe we could detect other activity other than uranium-related or nuclear-related activity?

Secretary MONIZ. Well, Senator, first of all, permit me to reinforce the fact that having the 24-day period is itself new in the sense that there has never been any time limit in terms of access to undeclared sites. Again, to repeat, on nuclear materials, we have very, very sensitive capabilities, and historically, those have been proved. And we can add more in classified context.

With regard to non-nuclear materials, it gets more difficult. However, when one has nuclear weapon specialized activities, such as explosively driven neutron initiators, we would not be without tools to detect activities in that kind of a time period.

But clearly, as one gets farther and farther away into, let us say, just conventional explosives testing, which is something militaries do normally, then it is a question of intelligence putting together the context for suspicious activities. But nuclear material, in the end, you need to do nuclear materials to get to the weapon, and that is where we have extraordinary techniques.

Mr. Chairman, if I may add one more comment? If you permit, just to go back to Senator Wicker's comment on advanced centrifuges, I don't know that particular article you quoted. But it appears to have forgotten to mention that their most advanced machines, which are 5× their current machines, they are already operating at full cascade level, two different machines.

And those are going to be dismantled before this—before this is implemented.

Thank you.

Senator SHAHEEN. Thank you, Mr. Chairman.

Chairman MCCAIN. I am informed that Senator Ernst is required to preside over the vital proceedings on the floor of the United States Senate, which is critical to her presence. So I would ask the indulgence of my colleagues to allow her to proceed.

Senator ERNST. Yes, thank you, Mr. Chair, and thank you, colleagues.

Gentlemen, thank you for being here today.

This will be one of the most significant votes that we take as members of Congress, moving forward. So I believe it is imperative that we get this right.

Not long ago, the United States discovered that we had had a data breach at OPM [the Office of Personnel Management]. Simple. Data, personnel records had been tapped into. So that just is laying the groundwork of where I am going next.

Secretary Carter and Secretary Moniz, I am very concerned regarding the Government's ability to detect, deter, and defeat cyber attacks on our Government, particularly by China, Russia, and Iran. With respect to Iran in particular, according to Director of National Intelligence James Clapper, Iran has conducted cyber attacks on U.S. Government officials involved in nuclear nonproliferation, hacking which compromised the Marine Corps intranet, Sands Las Vegas Casino, and attacks against U.S. banks.

In relation to the Iran deal, these attacks, along with recent successful attacks against OPM, leads me to have less than full confidence in our own cyber capabilities, let alone the cyber capabilities of the IAEA. It is vital IAEA has a lock-tight ability to protect its equipment and technology, vital to ensuring effective monitoring of Iranian facilities under this agreement against cyber attacks.

Just simple "yes" or "no," Secretary Carter. Are you concerned regarding Iran's ability to impact the effectiveness of IAEA monitoring equipment through cyber?

Secretary CARTER. I am sorry. I can't give you a "yes" or "no" answer to that. I am very concerned about Iranian cyber activity, and you named three countries. I could go on with the ones.

This is a big problem. And sadly, I share the lack of confidence you have in the adequacy of our defenses. In the Defense Department, you would think with all that we have paid attention to protecting our own networks, that we would be secure. But we are not, and we know that.

And it is not just Iran, but it is others as well. And that is why we are trying to make investments in that area and pull up our socks in the cyber area.

Senator ERNST. So——

Secretary CARTER. But I can't reassure you on the cyber front.

Senator ERNST. I am very concerned about this. Secretary Moniz, yes or no, do you share a concern that this could be vulnerable?

Secretary MONIZ. Oh, I absolutely share a concern. But the IAEA does have some robust technologies in terms of——

Senator ERNST. They are much more advanced than the United States?

Secretary MONIZ. I didn't say that, no. Look, cyber is tough. General Dempsey also mentioned cyber is something that keeps us up all the time, and we have to develop our capabilities.

Senator ERNST. Fantastic. I have no confidence that we would not be able to know if there were tampering involvement going on as we try and monitor these activities or as IAEA tries to monitor these activities.

Secretary MONIZ. The IAEA, Senator, is, of course, quite aware of this, and they do have measures.

Senator ERNST. And I hope that they improve those measures. I do believe that we are vulnerable, as we have seen with our own infrastructure.

And General Dempsey, we have heard some other discussion today about the choices that the President has with this agreement. Now 2 weeks ago, many of our news outlets, USA Today, others had quoted President Obama as the choice is the Iran nuclear deal or war. This seems to be a military decision, and I understand that you advise the President on these issues.

Is that what you have told the President is that we either take this deal or we go to war?

General DEMPSEY. No. At no time did that come up in our conversation, nor did I make that comment.

Senator ERNST. Who is advising the President then that we must go to war if this deal is not signed?

General DEMPSEY. I can't answer that. I can tell you that we have a range of options, and I always present them.

Senator ERNST. And I thank you for that. Because I do think and I think it is imperative that everybody on this panel understand that there are other options available out there, and a multitude of options. We are taught in the military about DIME, diplomatic options, information operations, military operations, and economic types of sanctions and opportunities that we might have.

So for the President to outright reject everything but war is outrageous to me. And I do hope that you are able to better advise him that he needs to be careful with his language because that seems to be the rhetoric we are hearing out there is that we either go to war or we accept this deal, and I reject that premise.

General DEMPSEY. As long as we agree that the—that military strikes on a sovereign nation is an act of war. But there are things between here and there.

Senator ERNST. Absolutely. I agree, General Dempsey.

Thank you, gentlemen, very much.

Thank you, Mr. Chair.

Chairman MCCAIN. Senator Blumenthal?

Senator BLUMENTHAL. Thanks, Mr. Chairman.

General Dempsey, you answered—well, first of all, let me thank everybody at this table for your service to our Nation and the hard work and dedicated service that produced this agreement. Whether we vote for it or not, and I have made no decision for myself, I think the Nation owes you its gratitude for the hard work that you have done.

Is it fair to say, General Dempsey, that the breakout time for Iran to produce enough fissile material for a nuclear weapon will return to what it is now, about 2 to 3 months, after the 10-year period?

General DEMPSEY. I don't know that it is fair to say that because I think that some of the additional protocols and things which are out of my area of expertise could inhibit them for a longer period of time.

Senator BLUMENTHAL. Let us assume for the moment that, in fact, the breakout time is reduced at the end of that 10-year period to essentially what it is now. Will the United States be in a strong-

er or weaker position militarily if the military option is necessary for some future President?

General DEMPSEY. The chairman earlier correctly pointed out that Iran could procure some weapon systems that could make our military option more difficult but will not make it more impossible. And I think the answer to your question, Senator, is depends how we use the time between now and then, and we have got to plan with our allies in the region to increase their capabilities over that period of time.

So if we use the time wisely and we have the resources necessary to do it, we should not assume we would be in a weakened position.

Senator BLUMENTHAL. Because the expectation has to be that the Iranians will use that time to build their conventional forces. At the very least, they will have more revenue from various sources as the sanctions are lifted, substantial revenue. Is that correct?

General DEMPSEY. Yes, but they are starting from an extraordinarily weakened position conventionally. But in the asymmetric arena, they are starting from a position of relative capability.

Senator BLUMENTHAL. Where I am going with this question is what changes in military force structure do you think the United States has to take, both to make sure that our National security is assured and also that our allies' is as well? What specific changes should the Armed Services Committee be supporting in the near and longer term?

General DEMPSEY. Well, I mean, that is almost a separate hearing. But I would suggest to you that we really need to have the kind of budget certainty that the Secretary of Defense has articulated. And then, second, that we should not at this point in time consider reducing our force presence in the Middle East area of responsibility.

Senator BLUMENTHAL. Secretary Lew, let me turn to the economic sanctions that could be available, which my colleague from Iowa has mentioned. Can those be put back in place? Can the United States alone, even without our allies, use its finance system and its banks to implement a severe sanctions system?

Secretary LEW. Senator, we certainly have very significant tools that we have used unilaterally and we could use again unilaterally. But what we have seen over the last several years is the impact of multilateral sanctions that have truly had a crushing impact on Iran's economy.

It has brought them to the table. They have reached the agreement that we are here discussing. I think the notion that we can unilaterally equal or surpass that is something that is inconsistent with what we have learned.

Senator BLUMENTHAL. We may not be able to equal or surpass it, but we can certainly make a significant and also severely damaging effort if we choose to do so. Is that right?

Secretary LEW. We can. And what I would say is, importantly, that the snapback provisions that are in this agreement, if Iran violates it, make it so that both the U.S. and the international sanctions would be back in place, which puts us in the strongest position.

Senator BLUMENTHAL. The challenge will be to mobilize our partners in that effort.

Secretary LEW. Well, actually, I don't think it is a challenge. The way it was constructed, it is a very strong snapback provision. The international sanctions snap back in a way that we can work our will by exercising a veto if there is a disagreement with us.

Senator BLUMENTHAL. Secretary Kerry, did you have a comment? I noticed that you seemed to be——

Secretary KERRY. Well, there is a surreality here. I mean, and with all due respect, the Senator from Iowa is not here. But the President of the United States is not mandating war. He is not—doesn't want to go war. It is not his choice, and he is not advocating war.

What he is saying is that if you analyze the alternatives here, and this is what I mean by surreality, when you say could the United States continue some sanctions? To what end? To negotiate? I mean, with whom?

Do you think the ayatollah is going to come back and negotiate after he has already negotiated?

Chairman MCCAIN. Secretary Kerry, the time has expired. Please shorten your remarks.

Secretary KERRY. Could I just finish one thing, Senator?

Chairman MCCAIN. Yes.

Secretary KERRY. The reason that the President talks about the possibility of war is Iran has already made it clear that if this is rejected, they consider themselves free to go back and enrich and to go back to where they were with the 12,000 kilograms, 10 to 12 bombs, et cetera.

And the inevitable consequence of that will be a "What are you going to do about it?" next step. We will have lost the international support because the international community is ready to enforce this deal. If we reject this unilaterally, they walk away.

So you have huge difficulty with the sanctions, and you lose your capacity to have the support for the military strike if there had to be one. It is not a choice the President wants to make, but it is the inevitable consequence of Iran moving to assert what they believe is their right in the furtherance of their program.

Chairman MCCAIN. Senator Ayotte?

Senator AYOTTE. I want to thank the chairman. I want to thank all the witnesses for being here.

I also want to take this opportunity. It is probably going to be the last time that General Dempsey testifies before the committee. I want to thank you for your dedicated service and for the service of your family.

And I know, General, that when you appeared before the committee on July 7th, I was actually the person who asked you about there had been floated some views in the press at that time that Iran was pushing for lifting of the resolution on ballistic missiles and the resolution of arms, which we now know are in the agreement at 5 years and 8 years.

Just to be clear, when you came before the committee then, you said under no circumstances should we relieve pressure on Iran on those issues. So was it your military recommendation that we not agree to lifting of those sanctions?

General DEMPSEY. Yes. And I used the phrase "as long as possible," and then that was the point at which the negotiation continued. But, yes, that was my military advice.

Senator AYOTTE. Thank you.

I also wanted to ask you about an issue I know Senator Ernst had talked about in the Iranian cyber activity. And a number of years ago, we saw that there was an interruption of Iran's nuclear program through some other cyber activity, I think was reported, called Stuxnet. And that was reported in the press, I believe.

In this agreement, according to paragraph 10.2 of Annex 3 of the deal, the United States is actually obligated under this agreement to help strengthen Iran's ability to protect against sabotage of its nuclear program. It might be hard for Americans to believe that we would agree to help Iran protect against sabotage of its nuclear program in light of its prior intentions.

And General Dempsey, I wanted to ask your opinion on that. Do you think it is a good idea for the United States to help Iran actually protect its nuclear program against sabotage?

General DEMPSEY. I hadn't thought about that, Senator, and I would like to have the opportunity to do so. I will say there is—back to the cyber question that was asked earlier. I think next week this committee and the Senate will consider some cyber legislation that we have been eager to see passed for some time so we can get ourselves better protected.

Senator AYOTTE. Well, when we know that Iran continues malign activity on the cyber front, the idea that we would agree to help them protect its nuclear program against sabotage. And I assume, as I read this language, that that would also obligate us to inform the Israelis—inform Iran if the Israelis were undertaking any kind of activities that might undermine its nuclear program, at least if we are going to adhere to the plain language of this agreement.

So I wanted to also ask about this idea. We have heard a lot about sanctions, and sanctions, as I understand, Iran has written the United Nations on July 20th about the sanctions regime. And one of the issues that has concerned me about this agreement is that once the sanctions, the long list of mainly congressionally mandated sanctions that will be lifted under this agreement are undertaken, if Iran, for example, engages in terrorist activity, which it is known to do, separate from the nuclear program, Iran seems to have taken the position in its letter to the U.N.

And I have actually read the agreement, and I have been concerned that the agreement provides the same that, in fact, Iran says it is understood that reintroduction or reimposition, including through extension of the sanctions and restrictive measures, will constitute significant nonperformance, which would relieve Iran from its commitments in part or in whole.

So my question is, as I read this, I am deeply concerned that if we want to reimpose the toughest sanctions on issues related to their terrorist activities and support for terrorism, which is another tool in the toolbox, General, aside from our military options, that Iran can then walk away from this agreement.

And if the answer is you disagree with this characterization, please tell me where in the plain language of this agreement am I wrong.

Secretary LEW. Senator, the language says we can't reimpose the nuclear sanctions if Iran complies with the nuclear agreement. We have never given away any of our ability to use other sanctions regimes—terrorism or human rights or——

Senator AYOTTE. But, Secretary Lew, with all due respect, the nuclear sanctions are the toughest sanctions that we would impose in other context, too, including on crude oil, oil and gas, on——

Secretary LEW. Senator, we Reserve the right, if there is a financial institution that is engaging in financing terrorism, to put sanctions back on that institution. That is not a violation of the agreement. It is not a nuclear sanction.

Senator AYOTTE. But Iran seems to take a different position.

Secretary LEW. Well, what Iran does believe is that we can take the nuclear sanctions, put a different label on them, and put them right into place. And what we would have to do is make the case, as we have on many occasions, that institutions should be sanctioned for their behavior on terrorism and human rights and regional destabilization.

We will continue to do that. We will do it vigilantly, and all of our sanctions that apply in that area still stand.

Secretary KERRY. There is no restraint.

Chairman MCCAIN. Senator Donnelly?

Senator DONNELLY. Thank you, Mr. Chairman.

And General Dempsey, thank you also. Every time we say goodbye to you, you come back in another week on another panel. And I know it is not by choice, but we are thrilled to have you here again.

Thank you very much for your service.

Mr. Secretary, Secretary of Energy, if a year from now we have suspicions that something is going on at Parchin, does the IAEA have access to go inside that building and see it or not?

Secretary MONIZ. Well, again, we certainly have, through the initial protocol and this agreement, access anywhere that there is suspicion of nuclear activity. The protocols, again, I would have to see with the IAEA, but it is certainly a different—forward looking is very different from resolving the possible military dimensions of——

Senator DONNELLY. We need to know forward looking on this, on whether it is Parchin or other military facilities, does the IAEA have access to go inside those facilities?

Secretary MONIZ. They certainly must have the access granted to, again, resolve the issues that they need to resolve. They must have integrity in the process.

Secretary KERRY. And if they do not, Senator, they would be in material breach of the agreement.

Senator DONNELLY. Okay. So this is different moving forward than what has gone in the past?

Secretary KERRY. It is not only—yes, it is different. And there is a different mechanism to bring it to a close for the 15 years. But even under the additional protocol, speaking to Senator McCain's concern about North Korea, the lesson of North Korea produced the additional protocol, and now there is the additional protocol and the modified code, which have huge new requirements for access.

Senator DONNELLY. Secretary Lew and maybe Secretary Kerry on this. One of the proposals that has been put forward is to say no to this deal and then to tell the other countries who are involved in regards to sanctions that a viable alternative is to simply say to France, Germany, Britain, and others, "Choose us or choose them as you move forward economically," that, you know, if you are going to continue to do business with Iran, then you can't do business with us.

Do you see that as viable moving forward?

Secretary LEW. Senator, we do have powerful tools that make it very dangerous for foreign business to violate U.S. laws. And if they do business and violate our sanctions, we will enforce.

Whether we can do that against the whole world effectively without doing damage to our own economy is something that we have to have serious considerations about. It is one thing when we are taking action in concert with the world. It is another thing if we are standing on our own.

So the ability of a technical sanction to work is not the same as it being effective or necessarily adding up to what we would like to accomplish.

Senator DONNELLY. Okay. Secretary Carter, have you—I know you are talking to the GCC countries. You have been in the region there.

It seems to me that one of the challenges here is confidence, confidence that they will be safe, that Israel will be safe. That is what this comes from is making sure that your child can be safe and sleep safe that night. And that is what Mr. Netanyahu was trying to ensure, and that is what we are trying to ensure.

So, as you look at it when you talk to our GCC friends and others, is there any putting together of a plan that says to Iran not one more inch? That as we move forward, you will see from year to year to year that in Yemen not one more inch, that against Hezbollah there will be massive retaliation if there is actions, that we will stand with the Sunni tribal leaders in Anbar to make sure that they have success, and we will be viable and strong against whatever, you know, efforts Iran has in Iraq.

To lay out the plan, let people know, let Iran know in advance would help create, I think, a better sense of confidence that there is a reason—that there is a reason to stand with us.

Secretary CARTER. I think that is extremely important, and that is what the GCC countries are looking for in my conversations with them, namely the continued commitment of the United States to help them protect themselves so they can sleep well at night, maintain our regional role, counter Iran's malign influence and activities. At the same time, they recognize perfectly well what has been said up here, which is an Iran with nuclear weapons would be an enormous problem and are supportive of an agreement that heads that off.

But at the same time, they want to make sure that we are there. That is what the GCC countries were told at Camp David by the President. My trip was in part to solidify all of the things we are doing——

Senator DONNELLY. I am just about out of time. So I just want to finish by saying I think it is important to publicly state a "not

one inch more" policy. And then, additionally, I am not at all comfortable with our people who are still in Iran. They have to come home. I wish they had come home as part of this agreement, and I know you do, too.

But this cannot rest because we don't leave anybody behind, and we don't intend to leave them behind either.

Thank you, Mr. Chairman.

Chairman MCCAIN. Senator Fischer?

Senator FISCHER. Thank you, Mr. Chairman.

Secretary Moniz, I would like to follow up a little bit on what Senator Blumenthal was asking you about with regards to the breakout time. What are some of the main factors that you consider when you calculate that breakout time?

Secretary MONIZ. Well, the key factors are the enrichment capacity and the stockpile of enriched uranium. But there are many other factors as well which come in, such as the rate at which additional capacity could be built in during a breakout time. So all of this comes in to our National laboratory evaluation.

Senator FISCHER. That would include the number of centrifuges as well. Is that correct?

Secretary MONIZ. Correct.

Senator FISCHER. After 15 years of this agreement, what limits do you think will be in place on those things that you just mentioned?

Secretary MONIZ. Well, after 15 years, they will probably expand their capacity after those restraints, and that is why such a key element is the—are the verification measures that we put in place for all time, basically.

Senator FISCHER. So we are talking about tracking the nuclear material to make sure it is not diverted from a civilian program. Correct?

Secretary MONIZ. And that is 25 years, right.

Senator FISCHER. Correct. We are basically just checking Iran's math. Correct?

Secretary MONIZ. Checking the math? Well, no, we are checking our math, if you like. So the idea is to follow——

Senator FISCHER. We are checking our math.

Secretary MONIZ. And for 20 years, we follow all the manufacturing. So it is the supply chain that we follow. Making a—and our intelligence people will tell you that to actually reproduce the entire supply chain covertly probably in multiple places would be very, very difficult to conceal.

Senator FISCHER. And we are just looking at, of course, the declared facilities. Is that correct?

Secretary MONIZ. No. We have—we have, of course, strong measures in the declared facilities. But key is the undeclared facilities, which, by definition, ultimately rests on the actions of our and our allies' and friends' intelligence capacity.

Senator FISCHER. And do you believe—well, do you have confidence in that capacity that we will be able to locate any undeclared facilities and pressure Iran to allow us to make sure that we have verification in those as well?

Secretary MONIZ. Well, again, I would go back to the statements of General Clapper and Cardillo and Cohen. Again, Clapper said

specifically that this will give us much greater insight into what they are doing. That then leads us, and other intelligence agencies that we work with, to point IAEA in the right place, and now we have a unique new tool of a finite time to get access to that place, or they are in material breach.

Senator FISCHER. Are you concerned at all on what I view as the discrepancies between statements made by our administration and compare those to what is being—statements being made by the adviser to the supreme leader when it comes to access to allowing the IAEA to look at the military centers in Iran?

Where I think I believe I have heard our administration say that we do have access to those. They are declared facilities. But yet the adviser to the supreme leader says the access of inspectors from the IAEA or from any other body to Iran's military centers is forbidden. Who is correct on that?

Secretary MONIZ. Well, I think we are correct. First of all, I just might point out that there were many statements made before Lausanne, before Vienna, that you could——

Senator FISCHER. This one was made July 21st.

Secretary MONIZ. Yes, but I am saying there were many statements made before then, and you can check those statements against the agreement. They don't square up all the time, shall we say?

Senator FISCHER. How are you——

Secretary MONIZ. Now in terms of——

Senator FISCHER. How are you going to reconcile that?

Secretary MONIZ. In terms of the new—those statements were very clear. First of all, the aim is not to go to military sites, and by the way, it is not us, it is IAEA, of course. The aim is to go to where there is there suspicious or suspicion of nuclear-relevant activities.

If they are in a military site, doesn't matter. There is still the IAEA access to those sites.

Senator FISCHER. I only have a few seconds left, but I would hope that you would reconcile those statements for the public. You have stated that——

Secretary MONIZ. We cannot control their statements.

Senator FISCHER. You have stated that the 24-day waiting period for international inspectors won't allow the regime to conceal any illegal activity. But as I read the agreement and many other people have pointed out, the inspectors' request to visit those sites could be delayed much longer than 24 days.

I know that you are not concerned about the 24-day period. You believe that we would or the IAEA would be able to handle that. But if you look at different parts in Section Q of Annex 1 of the agreement, I think we have the potential that we are looking at an 89-day delay. Do you think that would be possible, and how confident are you about us being able to inspect then?

Secretary MONIZ. No, we certainly—we certainly cannot allow for that. I might say I did not say any illegal activity. I focused specifically or especially on activity with nuclear material as my real focus, number one. And number two is the IAEA, at any sign of lack of cooperation, they have to launch the process with their request for access. Then comes the 24 days.

As I have mentioned also, there is in the unclassified literature an example in Iran of a 6-month delay, an attempt to conceal which did not work. They were caught red-handed.

Senator FISCHER. You said you wouldn't allow the 89 day. You just couldn't allow that. How many days after 24 days would you allow?

Secretary MONIZ. No, none after 24 days. It is that the process to launch the formal request for access from IAEA has got to be prompt. That launches the 24-day clock, and that is the end.

Senator FISCHER. You would not allow anything past that?

Secretary MONIZ. I would not.

Senator FISCHER. Thank you.

Secretary MONIZ. Senator Gillibrand?

Senator GILLIBRAND. Thank you, Mr. Chairman.

And thank you all for joining us. Thank you for your intense work on this. Obviously, we all care about the National security of the United States and our allies.

Secretary Moniz, you and I had a very long conversation about nuclear details, and what I would like you to discuss with the committee specifically is the nuclear capabilities that Iran has today are considerable, and most experts have given it a 2- to 3-month timeframe to have enough enriched uranium for one bomb.

I would like you to talk a little bit about their nuclear expertise and, if left unchecked, how quickly can they ramp up to greater production to more highly enriched uranium if—excluding this deal arrangement?

And then, after you have described that, I would like you to describe what the ramp-up time would look like, post 8, 10, 15 years. Because what I understand from reading the agreement is that you have spent a lot of time identifying what can be changed and modified in the three existing facilities so that they don't run a military risk.

And so, I would like that more fully described, and obviously, and the last point I want you to address is my constituents are very concerned about clandestine operations. To the extent you can talk about this in this setting, I would like you to address how you detect a clandestine enrichment facility during the agreement.

Secretary MONIZ. Quite a few questions, Senator. In terms of their current capacity, well, they have again demonstrated the capacity to enrich uranium. That is clear. But I do want to emphasize that they have also demonstrated they have enriched to 20 percent enrichment.

Twenty percent is the cut-off that the IAEA uses for low-enriched and high-enriched uranium. But the point here is that the amount of work needed to get to 20 percent is nearly all the work you need to get to 90 percent, which would be weapons grade.

So they have the capability, and as I have already mentioned, they already have full cascades running of the next generation five times more powerful. This agreement will have those dismantled at the time of implementation. So what is critical is we are rolling them back in every dimension of their program for at least a considerable period.

Now in terms of the breakout time, again, the President was very clear and our P5+1 partners were very clear that a quan-

titative criterion for the negotiation was there had to be at least a 1-year breakout time in terms of fissile material for at least 10 years. We have accomplished that with this agreement. Our lab scientists are fully behind this, as are those of other countries.

Then that will roll off and after 15 years at some point, depending upon what they do, then we can revert, we may revert to the current kinds of breakout times for fissionable material. We still need to keep the lid on weaponization activities and make sure those are not taken. And that was a notable improvement from Lausanne to Vienna for that.

Senator GILLIBRAND. Right. So the agreements says they can't ever make the steps towards weaponization?

Secretary MONIZ. They can't ever make those steps, and that is the point where we will be much better off at that time than today because we will still have enhanced verification procedures that can point our and other intelligence agencies to any violations.

Senator GILLIBRAND. And after modifications at Arak, is there any way at that you can reverse those modifications and make it a heavy water plutonium facility again?

Secretary MONIZ. The Arak reactor, in its redesign, would provide us in this language a breakout time of years.

Senator GILLIBRAND. Right. So to unwind, it would be significant?

Secretary MONIZ. Because once it is online, they would need years of operation to get enough plutonium to be relevant, and the IAEA would detect their change of the operation within 1 or 2 months.

Senator GILLIBRAND. And with regard to Fordow, what is the assessment there? After modifications, if they wanted to breach the agreement and try to get up and running again, does that take a significant amount of time?

Secretary MONIZ. Well, first of all, yes. Because, first of all, most of the centrifuge and infrastructure will not only be stripped out completely, but they will not even be stored at Fordow. They must be taken up to Natanz.

Second, we will have a major international not only IAEA daily presence, but an international presence—the Russians working with them on stable isotopes, new science opportunities. If they kick everybody out, you know——

Senator GILLIBRAND. Right away?

Secretary MONIZ. The alarm bells go off.

Senator GILLIBRAND. Secretary Carter, with my last few seconds, do our military options become marginally better or worse before or after the agreement?

Secretary CARTER. If the agreement is implemented, they become marginally better for the reason that under the agreement, the facilities are—we learn more about them. Many of them are dismantled, and so in that sense, that purely technical military sense, becomes somewhat easier.

Chairman MCCAIN. Senator Cotton?

Senator COTTON. Thank you.

I want to discuss the two secret side deals between the IAEA and Iran. I had to travel to Vienna last weekend to discover the existence of these side deals. The administration has now confirmed

their existence. There is still some lack of clarity about their content.

Secretary Kerry, have you read either of these two side deals between the IAEA and Iran?

Secretary KERRY. No, I haven't read it.

Senator COTTON. Have you read any previous drafts?

Secretary KERRY. No, I haven't.

Senator COTTON. On any form—paper, tablet, computer?

Secretary KERRY. I have been briefed. I have been briefed through our team that met with the IAEA.

Senator COTTON. Did anyone on your team read the text of these agreements?

Secretary KERRY. I believe one person may have read it at the—at the facility but doesn't have it. They don't possess it.

Senator COTTON. What is that person's name?

Secretary KERRY. It is possible. I don't know for sure, but it is possible Wendy Sherman may have. But I don't know that for sure.

Senator COTTON. Secretary Moniz, have you read the text of these agreements?

Secretary MONIZ. No, sir. I have not seen them.

Senator COTTON. Have you read any prior version?

Secretary MONIZ. No, sir.

Senator COTTON. On any medium—computer, tablet, phone?

Secretary MONIZ. No. No.

Senator COTTON. Has anyone on your team at the Department of Energy?

Secretary MONIZ. Not—I am not sure. I don't know. I think not, but I am not sure about that. I can ask in terms of the technical team may have—maybe somebody saw something.

Senator COTTON. Please do and get back to us.

Secretary MONIZ. Okay.

Senator COTTON. Secretary Kerry, besides potentially Under Secretary Sherman, has, to your knowledge, anyone else in the United States Government reviewed the text of these agreements?

Secretary KERRY. Not that I am aware of. I don't know. I don't think so.

Senator COTTON. If Under Secretary Sherman has read the text of these agreements, even if they are not in her possession, does that not undercut the claims of confidentiality between the IAEA and Iran?

Secretary KERRY. I don't know whether she read a summary or a draft, I have no idea. I said I think, and I am not sure. But I know she is briefing the Senate very shortly, Senator. So she will be briefing in a classified setting.

Senator COTTON. I have received several classified briefings about the deal, and I look forward to another one. But what Congress would like is the text of these agreements, as required by U.S. law.

Certain published reports starting—or most recently with the Associated Press yesterday say that the content of the side deal that discusses Parchin, the military base where detonators for nuclear devices may have been tested, will allow Iran to collect their own samples and submit those samples to the IAEA, much like an NFL

[National Football League] player taking his own urine sample and sending it to Roger Goodell for a drug test.

Can you confirm or deny that that is the content of those side deals?

Secretary KERRY. I can't here in this session. But what I can confirm is that Secretary Moniz, in his discussions both with the IAEA and with the team, made recommendations to them and I believe is satisfied that this can—whatever the process is, that the process will be able to provide the answers we need.

I don't know, Secretary Moniz, if you want to add anything to that?

Senator COTTON. Actually, no, I would like to stick with you, Secretary Kerry. Why can't we confirm or deny the content of these agreements in public? Why is this classified? It is not a sensitive U.S. Government document. The ayatollahs know what they agreed to.

Secretary KERRY. Because we respect the process of the IAEA, and we don't have their authorization to reveal what is a confidential agreement between them and another country.

Senator COTTON. So the ayatollahs will know what they agreed to, but not the American people?

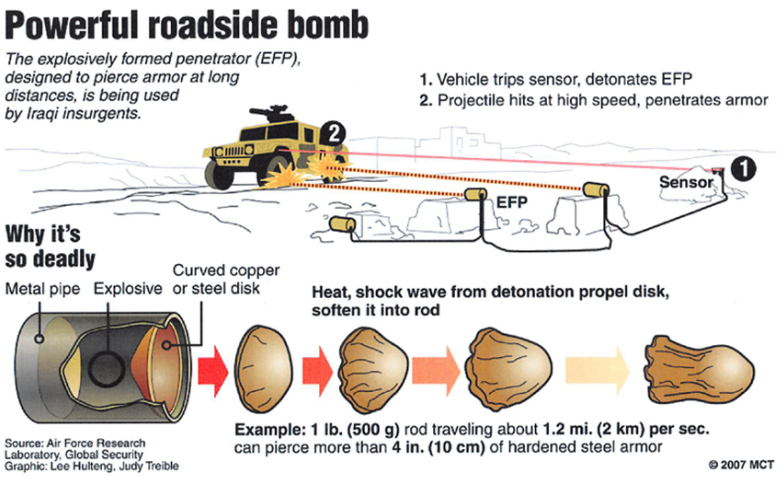
Secretary KERRY. Well, the—no, not exactly. Because we will share with you in the classified briefing what we understand the context to be. But they negotiated the agreement with the IAEA.

The IAEA is an independent entity under the United Nations, Senator, as I know you know. And under I don't know even at this point what the law says about the United States requiring something which another entity's laws prohibit. So we have to see whether that is a conflict of law or not.

Senator COTTON. Well, U.S. law requires any deal between any party, not just the United States, to be submitted to Congress before the 60-day clock begins to tick. To the extent the IAEA, which I respect for the very admirable work they do, which is often not supported by their member states, says it is unprecedented, I would say this deal is without precedent. And past precedence with cooperative countries like South Korea or—I am sorry, South Africa cannot be cited.

I would like to move on to a second topic, specifically Iran's support for terrorism. Could I have Chart 1, please?

Chart 1



General Dempsey, this chart describes a particularly powerful kind of roadside bomb known as an explosively formed penetrator. Are you familiar with what it shows?

General DEMPSEY. I am, Senator.

Senator COTTON. Could you explain exactly what the bottom diagram shows of how an explosively formed penetrator works?

General DEMPSEY. A copper cone is melted at super high temperatures and projected and essentially burns its way through armor plate.

Senator COTTON. The copper disk travels at about 6,000 feet per second.

Could I have Chart 2, please? So we can see what happens to a Humvee when a ball of fire travels at 6,000 feet per second.

Chart 2

General Dempsey, is that familiar to you?

General DEMPSEY. Yes, Senator, it is.

Senator COTTON. Do you know how many American troops were killed by such explosively formed penetrators?

General DEMPSEY. That particular incident or in general?

Senator COTTON. No, in general.

General DEMPSEY. Several hundred.

Senator COTTON. Was Iran a main supplier of these explosively formed penetrators?

General DEMPSEY. Yes. Yes.

Senator COTTON. Was Qasem Soleimani and the Quds Force and the Revolutionary Guard Corps the main perpetrators in Iran?

General DEMPSEY. Yes.

Senator COTTON. Secretary Kerry, those entities and Qasem Soleimani will ultimately receive sanctions relief from this deal, not necessarily from the United States Government, but from the United Nations and the European Union. What should we say to the Gold Star moms and dads of the over 500 American troops who were killed by an Iranian ball of fire traveling 6,000 feet per second?

Secretary KERRY. Well, we should tell them, obviously, first of all, how extraordinarily grateful we are for the service of their loved ones. We should also make it very, very clear that under the United States initiative, Qasem Soleimani will never be relieved of any sanctions.

We would also tell them and lay out to them what we intend to do, which has not been done yet sufficiently, to push back against Iran's behavior, that we have a number of laws in place, requirements by which we will be able to prevent Iran from transferring these weapons.

And we have already engaged, Senator, in very forward- leaning initiatives to do that. We specifically turned around a convoy recently in the last months that was bringing weapons to Yemen, and we have been crystal clear, and I will be even more clear when I meet with the Gulf states, about our united efforts to hold them accountable for these kinds of activities.

Senator COTTON. Thank you, all. My time has expired.

Chairman MCCAIN. Senator Hirono?

Senator HIRONO. Thank you, Mr. Chairman.

I would like to ask this question of all of the witnesses. But I would like to start with Secretary Carter and Chairman Dempsey.

In your assessment and without getting into specifics which cannot be discussed in this open setting, is there any military, military strategy or response that would achieve the same goals as the agreement before us without embroiling the United States and our allies in a potentially devastating long-term war in the region?

And I would like a "yes" or "no" answer, given the setting. Starting with Secretary Carter?

Secretary CARTER. I am sorry to be difficult on that, but I just need to understand the question a little bit more. Do you mean if there is no deal, and Iran gets a nuclear weapon?

Senator HIRONO. If there no deal.

Secretary CARTER. Then we have a serious issue.

Senator HIRONO. Well, not even that——

Secretary CARTER. We don't give up at that point, but we would have to defend ourselves, our friends, and our allies in the face of that reality. Is that responsive to your question?

Senator HIRONO. Well, the reality is that without this agreement, Iran can produce a nuclear bomb in 2 to 3 months. So, without this agreement, is there any military—I will reiterate the question. Is there any military strategy or response that would achieve the same goals as this agreement? More yes? More no?

Secretary CARTER. I am going to have to say that there is a military response—maybe this is responsive to your question, Senator. There is a military option, which I know you have been briefed on, which has the effect, as I have said earlier, of setting back the Iranian nuclear program.

It doesn't stop it forever, but it substantially sets it back. We have talked about that publicly for quite a while. We work on that. And so, if that is responsive to your question, that exists.

Senator HIRONO. But Mr. Secretary, the other part of my question is, though, yes, we can have a military response that would set them back, but would that military response involve us in a—basically a long-term war in that region? Would that be a highly likely outcome in the military?

Secretary CARTER. Iran would surely respond to such an attack. So in a hypothetical situation in which that occurred, which this deal is intended to make unnecessary, Iran could respond for sure.

Senator HIRONO. Chairman Dempsey?

General DEMPSEY. One of my jobs, Senator, is never let the Nation run out of options. So we would not run out of options, but they would become increasingly costly, to be sure.

Senator HIRONO. And long term?

General DEMPSEY. And long term.

Senator HIRONO. Yes. Secretary Kerry, would you care to respond and the other members of the panel?

Secretary KERRY. Well, I think—I think General Dempsey answered the question earlier when he said that the deal is far more durable and provides a more durable option and longer term, a period of time where it would be much more durable than the military option.

I mean, my—look, I think it is pretty clear that if Iran were to start enriching or move back to its program, we have no inspectors. We have no sanctions that are universal. The United States can have them, but we have already seen sanctions don't get them to give up the program.

So you are stuck with a situation of what will change the dynamic of their program. And the fact is then you are in, as Secretary Carter has said and as General Dempsey has just said, they will respond. And then we will respond, and then it is back and forth.

The question is, where does that end, and how does it end? And does it accomplish the goal of getting rid of their program? We don't believe so.

We believe this agreement accomplishes the goal and provides us with the support on a continuing basis of the international community.

Senator HIRONO. Thank you.

Let me go on to another question because I am running out of time. This is for Secretary Carter and, again, Chairman Dempsey. Are you contemplating any changes in our force posture, assuming this agreement goes into effect and stays in effect?

Secretary CARTER. Yes. It is a "yes" or "no" answer. Yes, but if I could say more——

Senator HIRONO. Well, this is not a "yes" or "no" answer.

Secretary CARTER. If I could say more, Senator, in all seriousness?

Senator HIRONO. Briefly.

Secretary CARTER. Yes. We are doing a great deal in the Gulf. That is what I was there talking to our Gulf partners about. That is what we talked about at the GCC summit a few months ago.

We are doing a great deal with Israel. I mentioned missile defense, the F–35 qualitative military edge. So this is a dynamic region with or without a deal, and one that has Iran and other problems to boot. And so, we have to and are doing a lot to strengthen our posture and our alliances and partnerships in the region, and we will continue to do so.

Senator HIRONO. General Dempsey, would you like to weigh in?

General DEMPSEY. With Israel, we are working on ballistic missile defense, maritime security, counterterrorism, and counter tunneling, which is a new and emerging challenge for the state of Israel.

And with the GCC, it is ballistic missile defense, special operating forces, maritime, counterterror, and cyber.

Senator HIRONO. Thank you. Thank you, Mr. Chairman.

Chairman MCCAIN. I would like to tell the committee that the witnesses have to leave at 12:45 p.m. So the order will be Senator Rounds, Senator King, Senator Tillis, Senator Sullivan, Lee, and Graham. And no one else. I am sorry.

So, Senator Rounds?

Senator ROUNDS. Thank you, Mr. Chairman.

Gentlemen, thank you for your service.

Today, you have gone through 15 different interrogators. I get to be number 16. One of the things that happens when you are number 16 is a lot of the questions that you have got have been asked. But it also gives you an opportunity to try to analyze and see just exactly what it is all about and what the real issues are, and I would like to just begin with this.

It seems to me that one of the concerns that we have is, is if we assume that we have a rogue nation who is a threshold state today with regard to nuclear weapons, the goal of this was to eliminate them from having nuclear weapons or, in the second position, to delay the implementation or their capabilities with regard to nuclear weapons.

I would like to know from the panel, and it is very simple, are we stopping them from getting nuclear weapons, or are we delaying them for a period of 10 to 15 years from getting nuclear weapons? In your opinion, General?

General DEMPSEY. Well, my opinion, sir, our Government's policy has been they will not get a nuclear weapon, and nothing we are talking about here today should change that policy.

Senator ROUNDS. Mr. Moniz?

Secretary MONIZ. I agree with General Dempsey, and in terms of our capabilities to make sure that they are not pursuing a nuclear weapon, this agreement will leave us better off with the agreement than without the agreement forever.

Senator ROUNDS. Mr. Carter, Secretary Carter?

Secretary CARTER. I concur with those two.

Secretary LEW. Senator, I have worn many hats in this administration. In each one, I have said Iran will not be permitted to get a nuclear weapon. I believe that deeply.

Senator ROUNDS. Secretary Kerry?

Secretary KERRY. And I agree. The President's policy is they won't get it. There is no—if they were to try to not implement this agreement or the implementation is not full, the other options are still available to us. They will not get a weapon.

Secretary MONIZ. So, if I may?

Senator ROUNDS. Yes.

Secretary MONIZ. Just one note just to say that, in addition, I think it is significant that the agreement codifies with the P5+1 that Iran will never get a nuclear weapon.

Senator ROUNDS. And yet here is my question then, gentlemen. It appears to me that in each time I have heard the discussion comes back down to for a period of 10 years, we have something in terms of the agreement that restricts them. But somewhere between 10 and 15 years we change, and that during that time period, they can begin because there is nothing in the agreement which stops them from moving back into and adding to their nuclear capabilities.

If they are a threshold state today and if we have delayed them, that is one thing. But if, at the end of this time period, they may freely pursue nuclear options, then I think that is really the gist that we are trying to decide.

But along that line, and General Dempsey, I appreciated your thoughts here earlier when you said that you were pragmatic with regards to your comments. It seems to me that we had an embargo, which was in place, which many of us were relying on when it came to both an arms embargo and also with regard to ICBMs. You indicated that just matter of fact on July 7th of this year, you have heard it earlier, your quote was, "Under no circumstances should we relieve pressure on Iran relative to ballistic missile capabilities and arms trafficking."

Secretary Carter said, "The reason that we want to stop Iran from having an ICBM program is that the "I" in ICBM stands for "intercontinental," which means having the capability to fly from Iran to the United States, and we don't want that."

Secretary Kerry indicated that there were other ways in which we could handle the situation. If we had an embargo in place and we had concerns about this, what is the purpose for the embargo if we had other means in the first place?

General, clearly, this—seems to me that you were pretty clear that this was not exactly the kind of advice that you were suggesting that they allow this to come out?

General DEMPSEY. Well, as I have said, Senator, I would have been happy to see the embargos maintained in perpetuity. I think

the question would have to be asked, were they likely to be sustained in perpetuity, given that they were imposed to bring Iran to the table? Once Iran came to the table, it then became truly a negotiation.

And sanctions are only one way to keep pressure on those other malign activities. We have other instruments and other military options to pursue.

Secretary KERRY. Senator, if I could add to that? We—obviously, all of us would prefer have it there forever and ever. The problem is we are dealing with a U.N. resolution, the nuclear resolution, 1929, which said that the Iranians, if they come to negotiate and suspend, then all the sanctions would be lifted. That was what was contemplated by the empowering resolution here.

Now the arms embargo was slid in at the very last minute by then-U.N. Permanent Representative Susan Rice. She got it in, and it really sort of slid into the nuclear provision itself.

But under the nuclear provision, at the end of a period of time, when the IAEA would draw its broad conclusion, this would have been lifted completely anyway, and we had no power to stop that. So, in effect, our getting the 8 years was a victory. Our getting the 5 years was a victory. But we have these other tools that completely strengthen our ability to do it in perpetuity.

Senator ROUNDS. Secretary Carter, would you say that the—that today Iran does not have the capability of getting ICBM and that 10 years from now, based upon the provisions in place without the embargo, that they would still not be able to have an ICBM?

Secretary CARTER. They don't have an ICBM today. I wouldn't rule out that in 10 years Iran could progress to an ICBM. We have seen in North Korea develop and test missiles of increasing range, and they can do that on their own, as the North Koreans have done without a lot of external help.

Now that doesn't mean they would, and that is not a crystal ball of the future. But judging from principally the experience with North Korea, you can't rule that out, and that is why we need to protect ourselves, whichever, whatever happens with the nuclear agreement, protect ourselves with missile defenses, with the other statutory and other international agreement protections that we have, deterrence and everything else.

Chairman MCCAIN. Senator King? Your time has expired, Senator.

Senator King? And I would ask the Senators to respect the time limit.

Senator KING. You heard the chairman. We are going to try to go through some of these questions as quickly as possible.

Secretary Lew, what would the allies' reaction be in terms of the sanctions if the U.S. rejected this agreement?

Secretary LEW. Senator, I think that they have made clear that they think the agreement should be put into force. I don't want to speak for any of them, but they are already taking actions to show that they are beginning to deal with Iran in a different way.

The vice chancellor of Germany was over there with a group of business people. There is a French delegation over there. I think that, you know, they are going to take a very dim view of our rejecting this agreement.

On the other hand, I do believe they respect our unilateral sanctions. They fear them, and that will put them in a very difficult bind. But I don't think that we will have as much capacity to bring the world community together in that situation as we have had up until now.

Senator KING. And I suspect the reaction would be different among—China and Russia may have a different reaction than Germany?

Secretary LEW. Yes. And I think if you look at like the developing countries, countries like India, they are not in the P5+1. And I just pick them because they are a big economy that is dependent on oil imports.

We have had a sustained diplomatic engagement with many countries to keep them in line with our oil sanctions. That will get harder and harder if they see the rest of the world going another way. They are going to look and ask how much capacity do we have to take enforcement actions? Can they find ways around them?

And ultimately, they will start doing business more and more in other countries.

Senator KING. Would it be fair to say that the sanctions regime would fray, if not unravel?

Secretary LEW. I think that is fair. I have been trying to be measured.

Senator KING. Erode?

Secretary LEW. Yes, I have been trying to be measured because I don't believe it is black and white. I think it would start to fray, yes.

Senator KING. I appreciate that. Secretary Carter, you just visited the Middle East. Is the danger of proliferation greater or lesser as a result of this agreement? In other words, are the allies or some of our allies in that region who may think about their own weapon, are they less likely to acquire a weapon because of this agreement or more likely?

Secretary CARTER. Well, I think logic would suggest that if the agreement is implemented, meaning that Iran doesn't have a nuclear weapon, that it is less likely that other states in the region get a nuclear weapon.

Senator KING. Mr. Moniz, I know we are going to have a lot of time to talk about this, but there has been all this discussion about the secret agreement. It is true, is it not, that this agreement between the IAEA and Iran applies to the past—the past actions of Iran with regard to nuclear weapons at Parchin and other places but does not apply to future inspections?

We know what the future inspection regime is going to be in order to implement this agreement. Is that correct?

Secretary MONIZ. That is correct. Again, what the JCPOA accomplished is forcing Iran to cooperate with IAEA to finish the examination of past behavior.

Senator KING. So the so-called "secret agreement" is for a small part of this deal, but it is not the essence of it, which is the inspections and verification of Iran's compliance from today forward?

Secretary MONIZ. That is correct, yes.

Senator KING. And finally, in 28 seconds, this famous 24 days. Is there any way that they could clean up a facility where they had

been processing fissile material sufficiently that it could not be discovered if the inspection took place after 24 days?

Secretary MONIZ. Well, you know, I can never say 0.00 percent, but—but with very, very high confidence, I think we would find nuclear material utilization evidence. Certainly the risk of getting caught would be extremely high.

Senator KING. Thank you.

Chairman MCCAIN. Senator Tillis?

Senator TILLIS. Thank you, Mr. Chair.

I hope that—I want to get back to, and Chairman Dempsey, I will start with you. But I want to go back to what you said, I think, in one of your responses to the malign activities that I believe that Secretary Carter in response to a question says he has no reason to believe that they will change.

That is the Iran terror network. That is their increasing threat in terms of cyberterrorism. It is their ballistic missile program. It is their weapons trafficking. We could get into human rights violations, all the other things they are guilty of. We could get into an ayatollah sending a tweet out that has the image of some have said it is the President, some says it is an American. It is someone wearing an American lapel pin.

These people are evil people, and they are going to continue to expand in the areas where they think they can. They are people who have violated 27 international agreements or treaties.

They have violated some of the terms of the Nonproliferation Treaty. Some of that language is similar, as I understand, in the agreement that we have here today.

So they are a dangerous—they are dangerous. I understand why you would be concerned with the nuclear threat because it could limit other military options if it existed.

So my question is if this deal goes through, what does our posture look like in the Middle East and with our partners over the next 2 years? What looks measurably different to make us feel like we are in a position to make it untenable to the Iranian leadership to move forward with a nuclear weapon?

General DEMPSEY. Senator, first, I do want to highlight the fact that when we talk about Iran, it is really the regime, and I know you know that.

Senator TILLIS. There is no doubt about it. It is not about the Iranian people.

General DEMPSEY. It is not the Iranian people. It is Qasem Soleimani, the IRGC [Iranian Revolutionary Guard Corps], Quds Force, and their leadership. The Iranian people, there is some reason to hope that this would actually cause them to understand that there is a place for them in the international community.

But how does our posture change? Our posture changes on the basis of these areas on which we have agreed to work with our partners, both Israel and the GCC nations. And we are very muscular. We have a muscular posture in the region right now.

For the most part, it will stay the same, but it may shift its activities a bit.

Senator TILLIS. Secretary Carter or Chairman Dempsey, I am trying to get my hands around the thought process that would make the Saudis less likely to acquire a nuclear weapon, probably

acquire a nuclear weapon most likely from Pakistan, a warhead, and a ballistic missile from China that is capable of delivering a Pakistani warhead.

Why would any of the leadership in Saudi Arabia, and then as a result of that, you only need one to spark other nuclear proliferation. Why on earth, if we are talking about a nation that has violated a number of treaties and agreements, the possibility that that could occur and a nation having to be prepared to have their own deterrent, where is the logic in this agreement preventing them from going ahead and moving forward and having that capability themselves?

Secretary CARTER. Well, the agreement doesn't limit what anybody else does.

Senator TILLIS. Yes, I agree with you. I am saying why wouldn't they?

Secretary CARTER. The logic—I can't speak for any of those countries, but the logic is that if Iran is effectively prevented from having a nuclear weapon, which is the purpose of this, then that cause at least for a Saudi Arabia or an Egypt or a Turkey to get their own nuclear weapon is removed, and logic would suggest that. I can't speak for the psychology, but that is what logic would suggest.

With respect to Iranian behavior, I mean, this comes down to a question of managing that risk because we see exactly what Iran's—they say what at least the leadership is thinking. And the point is that it is better if they don't have a nuclear weapon than if they do.

This is an effective way of making sure that they don't have a nuclear weapon. It does not eliminate all risk, especially with Iran.

Senator TILLIS. Thank you.

Chairman MCCAIN. Senator Heinrich?

Senator HEINRICH. Thank you, Mr. Chair.

Secretary Carter, some have suggested that military strikes against Iran could be both quick and effective, without acknowledging the costs and consequences and risks that that might entail. Could you talk a little bit about what the primary risks, both to the U.S. and to our allies, would be if we had to take that course of action?

And could you speak to what would set Iran's nuclear program back further, a military strike or this accord in terms of timeline?

Secretary CARTER. Well, speaking now just very generally and not specifically, the two things that make the successful implementation of the agreement preferable from that point of view to a strike is that the effects of a strike are temporary. And second, that Iran would, as I said earlier, respond to an American military strike upon Iran, and one needs to think through then what the subsequent steps are, including the possibility that Iran, at that point, would become irreconcilably committed to getting a nuclear weapon.

Now I say that is predicated on the effective implementation of this agreement. And effectively implemented, the agreement stops Iran from getting a nuclear weapon not just for 10 years and not just for 15 years, but by dint of the provision Secretary Moniz was talking about, way beyond that. So we are comparing that situa-

tion, which is effective implementation, complete implementation of this agreement, to the military option.

Now we also have to recognize that there may not be effective implementation of this agreement. We have to recognize there may not be any agreement and so forth, and that is why we are under instructions from the President to preserve and, indeed, we are improving—and I can't go into that here—the military option.

Because temporary as it is and so forth, it needs to be there because that is our fallback if it is the only path left.

Senator HEINRICH. Since we are pursuing this accord, under this accord, do you think that that option gets more effective and stronger or less effective over the course of implementation of this deal?

Secretary CARTER. As I indicated earlier, from a purely technical and military point of view, it gets marginally more effective, and the reason for that is that we have a more complete understanding of where everything is that could be associated with their nuclear program that we might strike and have more detail about the nature of those things. And so, it just follows that we——

Senator HEINRICH. That makes perfect sense. Secretary Moniz, I want to get you because I don't have a lot of time left. But can you talk a little bit, from the point of view of a nuclear physicist, about why it is so difficult to—if you have a covert facility where enrichment occurs, why it is so hard to sort of clean up the signs of having uranium or, for that matter, plutonium at a facility like that?

And would you answer the question, would an undeclared facility itself be a violation of the JCPOA?

Secretary MONIZ. Well, on the second part, absolutely an undeclared facility would be—would be a violation, and I think, frankly, a stern response would be in order.

With regard to the cover-up, there is not too much we can say here in public. But just to say that the dealing with nuclear materials, whether it is enrichment or looking at the characteristics of uranium in an explosive situation, for example, would tend to leave lots of very, very small particles, difficult to clean up. But beyond that, we could talk in a classified environment.

Senator HEINRICH. Thank you both very much.

Chairman MCCAIN. Senator Sullivan?

Senator SULLIVAN. Thank you, Mr. Chairman.

Thank you, gentlemen.

You know, one of the frustrations that you are seeing here with the Congress is we are reading it. We are digging into it. And yet when we have questions, looking at the language, we seem to get these spin answers that don't seem to comport with the language.

So, Secretary Lew, Secretary Kerry, I want to go back to the snapback provision. But is there a term called "the snapback provision" in the agreement?

Secretary KERRY. I don't think it is specifically referred to as such.

Senator SULLIVAN. No, there isn't. The word "snapback" is not in the agreement.

Secretary LEW. No, but it is created by the——

Senator SULLIVAN. Let me let me make my point, Mr. Secretary. I got a lot of questions, and I don't have a lot of time.

I think it would be helpful if you didn't use that term much. It is not in the agreement. I think, in some ways, it is deceitful because it is an illusion. And I think that, in many ways, the provision in the agreement—and I will have my question—the snapback is actually more focused on the United States than it is Iran.

And as you know, Mr. Secretary, those of us who were involved, I was, in the Bush administration with getting countries to actually economically isolate Iran, we used a lot of leverage. We did use leverage with countries, saying, hey, you either are going to be in their market or ours. And that was effective.

But it goes to this idea if there is some kind of snapback, that was a slog. That wasn't a snap. That took years to get countries to divest out of the Iranian economy. It will take years to do it again.

But let me ask a hypothetical. It was actually a question I asked during the closed hearing. A number of Senators, Republicans and Democrats, were not satisfied with the answer, and it focuses a little bit on what Senator Ayotte said.

So let us assume sanctions are lifted. We get the, whatever, $60 billion—the Iranians are looking for $120 billion of additional investment. So that is on top of what we would have in terms of whether it is $59 billion or $60 billion.

No violations of the agreement. The economy is humming along. There is an act of terrorism. By the way, the sanctions that are lifted are Annex 2, which is essentially all our bullets. This is a lot of American power, including the unilateral sanctions that you mentioned, Secretary Lew, on the financial system.

An act of terrorism happens. It is big. They kill more American troops. They blow up a consulate. It is likely. I think it is likely that they are going to do that in the next 10 years.

The Congress is upset. The new President is upset. We impose sanctions. We reimpose Annex 2 sanctions. This is our power.

And Mr. Secretary, Secretary Lew, I am glad that you have talked about how this is power. We do have a lot of unilateral power with regard to sanctions. So then Iran cites paragraph 26 of the agreement, and I am going to read it.

It says, "Iran will treat such a reintroduction or reimposition of sanctions as grounds to cease performing its commitments." Deal is over.

They are cranking. Their economy is cranking. We just sanction them for terrorism with these sanctions, and they can walk. They can legally walk from this agreement.

So let me ask you this. If we ever, ever impose so- called snapback sanctions, isn't the deal over? Where am I wrong on that question?

Secretary LEW. Well, Senator, we would snap sanctions back once they violated the agreement.

Senator SULLIVAN. No, no. I am talking about—no, no. I am not talking about a violation of the agreement.

Secretary LEW. Let us talk about two different about two different worlds. One, they violate——

Senator SULLIVAN. Answer the question. You didn't answer it in the closed setting. You are not answering it now.

Secretary LEW. You asked two questions. I was answering the first one. I was just taking them in order.

The first set of questions you asked was about the snapback, does it work? Yes, it works because if they violate the agreement, our unilateral sanctions, we can do. As you know, I have the authority to put those back into place. The U.N. sanctions were structured so they will go back into place.

Senator SULLIVAN. And they can walk.

Secretary LEW. No. That is if they violate the nuclear agreement. So scenario one is they violate the nuclear agreement.

Scenario two, they blow up some facility. They take an act of terrorism. They do something non-nuclear. We have the right to put these kinds of measures in place. They are not nuclear sanctions at that point. They are terrorism sanctions at that point.

Senator SULLIVAN. Iran has stated that it will treat such reintroduction, reimposition of the sanctions in Annex 2——

Secretary LEW. But, Senator, it is not——

Senator SULLIVAN.—in Annex 2 as grounds to cease performing its commitments. How am I not reading that correctly?

Secretary LEW. Sir, Annex 2 illustrates, lists the nuclear sanctions——

Chairman MCCAIN. The Senator's time has expired.

Senator SULLIVAN. I know what is in Annex 2. It is huge.

Secretary LEW. Right.

Senator SULLIVAN. The Senator's time has expired.

Secretary LEW. And I am happy to pursue this in greater detail. It is an important issue, but we have not given away our ability to put these kinds of measures in place for non-nuclear purposes, provided they comply with the nuclear agreement.

If they don't live with the nuclear agreement, they go back for violation of the nuclear agreement.

Senator SULLIVAN. I think the Iranians have a different view.

Chairman MCCAIN. Senator Lee?

Senator LEE. Thank you, Mr. Chairman.

I have got a number of questions regarding the military implications of this deal. There is one other issue I want to follow up on, though.

Secretary Kerry, why isn't this a treaty? And as a treaty, why isn't it subject to advice and consent with two-thirds of the Senate concurring?

Secretary KERRY. Well, there are many reasons why, Senator, not the least of which is that we don't have diplomatic relations with Iran. This is a situation with a multilateral agreement with many countries, and you don't normally negotiate a treaty in that kind of context. So it is a political agreement, and we believe that the leverages that are in it through the snapback of sanctions, through the oversight and the inspections are very powerful incentives for Iran's compliance.

Senator LEE. Okay. I would note that there is nothing in Article II, Section 2 that limits the definition of treaty along the lines of what you described. And in fact, nothing in your definition of the term "treaty" on the State Department's own Web site limits it that way, and it defines "treaty" as "a formal written agreement be-

tween sovereign states or between states and international organizations."

It doesn't limit it to the fact that it has to be between two. I don't think that is an adequate answer, but we will move on.

General Dempsey, presumably, one of the weapon systems that Iran is likely to acquire and that Russia has indicated a willingness to sell would be an advanced air defense system. Can you describe for us what kind of impact this might have on U.S. military operations? For example, a hostage rescue operation, reconnaissance operations, and so forth?

General DEMPSEY. Yes, there is no question, Senator, it would make application of the military option to reduce their nuclear capability more difficult and—but not impossible. But more difficult.

Senator LEE. Thank you.

Now Wendy Sherman, the chief negotiator for the United States during these talks, stated in February of last year, of 2014, to the Senate Foreign Relations Committee that Iranian ballistic missiles were "indeed going to be part of something that would have to be addressed as part of the comprehensive agreement."

Now, Secretary Kerry, at that time, was Secretary Sherman referring to lifting the U.N. embargo on ballistic technology when she made this statement to the Foreign Relations Committee, or did the United States intend to include restrictions on ballistic missiles in this agreement?

Secretary KERRY. Well, it does include. In fact, it is under Chapter 7 and enforceable therefore under the United Nations Article 41. And there are restrictions within this agreement.

And I would also comment on the earlier question that the defensive weapons are not covered by the embargo. So the S–300, for instance, from Russia is not covered anyway.

Senator LEE. I do have to ask you another question, Secretary Kerry. Given the fact that one of the problems that we have got with Iran, one of the reasons why we are so concerned about Iran getting nuclear weapons has to do with the fact that this is a roguish state, a state that has made not only threats, but taken aggressive actions toward the United States and her allies.

It has taken—made threats to wipe Israel off the map, for example. There are real reasons why we don't want them getting nuclear arms.

In light of the fact that that is the biggest reason why we are so concerned, why we are willing to enter into negotiations to possibly lift sanctions against Iran, giving Iran a big economic benefit, why, why on earth didn't we insist as a condition precedent to getting any deal at all that Iran, for the love of God, cease and desist from its terrorist ambitions, cease and desist from making comments like that it wants to wipe Israel off the map, cease and desist from undertaking and funding acts of terrorism against the United States and her allies?

Secretary KERRY. Well, as was mentioned earlier, look, it would be great and ideal if one could negotiate that. I am not sure how long it would take. And given the imperatives that we had with respect to Iran's 19,000 centrifuges, 12,000 kilograms of weapons fissile material equal to 10 to 12 bombs already, their mastering of the fuel cycle, and their near imminent finishing of the Arak re-

actor, which would have produced weapons-grade plutonium at the rate of two weapons a year, we felt that we had to keep this targeted on the greatest threat of all that you have just defined, which is the potential of their having a nuclear weapon.

And if, indeed, they are meaning to translate their slogans of "death to America, death to Israel" into policy, then getting rid of the nuclear weapon is everybody's first imperative here. So that is what we focused on because we knew that you could get tangled up. Our definition, you know, one man's freedom fighter is another man's terrorist.

You can be fighting forever on the issue of Sunni, Shia, definitions of who is protecting whom, and you won't get anywhere. You literally will not get there. That is why we separated those activities.

Now that does not——

Chairman MCCAIN. Senator Manchin?

Secretary KERRY. That does not reduce our commitment, as we have defined here again and again, to push back on every one of those activities. But it is easier to push back against an Iran that doesn't have a nuclear weapon than one that does.

Chairman MCCAIN. Senator Manchin has one question, I believe?

Senator MANCHIN. I just have one. Yes, one question very quick.

I read—and I just want to go over this and just any reaction you may have. Fareed Zakaria wrote, and I read this in my local paper back home.

"Let us imagine the opponents of the nuclear agreement with Iran get their way. The United States Congress kills it. What is the most likely consequence? Within 1 year, Iran would have more than 25,000 centrifuges. Its breakout time would shrink to mere weeks, and the sanction against it would crumble. How is this in America's national interest, Israel's or Saudi Arabia's or any of the people in that area?"

And they say it is not a plausible scenario. In 2005, three European powers rejected a nuclear deal with Iran with 2 years of negotiation. So all I would ask is if this does collapse, does it put them on an accelerated—with their intentions being shown already, does it put them on an accelerated path? And I think maybe it might be——

Secretary KERRY. Well, we believe so. The President believes it. Our intel community believes it. Our intel community has made it very clear to us what—that there is no return to negotiations with this ayatollah and that they will then believe we have given them the reason that they have to develop a nuclear weapon.

Senator MANCHIN. Well, let me just say——

Secretary KERRY. Because we won't deal in good faith.

Senator MANCHIN. John—I'm sorry, Secretary. Between November 2012 and 2013, even when we had the noose around their neck, they still produced 6,000 more centrifuges. So their determination is to do it no matter how much we have them strangled. Correct?

And Secretary Moniz, have you all followed that as far as——

Secretary MONIZ. That is quite correct, yes.

Senator MANCHIN. So they are determined. They are going to move forward?

Secretary MONIZ. Absolutely. They have declared they would go to hundreds of thousands of SWU [Separative Work Unit] versus the current 20,000——

Senator MANCHIN. And you believe in the heart of hearts and deep in your soul——

Chairman MCCAIN. The one question is now expired.

Senator Graham?

Senator MANCHIN. Thank you, sir.

Senator GRAHAM. Thank you.

General Dempsey, do you believe the Iranians have been trying to build a bomb or a nuclear power program for peaceful purposes all of these years?

General DEMPSEY. I believe they have a militarization aspiration.

Senator GRAHAM. Who is the commander-in-chief of the Iranian armed forces, Secretary Carter? Who calls the shots?

Secretary CARTER. The supreme leader.

Senator GRAHAM. Who decides if Iran goes to war? The supreme leader, right?

Secretary CARTER. I believe so, yes.

Senator GRAHAM. Who decides if they try to break out, the supreme leader?

Secretary CARTER. Yes.

Senator GRAHAM. Does the supreme leader's religious views compel him over time to destroy Israel and attack America?

Secretary CARTER. I don't know. I don't know the man. I only——

Senator GRAHAM. Well, let me tell you, I do.

Secretary CARTER.—read what he says. I read what he says.

Senator GRAHAM. I know the man. I know what he wants. And if you don't know that, this is not a good deal.

Could we win a war with Iran? Who wins the war between us and Iran? Who wins? Do you have any doubt who wins?

Secretary CARTER. No. The United States wins a war.

Senator GRAHAM. We win. Is it your testimony here that Saudi Arabia is okay with this deal, and they have committed to you they are not going to feel compelled to get a bomb because of this deal?

Secretary CARTER. No. My testimony is that I can't speak for Saudi Arabia. I have spoken to Saudi Arabia.

Senator GRAHAM. Well, you have spoken for Saudi Arabia all over the American media, reassuring everybody on this committee they are okay.

Secretary CARTER. I reported what they said. So——

Senator GRAHAM. Well, you think they were lying to you?

Secretary CARTER. Of course not. Of course not.

Senator GRAHAM. Or do you think they would want weapons? Do you think they were telling you what you wanted to hear to give them weapons?

Secretary CARTER. I only could say what they said. This is a little bit like what is the ayatollah thinking? I only read what he says.

Senator GRAHAM. Yes, okay. Fine.

Secretary CARTER. And I just take it at face value.

Senator GRAHAM. Who is your counterpart, Mr. Moniz? What is his name?

Secretary MONIZ. Mr. Salehi.

Senator GRAHAM. Have you read what he said on July 22nd, according to Middle East Media Research Institute, about the side deal? He said, let us see, "We have reached an understanding with the IAEA. God willing, there will be very positive results. We do not accept the PMD [Previous Military Dimensions] arrangement. We don't agree with that, and we reject the concept."

What kind of arrangement has he made to make him feel so positive?

Secretary MONIZ. First of all, I had not read it. That is the first question——

Senator GRAHAM. I am going to give it to you.

Secretary MONIZ. Second——

Senator GRAHAM. You don't have to answer. Would it be surprising to you that he is telling the Iranian people don't worry about this side deal. We are going to get a good outcome?

Secretary MONIZ. I assume what he is suggesting is that——

Senator GRAHAM. Well, if you didn't know about it——

Secretary MONIZ. Is that there were no nuclear materials in Parchin, and that remains to be seen. That is my assumption, but I don't know.

Senator GRAHAM. I assumed that he is saying that we have reached an arrangement that we are okay with. That is what I assume, but the difference does matter.

Secretary MONIZ. I would read it differently just from hearing it.

Senator GRAHAM. Okay. Well, we don't know what he means. And apparently, we don't know what the ayatollah wants. I know what he means. He means he has reached an agreement where they don't have to worry about an inspection, and I think the ayatollah will eventually acquire a nuclear weapon unless somebody stops him.

Do our allies in Israel, across all party lines, believe this is a bad deal, Secretary Kerry?

Secretary KERRY. No. Not everybody believes it is a bad deal.

Senator GRAHAM. Name one political party in Israel.

Secretary KERRY. Oh, political party? I am sorry.

Senator GRAHAM. Yes, people who are actually governing the country. Name one political party in Israel that is for this deal.

Secretary KERRY. I didn't hear you say political party.

Senator GRAHAM. I am sorry. I——

Secretary KERRY. Political parties are opposed.

Senator GRAHAM. Every political party in Israel is opposed to this deal. So when you speak about Israel in this deal, it is not BiBi [Netanyahu], it is everybody.

Thank you.

Secretary KERRY. No, Senator, it is not.

Chairman MCCAIN. The Senator's time has——

Secretary KERRY. It is actually not everybody. Ami Ayalon, the former head of Shin Bet——

Senator GRAHAM. Not a political party.

Secretary KERRY. No, but you said everybody in Israel.

Chairman MCCAIN. The time has expired. I don't think we—Senator Cruz?

Senator CRUZ. Thank you, Mr. Chairman.

Gentlemen, thank you for being here. I would ask that your answers be brief because my time is limited.

General Soleimani, the head of the al-Quds Forces, has more blood of American service members on his hands than any living terrorist. Under this agreement, the sanctions on General Soleimani are lifted.

Now Secretary Kerry said to the families of those men and women who gave their lives, who were killed by General Soleimani we should apologize.

Secretary KERRY. I never said we should apologize.

Senator CRUZ. Secretary Carter, I understand that the Joint Personnel Recovery Agency has a classified list of roughly 500 American soldiers who were murdered by Iranian IEDs [improvised explosive devices]. I would ask, Secretary Carter, so that we can do what Secretary Kerry suggested, that the Defense Department release that list to every member of this committee, declassify that list and release it directly to the service members' families who were murdered by General Soleimani.

Secretary CARTER. Well, let me look into that, and I will get back to you, Senator.

Secretary KERRY. Senator, I never said the word "apology." I never mentioned apologize. I said we should thank them for their extraordinary service. I never said a word "apologize." Please, don't distort my words.

Senator CRUZ. Secretary Kerry, it is duly noted that you do not apologize to the families of the service members who were murdered by the Iranian military.

Secretary KERRY. That is not what I said, Senator.

Senator CRUZ. Do you apologize or not? I don't want to put words in your mouth. So which one is it?

Secretary KERRY. I thank them. I thank them for their extraordinary service, and I would remind them that the United States of America will never take the sanctions off Qasem Soleimani.

Senator CRUZ. Sir, I just want clarity. Do you apologize or not? Because you wanted to clarify that point.

Secretary KERRY. I said we thank them for their service, but we will not take the sanctions off Qasem Soleimani.

Senator CRUZ. All right. Secretary Moniz, I want to turn to a different question. The single greatest threat to the United States if Iran acquires a nuclear weapon is that of an electromagnetic pulse, a nuclear weapon detonated in the atmosphere over the Eastern Seaboard that could kill tens of millions of Americans.

On July 23rd in testimony before Congress, you told the United States Senate you hadn't read the congressionally mandated commission on EMPs [electromagnetic pulses] and that you didn't know what an EMP was.

Secretary MONIZ. That is incorrect. I said I did not know this 2008 report recommendations. I said I was quite familiar with the issue, and we all know about EMPs from airburst nuclear weapons.

Senator CRUZ. Secretary Moniz, let me read the testimony verbatim so that I don't mischaracterize you.

"Senator Johnson—" Let me—sir, let me read what you said.

Secretary MONIZ. Please.

Senator CRUZ. "Senator Johnson: Are you familiar with the EMPs commission's 2008 report?"

"No, I am not, sir."

"You are not? Do you know—do you know what an EMP is?"

"You will have to explain it to me, please."

Secretary MONIZ. What?

Senator CRUZ. I find that stunning. This is testimony. You can read the record.

Secretary MONIZ. That was about the report. If you read further in the testimony, you will see my explicit statement. Of course, I know about the issue. I happen to know something about nuclear weapons. I know about EMPs. I know about various actions——

Senator CRUZ. Do you agree that an EMP detonated by Iran in the atmosphere could kill tens of millions of Americans?

Secretary MONIZ. An EMP detonated by anyone obviously is a very potent weapon.

Senator CRUZ. It could kill tens of millions of Americans. Do you agree with that?

Secretary MONIZ. That would depend, obviously, on the specifics of the case.

Senator CRUZ. But do you agree that it could?

Secretary MONIZ. It depends upon the specifics. These are highly variable.

Senator CRUZ. Does that mean, yes, it could?

Secretary MONIZ. I said it is highly variable in its impact.

Senator CRUZ. Okay. You are refusing to answer the question.

Secretary Carter, is it correct that Iran is the leading state sponsor of terrorism in the world?

Secretary CARTER. I was asked before, and I believe that is true, yes.

Senator CRUZ. Do you have any doubt whatsoever if in excess of $100 billion goes to Iran that some of that money will go to jihadists who will use it to murder Americans?

Secretary CARTER. I can't say that. I can say that their malign activities about which we are extremely concerned are quite well funded today.

Senator CRUZ. Okay. But finally, because I just have a second left——

Secretary CARTER. And it is those malign activities and the rest of the conduct that makes it so important that they not also have a nuclear weapon.

Senator CRUZ. Finally, because I just have a second left, Secretary Kerry, you told Senator Lee that this was not a treaty because we don't have diplomatic relations with Iran. I would note that is directly contrary to the testimony you gave yesterday to the House.

Secretary KERRY. No, it is——

Senator CRUZ. When you were asked—when you were asked why is this not considered a treaty? And I will read your answer verbatim.

"Well, Congressman, I spent quite a few years——"

Secretary KERRY. Senator, I know what I——

Senator CRUZ. Sir, let me ask the question.

Secretary KERRY. You are not reading my whole answer because I also said what I just said.

Senator CRUZ. Well, Congressman—Secretary Kerry?

Chairman MCCAIN. The Senator's time—I apologize. The Senator's time has expired, and I promised the witnesses that I would get them out, as every member that wanted to was able to ask questions.

I would appreciate—I want to tell the witnesses I appreciate their patience. I know it has been a very long morning for them. I also know that they appreciate the gravity of this issue and the importance of allowing every member of the committee to at least ask questions and be informed by your testimony.

So, Senator Reed?

Senator REED. Mr. Chairman, could we keep the record open in case there are Senators that have written questions?

Chairman MCCAIN. I am sure that Senator Manchin will have a written question for you.

Senator NELSON. And I will as well.

Chairman MCCAIN. So—as will Senator Nelson.

Chairman MCCAIN. So I want to thank the witnesses, and this is a very important issue and the testimony has been very important I think not only to members of the committee, but the entire Senate. I thank the witnesses.

We are adjourned.

[Whereupon, at 1:02 p.m., the hearing was adjourned.]

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR ROGER F. WICKER

TRUST WITH GULF ALLIES

Senator WICKER. Secretary Carter and General Dempsey, let me start by making some observations about the Persian Gulf, and then ask some questions about our allies in the Gulf—specifically Saudi Arabia and the UAE. In 2009 the U.S. entered into a civilian nuclear energy cooperation agreement or 123 agreement with the United Arab Emirates (UAE). As part of the agreement, the UAE renounced the military use of nuclear technology and signed the IAEA's Additional Protocol, which institutes a more stringent inspections regime on the UAE's nuclear activities.

The UAE 123 agreement is now known as the nonproliferation "gold standard" for nuclear cooperation agreements. I would observe that this gold standard addresses Israel's primary concerns about nuclear cooperation with our partners in the Gulf. I would also observe that the U.S. has not reached a 123 agreement with Saudi Arabia because the Saudis will not agree to an agreement that achieves a similar gold standard.

Finally, I'd observe that despite being a party to the Nuclear Nonproliferation Treaty (NPT), Iran swore never to obtain nuclear weapons or to use nuclear technology for military purposes. But Iran has consistently cheated and lied to the IAEA for 30 years, with seven of eight major nuclear sites started secretly in violation of the NPT.

1. Secretary Carter, you recently returned from a visit to Saudi Arabia. How did you explain to our Saudi friends that the Administration trusts Iran more than we trust the Saudis? How would you explain to our friends in the UAE that the Administration trusts Iran more than we trust the Emirates?

Secretary CARTER. To be clear, the nuclear accord with Iran is not about trust but about verification. As Secretary of Defense, I will continue to ensure that appropriate military options are available to the President. During my trip to Saudi Arabia in July, I conveyed this message at the highest levels of the Saudi government and reiterated that the Iran nuclear deal is in our common interest as it will further a more stable and secure region. Furthermore, I reminded the Saudis of the strength of our strategic partnership, as well as that U.S. assurances to protect

Saudi Arabia's security do not change in light of a nuclear agreement with Iran. The United States continues to work with each country—as well as multilaterally with the Gulf Cooperation Council States—toward strengthening the regional security architecture in a manner that, combined with the strong U.S. military force posture in the region, deters Iran from coercing its neighbors. My message to the United Arab Emirates is and will remain in the same vein. Advanced partnerships with our Gulf partners, as well as the Joint Comprehensive Plan of Action, clearly support U.S., Saudi, and Emirati strategic interests in Middle East stability.

2. Senator WICKER. General Dempsey, based on your engagement with your Saudi counterparts, is it your professional military judgement that the Saudi military and intelligence services view Iran as a threat? The U.S. has Patriot missile batteries on alert in Bahrain. Is it correct to say that these missile batteries are intended to thwart a missile attack from Iran?

General DEMPSEY. [Deleted.]

IRAN AND THE MILITARY OPTION

Senator WICKER. The arms embargo and ballistic missile restrictions on Iran will be lifted not later than eight years from now, and possibly much sooner.

3. What problems do you see the lifting of these restrictions creating for our regional allies and for our own forces operating in the Middle East?

Secretary CARTER. The only arms and missile sanctions that will be relieved are those that were put in place by the United Nations Security Council, which expressly linked the sanctions to concerns about Iran's nuclear program. The United States has a number of domestic and other multilateral authorities related to counterterrorism and counter proliferation that we will continue to use to counter Iran's destabilizing activities. Those tools include sanctions under U.S. law that generally target weapons of mass destruction and missile proliferation around the world. The United States will continue efforts to counter missile proliferation to Iran through the use of U.S. domestic law sanctions, export controls, and the 34-country Missile Technology Control Regime (MTCR). Finally, the U.S. military is postured in the region to act as a deterrent against any Iranian military aggression.

Furthermore, the Department will continue to advocate for strong international responses, including U.S. action, if Iran should violate U.S. or other multilateral sanctions. Coalition efforts to stop Iranian shipments to Yemen demonstrate our resolve on this matter.

General DEMPSEY. Our regional allies understand that the United States is committed to defense of the region. Our military remains engaged through forward basing, joint and combined exercises, and senior-leader engagements. In my discussions with our allies in the region, they express their confidence in our security cooperation and security assistance efforts to develop their respective armed forces into a deterrent force to counter Iran's malign activities in the gulf.

4. Senator WICKER. What steps can we take to deal with the challenges created by Iran expanding its activities in these arenas?

Secretary CARTER. The Administration is fully aware of the threat posed by the Iranian ballistic missile program. That is why the Administration has taken the steps to ensure that the United States is protected today by the Ground-based Midcourse Defense (GMD) system from potential Iranian Inter-continental Ballistic Missiles. The Administration is also taking steps to increase the effectiveness of the GMD system by 1) improving the reliability of the Ground-Based Interceptor kill vehicle; 2) deploying a Long-Range Discrimination Radar in Alaska; and 3) enhancing the discrimination capabilities of currently deployed ground-based sensors. The Department continuously monitors Iran's efforts to develop ballistic missiles and are prepared to take steps, as necessary, to ensure that the United States remains protected from future Iranian threats.

General DEMPSEY. The first step will be to prevent Iran from acquiring advanced, offensive weapons by working with our partners to be selective in what they choose to sell to Iran. With respect to curbing ballistic missile acquisition, we will continue to employ the Missile Technology Control Regime members' voluntary export. I don't assume that these efforts will be 100 percent successful, so the second step will be to deter and contain Iran's conventional and ballistic missile capabilities. If Iran continues to abide by the JCPOA, they will one day be able to legally import and export weapons, but we will retain the right—through multiple UNSCRs—to interdict illegal shipments to their proxies. In addition to enabling our partners' conventional forces, we will also help to build missile defenses in both the region and at home that will significantly diminish Iran's ballistic missile threat.

ARMS EMBARGO AND MISSILE EMBARGO

Senator WICKER. The JCPOA makes no mention of the arms embargo or the missile embargo. Rather, these provisions were included in United Nations Security Council Resolution 2231. Regarding this, Foreign Minister Zarif said on July 21, "The issue of missiles and the purchase and sale of arms is implicitly beyond the [scope of the] deal. It is only included in a resolution and its non-implementation will not be considered a violation of the deal,"

5. General Dempsey, according to UN Security Council Resolution 2231, the arms embargo on Iran will be lifted if the IAEA submits a report that concludes that Iran's nuclear program is peaceful. General Dempsey, is that of concern to you?

General DEMPSEY. While it is unlikely that the IAEA will reach its Broader Conclusions before the 5 or 8 year thresholds, it may do so if Iran proved cooperative, open and honest about its program. The JCPOA buys us time while we continue to focus on Iranian malign activity.

6. Senator WICKER. General Dempsey, can you clarify whether violations of the arms embargo would be considered violations of the JCPOA? Would we be able to snapback sanctions should Iran violate the arms and missile embargos?

General DEMPSEY. Yes, a violation of the arms embargo would be a violation of the JCPOA. According to the agreement, the U.S. may unilaterally respond to an Iranian violation by choosing not to meet its commitments in whole or in part. The U.S. may also invoke its option to call for a U.N. Security Council vote to maintain the suspension of sanctions. Under the agreement, the U.S. may act unilaterally to snap-back sanctions through its veto option as a standing member of the U.N. Security Council.

7. Senator WICKER. General Dempsey, is Iran continuing to provide arms to Shiite militias in Iraq? To Houthi rebels in Yemen? To the Assad regime? To Hezbollah? If the answer is yes, isn't Iran already violating key UNSC resolutions?

General DEMPSEY. Iran has sent arms and humanitarian aid to the Houthis, supported the Assad regime through weapons, funds, and advisors, and remains Lebanese Hezbollah's principal supporter. As a result, Iran is in violation of a number of UNSCRs including the resolution that established the arms embargo against Iran, UNSCR 1747.

QUALITATIVE MILITARY EDGE

Senator WICKER. We are Israel's strongest strategic ally. We work closely together in areas like missile and cyber defense and to uphold the IDF's qualitative military edge (QME). Israel believes this deal with Iran will create significant additional defense challenges.

8. General Dempsey, beyond the high-profile and valued cooperation on programs like Iron Dome, David Sling and the sale of the F–35 Joint Strike Fighter, how can we work more closely with Israel to tangibly bolster their security and deterrence in this more challenging regional strategic environment?

General DEMPSEY. The United States is Israel's strongest strategic ally. Preserving Israel's Qualitative Military Edge remains a priority. Our military cooperation with the Israel Defense Force is extensive and we will continue to work closely with our Israeli partners to prioritize Israel's security concerns and support them through the most advanced technology.

BALLISTIC MISSILES

Senator WICKER. The threat from ballistic missiles, rockets and cruise missiles continues to expand with terrifying speed across the Mideast. These weapons are being regularly used in Egypt, Gaza, Syria, Iraq, Yemen and elsewhere throughout the region. And yet we have just concluded an agreement with the nation supplying most of these weapons to its Middle East proxies in which constraints on such delivery systems are noticeably absent. In fact, the nuclear deal with Iran actually lifts current missile restrictions on Tehran after eight years. The Iranian regime certainly can be expected to increase its missile programs with investment from unfrozen financial assets in order to project strategic dominance while waiting out the decade-long clock limiting its atomic arms program.

9. General Dempsey, what is your current assessment of Iran's ballistic missile program and the capabilities of the U.S. and our regional allies to defend against Iranian missile attacks?

General DEMPSEY. [Deleted.]

10. Senator WICKER. General Dempsey, do you foresee the possibility that if Iran's ballistic missile capabilities continue to expand in size and sophistication there may be a similar phenomenon with other regional states?

General DEMPSEY. Yes, the other regional states feel threatened by Iran and will look to improve their ballistic missile defense capabilities as well as seek an offensive strike capability to counter potential Iranian aggression.

11. Senator WICKER. General Dempsey, what are the consequences for U.S. and partner security of Iran's unrestricted missile and rocket developments? Is there a probability that our Gulf partners will seek their own advanced surface-to-surface delivery systems in response? What is the risk for American forces in theater?

General DEMPSEY. Iran's missile and rocket development continues to pose a potential threat for U.S. forces and partner nations in the region. I believe our Gulf partners will seek their own advanced surface-to-surface delivery systems. Iran's missile and rocket capability will place our own forces operating in the Middle East in more danger as Iran develops more capable weapon systems and continues its malign activities in the region.

12. Senator WICKER. General Dempsey, what more—beyond current activities—do our Israeli partners need from us in countering the ballistic capabilities of Iran and its proxies that surround the Jewish state on virtually all sides?

General DEMPSEY. We are commited to working with Israel to address the Iranian ballistic missile threat. We are co-developing missile defense technology with Israel on David's Sling and the Arrow system and continue to prioritize Israel missile defense efforts. Since 2001, we have provided over three billion dollars for Ballistic Missile Defense to Israel, including funding for Iron Dome. More recently, the Secretary visited Israel in July and discussed this topic with both Prime Minister Netanyahu and Minister of Defense Ya'alon. Our continued work with Israel on the threat posed by Iran's ballistic missile forces is steadfast.

Senator WICKER. Current assessments of Iran's capabilities indicate the range, accuracy and quantity of Iran's ballistic arsenal today is improving dramatically in real time. Iran has been successfully using its space launcher program as a civilian cover for development of an ICBM.

13. General Dempsey, can U.S. and allied missile defenses sufficiently cope with this rapidly-evolving situation?

General DEMPSEY. We are matching the threat through the deployment and development of missile defense systems as part of European Phased Adaptive Approach capability as the US contribution to NATO ballistic missile defense. We currently have a radar system deployed to Turkey and an Aegis BMD ship in the Eastern Mediterranean. Soon we will activate the Aegis Ashore site in Romania and begin construction of one in Poland.

IMPLICATIONS FOR ISRAEL

Senator WICKER. Secretary Carter, you had the opportunity to visit Israel last week and General Dempsey, you did the same last month. As you both no doubt heard, the Israeli defense and security leadership have profound reservations about the Iran agreement—viewing it as so fundamentally flawed as to be in essence an international recognition of Iran as an emergent nuclear weapons state in the region.

14. Secretary Carter, what can you tell us about Israel's concerns about the proposed deal, based on your conversations with your Israeli counterparts?

Secretary CARTER. Israel has made its concerns with the nuclear agreement with Iran well known. The concerns shared with me during my visit to Israel are consistent with those being publicly articulated. Friends can disagree, however, and ultimately I believe that the best way to protect Israel from a nuclear-armed Iran is the negotiated nuclear framework reached between the P5+1 and Iran. The United States is steadfast in its commitment to Israel's security. During my visit to Israel last month, I discussed with Minister of Defense Ya'alon several opportunities for deepening cooperation with Israel, including on Iranian missile threats and asymmetric regional challenges.

COUNTERING IRANIAN REGIONAL ACTIVITIES

Senator WICKER. I think we all can agree that Iran is unlikely to change its regional behavior in the wake of this agreement. If anything, flush with new re-

sources, Iran will increase its regional mischief. The administration has indicated the U.S. will continue to confront Iran in the region.

15. Secretary Carter, what specific actions will the U.S. take if Iran, after sanctions relief, provides more funding to terrorist groups and expands its malign activities in the region?

Secretary CARTER. First, Iran's economy is faltering and I would expect that any financial gains Iran realizes from sanctions relief will be needed for the domestic economy—some Iranian leaders have said as much. Iran needs about half a trillion dollars to meet pressing investment needs and government obligations. That said, Iranian support to militants or terrorists does not require substantial resources.

Therefore, it is important to focus on strategies that counter this behavior, especially by working with our partners in the Gulf. The United States has sufficient domestic authorities—including sanctions authority under U.S. law—to counter Iran's support for terrorism and other destabilizing activities. The United States continues to enforce U.S. sanctions based on Iran's support for terrorism and human rights abuses. The United States will also continue to work with key partners to counter Iran's destabilizing activities in the region.

Deterrence is always a complex enterprise, but our partnerships and preparations keep us well postured to counter Iranian destabilizing activity. The Department will remain vigilant, but as the President stated, Iran won't use the majority of sanctions relief for its support to terrorism, and the United States' unilateral sanctions targeting those activities will remain in place. The Department will continue to work with interagency partners to check Iranian destabilizing activities.

16. Senator WICKER. Secretary Carter, what is your plan to confront Iranian actions in Lebanon, in Syria, in Yemen, in Iraq and in the Palestinian territories?

Secretary CARTER. The United States will continue to counter Iranian malign influence in the region. The Department remains prepared and postured to bolster the security of regional partners, including Israel, to defend against aggression and to ensure freedom of navigation in the Gulf. The United States remain cognizant of Iran's continued support for the Assad regime in Syria, and that Iran has supported rebel groups in Yemen and throughout the region. U.S. forces will remain postured to challenge that activity when it runs counter to U.S. interests or destabilizes the region.

The President has made clear his readiness to further strengthen U.S. support to Israel's security, including through negotiating a new ten-year Foreign Military Financing (FMF) memorandum of understanding and increasing missile defense funding. The Department is also supplying Israel with a large resupply package of essential munitions to deter and defend against any threats.

Furthermore, the U.S.-Gulf Cooperation Council (GCC) Summit at Camp David was about strengthening historical partnerships in order to confront new challenges facing the Middle East. There was a recognition that all of the GCC States, as well as the United States, need to commit to broadening and deepening bilateral U.S.-GCC relationships to advance our shared regional security interests.

Toward this shared goal of advancing the U.S.-GCC partnership, the United States and the GCC States seek to develop strengthened capabilities and coordination on issues such as maritime security, cyber security, ballistic missile defense and arms transfers, special operations forces, and exercises and training.

17. Senator WICKER. Secretary Carter, based on your conversations in the region last week, do you believe that Iran is part of the problem or part of the solution in Syria and Iraq?

Secretary CARTER. The Department of Defense has no plans to cooperate with Iran directly on Syria or Iraq. With that in mind, there is some space for Iran to begin playing a more constructive role in the region, specifically in Syria as it relates to a transition of power to end the Syrian civil war.

Senator WICKER. Last week, Secretary Kerry told the Senate Foreign Relations Committee that the U.S. will work to enforce UN Security Council Resolution 1701, which prohibits the transfer of weapons to Hezbollah.

18. Secretary Carter, how is the Pentagon planning to prevent the transfer of weapons to Hezbollah?

Secretary CARTER. The Department will rely on bilateral cooperation with countries in the region to block Iranian access to their territory for activities related to the illicit shipping of arms or missiles. The Department is already preparing with our Gulf partners—as discussed between the President and Gulf leaders at Camp David in May—to ramp up regional interdiction activities to ensure continued re-

strictions on Iranian missile and arms activity. Executive Orders 12938 and 13382 authorize U.S. sanctions on foreign persons involved in the proliferation of weapons of mass destruction or their means of delivery, including missiles capable of delivering such weapons, by a country of proliferation concern, such as Iran. The Iran, North Korea, and Syria Nonproliferation Act of 2006 provides for U.S. sanctions on entities and individuals involved in the transfer or acquisition of ballistic and cruise missiles. The Lethal Military Equipment Sanctions provision in the Foreign Assistance Act, the Iran Sanctions Act of 1996, and the Iran-Iraq Arms Nonproliferation Act of 1992, also provide for U.S. sanctions in certain cases involving the sale or transfer of conventional arms. In addition, Executive Order 13224 provides for the imposition of sanctions on persons that provide material support to Hizballah, an entity designated under that executive order.

The Department will still rely on a series of United Nations Security Council Resolutions (UNSCRs) that levy arms embargos relating to key countries of concern and help counter Iran's destabilizing activities in the region. Iranian arms transfers to prohibited recipients would thus still be a violation of UNSCRs, including to the Houthis in Yemen, to non-state actors in Iraq (including Shia militants), to non-state actors in Lebanon (including Hizballah), to Libya, and to North Korea. The Department will work with over 100 countries around the world that are participants in the Proliferation Security Initiative (PSI) to help limit Iranian missile-related imports or exports. The Missile Technology Control Regime (MTCR) also plays a critical role in preventing the spread of critical missile technology. The MTCR Guidelines maintain a strong presumption of denial of the transfer of Category I systems, which include ballistic missiles. The Department will continue to rely on countries' adherence to the MTCR Guidelines to stop transports in support of Iran's missile program.

INSPECTIONS AND VERIFICATION

Senator WICKER. Throughout the negotiations, including in the weeks prior to the agreement, the administration promised "anywhere, anytime" inspections. The agreement now allows "managed access" and could take up to 24 days to resolve any disputes over access and allow actual inspections.

19. Secretary Carter, the administration argues that having IAEA inspectors on the ground is going to give us additional insight into the Iranian nuclear program. Under the JCPOA, will these inspectors have the freedom to go to any other Iranian sites, including military sites, at-will?

Secretary CARTER. The International Atomic Energy Agency (IAEA) will be able to get timely access to the places it needs to go, or Iran will be in violation of the agreement. If the IAEA has a question about an undeclared facility, it will be able to request timely access through the Additional Protocol. This access requires notice of at least 24 hours—but such access has proven very successful in deterring and detecting illicit activities around the world. Even if Iran were to attempt to clean out a location before granting access, radioactive evidence is not easily removed. IAEA testing almost certainly would detect the recent presence of nuclear material if it had been present. And, most importantly, we will have robust insight into every part of Iran's nuclear program. Certain transparency measures will last for 15 years, others for 20 to 25 years, and some will last forever—such as Iran's adherence to the Additional Protocol. With this transparency, if Iran tried to reverse course and break out, we would see it and have time to respond.

QUESTIONS SUBMITTED BY SENATOR KELLY AYOTTE

ENRICHMENT OR ADVANCED CENTRIFUGES

20. Senator AYOTTE. Secretary Moniz, how many countries produce their own nuclear power but don't enrich their own uranium?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

21. Senator AYOTTE. Why did we agree to allow Iran to build advanced centrifuges in the first 10 years of the deal?

Secretary KERRY. Under the JCPOA, Iran is constrained to using only its first generation IR–1 centrifuges to enrich uranium for the first 10 years. Testing of Iran's more advanced centrifuge designs will be significantly constrained. Iran will have the option after Year 10 to undertake a gradual development of its enrichment program, consistent with an enrichment research and development plan, but it will be limited to enriching only up to 3.67 percent and constrained to a 300 kg stockpile

of this low-enriched uranium for another five years. These limitations are important to ensuring that Iran's breakout timeline does not drop dramatically after Year 10. Importantly, the transparency measures under the JCPOA will ensure unparalleled insight into Iran's program. Certain transparency and monitoring measures will last for 15 years, others for 20–25 years, and some will last indefinitely—such as Iran's adherence to the Additional Protocol. After 15 years, should we suspect Iran is pursuing nuclear weapons, we would have the same options available to us then as we do today to prevent such an effort from coming to fruition.

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

22. Senator AYOTTE. What kind of centrifuge research and development can Iran undertake in the first 10 years under the JCPOA?

Secretary KERRY. Under the JCPOA, Iran is constrained to using only its first generation IR–1 centrifuges to enrich uranium for the first 10 years. Research and development related to Iran's more advanced centrifuge designs will be significantly constrained. Under the JCPOA, Iran may only continue to conduct centrifuge research and development in a manner that does not accumulate enriched uranium. Iran may build or test, with or without uranium, only those centrifuges specified in the JCPOA. For 15 years, Iran must conduct all testing of centrifuges with uranium only at Natanz, and must conduct all mechanical testing of centrifuges only at Natanz and the Tehran Research Centre. For 10 years, Iran's enrichment R&D with uranium must only include IR–4, IR–5, IR–6, and IR–8 centrifuges. Mechanical testing on up to two single centrifuges for each type may be carried out only on the IR–2m, IR–4, IR–5, IR–6, IR–6s, IR–7 and IR–8.

Consistent with the JCPOA, Iran may continue the testing of a single IR–4 centrifuge machine and IR–4 centrifuge cascade of up to 10 centrifuge machines for 10 years. Iran may only test a single IR–5 centrifuge machine for 10 years. Iran may continue testing of the IR–6 on single centrifuge machines and its intermediate cascades, and may commence testing of up to 30 centrifuge machines from one and a half years before the end of Year 10. Iran may commence testing of the IR–8 on single centrifuge machines and its intermediate cascades, and may commence the testing of up to 30 centrifuge machines from one and a half years before the end of Year 10. Iran must proceed from single centrifuges to small cascades to intermediate cascades in a logical sequence.

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

EXCLUDING CONGRESS

23. Senator AYOTTE. Secretary Kerry, does the administration believe the U.N. Security Council's Resolution is legally binding on the United States if Congress rejects the deal?

Secretary KERRY. Nothing in the resolution requires the United States to take any action that would be inconsistent with the Iran Nuclear Agreement Review Act of 2015 (INARA). If Congress were to enact a resolution of disapproval over a veto by the President, the United States would not be under any legal obligation to cease the application of U.S. sanctions on Iran (as contemplated by the JCPOA) as a result of the UN Security Council's adoption of Resolution 2231. In fact, the same is true if such a resolution is not enacted.

However, if Congress were to override a veto on a resolution of disapproval and the United States walked away from this deal, the most likely scenario would be that Iran would refuse to meet its commitments under the JCPOA, the JCPOA would collapse, and the UN sanctions relief contemplated under UNSC Resolution 2231 would never materialize. This is because the UN sanctions relief under UNSC Resolution 2231 does not occur until the IAEA verifies that Iran has taken the nuclear steps outlined in the JCPOA. Without sanctions relief from the United States, Iran would not disconnect centrifuges, or get rid of its uranium stockpile, or fill the core of the current Arak reactor with concrete. In such a scenario, the existing UNSC sanctions regime would remain in place, but we anticipate that it would be much harder to ensure that these measures are adequately enforced. If the United States walked away from the strong deal that has been negotiated, other states would be less willing to cooperate with us in enforcing these measures, such as by interdicting suspicious cargo at our request. This would put us in the worst possible position of having no deal on the nuclear side, and losing our leverage to ensure the effectiveness of multilateral and national sanctions.

24. Senator AYOTTE. Secretary Kerry, if Congress rejects this deal, will the President attempt to implement portions of it anyway?

Secretary KERRY. Any action by the President to implement the JCPOA will be taken consistent with U.S. law, including the Iran Nuclear Agreement Review Act of 2015 (INARA).

If Congress rejected the deal by enacting a joint resolution of disapproval, the United States would not be in a position to fulfill its sanctions relief commitments under the JCPOA because of the restrictions under INARA. The expected result would be that Iran would refuse to meet its commitments, and the JCPOA would collapse. Without sanctions relief from the United States, Iran would very likely not take the significant nuclear steps required by the JCPOA to roll back and constrain its nuclear program, or provide unprecedented access to monitor it. In this scenario, the existing UNSC sanctions regime would remain in place because the IAEA would not be in a position to confirm that Iran has taken the nuclear steps outlined in the JCPOA. Compliance with these and other sanctions would begin to erode, however, as countries perceived that the U.S. had turned its back on a feasible negotiated solution. This would put us in the worst possible position of losing our constraints on Iran's nuclear program while our leverage begins to ebb.

25. Senator AYOTTE. Would you characterize the Iran deal as a "significant arms control agreement"?

Secretary CARTER. No, the Joint Comprehensive Plan of Action is not an arms control agreement. It is a strong non-proliferation deal that cuts off all of Iran's pathways to a nuclear bomb. It is not an "arms control agreement" in that it does not limit U.S. arms in any way and is not a legally binding international agreement.

Secretary KERRY. The JCPOA is a strong non-proliferation deal that cuts off all of Iran's pathways to a bomb. The JCPOA goes beyond standard IAEA safeguards requirements in providing for assured access to undeclared locations. It contains the most comprehensive inspection and verification regime ever negotiated to monitor a nuclear program. It is not an "arms control agreement" in that it does not limit U.S. arms in any way and is not a legally binding international agreement.

CENTRIFUGES

Senator AYOTTE. The administration, including in Secretary Kerry's testimony for the hearing, has repeatedly emphasized that the deal will require Iran to get rid of "two-thirds of its installed centrifuges."

26. Secretary Moniz, under the deal, how many Iranian centrifuges would be dismantled and destroyed—as opposed to disconnected and moved?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

27. Senator AYOTTE. Secretary Moniz, if Iran were to violate the agreement and move to reinstall 1,000 IR–2 centrifuges for use in a breakout, how long would that take?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

INSPECTIONS AND VERIFICATION

Senator AYOTTE. The deal establishes a tedious and time-consuming process that we can expect Tehran to exploit for gaining access to undeclared sites. As I understand it, the IAEA cannot even begin this 24-day process until after it informs Iran of its concern about a site, requests "clarification," and awaits Tehran's explanation. (Appendix 1, page 23, para 75.)

28. Secretary Moniz, this initial process will alert Iran to the IAEA's suspicions, and will take an undetermined amount of time. The JCPOA was supposedly crafted under the assumption that Iran will try to cheat. Assuming Iran will delay an inspection as long as it can within the terms of the plan—how long could it take from when the IAEA notifies Iran of its concern with an undeclared site until inspectors can enter the site?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

29. Senator AYOTTE. Secretary Moniz, for undeclared sites, it could take much longer than 24 days, couldn't it?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

Senator AYOTTE. A great deal of weaponization work does not include nuclear material and does not leave a radioactive footprint.

30. Secretary Moniz, won't Iran be able to conceal or move non-nuclear related weaponization work easily within the 24 day window?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

Senator AYOTTE. As Olli Heinonen, the former Deputy Director General for Safeguards of IAEA, has testified, "A 24-day adjudicated timeline reduces detection probabilities exactly where the system is weakest: detecting undeclared facilities and materials."

31. Secretary Moniz, while monitoring facilities with satellites during the 24 day period will detect large-scale efforts at deception, i.e. re-paving areas, ferreting out nuclear material or equipment, how will you prevent Iran from covering up other activities, like computer modeling for weaponization purposes?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

32. Senator AYOTTE. What happens if during the 24 day period we observe Iran cleansing a site?

Secretary KERRY. If Iran were to deny an International Atomic Energy Agency (IAEA) request for access to a suspicious undeclared location, and Iran and the IAEA cannot resolve the issue within 14 days, the issue is brought to the Joint Commission, which then has seven days to consider the issue. If Iran still will not provide access but five members of the Joint Commission (such as the United States, United Kingdom, France, Germany, and the European Union) determine that access is necessary, Iran must then provide access within three days.

Iran understands that any failure to cooperate with the IAEA will raise significant suspicions among the P5+1 and could lead to a snapback of sanctions. Following a request for access by the IAEA to a suspicious undeclared location, we would continue to closely monitor for indications that Iran was attempting to sanitize a site, and would respond appropriately should we observe such sanitization activities.

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

33. Senator AYOTTE. Would this constitute a significant violation of the agreement?

Secretary KERRY. If we believe that there has been a violation related to any commitment in the Joint Comprehensive Plan of Action (JCPOA), we can refer the issue to the Joint Commission. If, after a short period of time, our concerns are not resolved to our satisfaction, we could notify the United Nations (UN) Security Council that we believe Iran's actions constitute "significant non-performance" of its JCPOA commitments. We have full discretion to determine what is and is not significant non-performance.

The United States has the ability to re-impose both unilateral and multilateral nuclear-related sanctions in the event of non-performance by Iran. And, in the case of UN sanctions, under UN Security Council Resolution 2231 we could do so even over the objections of any member of the Security Council, including China or Russia. In addition, we have a range of other options for addressing minor non-compliance. These include snapping back certain domestic sanctions to respond to minor but persistent violations of the JCPOA. Our ability to calibrate our response will serve as a deterrent to Iranian violations of the deal.

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

34. Senator AYOTTE. Secretary Moniz, will the IAEA inspectors be able to move around the country without Iranian approval? The former Deputy Director General for Safeguards of IAEA, Olli Heinonen, has said that nuclear bombs or warheads can be put together in a relatively small space, some 239 square yards in size. How can the inspectors find a place like that without freedom to move without prior approval?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

35. Senator AYOTTE. Secretary Moniz, what happens if after the 24 day period Iran has still not provided access to a site? Are there consequences spelled out in the agreement for specific violations?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

Senator AYOTTE. As part of the IAEA process of requesting site access, the agency must provide Iran "reasons for access in writing and will make available relevant information."

36. Secretary Moniz, couldn't this reveal sources and methods and jeopardize future monitoring capability? Will we be limited in the number of times we are willing to come forward because we are concerned about exposing our sources?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

NUCLEAR ARMS RACE IN THE MIDDLE EAST

37. Senator AYOTTE. Secretary Carter, isn't it detrimental to U.S. national security interests to have more countries in the Middle East enriching uranium?

Secretary CARTER. I do not anticipate a nuclear arms race because of the deal. However, the Department will remain vigilant on this issue and watch regional developments closely. I believe this agreement will verifiably prevent Iran from acquiring a nuclear weapon and curtail, rather than exacerbate, the risk of an arms race. Additionally, the United States will remain committed to ensuring compliance with the Nuclear Non-Proliferation Treaty by all parties to the treaty, not just Iran. The United States retains authorities and capabilities to prevent nuclear proliferation around the globe, and continue to use these effectively.

38. Senator AYOTTE. Secretary Carter, isn't it reasonable to say that the more countries we have enriching uranium in the Middle East, the more likely it is that bad actors or terrorist groups could get their hands on nuclear materials that could be used against Americans?

Secretary CARTER. [Deleted.]

Senator AYOTTE. Referring to the nuclear negotiations with Iran, former Saudi intelligence chief Prince Turki al-Faisal, recently told BBC "I've always said whatever comes out of these talks, we will want the same. So if Iran has the ability to enrich uranium to whatever level, it's not just Saudi Arabia that's going to ask for that. The whole world will be an open door to go that route without any inhibition . . ."

39. Secretary Moniz, if this deal goes forward and Iran's enrichment program is legitimized and recognized, isn't it likely that countries like Saudi Arabia and the UAE will develop their own enrichment programs as well?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

DEAL IMPLEMENTATION INDEPENDENT OF IAEA REPORT ON PREVIOUS MILITARY DIMENSIONS

Senator AYOTTE. On July 22, the Head of Atomic Energy Organization of Iran said, "By December 15, at the end of the year, the issue (of the PMD) should be determined. The IAEA will submit its report to the board of governors. It will only submit it. The Joint Comprehensive Plan of Action will continue independently of the results of this report."

40. Secretary Kerry, will the implementation of this deal continue independently of the results of the IAEA report on Iran's previous military dimensions?

Secretary KERRY. The International Atomic Energy Agency (IAEA) and Iran have agreed on a time-limited "Roadmap" through which Iran will address the IAEA's concerns regarding past and present issues, including the possible military dimensions (PMD) of Iran's nuclear program and those specific issues set out in the IAEA Director General's November 2011 report. Under the Joint Comprehensive Plan of Action (JCPOA), Iran must complete the activities required of it in this Roadmap by October 15, well in advance of any sanctions relief. The IAEA will report whether or not Iran has taken those steps. If Iran does not take those steps, we will not provide sanctions relief.

DURATION

41. Senator AYOTTE. Secretary Kerry, does the new U.N. resolution expire in ten years?

Secretary KERRY. Ten years after JCPOA Adoption Day all provisions of UN Security Council Resolution (UNSCR) 2231 will be terminated, unless UN sanctions on Iran have been snapped back as permitted by the resolution. The P5+1 have indicated their intention to extend the snapback provisions of UNSCR 2231 for an additional five years beyond the resolution's ten-year duration.

42. Senator AYOTTE. Secretary Kerry, what does that mean for Iranian restrictions and obligations after the ten year mark?

Secretary KERRY. This is a long-term deal that has many elements and different phases, and some key elements that last forever. UNSCR 2231's snapback provision will provide a significant incentive for Iran to meet its commitments for the ten years of the resolution, plus an additional five years if the P5+1 are able to extend the snapback provision as they have stated they will do. However, the risk that UNSCR sanctions will snap back is not the only incentive for Iran to meet its commitments, as U.S. and EU sanctions may be re-imposed at any time if Iran fails to comply with the JCPOA.

For 10 years, Iran will be subject to very strict limitations on its domestic enrichment capacity and research and development—ensuring a breakout time of at least a year.

For at least 15 years, Iran will be subject to strict limitations on core elements of its nuclear program, including an enriched uranium stockpile limit of 300 kg of UF6; a limit on heavy water, consistent with Iran's needs following conversion of the Arak reactor; no uranium enrichment or fissile material at the Fordow facility; all enrichment capped at no more than 3.67 percent, far short of what is usable in a nuclear weapon; no production of reactor fuel in Iran unless approved by the United States and our partners; and no reprocessing of irradiated nuclear fuel, which prevents the acquisition of plutonium for weapons.

In addition, for 15 years, Iran is committed not to conduct work on uranium or plutonium metals, which are essential elements for a nuclear weapon; not to seek or acquire highly enriched uranium or plutonium, either indigenously or through foreign procurement; and not to work with other countries on enrichment technologies absent approval by the Joint Commission established under the JCPOA. Inspections and transparency measures will continue well beyond 15 years, with some continuing for 25 years and others lasting forever. For example, the deal provides for Iran's ratification of the IAEA's Additional Protocol, which would make those transparency obligations permanent.

All spent fuel from the Arak reactor will be shipped out of Iran for the lifetime of the reactor. Iran has also committed indefinitely to not engage in specific activities that could contribute to the design and development of a nuclear weapon. It has also committed to rely only on light water for its future nuclear reactors.

43. Senator AYOTTE. Secretary Kerry, do the snapback sanction provisions extend beyond 10 years?

Secretary KERRY. The P5+1 have indicated in writing their intention to extend the snapback provision of UNSCR 2231 for an additional five years beyond the ten-year duration of that resolution. With respect to U.S. sanctions, we can snap back our sanctions at any time if Iran violates its JCPOA commitments.

SNAP BACK SANCTIONS

Senator AYOTTE. Foreign Minister Zarif reportedly told Iran's parliament recently that "the surge of foreign businesses into the country [after sanctions are lifted] would make it difficult for the United Nations to restore sanctions."

He said the "swarming of business for reinvesting their money is the biggest barrier for such an action." He also said the P5+1 countries "would hesitate to seek renewed sanctions if the move cut off new and lucrative business ties to the Iranian market."

44. Won't the rush of cash and investment back into Iran after sanctions are lifted give the Iranians increased immunity to the possible re-imposition of sanctions and will create a broad and formidable international European, Russian, and Chinese government and business coalition opposed to the re-imposition of sanctions?

Secretary KERRY. We have been very clear that should Iran violate its commitments under the JCPOA after we have suspended sanctions, we will be able to promptly snap back both U.S. and UN sanctions, and our EU colleagues have made

clear their intention to do so with respect to their sanctions as well. In the event that there is an Iranian violation, we expect to have strong international support for sanctions, as evidenced by the broad international coalition that we have built in recent years in response to the Iranian nuclear threat. Moreover, while the increased economic activity of our partners with Iran could raise the cost of snapping back sanctions, it is important to bear in mind that this increased economic activity also significantly raises the cost to Iran of non-compliance given the threat of snapback.

Secretary Lew. Did not respond in time for printing. When received, answer will be retained in committee files.

45. Senator AYOTTE. Secretary Kerry, in a noteworthy comment, Zarif also reportedly reassured Iran's parliament that sanctions can be restored only for a major breach of the deal and not for a small infraction. Doesn't that comment suggest that Iran, consistent with their past behavior, does not plan to fully abide by the agreement?

Secretary KERRY. While we would not want to speculate on Foreign Minister's Zarif's intent, the fact remains that under the JCPOA and under our own sanctions laws, we have a wide range of options to respond to any Iranian non-compliance, from significant non-performance to more minor instances of non-compliance.

Specifically, the United States has the ability to re-impose unilateral and multilateral nuclear-related sanctions in the event of Iran's non-performance. In the case of UN sanctions, under UN Security Council Resolution 2231 we could do so over the objections of any member of the Security Council, including China or Russia, if we deemed Iran's actions to constitute "significant non-performance," and we would judge for ourselves what non-performance was "significant." This unilateral ability to snap back all of the UNSC sanctions gives us extraordinary leverage to get cooperation from other countries if we seek to take lesser steps instead. In addition, we have a range of other options for addressing relatively minor non-compliance. These include designating specific entities that are involved in activities inconsistent with the JCPOA, snapping back certain domestic sanctions to respond to minor but persistent violations of the JCPOA, or using our leverage in the Joint Commission on procurement requests.

ARMS EMBARGO AND MISSILE RESTRICTIONS

Senator AYOTTE. The JCPOA makes no mention of the arms embargo or the missile embargo. Rather, these provisions were included in United Nations Security Council Resolution 2231. On July 26, 2015, Iran's Defense Minister said, "Missile-related issues have never been on agenda of the nuclear talks and the Islamic system will resolutely implement its programs in this field."

On July 22, 2015, Iran's Deputy Foreign Minister said "Whenever we consider it necessary for our own security, [or] to help our allies in the region we will provide weapons. . . . We don't feel shy. We will provide weapons to whomever and whenever we consider appropriate. And we will buy weapons from wherever we can."

According to UN Security Council Resolution 2231, the arms embargo on Iran will be lifted as soon as the IAEA submits a report that concludes that Iran's nuclear program is peaceful.

46. Could the IAEA make that determination before five or eight years? So does that mean that the arms embargo and missile restrictions could be lifted sooner than five and eight years, respectively?

Secretary KERRY. Under United Nations Security Council Resolution 2231 (2015), transfers of certain types of arms and related materiel to Iran remain prohibited for a period of five years and transfers of ballistic missile-related items, technology, and assistance to Iran remain prohibited for eight years, unless the IAEA reaches the Broader Conclusion that there are no undeclared nuclear material and activities in Iran and all nuclear material in Iran remains in peaceful activities. Based on the IAEA's past practice in other countries and the extent of Iran's nuclear program, we expect it will take a substantial number of years of applying the Additional Protocol and evaluating the full range of Iranian nuclear activities to reach that milestone.

Separate from the UN Security Council restrictions, we will continue to implement a number of robust domestic and multilateral authorities related to counterterrorism and proliferation to address Iran's arms and ballistic missile activities. For example, we will keep in place the U.S. sanctions that apply to Iran's missile program, including the "secondary" sanctions that apply to foreign banks that engage in transactions with entities that have been designated for their role in Iran's missile program, and will continue our efforts to counter the spread of missiles and

related technology to or from Iran through the use of U.S. sanctions, export controls, and cooperation with partner states, including through the 34-country Missile Technology Control Regime (MTCR).

Secretary CARTER. Annex B of United Nations Security Council Resolution (UNSCR) 2231 calls upon Iran to "not undertake any activity related to ballistic missiles designed to be capable of delivering nuclear weapons, including launches using such ballistic missile technology." The resolution also prohibits certain arms and missile-related transfers to or from Iran absent approval on a case-by-case basis by the UN Security Council. The United States would be able to block UN Security Council approval of any transfer of weapons or ballistic missile-related items covered by the restrictions that remain in force under UNSCR 2231, and it is difficult to imagine any circumstance in which we would consider allowing the Council to approve such a transfer. This arms embargo is to remain in place for five years and the missile-related restrictions are to remain in place for eight years, unless the IAEA reaches the Broader Conclusion that there are no undeclared nuclear material and activities in Iran and all nuclear material in Iran remains in peaceful activities. Based on the IAEA's past practice in other countries and the extent of Iran's nuclear program, we expect it will take a substantial number of years of applying the Additional Protocol and evaluating the full range of Iranian nuclear activities to reach that milestone. After that, there are still a number of domestic and multilateral authorities related to missile proliferation that the United States can continue to use to disrupt transfers of missile-related technologies to Iran.

The Administration is fully aware of the threat posed by the Iranian ballistic missile program. That is why the Department has taken the steps to ensure that the United States is protected today by the Ground-based Midcourse Defense (GMD) system from potential Iranian intercontinental ballistic missiles. The Administration is also taking steps to increase the effectiveness of the GMD system by 1) improving the reliability of the Ground-Based Interceptor kill vehicle, 2) deploying a Long-Range Discrimination Radar in Alaska, and 3) enhancing the discrimination capabilities of the currently deployed ground-based sensors. The Department continuously monitors Iran's efforts to develop ballistic missiles and is prepared to ensure the United States remains protected from future Iranian threats.

General DEMPSEY. Although it is highly unlikely, if the IAEA reaches a Broader Conclusion that all nuclear material in Iran remains in peaceful activities before the five or eight year embargos are set to end, then the restrictions could be lifted early.

47. Senator AYOTTE. Can you clarify whether violations of the arms embargo would be considered violations of the JCPOA? Would we be able to snapback sanctions should Iran violate the arms and missile embargos? Would the administration do so?

Secretary KERRY. The arms embargo and missile-related restrictions on Iran under UN Security Council Resolution (UNSCR) 1929 were designed to pressure Iran specifically to address the international community's concerns with its nuclear program. UNSCR 1929 anticipated that these restrictions would be lifted as Iran addressed these concerns. Not surprisingly, Iran and Russia pushed for an immediate lifting of the arms embargo and missile restrictions as soon as Iran took the key nuclear steps provided for in the JCPOA. Through hard bargaining, we were able to ensure that UNSCR 2231 endorsing the JCPOA extends arms- and missile-related restrictions for a significant period of time after the JCPOA takes effect, even though these restrictions are not part of the JCPOA. Even after these restrictions on Iran are lifted, we can still rely on a broad set of multilateral and unilateral tools, including other UNSCRs and domestic sanctions, to continue to restrict Iranian conventional arms and missiles. We will also keep in place the U.S. sanctions that apply to Iran's missile program, including the "secondary" sanctions that apply to foreign banks that engage in transactions with entities that have been designated for their role in the missile program.

Secretary CARTER. Annex B to United Nations Security Council Resolution (UNSCR) 2231 provides for a five-year-long arms embargo and eight-year-long missile-related restrictions on Iran (which would end earlier if the IAEA reaches the Broader Conclusion that there are no undeclared nuclear material and activities in Iran and all nuclear material in Iran remains in peaceful activities). However, it is our understanding that Iranian attempts to circumvent these restrictions, which are not directed against the nuclear program, would not be considered a violation of the Joint Comprehensive Plan of Action (JCPOA). With that in mind, the administration would take any prohibited arms transfers or missile procurement attempts seriously, and act accordingly to respond to noncompliance by Iran and any nation supporting such efforts within the framework of existing UN sanctions, international counter proliferation regimes, and U.S. laws. We will continue to have a range of

unilateral and multilateral means available to halt Iranian arms transfers and restrict Iran's missile program, just as we do today. Recent coalition efforts to stop Iranian military shipments to the Houthis in Yemen demonstrate our resolve and our capabilities on this matter.

General DEMPSEY. Yes, a violation of the arms embargo would be a violation of the JCPOA.

According to the agreement, the U.S. may unilaterally respond to an Iranian violation by choosing not to meet its commitments in whole or in part. The U.S. may also invoke its option to call for a U.N. Security Council vote to maintain the suspension of sanctions. Under the agreement, the U.S. may act unilaterally to snapback sanctions through its veto option as a standing member of the U.N. Security Council.

48. Senator AYOTTE. Is Iran continuing to provide arms to Shiite militias in Iraq? To Houthi rebels in Yemen? To the Assad regime? To Hezbollah?

Secretary KERRY. The U.S. sees Iran clearly for what it is: the world's foremost state sponsor of terrorism; a supporter of terrorist groups such as Hizballah and Hamas; a backer of the Asad regime's brutality in Syria; and a force for instability in Yemen. That is why we will maintain and continue to aggressively enforce our sanctions against Iran's support for terrorism, destabilizing activities in the region, and human rights abuses. If Iran intensifies these actions, we—along with our partners—will combat them.

U.S. support to our regional partners will continue to be key to countering Iranian aggression in the region. That is why we are working to expand our cooperation across the board with regional partners that share our concerns over Iran, as the President agreed with regional leaders at the Camp David summit in May. This effort will strengthen our regional partners across a range of areas, while making clear we will not accept Iranian efforts to spread instability and strengthen its terrorist proxies.

Secretary CARTER. [Deleted.]

General DEMPSEY. Yes, Iran has provided arms to all of these entities.

49. Senator AYOTTE. If the answer is yes, isn't Iran already violating key UNSC resolutions?

Secretary KERRY. We are certainly concerned that Iran continues to violate the UN sanctions imposed against it, including through illicit procurement and arms transfers. Iran's export of weapons, including to some of the most extreme and irresponsible actors in the region, remains a serious factor fostering instability. We continue to deter and respond to such violations, including through interdiction, sanctions, and law enforcement measures, as appropriate.

We also have longstanding engagement with the United Nations on sanctions evasion issues related to Iran. We report violations and bring issues to the Sanctions Committee and the UN Panel of Experts when we have releasable information and doing so would further our nonproliferation objectives. Other countries are expected to do the same. We continue to work closely with likeminded partners on the UN Security Council to urge the Security Council's Iran Sanctions Committee to follow up on reported sanctions violations.

Secretary CARTER. Any Iranian arms transfers to Houthis in Yemen, non-state actors in Lebanon (including Hizballah), and/or Iraqi Shi'a militias would violate relevant UN Security Council resolutions that call upon all member States to comply fully and effectively with UN Security Council-mandated arms embargoes on providing weapons to these groups.

QUESTIONS SUBMITTED BY SENATOR DEB FISCHER.

BREAKOUT TIME AFTER YEAR 15

50. Senator FISCHER. Secretary Moniz, you stated that Iran would probably expand their capacity to enrich uranium after 15 years of this agreement. Please elaborate on the impact this increased capacity could have on Iran's breakout time to produce a sufficient amount of highly enriched material for a nuclear weapon in year 16 and beyond, including any factors that will prevent said breakout time from being reduced significantly below the one-year period this agreement seeks to ensure until year 15?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

CIVIL NUCLEAR COOPERATION

51. Senator FISCHER. Secretary Moniz, are there any plans for the United States to directly finance modifications to Arak or any other part of Iran's nuclear program?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

52. Senator FISCHER. Secretary Moniz, the agreement includes numerous provisions related to civilian nuclear cooperation; has any U.S. assistance been offered? Please describe the assistance you believe you are authorized to provide.

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

POSSIBLE MILITARY DIMENSIONS (PMD)

53. Senator FISCHER. Secretary Kerry, will Congress be able to review in a timely manner the full extent of the IAEA's final assessment, described in paragraph 8 of the "Roadmap for Clarification of Past and Present Outstanding Issues" and scheduled to be submitted to the Board of Governors by December 15, 2015?

Secretary KERRY. Under the Joint Comprehensive Plan of Action (JCPOA), the IAEA will provide to the IAEA Board of Governors by December 15, 2015, the IAEA's final assessment on the resolution of all past and present outstanding issues regarding the Possible Military Dimensions of Iran's nuclear program. Consistent with past practice, we expect the report will be made public by the Board of Governors. We will continue to brief Congress in a timely manner on the PMD investigation.

54. Senator FISCHER. Secretary Kerry, you have stated that Iran will not receive any type of sanctions relief until the outstanding issues, as set out in the annex of the 2011 Director General's report (GOV/2011/65) and often described the possible military dimensions (PMDs) of Iran's nuclear program, are clarified. Do all the members of the E3/EU+3 share this view? Please provide the specific legal basis contained in the Joint Comprehensive Plan of Action (JCPOA) for denying Iran sanctions relief if these issues are not clarified.

Secretary KERRY. We have always said that we consider Iran addressing Possible Military Dimensions (PMD) with the IAEA to be of critical importance, and the P5+1—including all of our E3 partners—has spoken with one voice on this throughout the negotiations. It is this unity that provided the leverage the IAEA needed to secure the Roadmap Agreement with Iran.

Under the Roadmap, Iran agreed to a time-bounded process to address the IAEA's concerns regarding past and present issues, including the Possible Military Dimensions of Iran's nuclear program and those specific issues set out in the IAEA Director General's November 2011 report.

To be clear, this process cannot stretch out forever. Iran has committed in the JCPOA to take all the steps required of it under the Roadmap by October 15. Iran will obtain sanctions relief only if it takes those steps—in addition to the other major nuclear steps it must take.

QUESTIONS SUBMITTED BY SENATOR SULLIVAN

SANCTIONS

55. Senator SULLIVAN. Secretary Lew, under the Dispute Resolution Mechanism of the agreement, Sec. 37 language suggests that foreign investors would be allowed to fulfill the length of newly negotiated contracts with Iran, even in the aftermath of a violation or act of terrorism. The language itself states that " . . . provisions [of the old UN Security Council resolutions] would not apply with retroactive effect to contracts signed between any party and Iran or Iranian individuals and entities prior to the date of application." How does this grandfather clause impact the fidelity of a "snapback" sanctions regime when foreign investors have the legal authority, under this agreement, to complete their contracts?

Secretary Lew. Did not respond in time for printing. When received, answer will be retained in committee files.

56. Senator SULLIVAN. Secretaries Kerry and Lew, the agreement outlines the parameters of an "implementation day" which includes the "comprehensive lifting of all UN Security Council sanctions as well as multilateral and national sanctions re-

lated to Iran's nuclear program, including steps on access in areas of trade, technology, finance and energy." Although this occurs with IAEA verification that Iran has completed certain commitments over a couple of months, why are the bulk of these sanctions being lifted at the beginning, and not incrementally over several years? Typically in diplomacy, we exchange one thing for another and so on and so forth, until the final objective is achieved. Why did we give up all of the benefits upfront, by lifting the entire scope of Annex II sanctions before Iran achieved a series of benchmarks or swore to disavow acts of terrorism?

Secretary KERRY. Iran must complete a series of key nuclear-related measures, as verified by the IAEA, before it receives any sanctions relief under the Joint Comprehensive Plan of Action (JCPOA). These measures are substantial and extensive. They include the export of Iran's enriched uranium stockpile in excess of 300 kg of uranium hexafluoride enriched up to 3.67 percent, the removal and storage of two-thirds of its centrifuges (an amount totaling well over 12,000 centrifuges), the removal and permanent disablement of the existing reactor core at Arak, and the implementation of a number of additional transparency measures. The cumulative effect of these steps would leave Iran with a breakout time to acquire enough fissile material for a nuclear weapon at one year or more, and would increase our visibility into any would-be breakout attempt. Iran must take all of these steps before receiving any JCPOA sanctions relief.

Secretary Lew. Did not respond in time for printing. When received, answer will be retained in committee files.

57. Senator SULLIVAN. Secretaries Kerry and Lew, I posed a hypothetical in today's hearing: All sanctions against Iran have been lifted. Its economy is humming. It's abiding by the nuclear agreement. And then it commits a major act of terrorism, killing American civilians or soldiers. The Congress and the president then re-impose biting sanctions. However, Iran cites Paragraphs 26 and 37 within the agreement pertaining to sanctions relief, which state that if "sanctions are reinstated in whole or in part, Iran will treat that as grounds to cease performing its commitments under this JCPOA in whole or in part." They also refer to their own interpretation of that clause filed with the U.N. Security Council which states: "It is understood that reintroduction or re-imposition, including through extension of the sanctions and restrictive measures will constitute significant non-performance which would relieve Iran from its commitments in part or in whole." In my mind, if we impose sanctions in any respect, the deal is over. If this is not the case, please elaborate.

Secretary KERRY. It is essential to recall that this deal does not provide for all U.S. sanctions on Iran to be lifted. All of our non-nuclear sanctions authorities remain in place and are unaffected by the JCPOA.

In any event, we would not violate the JCPOA if we imposed new sanctions on Iran for supporting terrorism, committing human rights abuses, acquiring ballistic missile technology, or any other non-nuclear reason. We have been clear about this fact with Iran and the other P5+1 countries. Additionally, the JCPOA does not provide Iran any relief from U.S. sanctions under these authorities.

What we have committed to do is quite specific: not to re-impose those specific nuclear-related sanctions provisions specified in Annex II to the JCPOA and not to impose new nuclear-related sanctions, contingent on Iran abiding by its JCPOA commitments. That does not mean that we would be precluded from sanctioning specific Iranian actors or sectors if the circumstances warranted. All of our other sanctions authorities remain in place and are unaffected by the JCPOA. Additionally, we have made it clear to Iran that we would continue to use and enforce sanctions to address its other troubling activities, including its destabilizing activities in the region. That said, this does not give us free rein to simply re-impose tomorrow all of our nuclear-related sanctions under some other pretext. Iran would obviously see that as bad faith, as would our international partners. In the end, if we decide to impose new sanctions, it will be important that we have a credible rationale for doing so. This has always been the case and will be no different in the future.

Secretary Lew. Did not respond in time for printing. When received, answer will be retained in committee files.

LANGUAGE AND TECHNICAL NUANCES OF JCPOA

58. Senator SULLIVAN. Secretary Kerry, the Senate Armed Services Committee has heard testimony from several high ranking military officials, that Iran is or has been responsible for facilitating the maiming or deaths of hundreds—if not thousands—of American troops. Yet in 2007, then Iranian Ambassador to the U.N., Javad Zarif maintained that "Iran has no interest in providing weapons to any in-

surgents groups in Iraq" and that "the United States . . . is trying to find or fabricate evidence." It has been reported that you have a constructive relationship with the now Iranian Foreign Minister. The State Department has additionally acknowledged that you have logged more one-on-one time with him than with any other foreign minister since becoming Secretary of State. Given the substance of this relationship, has he ever acknowledged or admitted that Iran is directly or indirectly responsible for the maiming and deaths of American servicemen?

Secretary KERRY. We will continue to counter Iran's destabilizing and threatening actions in the Middle East region aggressively. We have made very clear to the Iranian regime these activities are unacceptable. I have often raised regional conflicts with Foreign Minister Zarif as part of our ongoing discussions. The President and I are committed to working closely with Israel, the Gulf countries, and our other regional partners to counter Iran's destabilizing activities in the region.

59. Senator SULLIVAN. Secretaries Kerry and Lew, the JCPOA lays out how the P5+1 desires a "new relationship" with Iran. Typically, in a contract such sentiments are expressed by both parties, but nowhere in the 150 pages of this agreement, do you see Iran making a reciprocal pledge. Secretaries, don't you think this is indicative of manner in which Iran currently views the United States and do you see this attitude undergoing a transformational change in 10 years or so when the UN Security Councils concludes its "consideration of the Iran nuclear issue"?

Secretary KERRY. We have been clear from the beginning of this process that these negotiations are only about the nuclear issue and that our end goal is preventing Iran from obtaining a nuclear weapon and ensuring that Iran's nuclear program is and will remain peaceful going forward.

There are different trends inside of Iran. It is possible that if the JCPOA is properly implemented, and Iran's economy improves as a consequence of sanctions relief, it would strengthen the hand of moderate forces inside of Iran. However, the key point is that the deal is not dependent on anticipating those changes. If they do not change at all, we are still better off having the deal.

Secretary Lew. Did not respond in time for printing. When received, answer will be retained in committee files.

60. Senator SULLIVAN. Secretaries Kerry and Moniz, my colleague, Senator Ayotte raised a very good question regarding United States cooperation in "strengthening Iran's ability to protect against, and respond to nuclear security threats—including sabotage." Given the United States' past history in facilitating disruptions and subversions of Iran's nuclear program, does this agreement now prevent us from conducting similar operations in the future?

Secretary KERRY. We believe that the JCPOA, if implemented, will be the most effective means to ensure that Iran does not obtain a nuclear weapon and ensuring that Iran's nuclear program is and will remain peaceful going forward. We expect Iran to meet its commitments under the JCPOA. To be absolutely clear, the JCPOA in no way commits us to defend Iran's nuclear facilities. The language in the JCPOA is designed to help bring Iran's nuclear security and safety practices in line with those used by other peaceful nuclear programs around the world. It is in the interest of all countries that nuclear material be safeguarded from nuclear accidents, theft and terrorist attacks, including cyber-attacks, so any training provided by the IAEA or others will be solely for that purpose.

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

ICBM/CONVENTIONAL WEAPONS BAN

61. Senator SULLIVAN. General Dempsey, earlier this month you told this committee that "under no circumstances should we relieve pressure on Iran relative to ballistic missile capabilities and arms trafficking." General Dempsey, Secretary Carter, can you provide any rationale on why our negotiators have conceded on this incredibly important issue and whether or not this concession is in the United States' national security interests? Would a military response by the United States be riskier in 8 years, when Iran has both conventional weapons and ICBM's, than it would be now, should they commit a major act of terrorism?

Secretary CARTER. It is the Department of Defense's job to plan and prepare for contingencies in the event that Iran chooses to violate the nuclear agreement. The Department continuously evaluates and updates U.S. forces posture to ensure a qualitative military advantage in the Middle East and are able to address Iran's malign behavior appropriately. There are no limits placed on the Department's preparedness as a result of this agreement. All military options remain on the table.

Additionally, even once the UN Security Council's arms embargo and missile restrictions on Iran are lifted, the United States can continue to restrict Iranian conventional arms and missile-related transfers. There is a comprehensive set of multilateral and unilateral tools, including sanctions that can be relied on to restrict these transfers.

General DEMPSEY. I was not part of the negotiation process, however as I understand it, our team decided that because the embargo was based on Iran's nuclear activity, maintaining the UN embargo was impossible. As the lifting the embargos is contingent on Iranian compliance with the deal, and because we will still maintain authorities to interdict shipments to Iranian proxies like Hezbollah, I am comfortable with the terms of the agreement.

Although Iran may buy weapons from Russia and China, developing into a conventional power would take time. A globally integrated economy would best support a modern conventional force. Conversely, should Iran continue to agitate and support malign activity, the country's pariah status and resultant poor economic performance will likely check traditional military power. Whichever direction Iran takes, U.S. military forces will continue to outmatch Iranian capabilities by advancing our own weapons and building partner capacity.

MISCELLANEOUS

62. Senator SULLIVAN. General Dempsey, given your own review of the agreement and analysis of the potential strengths and weaknesses—especially as it pertains to upholding American national security interests—do you endorse this agreement?

General DEMPSEY. The agreement is not the military's to endorse. That said, this deal clearly makes it more difficult for Iran to move towards a nuclear weapon than without an agreement. The deal primarily rolls back Iran's nuclear program and provides the international community with unprecedented access to Iran's nuclear facilities and nuclear supply chain.

In any case, we are confident in our military options and stand determined in our commitment to prevent Iran from acquiring a nuclear weapon.

QUESTIONS SUBMITTED BY SENATOR MIKE LEE

DOD CONSULTATION ON NEGOTIATIONS

63. Senator LEE. How often and under what circumstances were you, other members of the Joint Chiefs, or the Commander of CENTCOM consulted by members of the negotiating team on the military dimensions of the Iran agreement? Where there ever points in these consultations where you or DOD personnel disagreed with the direction of the negotiations or specific aspects to which our negotiators were agreeing?

Secretary CARTER. The negotiating team kept the Department updated on the direction of negotiations and frequently consulted with myself and General Dempsey in regards to the military dimensions of the Iran agreement. The Department of Defense believes this is a good deal, because it verifiably blocks all pathways for Iran to achieve a nuclear weapon.

General DEMPSEY. Throughout the negotiations, I performed my role as the principal military advisor to the President. Because of the complexity of constraints placed on Iran to comply with the deal, I am comfortable with the terms of the agreement.

IRAN'S FUNDING FOR PROXIES

64. Senator LEE. How has Iran historically dispersed funding and military assistance to its proxies in the Middle East, is there anything in this agreement that will prohibit this new economic windfall from being used to fund such operations, and what impact will a large increase of funding and assistance to these proxies have on American forces and the security of our allies in the region? What will be done to protect our forces in the region from these threats?

Secretary CARTER. Iran faces a major economic challenge, and we would expect that any financial gains from sanctions relief will be needed for its domestic economy—and some Iranian leaders have said as much. Iran needs about half a trillion dollars to meet pressing investment needs and government obligations. Conversely, Iranian support to militants or terrorists does not require substantial resources. It is therefore more effective for the United States to focus on strategies that counter this behavior, especially by working with our partners in the Gulf.

But regardless of the Joint Comprehensive Plan of Action, the Department remains absolutely committed to supporting the safety and security of our regional

partners, especially Israel. The President has expressed his desire to strengthen our security partnership with Israel through efforts such as a new ten-year Foreign Military Financing agreement and increased missile defense funding. Additionally, the U.S.-Gulf Cooperation Council (GCC) Summit at Camp David was about strengthening historical partnerships in order to confront new challenges facing the Middle East. There was a recognition that all of the GCC partners, as well as the United States, need to commit to broadening and deepening bilateral U.S.-GCC relationships and the multilateral U.S.-GCC relationship, to the advancement of our shared regional security interests.

Finally, there are numerous domestic authorities—sanctions or otherwise—to counter Iran's support for terrorism or other destabilizing activities. The Department will continue to work with interagency partners to check Iran's destabilizing activities. The Department is an important part of a broader government effort to counter these malign behaviors.

Secretary KERRY. The U.S. sees Iran clearly for what it is: the world's foremost state sponsor of terrorism; a supporter of terrorist groups such as Hizballah and Hamas; a backer of the Asad regime's brutality in Syria; and a force for instability in Yemen. That is why we will maintain and continue to aggressively enforce our sanctions against Iran's support for terrorism, destabilizing activities in the region, and human rights abuses. If Iran intensifies these activities, we—along with our partners—will combat them.

Iran has used the Islamic Revolutionary Guard Corps-Qods Force (IRGC–QF) to implement its foreign policy objectives and provide cover for intelligence operations. The IRGC–QF is the regime's primary mechanism for cultivating and supporting destabilizing activities abroad.

However, of Iran's approximately $100 billion in overseas foreign reserves, we estimate that, after sanctions relief, Iran will be able to freely access only slightly more than half—a little over $50 billion. That is because over $20 billion is dedicated to projects with China, where it cannot be freely spent, and tens of billions in additional funds are effectively non-performing loans to Iran's energy and banking sectors that are unlikely to be repaid, at least not in the next few years.

U.S. sanctions on the IRGC will not be relieved under this deal. The United States will also maintain sanctions on the IRGC–QF, its leadership, and its entire network of front companies. This includes secondary sanctions that would penalize foreign financial institutions that engage in transactions with any of these designated entities. We retain the ability to impose additional sanctions on individuals and entities providing support to the IRGC or those involved in supporting terrorism or human rights abuses, if circumstances warrant.

Secretary Lew. Did not respond in time for printing. When received, answer will be retained in committee files.

LIFTING OF THE ARMS EMBARGOS

65. Senator LEE. When the conventional weapons and ballistic missile embargos are lifted, what specific weapons and technology do you believe Iran is most likely to acquire, and for what purpose? What countries do you anticipate will be supplying Iran with these weapons, and will the United States have any level of control over, or oversight on, what Iran is acquiring and how it will be used?

Secretary CARTER. [Deleted.]

Secretary KERRY. The existing UNSCRs impose obligations on all States to implement the arms and missile embargoes and provide authorities to facilitate enforcement. To work, they are dependent on the compliance of all UN Member States, not Iran's compliance. Under UNSCR 2231 that endorsed the JCPOA, those sanctions will continue for another five and eight years after Adoption Day (or until the IAEA reaches the broader conclusion that all nuclear materials in Iran remain in peaceful activities, whichever is earlier).

After that, we will retain a number of unilateral and multilateral tools to counter Iran's arms transfers and other destabilizing activities in the region. We would refer you to the Office of the Director of National Intelligence with any further questions regarding Iranian procurement intentions and activities. Any discussion of specific procurements by Iran would need to be in a classified setting.

66. Senator LEE. Secretary Carter, given that the embargo on ballistic missile technology could be lifted in 8 years, do you anticipate that this agreement will have any impact on our current regional and homeland missile defense plans?

Secretary CARTER. In the near term, we do not anticipate that the nuclear agreement will have any impact on our missile defense plans. Iran's large and growing ballistic missile force continues to present substantial risks to our deployed forces

and bases in the Middle East and Europe, to our NATO European Allies and partners, as well as to Israel and our Gulf Cooperation Council partners. The United States will maintain its missile defense posture across the Middle East, and will continue to encourage partners to build interoperable ballistic missile defense systems through acquisition of U.S. platforms and enhanced cooperation. We will continue with plans to deploy U.S. missile defenses in Europe. We are also enhancing and modernizing our Ground-based Midcourse Defense system, which provides protection of the U.S. homeland against Inter-continental Ballistic Missile (ICBM) attacks from countries like North Korea and Iran.

In the future, we will reevaluate our missile defense plans and make adjustments, if necessary, to meet the Iranian ballistic missile threat. This could include expanding our homeland missile defense system to defend against an emerging ICBM threat from Iran.

REGIONAL RIVALRIES WITH IRAN

67. Senator LEE. General Dempsey, if Gulf countries and others in the region who view Iran as a geopolitical rival or existential threat do not believe that this agreement will prevent Iran from acquiring a nuclear weapon, or believe that Iran is in violation of the agreement, how do you anticipate they will respond? What role would the United States play in any potential conflict stemming from a suspected Iranian nuclear program?

General DEMPSEY. Although Saudi Arabia and others in the region have noted concerns publicly over this deal it is unlikely that they would pursue a nuclear program in the way Iran has over the last decade. We continue to work with our partners in the region regarding the development of peaceful nuclear power and to encourage a Middle East that is fully compliant with the Nuclear Nonproliferation Treaty.

ONGOING IRANIAN POLICIES AND U.S. POSTURE

68. Senator LEE. Secretary Carter, in an address in Tehran last week, Ayatollah Khamenei stated: "Our policy towards the arrogant U.S. government will not change at all", amid chants of "Death to America" and "Death to Israel". Again, this is a country whose policy towards the United States has included direct or indirect responsibility for the deaths of hundreds of U.S. military personnel over the past 35 years and countless acts of terror and belligerence towards our allies. How will the continuation of these Iranian policies towards the United States impact our military posture in the CENTCOM area of responsibility and intelligence posture around the world?

Secretary CARTER. Existing partnerships and preparations keep the United States well-postured to counter Iranian destabilizing activity. The Administration remains cognizant of Iran's continued support for the Assad regime in Syria, and the extent to which Iran has supported rebel groups in Yemen and throughout the region. The United States will remain postured to challenge that activity when it runs counter to U.S. interests or destabilizes the region.

Additionally, the Defense Department will continue to work with interagency partners to check Iran's destabilizing activities. The Department is an important part of a broader government effort to counter these malign behaviors, and continues to maintain plans, preparations, and posture to be able to execute a robust military option, if called upon to do so.

CONSIDERATION OF JCPOA AS A TREATY

69. Senator LEE. Secretary Kerry, you have given several justifications at hearings on this agreement as to why it was not submitted as a treaty for advise and consent in the Senate. Why specifically was the decision made not to submit this as a treaty, and how does the Department of State define "treaty" and determine if an agreement will be a treaty or an executive agreement?

Secretary KERRY. The JCPOA is neither a treaty nor an executive agreement. The JCPOA consists of political commitments between Iran and the United States, the United Kingdom, France, Germany, Russia, China, and the European Union. The United States has a longstanding practice of addressing sensitive problems in negotiations that culminate in political commitments.

The JCPOA does not need to be a binding agreement under international law to be rigorous and enforceable; verifiability and transparency are built into the deal itself, and leverage and accountability flow from our ability to re-impose sanctions, including UN Security Council sanctions, if Iran does not fulfil its commitments with respect to its nuclear program.

QUESTIONS SUBMITTED BY SENATOR CRUZ

IRANIAN THREAT WITH NUCLEAR WEAPON

70. Senator CRUZ. General Dempsey, in your personal opinion, how grave is the threat of an Iranian regime that possesses nuclear weapons? Is there any reason we shouldn't believe them when they declare their intentions to destroy Israel and the United States?

General DEMPSEY. [Deleted.]

71. Senator CRUZ. General Dempsey, as the Acting Commander of Central Command in 2007 through early 2008, I presume that you met with the leadership of our allies in the Middle East? Can you provide your opinion on what their reaction to a nuclear Iran will be? Will our allies in the Middle East seek to increase their conventional military capability? Do you believe our allies in the Middle East will be forced to purchase or develop their own nuclear weapons, or do you foresee them having to do both?

General DEMPSEY. I have had long-lasting relationships with leaders in the Middle East from my time at Central Command, as you noted, but also during my tenure as Chairman. I have discussed the JCPOA with leaders throughout the region. If you are asking what their reactions to the deal have been, it runs the gamut. Israel has very publically expressed opposition, other countries have privately expressed some concern, some have expressed support, and some have not expressed a strong opinion either way. If you are asking what their response would be to an Iranian regime with nuclear weapons that is a hypothetical that I cannot answer. I will say that the JCPOA was designed specifically to prevent Iran from developing nuclear weapons. If Iran cheats on the deal, and if our very strong verification regime fails, and if Iran develops nuclear weapons, it is likely that other Middle East allies that have the resources will look to bolster their own military capabilities as well. That is why one of our priorities in the Department of Defense is to reassure our partners in the Middle East through continued military-to-military engagement.

72. Senator CRUZ. Secretary Carter, you recently travelled through the Middle East and talked to some of those same leaders. What did they tell you about their concerns, and what actions do you see them taking? Which country's reaction to the agreement alarmed you the most?

Secretary CARTER. During my late July trip to the Middle East, I discussed common strategic threats with partners in the region, and sought to advance our bilateral and multilateral partnerships. Although our Gulf country partners are rightfully skeptical of Iran's intentions, they understand that the lack of trust in Iran is precisely why the President sought a nuclear agreement that relies on verification to prevent Iran from acquiring a nuclear weapon. Further, our Gulf partners understand fully that the U.S. commitment to regional security is enduring. Our Gulf partners also understand that the U.S. commitment of a robust military presence in the region will continue to serve as the ultimate deterrent against any aggression they could face.

73. Senator CRUZ. Secretary Carter, as I understand it, the Defense Threat Reduction Agency is designed to provide the Defense Department's core expertise with respect to countering the threats from weapons of mass destruction. How much did the Defense Threat Reduction Agency participate and inform decision making during the negotiation process? If so, how much deference was given to their expertise during the negotiations led by Secretary Kerry? What is DTRA's foremost concern with the JCPOA?

Secretary CARTER. The Defense Threat Reduction Agency/US Strategic Command Center for Combating Weapons of Mass Destruction was not involved in the negotiations on the JCPOA. The negotiating team kept the Department updated on the direction of negotiations and frequently consulted with myself and General Dempsey in regards to the military dimensions of the Iran agreement. The Department believes this is a good deal, because it verifiably blocks all pathways for Iran to achieve a nuclear weapon.

74. Senator CRUZ. Secretary Kerry, the Iranian Supreme Leader's top adviser for international affairs, Ali Akbar Velayati stated that "(the westerners) have made some comments about defensive and missile issues, but Iran will not allow them to visit our military centers and interfere in decisions about the type of Iran's defensive weapons." Iranian Ground Force Commander, Brigadier General Ahmad Reza

Pourdastan, echoed similar statements as well. What mechanisms will we have to detect, interdict, or delay nuclear capabilities if we suspect that Iran is using military facilities to violate the terms of the agreement, particularly if they deny inspectors access to the sites after exhausting any proposed alternative arrangements, a review by the Joint Commission, and potentially the dispute resolution process?

Secretary KERRY. If any JCPOA participant has reason to believe that Iran is using military facilities or any other facility to violate the terms of the JCPOA, it would have the option to share that information with the International Atomic Energy Agency (IAEA), and the IAEA could request access as appropriate to clarify any questions. If Iran were to deny an IAEA request for access to a suspicious undeclared location, including military facilities, and Iran and the IAEA cannot resolve the issue within 14 days, the issue is brought to the Joint Commission, which then has seven days to consider the issue. If Iran still will not provide access but five members of the Joint Commission (such as the United States, United Kingdom, France, Germany, and the European Union) determine that access is necessary, Iran must then provide access within three days.

Iran understands that any failure to cooperate with the IAEA will raise significant suspicions among the P5+1 and could lead to a snapback of sanctions. Following a request for access by the IAEA to a suspicious undeclared location, we would continue to closely monitor for indications that Iran was attempting to sanitize a site, and would respond appropriately should we observe such sanitization activities.

The United States has the ability to re-impose both unilateral and multilateral nuclear-related sanctions in the event of non-performance by Iran. And, in the case of UN sanctions, under UN Security Council Resolution 2231, we could do so even over the objections of any member of the Security Council, including China or Russia. In addition, we have a range of other options for addressing minor non-compliance. These include snapping back certain domestic sanctions to respond to minor but persistent violations of the JCPOA. Our ability to calibrate our response will serve as a deterrent to Iranian violations of the deal.

75. Senator CRUZ. Secretary Kerry, the JCPOA stipulates that its signatories will cooperate with Iran to provide technical assistance, facilitate commercial licenses for supply of nuclear fuel, collaborate on technology projects, and most worrisome "nuclear security." This entails "training courses and workshops to strengthen Iran's ability to prevent, protect and respond to nuclear security threats to nuclear facilities and systems as well as to enable effective and sustainable nuclear security and physical protection systems," as well as to "strengthen Iran's ability to protect against, and respond to nuclear security threats, including sabotage, as well as to enable effective and sustainable nuclear security and physical protection systems." If military facilities are still viewed to be of concern, does the fact that other nations will be able to improve the physical defense capabilities at Iran's nuclear sites concern you? Can any such action on behalf of the US to address these military sites be deemed grounds for Iran to pull out of the deal?

Secretary KERRY. Nothing in Annex III of the JCPOA requires the United States to participate in any specific cooperation activity. The language in the JCPOA is designed to help bring Iran's nuclear security and safety practices in line with those used by other peaceful nuclear programs around the world. It is in the interest of all countries that nuclear material be safeguarded from nuclear accidents, theft and terrorist attacks; any training provided by the IAEA or others would be for that purpose. While there could be some activities where it would be beneficial for the United States to participate, we would only participate in such an engagement after a careful review to ensure that it meets our overall policy objectives and in ways that are consistent with our laws and regulations, which significantly restrict the types of interactions that we could have. Any cooperation with Iran in these areas would be with respect to declared, peaceful nuclear facilities operating consistently with the requirements of the JCPOA. We would not expect this to include any military facilities.

We believe that the Joint Comprehensive Plan of Action (JCPOA), if implemented, will be the most effective means to ensure that Iran does not obtain a nuclear weapon and ensuring that Iran's nuclear program is and will remain peaceful going forward.

76. Senator CRUZ. Secretary Carter, what possible rationale is there in providing assistance to the Iranians for hardening their nuclear facilities, when we must reserve the capability and the will to strike and destroy those facilities in the event the Iranians fail to comply?

Secretary CARTER. To clarify, the Joint Comprehensive Plan of Action (JCPOA) does not commit the United States—or any of our P5+1 partners—to undertake any particular nuclear cooperation activity with Iran, with the exception of Russia's explicit commitment to stable isotope production at the Fordow facility. The JCPOA does contemplate the possibility of cooperative activities to assist in ensuring Iranian facilities are in compliance with global nuclear safety standards. This is work that the International Atomic Energy Agency and its member states, including the United States, carry out in dozens of countries around the world. I believe it would be irresponsible not to provide basic cooperation to improve Iran's capacity to prevent the theft or diversion of these nuclear materials. None of the work would reduce our ability to take military action against Iran if that was necessary to prevent their pursuit of a nuclear weapon.

With that in mind, the Department's primary responsibility with regard to the nuclear deal is to ensure that the President has all military options available for any Iran contingency. Therefore, the Department will maintain the plans, preparations, and posture to be able to execute a robust military option, if called upon to do so. If Iran violates the agreement, options that are available today will be available to any U.S. President in the future. The United States will likely be in a far stronger position 10 or 15 years from now, when Iran is further away from a nuclear weapon, and with the inspections and transparency measures in place that allow us to monitor the Iranian program.

77. Senator CRUZ. Secretary Carter, throughout these negotiations, proponents of this deal have stated that the alternative to the deal is war. That statement is nonsense. Walking away wouldn't have led to war; it would have led to a better deal. This deal doesn't prevent war; it leads to a conflict with Iran. As we continue to decrease the size of our military to historic levels, Iran is increasing their military spending by a third next year, funded by the $100 billion signing bonus Secretary Kerry is providing them. Just last month, the Navy announced that it would have to remove its aircraft carrier presence from the Arabian Gulf for a couple months because they simply don't have the capacity. How capable and prepared are we to protect our allies? How much improvement in air and missile defense has been accomplished across the Gulf Cooperation Council and Israel?

Secretary CARTER. The United States remains fully committed to maintaining the defense capacity necessary to protect national security interests in the region, including security assurances to regional partners. Extensive access to the region provides the capacity and capability to respond credibly and effectively to regional threats, as well as the capacity to assess regional threats rapidly and efficiently. Furthermore, U.S. defense support for Israel remains ironclad and has reached unprecedented levels under this Administration. The Administration recognizes that Israel faces missile threats from a number of actors in the region. That is why in addition to Foreign Military Financing assistance, the United States has provided more than $3 billion in missile defense assistance to Israel since 2001. The Department has worked with Israel to develop a multi-layered missile defense architecture that includes Iron Dome, David's Sling, and Arrow. The U.S. Government also continues to work toward advancing the U.S.- Gulf Cooperation Council (GCC) security partnership as discussed at the Camp David Summit in May. The Department is focused on advancing cooperation in numerous areas, including in missile defense and military preparedness. In broadening and deepening the U.S. security relationship with GCC States through increased collaboration, coordination, and capacity-building, we bolster our ability to mitigate potential regional security threats.

78. Senator CRUZ. General Dempsey, do you believe that Iran could develop significantly more capable air defense systems between now and when the deal lapses that might change its calculus on agreement compliance?

General DEMPSEY. [Deleted.]

HEZBOLLAH/ARMS

79. Senator CRUZ. Secretary Kerry, this week you attempted to ease these concerns regarding arms transfers to Hezbollah, stating: "There is a U.N. resolution, 1701, that prevents the transfer of any weapons to Hezbollah. That will continue, and what we need to do is make sure we're enforcing it." Yet, President Obama said in a recent press conference: "It's not like the U.N. has the capacity to police what Iran is doing." Are the American people and our allies relying on the assurances of a UNSC resolution, one which has not been enforced in terms of Hezbollah, or will the United States monitor and prevent illicit weapons transfers throughout the Middle East?

Secretary KERRY. We will continue to use the multilateral and unilateral tools that are available to us to counter the transfer of weapons to Hezbollah.

The existing UNSCRs impose obligations on all States to implement the arms embargo on Iran and provide authorities to facilitate enforcement. Under UNSCR 2231 that endorsed the JCPOA, those sanctions will continue for another five years after Adoption Day (or until the IAEA reaches the broader conclusion that all nuclear materials in Iran remains in peaceful activities, whichever is earlier).

After that, we will continue to have a number of other unilateral and multilateral tools available to us to counter Iran's arms transfers and other destabilizing activities in the region. Equally important, we also continue to work with our partners to counter Iran's destabilizing activities in the region and disrupt Iran's weapons transfers.

80. Senator CRUZ. Secretary Kerry, Annex B of UNSC Resolution 2231 stipulates the five-year conventional weapons embargo extension and the eight-year ballistic missile embargo extension can be waived subject to "a case-by-case" determination of the Security Council. Under what circumstances will the UNSC approve arms sales to or from Iran?

Secretary KERRY. The United States would be able to block UN Security Council approval of any transfer of weapons or ballistic missile-related items covered by the restrictions that remain in force under UNSCR 2231, and it is difficult to imagine any circumstance in which we would consider allowing the Council to approve such a transfer.

81. Senator CRUZ. Secretary Kerry, will the US come to the aid of Israel in the event Iranian arms in Hezbollah hands are used or deployed on our ally?

Secretary KERRY. The JCPOA does not alter our relationship with Israel or our unwavering commitment to Israel's security and right to self-defense. We will continue to aggressively counter Iran's destabilizing actions in the region.

We are also helping Israel address new and complex security threats by continuing to ensure Israel's Qualitative Military Edge. We remain committed to working together with Israel to provide new capabilities to detect and destroy terror tunnels, build highly effective rocket and missile defense systems to protect the Israeli people, and help Israel improve its cyber-defense capabilities.

POSSIBLE MILITARY DIMENSIONS

82. Senator CRUZ. Former CIA and DNI Director Michael Hayden said this past month: "We, of course, do not have total knowledge of how much progress the Iranians had made . . . I was stunned about a month ago when Sec. Kerry declared that we had "absolute knowledge" of their weaponization effort and that we need not overly focus on the past. I know of no American intelligence officer who would claim that we have "absolute knowledge" of the Iranian weaponization program." Last month, former Defense Department senior analyst J. Matthew McInnis said: "We have a long history of getting it wrong on these states' weapons of mass destruction (WMD) programs . . . No intelligence professional would ever (or should ever) say they have absolute confidence in their knowledge on any subject, let alone on an adversary's nuclear program. But the president and the secretary appear to be expecting exactly that of our intelligence officers. Moreover, they are basing the legitimacy and success of a nuclear agreement on it. Expecting the US intelligence community to have 'absolute knowledge' of a subject is unprecedented, and frankly absurd." At this moment, does the US intelligence community have full knowledge of Iran's past activities in relation to the possible military dimension? If the US does not obtain such knowledge, how are our officials supposed to gauge Iran's progress without a baseline to reference?

Secretary KERRY. A 2007 Director of National Intelligence report assessed with high confidence that until fall 2003, Iranian military entities were working under government direction to develop nuclear weapons.

Our ability to implement this deal is not linked to Iran's past work. This deal is about what Iran's nuclear program will look like in the future, and about Iran taking steps to show that it is not undertaking current or future nuclear weapons work. We are confident that this deal can verifiably ensure that Iran's nuclear program will remain peaceful going forward.

Under the JCPOA, Iran must provide the IAEA with the information and access required under the Roadmap Agreement to investigate concerns regarding Iran's nuclear program in the past.

Secretary CARTER. [Deleted.]

General DEMPSEY. [Deleted.]

83. Senator CRUZ. Secretary Kerry, as I understand it, the "Roadmap for Clarification of Past and Present Outstanding Issues" is a mere framework that calls for "separate arrangements," solely between the IAEA and Iran, to address undeclared sites, past activities, and Parchin. Congress is not able to review these arrangements, and therefore has no basis to judge the progress or lack thereof regarding Iran's possible military dimension. Additionally, none of the P5 countries are allowed to view these separate arrangements. This constitutes extraordinary terms of confidentiality. Are any other similar separate arrangements between the IAEA and any state under its inspection subject to comparable levels of confidentiality?

Secretary KERRY. In the JCPOA, Iran committed to take certain steps set forth in the Roadmap Agreement negotiated between the IAEA and Iran. The Roadmap refers to two "separate arrangements" between the IAEA and Iran. Within the IAEA system, such arrangements related to safeguards procedures and inspection activities are confidential and are not released to other member states. The United States does not have a right to demand these documents from the IAEA. However, the United States was briefed on these separate arrangements, and we have briefed and will continue to brief Congress on them as well.

It is standard practice for the IAEA and member states to treat bilateral documents as "safeguards confidential." This is a principle the United States has championed throughout the IAEA's existence to protect both proprietary and proliferation-sensitive information. There are many cases where states would have liked access to safeguards information, including the denuclearization efforts in South Africa, investigations in South Korea, and efforts to safeguard enrichment plants in Brazil and elsewhere, but where that information remained confidential.

84. Senator CRUZ. Secretary Kerry, why are the terms of these "separate arrangements" so stringent that not even the P5 countries are allowed to view it?

Secretary KERRY. In the JCPOA, Iran committed to take certain steps set forth in the Roadmap Agreement negotiated between the IAEA and Iran. The Roadmap refers to two "separate arrangements" between the IAEA and Iran. Within the IAEA system, such arrangements related to safeguards procedures and inspection activities are confidential and are not released to other member states.

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85. Senator CRUZ. Secretary Kerry, the Defense Threat Reduction Agency is responsible for partnering, verifying, researching, responding, defending, and preparing against the full threat spectrum—chemical, biological, radiological, nuclear and high yield explosives. According to DTRA's website, the agency partners with "countries that have been our allies for centuries, and we partner with countries that have recently opened their doors to the United States . . . with any country that wants to reduce and eliminate weapons of mass destruction, or be prepared for a crisis involving WMD." Did DTRA in any way participate in negotiating the JCPOA before a final agreement was struck?" Has DTRA been consulted on the terms of the JCPOA since it was released? Can you verify that DTRA will not be a partner in protecting or securing Iran's nuclear facilities, pursuant to Annex III Section D, whether through technology development, academic workshops, or information sharing?

Secretary KERRY. The negotiation of the JCPOA was a fully interagency effort of the U.S. government. Implementation of the deal will similarly draw on the full spectrum of expertise within the U.S. interagency, including, where appropriate, the Department of Defense.

Nothing in Annex III of the JCPOA requires the United States to participate in any specific cooperation activity. While there could be some activities where it would be beneficial for the United States to participate, we would only participate in such an engagement after a careful review to ensure that it meets our overall policy objectives and in ways that are consistent with our laws and regulations, which significantly restrict the types of interactions that we could have.

IAEA INSPECTIONS AND VERIFICATION

86. Senator CRUZ. Please explain the rationale for a potential delay of up to 24 days for IAEA inspections.

Secretary KERRY. The Joint Comprehensive Plan of Action (JCPOA) includes the most comprehensive and rigorous verification regime ever negotiated, including an unprecedented access provision that ensures both timely and effective IAEA access to any undeclared location in Iran necessary to verify Iran's compliance, including at military locations.

To be clear, the IAEA can request access to any suspicious location with 24 hours' notice under the Additional Protocol, which Iran will implement under this deal. This deal does not change that baseline. It enhances it, by creating a new mechanism to ensure the IAEA gets the access it needs to undeclared locations and by setting a firm limit to resolve access issues—24 days. Without the special access provisions we negotiated in the JCPOA, Iran could stonewall the IAEA for years and not be in violation. The IAEA has been seeking access to the Parchin facility for well over three years.

Either Iran must provide the necessary access to resolve the IAEA's concerns within 24 days (at the maximum), or Iran would be in violation of its Joint Comprehensive Plan of Action (JCPOA) commitments and sanctions could be snapped back. Our experts believe, and the history in Iran and elsewhere has shown, that a site contaminated with nuclear materials is very unlikely to be successfully sanitized within 24 days, or longer for that matter.

Iran understands that any failure to cooperate with the IAEA will raise significant suspicions among the P5+1 and would likely lead to a snapback of sanctions. If Iran refused access after a decision of the Joint Commission, the United States could take appropriate action at that time.

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

87. Senator CRUZ. Is the IAEA relying on Iran to provide samples from the Parchin site? If so, who or what entity in Iran is designated to carry out this task?

Secretary KERRY. Under the Joint Comprehensive Plan of Action (JCPOA), Iran must complete the activities required of it in the "Roadmap for Clarification of Past and Present Outstanding Issues regarding Iran's Nuclear Program with the IAEA." This includes a separate arrangement on Parchin. This arrangement, like other arrangements related to safeguards agreements and inspections activities, is confidential within the IAEA system. We cannot address publicly the details of what the Roadmap activities entail. As we have said before—and as we briefed Congress fully in classified settings—the U.S. government's nuclear experts are confident that the Agency's plans for Parchin are technically sound. Finally, Iran will not get additional sanctions relief until the IAEA verifies that Iran has completed its nuclear steps, including those related to PMD.

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

88. Senator CRUZ. Secretary Moniz, the JCPOA limits the stockpile of enriched uranium, or its equivalent in chemical forms, at 300 kg of up to 3.67 percent. However, Annex I outlines three significant instances when enriched uranium is not counted toward this limit when: (1) fabricated fuel assemblies from Russia are used at Russian reactors inside Iran, (2) when enriched uranium from other countries is used in Iran's reactors, and (3) when enriched uranium in fuel assemblies are manufactured in Iran. How will the IAEA account for this additional uranium, and will it be reported on?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

89. Senator CRUZ. The JCPOA stipulates that, in the event Iran seeks to purchase fuel for the TRR and enriched uranium targets, the signatories to the Agreement "will supply a quantity of 19.75 percent enriched uranium oxide (U3O8) and deliver [it] to Iran." Can you guarantee that the United States will not engage as a supplier of enriched uranium oxide to Iran when it seeks to purchase this material?

Secretary KERRY. Under the JCPOA, Iran will seek to enter into a commercial contract for the external supply of fuel for the Tehran Research Reactor (TRR). In the case of lack of conclusion of such a contract with a fuel supplier, the E3/EU+3 will supply a quantity (in increments no greater than approximately 5 kg) of enriched uranium oxide to Iran, exclusively for the purpose of TRR fuel and target fabrication. Nothing in the JCPOA would require such a transfer specifically from the United States.

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

QUESTIONS SUBMITTED BY SENATOR BILL NELSON

IRAN SANCTIONS

90. Senator NELSON. Secretary Lew, If Congress does not permit sanctions to be lifted under the terms of the Joint Comprehensive Plan of Action (JCPA), will other countries continue to cooperate with U.S. sanctions? Specifically, will countries that import Iranian oil—China, India, Japan, South Korea, and Taiwan—continue to comply with sanctions imposed by Section 1245 of the Fiscal Year (FY) 2013 National Defense Authorization Act (P.L. 112–239)?

Secretary Lew. Did not respond in time for printing. When received, answer will be retained in committee files.

91. Senator NELSON. Secretary Lew, could the Department of Treasury compel their continued cooperation with threat of economic sanction? Would such a threat be credible?

Secretary Lew. Did not respond in time for printing. When received, answer will be retained in committee files.

QUESTIONS SUBMITTED BY SENATOR KIRSTEN E. GILLIBRAND

NEGATIVE IRANIAN ACTIVITY IN THE MIDDLE EAST

Senator GILLIBRAND. We've heard a lot of concerns about the fact that this deal did not address Iran's bad behavior in the region.

92. Secretary Kerry, what were the Administration's reasons for not addressing these issues?

Secretary KERRY. Iran's destabilizing activities in the region are a top concern of the Administration. An Iran with a nuclear weapon would make this aggressive behavior even more concerning. That is why the Administration believes the first step is to prevent Iran from developing a nuclear weapon. This arrangement addresses that concern by ensuring that Iran cannot obtain a nuclear weapon as we continue our work to hold Tehran accountable for its destabilizing regional activities, including its support for terrorism. The President is committed to working closely with Israel, the Gulf countries, and our other regional partners to do just that.

93. Senator GILLIBRAND. Secretary Kerry, how will we ensure that the loosening of sanctions and the integration of Iran into the world economy does not backfire and generate more violence in the region?

Secretary KERRY. We remain vigilant against threats to regional stability from Iran, and have not let up on our efforts to address Iran's support for terrorism and destabilizing activities in the region, including through designations of Iranians involved in support for terrorism during the Joint Plan of Action (JPOA) period. We have made clear to Iran that we will continue to utilize all our tools to disrupt such activities by Iran. First, we are undermining Iran's capacity to execute attacks directly or through its partners and proxies by expanding our cooperation with and strengthening the capacity of regional partners. Second, we are working to restrict Iran's ability to move money and material for illicit purposes through sanctions and interdiction actions when necessary. Third, we remain committed to Israel's security and that of our other regional allies and we continue to build up our partners' capacity to defend themselves against Iranian aggression. Fourth, we are working unilaterally and with allies to weaken Hizballah's financial networks. Finally, we are working to disrupt Iran's relationships with its partners by publicizing Iran's meddling wherever we can and over the long-term by strengthening democratic institutions and the rule of law in countries facing threats from Iranian proxy activities.

94. Senator GILLIBRAND. Secretary Carter, do you anticipate that Iran will use some of its freed-up cash to fund its proxies like the Houthis in Yemen, Bashar al-Assad in Syria, Hezbollah in Lebanon, and Hamas in Gaza?

Secretary CARTER. [Deleted.]

95. Senator GILLIBRAND. Secretary Carter, what is the U.S. counter-strategy?

Secretary CARTER. The Defense Department's primary responsibility with regard to the nuclear agreement is to ensure that the President has all military options available for any Iran contingency. The Department will maintain plans, preparations, and posture to be able to execute a robust military option, if called upon to

do so. The Department remains prepared and postured to bolster the security of regional partners, including Israel, to defend against aggression, ensure freedom of navigation in the Gulf, and to check Iranian malign influence. Finally, the Department is postured and prepared to respond to possible Iranian non-compliance with the agreement.

VERIFICATION

Senator GILLIBRAND. Secretary Moniz, the Additional Protocol specifies that for access to undeclared and other sites, "advance notice shall be in writing and shall specify the reasons for access and the activities to be carried out during such access." The JCPOA says the IAEA will "provide Iran the reasons for access in writing and will make available relevant information." I have talked to IAEA inspection experts who both have told me that the amount of information required under the JCPOA for access to an undeclared site appears to be greater than under the Additional Protocol.

96. Secretary Moniz, can you explain to me why the agreement requires the IAEA to "make available relevant information" when the Additional Protocol does not? Could this requirement to "make available relevant information" be difficult to implement and perhaps inhibit a request for access if, for example, the request is based on intelligence information?

Secretary Moniz, the Administration has indicated that it would take no more than 24 days to gain access to an undeclared site where there is suspicion of activities contrary to the JCPOA. However, the JCPOA also that states that the 24 day clock begins with the "IAEA's initial request for access" and the initial request for access cannot be made until after a request for clarification and Iran's response, potentially creating a delay longer than 24 days. According to the agreement, once a site is identified by the agency, and before the "IAEA's initial request for access," the IAEA must "provide Iran the basis for such concerns and request clarification" and then allow Iran to attempt to explain. The IAEA can only request access if "If Iran's explanations do not resolve the IAEA's concerns.

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

97. Senator GILLIBRAND. Secretary Moniz, does this initial period potentially extend the time for access significantly beyond 24 days from the time a suspicious site is identified by the IAEA and the concern is communicated to Iran?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

98. Senator GILLIBRAND. Secretary Moniz, some have suggested that the 24 day clock begins with the initial request for clarification, notwithstanding the language of the agreement. If this is the Administration position, has Iran agreed to this?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

99. Senator GILLIBRAND. Secretary Moniz, what kind of cheating could Iran do within 24 days?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

100. Senator GILLIBRAND. Secretary Moniz, according to Dr. Olli Heinonen, former Deputy Director of the IAEA, Iran could theoretically sanitize a suspected site of materials—including nuclear materials—within 2 weeks and has done so in the past. Do you agree with this assessment? Why or why not?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

101. Senator GILLIBRAND. Secretary Carter, some analysts believe that if Iran is allowed to continue to enrich nuclear materials, even for allegedly peaceful purposes, that other countries in the region will follow suit and begin their own nuclear programs. What is your assessment of this likelihood? Will this deal lead to a nuclearization of the Middle East?

Secretary CARTER. [Deleted.]

102. Senator GILLIBRAND. Secretary Moniz, this agreement begins with a significant roll back of Iran's capabilities and levels of inspection that include access to known facilities, limitations on the number of centrifuges they can have spinning,

the 24-day access window and oversight of the supply chain. But over time, these restrictions and additional access are eliminated and after 25 years, all that is left are Iran's responsibilities under the Nonproliferation Treaty and the Additional Protocol. Can you walk us through what we gain in the interim and at the end of 25 years, are we back where we started?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

103. Senator GILLIBRAND. Secretary Moniz, what kind of inspections regime (frequency, access, and clear consequences) will be necessary to create an effective deterrent so Iran will not cheat?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

104. Senator GILLIBRAND. Secretary Moniz, does the IAEA have those capabilities?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

105. Senator GILLIBRAND. Secretary Moniz, Iran's clandestine activities, rather than just the existing facilities, are of great concern considering its history. What do we know about Iran's past efforts to cheat and set up a clandestine program?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

PAST MILITARY DIMENSIONS

106. Senator GILLIBRAND. Secretary Moniz, what do we still need to learn through the PMD process with the IAEA?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

107. Senator GILLIBRAND. Secretary Moniz, what, if anything, does this deal do in response to that?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

108. Senator GILLIBRAND. Secretary Moniz, what guarantees are there that the deal's PMD process will cover everything clandestine that's potentially out there?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

109. Senator GILLIBRAND. Secretary Carter, will the access for these first 10–15 years help in the future should Iran later be found to have developed a covert program and broken its commitments under the nuclear Nonproliferation Treaty (NPT) and Additional Protocol?

Secretary CARTER. Ten or fifteen years from now, the United States will likely be in a far stronger position with Iran further away from a nuclear weapon, and with the inspections and transparency measures in place that allow for stronger international monitoring of the Iranian program than would be in place without this deal. I will not comment on the specifics of military planning, but I am confident in the Department's ability to serve as an insurance policy against possible Iranian non-compliance.

110. Senator GILLIBRAND. Secretary Moniz, Which countries have the best weapons inspectors? Will they be on the ground in Iran?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

111. Senator GILLIBRAND. Secretary Moniz, The agreement calls for 130+ inspectors from IAEA to monitor Iran's program. In your opinion, is this number sufficient?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

112. Senator GILLIBRAND. Secretary Moniz, Does IAEA have sufficient technical expertise to adequately monitor Iran's nuclear program, particularly any clandestine activities?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

113. Senator GILLIBRAND. Secretary Moniz, what about IAEA's funding and resources? Are they sufficient?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

114. Senator GILLIBRAND. Secretary Moniz, what if anything can the U.S. do to strengthen the IAEA's hand?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

115. Senator GILLIBRAND. Secretary Moniz, Do you believe that, at the end of the 10–15 years of more restricted activity, Iran will be a "nuclear threshold" state capable of being able to move rapidly to weaponization?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

116. Senator GILLIBRAND. Do you have any concerns about Russia reprocessing spent fuel from Arak or with converting centrifuges at Fordow to isotope production?

Secretary Moniz. Did not respond in time for printing. When received, answer will be retained in committee files.

Secretary KERRY. Under the Joint Comprehensive Plan of Action (JCPOA), Iran must export all spent fuel from the redesigned Arak reactor, for the lifetime of the reactor, to a mutually determined location in a P5+1 country or third country, for further treatment or disposition, as provided for in relevant contracts between the parties. While there are no such contracts to date, we would welcome one of our P5+1 partners—including Russia—taking on this role.

Regarding Fordow, the JCPOA provides for two centrifuge cascades to be modified for the production of stable isotopes, conducted in joint partnership between Russia and Iran on the basis of mutually agreed arrangements. We welcome Russia's willingness to cooperate with Iran on activities to transition the Fordow facility from a uranium enrichment facility—which is its current use without a JCPOA—to a nuclear, physics, and technology center without nuclear material and where no uranium enrichment or uranium enrichment research and development is conducted.

RAMIFICATIONS OF CONGRESS REJECTING DEAL

Senator GILLIBRAND. Secretary Kerry, the Administration has stated that the consequences would be "catastrophic" if Congress were to reject the agreement.

117. Secretary Kerry, please walk us through exactly what you foresee happening in such a scenario.

Secretary KERRY. If Congress rejects the deal, the United States would not be in a position to fulfill its sanctions relief commitments under the JCPOA because of the restrictions under the Iran Nuclear Agreement Review Act (INARA). The expected result would be that Iran would refuse to meet its commitments, and the JCPOA would collapse. Without sanctions relief from the United States, Iran would very likely not take the significant nuclear steps the JCPOA requires to roll back and constrain its nuclear program, or to provide unprecedented access to monitor it. In this scenario, the existing UNSC sanctions regime would remain in place because the IAEA would not be in a position to confirm that Iran has taken the nuclear steps outlined in the JCPOA. Compliance with these and other sanctions would begin to erode, however, as countries perceived that the U.S. had turned its back on a feasible negotiated solution. This would put us in the worst possible position of losing our constraints on Iran's nuclear program while our leverage begins to weaken.

118. Senator GILLIBRAND. Secretary Kerry, please explain why it wouldn't be possible for the P5+1 to return to negotiations to get a stronger deal.

Secretary KERRY. Our international partners joined us in applying tough sanctions to Iran because we made the case that Iran's nuclear program was an uncontained threat to global security. Sanctions were used to bring Iran to the negotiating table, which worked. Now, after two years of negotiating with Iran, the international community does not believe that ramping up sanctions will result in a better deal. Instead, should Congress reject the deal and impose new sanctions, the international community would blame us for walking away from a credible solution

and would move forward with their desire to re-engage with Iran. We would no longer be able to maintain the tough international sanctions regime that forced Iran to negotiate.

The countries whose cooperation we need—including those in the European Union, China, Japan, India and South Korea, as well as the companies and banks that handle their oil purchases and hold foreign reserves—are among the largest economies in the world. These partners, should they believe our efforts to negotiate a nuclear deal were disingenuous, would likely decide to stop cooperating with our sanctions.

If Congress voted to reject the deal, we would go from a situation in which Iran is isolated to one in which the United States is isolated. That would be damaging in general, but would represent a significant setback in our ability to mitigate the profound threat to international peace and security the Iranian nuclear program poses.

QUESTIONS SUBMITTED BY SENATOR RICHARD BLUMENTHAL

SANCTIONS ON IRANIAN BANKS

119. Senator BLUMENTHAL. Secretary Lew, thank you for your efforts and those at treasury working to stop terror financing and the entire OFAC team. You have a real challenge here with this proposed agreement because it is a Sisyphean task to disambiguate Iranian banks involved in terror financing from those involved in financing Iran's covert nuclear program. They are really two sides of the same coin, both state enterprises of the Government of Iran. With Iran being a state sponsor of terror, I am deeply troubled that the sanctions relief in this proposed agreement will allow banks engaged in terror financing back into SWIFT and global commerce. While I have been assured that Bank Saderat remains sanctioned because of its terror finance activities, Oner Bank, which is a bank directly owned or controlled by Bank Saderat is removed from sanctions. Likewise, Karafarin Bank is given sanction relief. As you know the Karafarin Bank is a private bank controlled by Iran's Supreme Leader, Seyed Ali Khamenei, through holding companies. Please explain to the Committee how the private bank of the Ayatollah is not engaged in terror financing.

Secretary Lew. Did not respond in time for printing. When received, answer will be retained in committee files.

120. Senator BLUMENTHAL. Secretary Lew, another example is Bank Tejerat. This bank financed Iran's attempts to acquire yellowcake uranium. But it also supports the activities of subsidiaries and subordinates of Iran's Islamic Revolutionary Guard Corps and we know the IRGC is coordinating terrorism across the Middle East as we speak. So will you pledge today that Bank Tejerat will remain on our SDN (Specialty Designated Nationals) list and that you will work with our EU allies keep this and the other banks I mentioned out of the SWIFT system?

Secretary Lew. Did not respond in time for printing. When received, answer will be retained in committee files.

THE JOINT COMPREHENSIVE PLAN OF ACTION (JCPOA) AND THE MILITARY BALANCE IN THE MIDDLE EAST

TUESDAY, AUGUST 4, 2015

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

The committee met, pursuant to notice, at 9:35 a.m. in Room SD–G50, Dirksen Senate Office Building, Senator John McCain (chairman) presiding.

Committee members present: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Reed, Nelson, McCaskill, Manchin, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich.

OPENING STATEMENT OF SENATOR JOHN MCCAIN, CHAIRMAN

Chairman MCCAIN. Before we commence the hearing, I would like to say, since a quorum is now present, I ask the committee to consider two civilian nominations and a list of 1,476 pending military nominations.

First, I ask the committee to consider the nomination of Ms. Joyce Louise Connery to be a member of the Defense Nuclear Facility Safety Board, and Mr. Joseph Bruce Hamilton to be a member of the Defense Nuclear Facilities Board. Is there a motion to favorably report these two civilian nominations to the Senate?

Senator REED. So moved.

Senator INHOFE. Second.

Chairman MCCAIN. Is there a second?

Senator INHOFE. It's me.

Chairman MCCAIN. All in favor?

[A chorus of ayes.]

Chairman MCCAIN. All those opposed?

[No response.]

Chairman MCCAIN. The ayes have it.

Second, I ask the committee to consider a list of 1,476 pending military nominations, including General Mark A. Milley to be Chief of Staff of the Army, Admiral John R.—John M. Richardson to be Chief of Naval Operations, and Lieutenant General Robert B. Neller to be General and Commandant of the Marine Corps.

Of these nominations, 298 nominations are 1 day short of the committee's requirement that nominations be in committee for 7 days before we report them out. No objection has been raised, these

nominations. I recommend the committee waive the 7-day rule in order to permit the confirmation of the nominations of these officers before the Senate goes out for the August recess.

Is there a motion to favorably report these 1,476 military nominations to the Senate?

Senator REED. So moved.

Chairman MCCAIN. Is there a second?

Senator REED. Second.

Chairman MCCAIN. All in favor, say aye.

[A chorus of ayes.]

Chairman MCCAIN. The motion carries. This—a significant turnover in the—on the leadership—top leadership of the United States military.

The committee meets today for our second oversight hearing on the Joint Comprehensive Plan of Action, which the United States and other major powers have signed with Iran.

We welcome our distinguished witnesses and thank them for joining us today: General Michael Hayden, Principal at the Chertoff Group and former Director of the Central Intelligence Agency; Ambassador Nicholas Burns, Goodman Professor of Diplomacy and International Relations at the Harvard Kennedy School and former Under Secretary of State for Political Affairs; Ambassador Eric Edelman, Distinguished Fellow at the Center for Strategic and Budgetary Assessments and former Under Secretary of Defense for Policy; and Dr. Richard Haass, President of the Council on Foreign Relations and former Director of Policy Planning at the State Department. A very distinguished panel, and I thank all of them for coming to testify before us today.

The committee's oversight is primarily focused on the strategic and military implications of the agreement, which is the responsibilities of the Armed Services Committee. Among other things, we want to know how this agreement will affect regional security, proliferation, and the balance of power in the Middle East; what impact it may have on Iran's malign activities and hegemonic——

Senator REED. Dominating-the-region stuff.

[Laughter.]

Chairman MCCAIN.—ambitions in the region—hegemonic ambitions in the region; what it means for perceptions of American credibility and resolve among our allies and partners; and what the consequences are for U.S. defense policy, military planning, and force posture.

From this broader strategic perspective, this bad deal only looks that much worse. The committee is eager to hear our witnesses' assessments of the vital details of this agreement, especially the verification and monitoring mechanisms, which include two side agreements between the IAEA and Iran, neither of which the administration or the Congress have seen. At the same time, what is even more troubling are the military implications of this agreement.

Iran is not just an arms-control challenge, it is a geopolitical challenge. For years, many of us have urged the administration to adopt a regional strategy to counter Iran's malign activities in the Middle East. Unfortunately, if such a strategy exists, there is no evidence of it. Instead, we have watched with alarm as Iran's mili-

tary and intelligence operatives have stepped up their destabilizing activities in Iraq, Syria, Lebanon, Yemen, Bahrain, Gaza, and elsewhere. Iran did all of this under the full pressure of sanctions. Now Iran will receive a windfall of sanctions relief estimated at roughly $60 billion, or possibly much more. It is only fair to assume that billions of additional dollars will soon flow to the Iran's Revolutionary Guards Force, or Quds Force, money that will be used to boost arms supplies to Iran's terrorist proxies, to sow chaos and instability across the region, and double down on Bashar Assad right when he needs it most. This will present a host of new challenges for the Department of Defense.

This agreement will not only strengthen Iran's malign activities in the region, it will also further Iran's emergence as a dominant military power in the Middle East. Despite repeated assurances that negotiations were strictly limited to the nuclear program, the administration made major concessions related to conventional weapons and ballistic missiles, concessions that the Chairman of the Joint Chiefs of Staff warned, before the agreement, should occur under, quote, "no circumstances."

In 8 years, this agreement would lift restrictions on ballistic missiles whose only conceivable military purpose would be to deliver nuclear weapons against the United States and its allies. In 5 years, this agreement would lift the international arms embargo against Iran, freeing up the regime to acquire advanced conventional military capabilities. With billions of dollars in sanctions relief, Iran is sure to find plenty of states that are eager to sell those weapons, especially Russia and China.

These concessions have direct and dangerous implications for the U.S. military. The administration says that the military option will remain on the table if Iran violates the agreement. And that is true. Yet, the agreement itself would enable Iran to construct the very kind of advanced military arsenal, the anti-access and area denial capabilities, that could raise the cost of employing our military option. In short, if this agreement fails, United States servicemembers are called upon to take action against Iran, their lives would be at greater risk because of this agreement.

And that is perhaps most troubling of all about this agreement, what it means for America's credibility in the Middle East. For decades, the United States has sought to suppress security competition in the region between states with long histories of hostility toward one another and to prevent war. I fear this agreement could further undermine our ability and willingness to play that vital stabilizing role.

Our allies and partners in the Middle East have increasingly come to believe that America is withdrawing from the region, and doing so at a time when Iran is aggressively seeking to advance its ambitions. Now we have reached an agreement that will only legitimize the Islamic Republic as a threshold nuclear state with an industrial enrichment capability, but will also unshackle this regime and its long-held pursuit of conventional military power, and may actually consolidate the current regime's control in Iran for years to come.

The President and his advisors are fond of saying that the only alternative to this deal is war. This kind of false choice is all too

familiar from this administration. And these cheap scare tactics have no place in a national security debate of this magnitude. And our military leaders know better. The Chairman of the Joint Chiefs, General Dempsey, told this committee last week, quote, "We have a range of options." Likewise, the President's nominee to be the next Chief of Naval Operation testified that, quote, "There are other options besides going to war."

In addition to your analysis of the agreement and its consequences, all of us are eager to hear from each of you today what realistic alternatives there is to this agreement and what role the Congress should now play.

Senator Reed.

STATEMENT OF SENATOR JACK REED

Senator REED. Well, thank you very much, Mr. Chairman.

And we are, indeed, fortunate to have before us today witnesses that have served time in the military and our diplomatic service, intelligence entities of our government. They have a wide range of knowledge and experience in issues relating to the Middle East, nonproliferation, asymmetric warfare, and matters of war and peace in general.

This is our second hearing relating to the Joint Comprehensive Plan of Action, or the JCPOA. And I want to thank Chairman McCain for his effort to make sure the committee is presented with a range of views and opinions on the JCPOA.

In the weeks ahead, Congress has an obligation to review carefully the details of this agreement and to validate that the agreement will meet our common goal of stopping Iran from acquiring a nuclear weapon. This week's hearings are part of that effort.

Last week, the committee held a hearing with the Secretaries of Treasury, State, Defense, and Energy, and the Chairman of the Joint Chiefs of Staff. That hearing was important, as it provided the committee with the administration's views on the agreement, plans for regional engagement in the months and years ahead, and an opportunity to better understand the details of the agreement, from Iran's enrichment capabilities under the JCPOA to how snapback provisions and sanctions would be imposed if the terms of the agreement were violated.

I hope our witnesses today will provide their assessment of whether the deal is in—the best available option to present the Iranians from obtaining a nuclear weapon, both in the near and long term. I specifically hope they will address a number of areas: the terms of the agreement itself, particularly with respect to cutting off a path to a nuclear device, past military dimensions of the program, duration, and the breakout time necessary for Iran to acquire a nuclear weapon; the alternatives, if any, to the JCPOA—and I think these alternatives are something that we must consider; three, the inspection regime under the deal, including lessons learned from past international inspections that have been incorporated into this deal; four, the role and capacity of the International Agency—the Atomic Energy Agency to implement this deal; and finally, the sanctions regime under the JCPOA, and availability of those tools to be used against Iran in situations of

terrorism, regional destabilization activities, and human rights abuses.

While the implementation of this agreement will not be performed by the Department of Defense, the Department will have a critical role in implementing the regional engagement policies and programs laid out at Camp David with our Gulf Cooperation Council partners. Secretary Kerry is in the region this week and is working with our GCC partners for the next steps of this policy: to enhance the ballistic missile defense capability of the GCC and to improve their interoperability and collective defense against asymmetric threats. These are important efforts that I look forward to hearing about today.

Israel rightly views Iran as a significant ongoing threat to their national security interest. And, while Prime Minister Netanyahu is unlikely to ever endorse this agreement, the United States should make every effort to deepen further our cooperation on military and intelligence matters with Israel. I would be interested in hearing the assessment of the witnesses on how the United States might successfully move forward with the Netanyahu government if this agreement is ultimately adopted.

I want to make one final point. These negotiations focused on denying Iran a pathway to a nuclear weapon. A nuclear weapon would be a more critical factor in the region. In fact, Iran would be a more formidable force in the region if it had a nuclear weapon, and, as it is repeatedly demonstrated, not a force for peace and stability, but one that supports terror and seeks to impose its will throughout the Middle East. Moreover, a nuclear Iran would likely prompt a regional nuclear arms race that, through accident or design, could lead to catastrophe. None of us would condone or ignore Iran's support of terror or other destabilizing activities in the region, but these negotiations were properly focused on nuclear weapon.

I look forward to the panel's responses as we continue to deepen our understanding of this agreement.

Thank you, Mr. Chairman.

Chairman MCCAIN. Welcome the witnesses.

General Hayden, we'll begin with you.

STATEMENT OF GENERAL MICHAEL V. HAYDEN, USAF (RET.), PRINCIPAL, THE CHERTOFF GROUP AND FORMER DIRECTOR, CENTRAL INTELLIGENCE AGENCY

General HAYDEN. Thank you, Mr. Chairman, Mr. Vice Chairman, for the invitation and including me in such a distinguished panel.

I actually will be very brief in my opening remarks, because I know we've got an awful lot of questions with which we have to deal.

I do appreciate, however, in my conversation with the committee staff, that the committee seems to be organizing its inquiry along a pattern of what I will call—the staff doesn't—what I will call three bubbles:

One bubble is the nature of the agreement itself. And that's the part that the President has asked us to focus on. He actually has said, "Judge this agreement on whether or not it prevents Iran from getting a nuclear weapon in the next 10 years." I actually

think that's a fairly narrow focus, and that is not the only consideration that we must bring to mind in considering this agreement. Now, we can argue within that bubble as to whether or not it's actually sufficient for that more narrowly defined task with regard to possible military dimensions, the inspection regime, the realism of snap-back inspections, and so on. And I'm sure we will discuss that, going forward. But, frankly, of the three bubbles I'm going to describe, it's probably, in my eye, the most favorable, despite its weaknesses.

A second bubble has to do with time. Where are we in 10 years? And where we will be in 10 years, if the agreement is honored, we will be, within Iran, with an industrial strength nuclear complex and permanent nuclear weapons threshold status. That's what we have negotiated. And so, I think that's also a second very important consideration, not just what it does from zero to 10.

And then, finally and perhaps most immediately, it's what the agreement does now to all the other aspects of Iranian behavior that are so troubling to us: what they do with regard to support to terrorism, Hamas, Hezbollah, their activity in Iraq, in Lebanon, shoring up the Bashar al-Assad government in Syria, and, of course, their contribution to the civil war in Yemen. Iran is doing that now, and is doing that as an isolated, impoverished, considered, renegade nation-state in the region. What might Iran be doing in those regards if Iran is no longer isolated, no longer considered renegade, brought back into the family of nations, and considerably richer than it is today?

Mr. Chairman, the night before you arrived at Aspen, a few weeks ago, General Clapper was out in the big tent answering some questions, and he was asked about the agreement. And his bottom line was, "A terrorist-supporting state without a nuclear weapon, a terrorist-supporting state with a nuclear weapon, I think the choice is clear." Jim's a good friend, and that is an incredibly important consideration. But, I don't think we can isolate ourselves to that consideration. As soon as he said it, I kind of perked up and said, "Let me give"—I didn't say it out loud, but to myself—"Let me give you a contrary calculus." Okay? "A terrorist-supporting state, isolated, renegade, impoverished, and not able to have normal dialogue or intercourse with the community of nations, and a terrorist-supporting state rich, engaged, accepted, and legitimated." Those are the kinds of problems I think the immediate and predictable—not only—beyond that, inevitable—byproducts, even if bubble one were acceptable, that we would have to deal with before we consider the entire agreement acceptable.

Thank you very much, Mr. Chairman. I know we'll have lots of questions, going forward.

Chairman MCCAIN. Thank you.

Dr. Haass.

STATEMENT OF RICHARD N. HAASS, PRESIDENT, COUNCIL ON FOREIGN RELATIONS AND FORMER DIRECTOR OF POLICY PLANNING, U.S. DEPARTMENT OF STATE

Dr. HAASS. Thank you, Mr. Chairman. Thank you for this opportunity.

Look, this agreement with Iran, like any agreement, is filled with compromise. And I would say the—what we can simply do is summarize it as a tradeoff. Inconsistent, I think, with what General Hayden said, the agreement places significant limits on what Iran is permitted to do in the nuclear sphere for 10 to 15 years. But, these limits, even if respected in full, come at a steep price. And there's essentially two principal prices. One is that it certainly facilitates Iran's efforts to carry out what I would call an imperial foreign policy in the Middle East and Persian Gulf, starting now. And secondly, the agreement does not in any way resolve the problems posed by Iran's actual or potential nuclear capabilities. And indeed, many of these problems grow significantly worse as we come out to 10 or 15 years.

My own view is that a better agreement could and should have been materialized, but I also understand this is unprovable, and this is why historians can make a living. So, I will simply address the agreement that we have before us. But, I do think it needs to be judged on its merits rather than on the hopes it might lead to some type of a political transformation of Iran. We simply cannot know what, if any, effect it will have on Iran. And I think this is one we can argue round or flat. It could just as easily encourage radicalism in Iran as it could encourage moderation.

I also have three baskets, not bubbles:

One is the question of compliance. Given Iran's history, there's ample reason for concern. My own prediction, and it's just that, is, Iran may well be tempted to cut corners and engage in what you might describe as retail noncompliance, but probably not wholesale noncompliance, lest it risk the reintroduction of sanctions or even military attack. I also come to this conclusion because I think, from Iran's point of view, this is a good agreement, and it would be undisciplined on their part if they were to engage in wholesale noncompliance. Still, we've to guard against it, and I think we ought to be explicit as to what the penalties would be if they were to do that.

On the regional side, as I said, Iran is an imperial power, and sanctions relief will be an enabler for them to do all the things they have been doing, but on a larger scale, and it could well extend, among other things, to Syrian civil war. This comes against the backdrop, I would simply add, of a Middle East which is already the least successful part of the world. I've used the analogy that the Middle East is a latter-day 30-years war of political and religious strife within and across boundaries. I see nothing in this agreement that will make that situation better, and, quite possibly, it will make it worse.

And I'm happy to discuss, if people want, what I think, therefore, we need to think about doing in places like Iraq, in Syria and other places in the region. I would simply say, more broadly, is that we need to discourage the Saudis and others from developing a nuclear option to hedge against what Iran might do down the road. I mean, as bad as the Middle East now, a Middle East with one or more additional nuclear threshold states or actual states would be a nightmare, particularly since several of these regimes are brittle. So, it's not just simply the question of nuclear use that we have

to think about, it's the loss of custodianship over nuclear weapons and materials.

Establishing strategic trust—or reestablishing strategic trust with Israel, I would also put high on the list. And, for the Israelis and others, including Jordan and other countries, we have got to have real, strategic dialogues to make sure they can contend with the very real threats, either stemming from Iran, ISIS, or what have you.

My third area of concern deals with the long-term nuclear. And, in some areas, I think that's the most serious. It's necessary, but not sufficient, that Iran not be able to assemble one or more nuclear weapons down the road. And one thing I would recommend immediately is consultations with European and regional governments to deal with the question of a follow-on agreement to this one. What—again, if I'm right in my analysis that this agreement buys us 10 or 15 years, then we need to begin immediately on what is the aftermath. Because 10 or 15 years is not all that much. And we, ourselves, need to do serious planning, not simply diplomatically, but about sanctions, covert action, and military force.

Now, I'm aware that you all, unlike me, have the responsibility to vote on this agreement. And I—as I've said, I believe it is a flawed agreement. But, I also think the framing is important here. And the issue before the Congress is not whether the agreement is good or bad, but whether, from this point on, the United States would be better or worse off with or without it. And I simply think there are several drawbacks to passing a resolution of disapproval, presumably overriding a presidential veto. And the two most serious ones are obviously what Iran could do in the nuclear realm in the short run, and secondly, the questions and doubts this would raise, not simply in the region, but around the world, about American reliability and predictability.

At the other end of the scale or spectrum is the option of voting for the agreement. But, that would do nothing to address the flaws and the drawbacks and shortcomings of the agreement that exists.

So, let me just put on the table a third option that I think is worth exploring, which is the idea to associate or link or somehow accompany any vote on this agreement with either legislation or some type of a formal communication between the White House and the Congress about American policies that would deal with each one of these three baskets. What would be American policy in the case of noncompliance? What would be certain principles that would guide American policy towards regional challenges? And what would be the principles and policies that would guide U.S.—the United States over the 10- and 15-year period and beyond when it came to Iranian policies in the nuclear realm. And what this—what the statements or these—this accompanying legislation would lay out is what would be intolerable and what the United States is prepared to do in the event of certain types of Iranian behavior. And I think such a statement would both have elements of reassurance to our friends and allies to help manage their behavior, but also send clear warnings to Iran about what would be the consequences of certain actions on their part.

Thank you very much.

[The prepared statement of Dr. Haass follows:]

PREPARED STATEMENT BY RICHARD N. HAASS

Mr. Chairman: Thank you for this opportunity to speak about the "Joint Comprehensive Plan of Action" (JCPOA) signed on July 14 by representatives of the five permanent members of the UN Security Council, Germany, and Iran. I want to make it clear that what you are about to hear are my personal views and should not be interpreted as representing the Council on Foreign Relations, which takes no institutional positions.

The agreement with Iran, like any agreement, is a compromise, filled with elements that are attractive from the vantage point of US national security as well as elements that are anything but. A simple way of summarizing the pact and its consequences is that at its core the accord represents a strategic tradeoff. On one hand, the agreement places significant limits on what Iran is permitted to do in the nuclear realm for the next ten to fifteen years. But these limits, even if respected in full, come at a steep price. The agreement almost certainly facilitates Iran's efforts to promote its national security objectives throughout the region (many of which are inconsistent with our own) over that same period. And second, the agreement does not resolve the problems posed by Iran's actual and potential nuclear capabilities. Many of these problems will become greater as we approach the ten year point (when restrictions on the quantity and quality of centrifuges come to an end) and its fifteen year point (when restrictions pertaining to the quality and quantity of enriched uranium also end).

I was not a participant in the negotiations; nor was I privy to its secrets. My view is that a better agreement could and should have materialized. But this debate is better left to historians. I will as a result address the agreement that exists. I would say at the outset it should be judged on its merits rather than on hopes it might lead (to borrow a term used by George Kennan in another context) to a mellowing of Iran. This is of course possible, but the agreement also could have just the opposite effect. We cannot know whether Iran will be transformed, much less how or how much. So the only things that makes sense to do now is to assess the agreement as a transaction and to predict as carefully as possible what effects it will likely have on Iran's capabilities as opposed to its intentions.

I want to focus on three areas: on the nuclear dimension as detailed in the agreement; on the regional; and on nuclear issues over the longer term.

There is understandable concern as to whether Iran will comply with the letter and spirit of the agreement. Compliance cannot be assumed given Iran's history of misleading the IAEA, the lack of sufficient data provided as to Iran's nuclear past, the time permitted Iran to delay access to inspectors after site-specific concerns are raised, and the difficulty likely to be experienced in reintroducing sanctions. My own prediction is that Iran may be tempted to cut corners and engage in retail but not wholesale non-compliance lest it risk the reintroduction of sanctions and/or military attack. I should add that I come to this prediction in part because I believe that Iran benefits significantly from the accord and will likely see it in its own interest to mostly comply. But this cannot be assumed and may be wrong, meaning the United States, with as many other governments as it can persuade to go along, should both make Iran aware of the penalties for non-compliance and position itself to implement them if need be. I am assuming that the response to sustained non-compliance would be renewed sanctions and that any military action on our part would be reserved to an Iranian attempt at breaking out and fielding one or more nuclear weapons.

The regional dimension is more complex and more certain to be problem. Iran is an imperial power that seeks a major and possibly dominant role in the region. Sanctions relief will give it much greater means to pursue its goals, including helping minority and majority Shi'ite populations in neighboring countries, arming and funding proxies such as Hezbollah and Hamas, propping up the government in Damascus, and adding to sectarianism in Iraq by its unconditional support of the government and Shia militias. The agreement could well extend the Syrian civil war, as Iran will have new resources with which to back the Assad government. I hope that Iran will see that Assad's continuation in power only fuels a conflict that provides recruiting opportunities for the Islamic State, which Iranian officials rightly see as a threat to themselves and the region. Unfortunately, such a change in thinking and policy is a long shot at best.

The United States needs to develop a policy for the region that can deal with a more capable, aggressive Iran. To be more precise, though, it is unrealistic to envision a single or comprehensive US policy for a part of the world that is and will continue to be afflicted by multiple challenges. As I have written elsewhere, the Middle East is in the early throes of what appears to be a modern day 30 Years War in which politics and religion will fuel conflict within and across boundaries

for decades, resulting in a Middle East that looks very different from the one the world has grown familiar with over the past century.

I will put forward approaches for a few of these challenges. In Iraq, I would suggest the United States expand its intelligence, military, economic, and political ties with both the Kurds and Sunni tribes in the West. Over time, this has the potential to result in gradual progress in the struggle against the Islamic State.

Prospects for progress in Syria are poorer. The effort to build a viable opposition to both the government and various groups including but not limited to the Islamic State promises to be slow, difficult, anything but assured of success. A diplomatic push designed to produce a viable successor government to the Assad regime is worth exploring and, if possible, implementing. European governments likely would be supportive; the first test will be to determine Russian receptivity. If this is forthcoming, then a joint approach to Iran would be called for.

I want to make two points here. First, as important as it would be to see the Assad regime ousted, there must be high confidence in the viability of its successor. Not only would Russia and Iran insist on it, but the United States should as well. Only with a viable successor can there be confidence the situation would not be exploited by the Islamic State and result in the establishment of a caliphate headquartered in Damascus and a massacre of Alawites and Christians. Some sort of a multinational force may well be essential.

Second, such a scenario assumes a diplomatic approach to Iran. This should cause no problems here or elsewhere. Differences with Iran in the nuclear and other realms should not preclude diplomatic explorations and cooperation where it can materialize because interests are aligned. Syria is one such possibility, as is Afghanistan. But such diplomatic overtures should not stop the United States acting, be it to interdict arms shipments from Iran to governments or non-state actors; nor should diplomatic outreach in any way constrain the United States from speaking out in reaction to internal political developments within Iran. New sanctions should also be considered when Iran takes steps outside the nuclear realms but still judged to be detrimental to other US interests.

Close consultations will be required with Saudi Arabia over any number of policies, including Syria. But three subjects in particular should figure in US-Saudi talks. First, the United States needs to work to discourage Saudi Arabia and others developing a nuclear option to hedge against what Iran might do down the road. A Middle East with nuclear materials in the hands of warring, potentially unstable regimes would be a nightmare. This could involve assurances as to what will not be tolerated (say, enrichment above a specified level) when it comes to Iran as well as calibrated security guarantees to Saudi Arabia and others. Second, the Saudis should be encouraged to reconsider their current ambitious policy in Yemen, which seems destined to be a costly and unsuccessful distraction. The Saudi government would be wiser to concentrate on contending with internal threats to its security. And thirdly, Washington and Riyadh should maintain a close dialogue on energy issues as lower oil prices offer one way of limiting Iran's capacity to pursue programs and policies detrimental to US and Saudi interests.

The agreement with Iran does not alter the reality that Egypt is pursuing a political trajectory unlikely to result in sustained stability or that Jordan will need help in coping with a massive refugee burden. Reestablishing strategic trust with Israel is a must, as is making sure it as well as other friends in the region have what they need to deal with threats to their security. (It matters not whether the threats come from Iran, the Islamic State, or elsewhere.) The United States should also step up its criticism of Turkey for both attacking the Kurds and for allowing its territory to be used as a pipeline for recruits to reach Syria and join the Islamic State.

The third area of concern linked to the nuclear pact with Iran stems from its medium and long-term capabilities in the nuclear realm. It is necessary but not sufficient that Iran not be permitted to assemble one or more nuclear bombs. It is also necessary that it not be allowed to develop the ability to field a large arsenal of weapons with little or no warning. This calls for consultations with European and regional governments to begin sooner rather than later on a follow-on agreement to the current JCPOA. The use of sanctions, covert action, and military force should also be addressed in this context.

I am aware that members of Congress have the responsibility to vote on the Iran agreement. As I have said, it is a flawed agreement. But the issue before the Congress is not whether the agreement is good or bad but whether from this point on the United States is better or worse off with it. It needs to be recognized that passage of a resolution of disapproval (presumably overriding a presidential veto) entails several major drawbacks. First, it would allow Iran to resume nuclear activity in an unconstrained manner, increasing the odds the United States would be faced with a decision—possibly as soon as this year or next—as to whether to tolerate the

emergence of a threshold or actual nuclear weapons state or use military force against it. Second, by acting unilaterally at this point, the United States would make itself rather than Iran the issue. In this vein, imposing unilateral sanctions would hurt Iran but not enough to make it alter the basics of its nuclear program. Third, voting the agreement down and calling for a reopening of negotiations with the aim of producing a better agreement is not a real option as there would insufficient international support for so doing. Here, again, the United States would likely isolate itself, not Iran. And fourth, voting down the agreement would reinforce questions and doubts around the world as to American political divisions and dysfunction. Reliability and predictability are essential attributes for a great power that must at one and the same time both reassure and deter.

The alternative to voting against the agreement is obviously to vote for it. The problem with a simple vote that defeats a resolution of disapproval and that expresses unconditional support of the JCPOA is that it does not address the serious problems the agreement either exacerbated or failed to resolve.

So let me suggest a third path. What I would encourage members to explore is whether a vote for the pact (against a resolution of disapproval) could be associated or linked with policies designed to address and compensate for the weaknesses and likely adverse consequences of the agreement. I can imagine such assurances in the form of legislation voted on by the Congress and signed by the president or a communication from the president to the Congress, possibly followed up by a joint resolution. Whatever the form, it would have to deal with either what the United States would not tolerate or what the United States would do in the face of Iranian noncompliance with the recent agreement, Iran's long-term nuclear growth, and Iranian regional activities.

Mr. Chairman, thank you again for asking me to meet with you and your colleagues here today. I of course look forward to any questions or comments you may have.

Chairman MCCAIN. Thank you, Dr. Haass.

Ambassador Edelman.

STATEMENT OF HON. ERIC S. EDELMAN, DISTINGUISHED FELLOW, CENTER FOR STRATEGIC AND BUDGETARY ASSESSMENTS AND FORMER UNDER SECRETARY OF DEFENSE FOR POLICY

Ambassador EDELMAN. Chairman McCain, Senator Reed, thank you very much for inviting me to join this panel today. I'm delighted to be here with them and before you.

I submitted to the committee staff yesterday a lengthy statement, and I would ask that it be included in the——

Chairman MCCAIN. Without objection.

Ambassador EDELMAN.—on the record.

First, let me say that I agree with much of what General Hayden and Richard Haass have said, but not all. The most important point I want to make this morning is, I think that you all are to be commended for the deliberation that you are engaging in on this agreement. I believe that major arms-control agreements that bind the Nation in matters vital to the national interest ought to rest on a strong public consensus. And that's the reason why the Founders vested the power to ratify treaties with the Senate. And, although this is not a treaty—I recognize it's not a treaty—I think the general proposition still remains very sound, so I appreciate the due diligence with which you're approaching this.

As Richard's colleague, Ray Takeyh, and I wrote in the Washington Post last month, I believe that the Joint Comprehensive Plan of Agreement is deeply flawed because it concedes an enrichment capability that's too large to Iran, a sunset clause that's too short, a verification regime that's too leaky, and enforcement mechanisms that are too suspect. The Institute for Science and Inter-

national Security, which is one of the premier nonpartisan authorities on nonproliferation in general, has assessed that, on the agreement, after year 10, and particularly after year 15, as limits on its nuclear program end, Iran could reemerge as a major nuclear threat. Even if the deal succeeds during the first 10 years, it's unknowable whether the agreement will continue to accomplish its fundamental goal of preventing Iran from getting nuclear weapons in the long term.

As Leon Wieseltier wrote earlier this week in The Atlantic, 10 years is a young person's idea of a long time. And I'm—unfortunately, now reached the age where I'm allowed to say things like that.

I need to say that I've come to this judgment with some difficulty, because I've spent 30 years in the Foreign Service as a colleague of Ambassador Burns, and I have a strong belief in deference to executive authority in the conduct of foreign relations. And a multilateral agreement negotiated over many years should not be rejected for light or transient causes, for the reasons that Dr. Haass just mentioned in his statement. The only legitimate grounds for doing so, I believe, are when you believe that the agreement is so manifestly deleterious to the national interest that it warrants rejection and renegotiation. And I believe this agreement meets that standard because it will put the imprimatur of the international community and the United States on an industrial-scale enrichment program that will leave Iran, even if the negotiated limits are adhered to, as a threshold nuclear state when the various provisions expire, as General Hayden said just a minute ago. This, in effect, reverses 50 years of U.S. nonproliferation policy.

As my SAIS colleague, Michael Mandelbaum, wrote last week, "We are abandoning the policy of prohibiting the spread of enrichment technology even to friendly democratic governments. And, as a result, it will henceforth be extremely difficult to prevent other countries, at first in the Middle East, but ultimately elsewhere, particularly in East Asia, from equipping themselves with the capacity for enrichment. In my view, this prospect of Iranian nuclear latency will, in turn, put the Middle East on the path to a catastrophic arms race."

The sanctions regime, with its snap-back provisions, I'm afraid will not be easily reconstituted once we have the entry into force of this agreement. And I would say, tellingly, that Foreign Minister Zarif noted, a few days ago, that sanctions would only be reimposed on Iran in case of serious violations of its obligations, and not in the case of small-scale violations—to Dr. Haass's point. So, the Iranians are already telling us that they're not worried about being held to account for incremental violation of the agreement. And, given Iran's history of serial violation of its earlier obligations under the NPT, I think there's a heavy burden on advocates of the agreement to show that the verification provisions will be adequate.

We were told during the course of the negotiation that we would have anytime/anywhere verification for nondeclared sites. We now know that we're going to have a much more complicated set of provisions that will leave potentially 24 days for Iran to deny and—

engage in denial and deception about its nuclear activities if it, in fact, is violating the agreement.

The President has said that there's—you know, this is not really a long time, it doesn't really matter, you can't really hide this activity. But, again, the Institute for Science and International Security has said that, in fact, these cumbersome procedures for requesting access to undeclared sites would allow Iran to disguise many small-scale nuclear and nuclear-weapons-related activities, including high-explosive testing related to nuclear weapons, small centrifuge manufacturing, and small centrifuge plants using advanced centrifuges.

The termination of the United States-led sanctions against Iran's energy, financial, and industrial sectors would repatriate as much as $150 billion, if all the frozen funds that Iran has accumulated are released, to rebuild its straightened economy and to modernize its military. As, again, Foreign Minister Zarif recently told the Majlis, once the structure of sanctions collapses, it will be impossible to reconstruct it.

The deal, itself, will legitimize years of illegitimate conduct and enhance Iran's drive for hegemony—that's easy for me to say——

[Laughter.]

Ambassador EDELMAN.—and, through sanctions relief that will provide for the modernization of Iranian military capabilities across the board and increasing its support for proxies and for terror.

One example of what might happen is an effort by Iran to shift the strategic balance back in Syria against the Assad regime once and for all. Tehran's military assistance to Baghdad and its extension of control through Shiite militias can be expected to continue. It may feel empowered to take a—undertake a counteroffensive to the gains that have been made by the progovernment forces in Yemen in the last few days. And the larger strategic problem I think we face is that Iranian hegemony in Yemen could be matched by additional Iranian moves in Saudi Arabia's eastern province as well as in Bahrain, and thus, put Riyadh in the equivalent of an East-West strategic vice. Even an Iranian policy in Yemen that was not able to achieve its maximal gains would deepen the security vacuum, which has been a boon to the growth of al-Qaeda in the Arabian Peninsula.

With our allies dismayed and increasingly concerned about the value of U.S. guarantees, they will become more inclined to pursue policies of self-help. For Israel, this means trying to manage an intrinsically unstable virtual nuclear balance with Iran. Both Iran and Israel will face a high potential penalty for not shooting first in a crisis. Both countries will necessarily adopt extremely high alert postures and be certain to pursue preemptive strategies that will lead to chronic—what we used to call, in the Cold War days, chronic crisis instability.

For Saudi Arabia and other Sunni Arab allies, the result will be further efforts to seek new security partners, perhaps bringing China into the Gulf arena as a major security player—we've already seen some indications of that—and increased pursuit of conventional arms, as well as seeking their own latent nuclear capability to offset Iran's relatively short breakout timeline. Unfortu-

nately, it seems that the interaction between three or more nuclear-armed powers in the region would be much more prone to miscalculation and escalation than in the bipolar competition that characterized the Cold War. As Henry Kissinger and George Shultz wrote in the Wall Street Journal recently, "Traditional theories of deterrence assumed a series of bilateral equations. Do we now envision an interlocking series of rivalries, with each nuclear program counterbalancing others in the region?"

There will be other knock-on effects, as Chairman McCain indicated in his opening statement, in the region across the Middle East as a result of this agreement. United States conventional deterrence in the traditional forms—carrier strike groups, expeditionary strike capability, long-range strategic airpower, and, when needed, boots on the ground—will become increasingly difficult to maintain in the region as Iran's own military power grows and improves. In fact, we're already under stress due to budgetary and other constraints, as Admiral Richardson admitted last week in his confirmation hearing.

Because it—Tehran knows it cannot compete head to head with U.S. conventional capabilities, it has long pursued an asymmetric anti-access area-denial strategy, including mobile missile launchers, the development of anti-ship cruise missiles, advanced air defenses, burying and hardening its nuclear facilities, increasingly effective torpedoes, smart mines, and possibly, in the future, anti-ship ballistic missiles akin to those that are being deployed by China in the Pacific to hold United States carriers at greater risk, albeit on a smaller scale.

The problems—one of the major problems I find with the agreement is the fact that, in 5 and 8 years respectively, and possibly shorter, depending on the agreement of the powers, the U.N. embargos on conventional arms and ballistic missiles to Iran will come off. And Foreign Minister Zarif, again, recently underscored to the Majlis that Iran's pursuit of its ballistic missile and other defense capabilities while violating existing U.N. Security Council Resolutions will not violate the Joint Comprehensive Plan of Agreement.

As a result, I don't think, in the future, you and your colleagues, nor my former colleagues in the Department of Defense, will be able to maintain the assumption of unimpeded access and control in all domains of warfare in the Persian Gulf that we have had in the past. I think we're going to have to expand our regional military presence to reassure Israel and the Gulf states and to deter Iran. And, as Iran's A2AD capabilities mature, the United States must take concerted efforts to maintain or achieve superiority in a range of areas, including long-range strike, advanced bunker-buster munitions like the massive ordnance penetrator, sustainable unmanned ISR and strike platforms, advanced integrated and layered air and missile defenses for our in-theater forces and for our allies, and greater capability for undersea precision strike, and perhaps relying on close-in weapon system and directed energy to defend our fielded forces against cruise missile and swarming boat attacks. This is going to be extremely difficult, particularly in an environment where defense spending is constrained under the caps of the

Budget Control Act and sequestration, a subject about which I've had the privilege of testifying before this committee in the past.

The administration's constant refrain has been that no other agreement would have been possible, and this is the best deal achievable, and the only alternative is war. I reject all of those propositions. As the historian E.H. Carr once suggested, "In politics, the belief that certain facts are unalterable or certain trends are irresistible commonly reflects a lack of desire or a lack of interest to change or resist them." I believe the U.S. still has options, short of war, that it could exercise to try and secure a more acceptable agreement. Iran is in violation of multiple legally binding U.N. Security Council Resolutions, some of them negotiated by my colleague to the left. Its regime relies heavily on energy export revenues and remains vulnerable both to sanctions and the persistently low price of oil, which is likely to remain low for the next several years. It is footing the bill and providing the manpower to keep its proxies on the front lines in Syria and Iraq. And those proxies are facing rising pressure at home to keep morale high and continue the fight in the wake of extremely high casualties. And I see that the Washington Institute has just released a study this morning about the IRGC casualties in Syria.

In short, Iran needs an agreement more than the United States. And, while I recognize that rejecting the current deal will create a great deal of discomfort for the administration, and will be very messy and a very vexing task to renegotiate, I still believe that the United States has powerful tools, in the form of sanctions, to discourage others from making a headlong embrace of Iran, a fact which a number of our P5+1 partners have recently acknowledged, even though it's been a bit of a discomforting acknowledgment for them.

Finally, let me make one observation about something Dr. Haass said which I think was important, which is, if this agreement is rejected, the administration has argued that it's possible—and others have suggested—it's possible Iran might make a sprint to a bomb. Now, on the one hand, that contradicts some of the argumentation that the administration has made about the fatwah that's been issued by the Supreme Leader against nuclear weapons, and also against a longstanding conclusion of the intelligence community—and I'd defer to General Hayden here—that the Iranians have tried to put in place the means to have a nuclear weapon, but have not made the decision to actually weaponize. But, we do need to recognize that that is a possibility and that Iran might do that. And so, I would encourage the Congress, whether you approve or disapprove of the agreement in the end, to add to it a—an authorization for the use of force to prevent Iran from acquiring a nuclear weapons capability under either eventuality—that is to say either the approval or disapproval of the agreement—in order send a very strong signal to Iran that the objective for which we were negotiating, preventing them from getting a nuclear weapon, will be realized.

Thank you very much for your time and attention. I look forward to questions.

[The prepared statement of Ambassador Eric Edelman follows:]

PREPARED STATEMENT BY AMBASSADOR ERIC EDELMAN

INTRODUCTION

Mr. Chairman, Ranking Member Reed, Members of the Committee, thank you for giving me the opportunity to appear before you today to discuss the full range of issues connected with the Joint Comprehensive Plan of Action (JCPOA) to resolve the Iranian nuclear issue, including regional security and United States defense policy in the Middle East. I have followed this issue for more than a decade as the United States Ambassador to Turkey and then as Under Secretary of Defense for Policy. Since retiring from government service in 2009, I have continued to track the progress of Iran's nuclear program and the negotiating effort to prevent Iran from developing a nuclear weapons capability. I have worked with several of my colleagues at the Center for Strategic and Budgetary Assessments on the broader threat that the program presents to the nuclear non-proliferation regime and regional security in the Middle East. I am also the co-chair with Ambassador Dennis Ross of a bipartisan Iran Task Force sponsored by the Gemunder Center for Defense and Strategy that has produced a series of detailed appraisals of the negotiations and now the JCPOA, but I want to stress that my comments today reflect only my personal views.

First, let me say that I appreciate the care and deliberation that you and your colleagues are taking in examining this agreement. Major arms control agreements that bind the nation in matters vital to the national interest should rest on a broad public consensus and not purely on the preferences and actions of one individual. That is why the Founders required treaties to be ratified by a two-thirds majority of the Senate. As Constitutional scholar George Anastaplo observed many years ago,

> The arrangements in Section 2 with respect to treaties and appointments take it for granted that the Senate can be depended upon to be as well equipped as the President to know, or at least to be told, what is needed by the Country from time to time. The Senate shares the Executive power here, however convenient it may be to vest in a single man the negotiation of treaties . . . The President is not assumed to know things the Senate does not know or that the Senate cannot be told in appropriate circumstances.

Although this agreement is not a treaty, I believe the general proposition remains sound.[1]

As I wrote with my colleague and Iran Task Force member Ray Takeyh in *The Washington Post* last month, a careful examination of the JCPOA reveals that it is deeply flawed because "It concedes an enrichment capacity that is too large; sunset clauses that are too short; a verification regime that is too leaky; and enforcement mechanisms that are too suspect."[2] The Institute for Science and International Security, one of the most respected non-partisan authorities on non-proliferation in general and Iran's nuclear program in particular, was straightforward in its assessment:

> After year 10, and particularly after year 15, as limits on its nuclear program end, Iran could reemerge as a major nuclear threat. Even if the deal succeeds during the first ten years, it is unknowable whether the agreement will continue to accomplish its fundamental goal of preventing Iran from getting nuclear weapons in the long term.[3]

Given these serious concerns, among many others, I believe the most judicious course is for Congress to disapprove the agreement, which would then allow for a more stringent deal to be renegotiated. As a career Foreign Service Officer for nearly 30 years, with a strong belief in the role of executive authority in foreign affairs, I have come to this recommendation extremely reluctantly. A multilateral agreement, negotiated over many years, should not be rejected for light or transient causes. The only legitimate grounds for doing so is when one believes that an agreement is so manifestly deleterious to the national security that it warrants rejection and renegotiation. In this case, I believe this agreement will put the imprimatur of the international community and the United States of America on an industrial-scale enrichment program that will leave Iran—even if the negotiated limits on en-

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[1] George Anastaplo, *The Constitution of 1787: A Commentary* (Baltimore, MD: Johns Hopkins University Press, 1989), p. 112.

[2] Eric Edelman and Ray Takeyh, "On Iran, Congress Should Just Say No," *Washington Post,* July 17, 2015.

[3] Institute for Science and International Security (ISIS), *The Joint Comprehensive Plan of Action "Kicks the Can Down the Road": How to Prepare for the Day When the Can Finally Lands* (Washington, DC: ISIS, July, 22, 2015).

richment are adhered to scrupulously—as a threshold nuclear state when the various provisions expire. President Obama conceded as much in an interview with NPR in April, when he observed, "In year 13, 14, 15, they have advanced centrifuges that enrich uranium fairly rapidly, and at that point the breakout times would have shrunk almost down to zero." The Institute for Science and International Security analysis cited above confirms the President's judgment, noting that after 15 years, "Iran's breakout timelines could shrink to just days." [4]

This agreement reverses almost 50 years of U.S. non-proliferation policy. As my colleague at Johns Hopkins SAIS, Michael Mandelbaum, has noted, the agreement abandons the "policy of prohibiting the spread of enrichment technology even to friendly democratic governments . . . as a result, it will henceforth be extremely difficult to prevent other countries, at first in the Middle East but ultimately elsewhere, particularly in East Asia, from equipping themselves with the capacity for enrichment." [5]

It is likely, in my view, that the prospect of Iranian nuclear latency will, in turn, put the Middle East on the path to a catastrophic arms race. Five to ten or twelve years down the road, such an arms race is likely to result in a more proliferated region, with multiple adversaries, each armed with small and vulnerable nuclear arsenals struggling to co-exist in an inherently unstable strategic environment. The flight times between the competitors will be mere minutes, and hence the decision-making space will be considerably constrained. This would present an unprecedented challenge for the region, the United States, and the world at large with every possibility that the ultimate weapons will be used by accident or miscalculation for the first time since 1945.

JCPOA SHORTCOMINGS

Last week, the Task Force I co-chair issued a detailed assessment of the problems and questions posed by the JCPOA. This is a deal that would essentially legitimize Iran's nuclear program, require the international community to provide it with assistance, and leave it as a threshold nuclear state, with no clear mechanisms that would remain after the provisions sunset to ensure that Iran will adhere to its Non-Proliferation Treaty (NPT) obligations.mechanisms that would remain after the provisions sunset to ensure that Iran will adhere to its Non-Proliferation Treaty (NPT) obligations.mechanisms that would remain after the provisions sunset to ensure that Iran will adhere to its Non-Proliferation Treaty (NPT) obligations. [6]

Indeed, though Iran's breakout time would be rolled back over the next decade and beyond, all major restrictions on its nuclear and conventional military programs would be removed over 5–15 years, including the prohibition on new nuclear-related facilities. Furthermore, the sanctions regime that originally weakened Iran and brought it to the negotiating table to begin with would be rolled back quickly with Iran getting an early windfall when its frozen assets are released. The sanctions regime, despite the efforts to create a "snap-back" mechanism, could not be easily reconstituted. Tellingly, Foreign Minister Zarif has noted that sanctions could be "reimposed on Iran only in case of serious violation of its obligations and not in case of small-scale violations." In other words, Iran doesn't need to worry about being held to account for incremental violation of the agreement. [7]

While Iran's nuclear activities would be made more transparent by some of the requirements of the JCPOA, these measures would still be insufficient to detect or deter every possible attempt at a breakout or sneak out. The failure to secure the much bruited "anytime/anywhere" inspections standard is a case in point. As a recent Institute for Science and International Security study notes, under the cumbersome procedures for requesting access to undeclared sites:

> Iran could likely move and disguise many small scale nuclear and nuclear-weapon-related activities. These include:

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[4] "Transcript: President Obama's Full NPR Interview on Iran Nuclear Deal," NPR, April 7, 2015; and ISIS, *"The Joint Comprehensive Plan of Action "Kicks the Can Down the Road."*

[5] Michael Mandelbaum, "The Iran Deal: It's The Deterrence, Stupid," *The American Interest,* July 30, 2015.

[6] JINSA Gemunder Center Iran Task Force, *Scorecard for the Final Deal with Iran* (Washington, DC: JINSA, July 29, 2015); Jonathan Ruhe, the associate director at the Gemunder Center has provided me with invaluable assistance in preparing this statement. The report is available at www.jinsa.org/publications/scorecard-final-deal-iran.

[7] "Foreign Investments in Iran to Serve as Barrier for Sanctions Snapback—FM," *Voice of the Islamic Republic of Iran, Radio Farhang,* July 21, 2015, available via BBC Monitoring Trans Caucasus Unit. I am indebted to my colleague Ray Takeyh for drawing my attention to these statements by Foreign Minister Zarif.

- High explosive testing related to nuclear weapons;
- Small centrifuge manufacturing plant;
- Small centrifuge plant that uses advanced centrifuges (in this case, we assume a facility of tens of, or at most a few hundred, centrifuges organized in specially designed facilities suitable for rapid removal and with a containment system).[8]

I have focused here on the question of verification, as opposed to other deficiencies, because the history of arms control arrangements is replete with instances of cheating—Versailles, the Strategic Arms Limitation Treaties, and INF Treaties offer just a few examples—and because Iran's record of serial violation of earlier NPT obligations creates a particular burden on defenders of this arrangement.

Whether or not Iran complies fully—and there are diverse reasons to believe it would not—the net result would be a regime in a much stronger position than it is today. The termination of United States-led sanctions against Iran's energy, financial, and industrial sectors would repatriate as much as $150 billion in frozen funds while allowing Iran to rebuild its straitened economy through rejuvenated oil exports and foreign investment. Moreover, the Iranian leadership is counting on a surge of business activity, unleashed by the ending of sanctions, to immunize them against future efforts to re-impose sanctions in the event that Iran violates the agreement. As Foreign Minister Zarif recently noted, "Once the structure of the sanctions collapses, it will be impossible to reconstruct it."[9]

Combined with lifting the U.N. arms embargo and sanctions against Iran's ballistic missile program within eight years and possibly less, these increased revenues would enable the country to modernize and expand its military capabilities across the board and to boost its support for terrorist and other proxy forces across the Middle East. At the same time, the JCPOA's sunset provisions would transform Iran from a near-pariah to being treated "in the same manner as that of any other non-nuclear weapon state party to the NPT." The "deal" itself will legitimize years of illegitimate conduct and will enhance its drive for hegemony, and through sanctions relief, it will provide the means and mechanisms to accomplish this end. Therefore, rather than being isolated and restrained, Iran would be unleashed by the sunset of the agreement to continue its struggle for mastery in the Middle East. Iran's Supreme Leader has said as much in the days and weeks since the JCPOA was signed in Vienna (amidst a number of large public rallies marked by the continuing mantra of "Death to America," which seems to be a core ideological principle of the current regime).[10]

REGIONAL IMPACT

With a latent nuclear deterrent, enhanced military capabilities, and bolstered revenues, Iran would attempt to push its influence further around the Middle East through proxies and subversion. Even under the weight of crippling sanctions, Tehran has backed Bashar al-Assad to the hilt in the Syrian Civil War, spending billions of dollars and inserting the forces of the Islamic Revolutionary Guard Corps (IRGC) and its proxies in Hezbollah ever more deeply in major combat operations to keep the regime on life support. An influx of cash from sanctions relief could encourage Iran to try to shift the strategic balance back in the regime's favor once and for all. Subsequently Hezbollah, which has been forced to direct much of its energy to defending the Syrian regime, could re-prioritize the "resistance" struggle and increase the already significant threat to Israel on both the Lebanese and Syrian fronts. Undoubtedly it would enjoy even greater support from Iran after the agreement. This is no small consideration, since Hezbollah already possesses roughly 100,000 rockets and missiles, including many long-range surface-to-surface and sophisticated anti-tank and anti-ship missiles.

Tehran's military assistance and political control in Baghdad (and possibly Erbil) would increase as well, allowing it to further consolidate its grip over Shia-majority swathes of the country while doing nothing to soften the sharp sectarian divisions that foster instability within and beyond Iraq. This would play a role in driving the radicalization of Iraqi Sunnis, in effect, recruiting new foot soldiers for ISIL. Similarly in Yemen, Iran's support for the Shia-affiliated Houthi insurrection has already helped unravel that country's tenuous efforts at constitutional reform, while

[8] ISIS, Verification of the *Joint Comprehensive Plan of Action* (Washington DC: ISIS, July 28, 2015), p. 7.

[9] "Foreign Investments in Iran to Serve as Barrier for Sanctions Snapback—FM," *Voice of the Islamic Republic of Iran, Radio Farhang.*

[10] Aresu Eqbali and Asa Fitch, "Iran's Ayatollah Ali Khamenei Says Nuclear Deal Won't Change U.S. Ties," *Wall Street Journal,* July 18, 2015.

simultaneously hindering United States counterterrorism cooperation and creating a potential quagmire for Saudi Arabia and other United States regional allies. The larger strategic problem is that Iranian hegemony in Yemen could be matched by additional Iranian moves in Saudi's Eastern Province as well as in Bahrain (both majority Shia), and thus put Riyadh in an east-west strategic vice. An increase in Iran's influence there could create myriad challenges, including: the growth of a proxy force on Riyadh's doorstep and greater instability astride a global energy chokepoint in Bab el-Mandeb. Even an Iranian policy that did not achieve its maximal aims would result in deepening the security vacuum within Yemen, which has proven to be a boon to the growth of al-Qaeda in the Arabian Peninsula.

Many of these problems potentially could be mitigated or addressed by the United States in cooperation with its allies. U.S. policy, however, has been self-defeating in this regard. Our closest regional partners, namely Israel and the Gulf Arab states, have been disconcerted by the Iran nuclear deal. The serial concessions that moved United States redlines in the nuclear negotiations from prevention of an Iranian nuclear capability to limiting the time for breakout to one year, as well as the failure to enforce the red line on Syrian CW use two years ago, have called into question the credibility of United States promises to defend our allies against a reinvigorated and resurgent Iran. Finally, and most importantly, the actual terms of the JCPOA confront our allies with the prospect of a nuclear-capable Iran that is better situated to realize its hegemonic aspirations in the Middle East.

With our allies dismayed and increasingly concerned about the value of U.S. guarantees, they will become more inclined to pursue policies of self-help. For Israel, this means trying to manage an intrinsically unstable virtual nuclear balance with Iran. Given the geographic, demographic, and military asymmetries between Iran and Israel (and the high potential penalty for not shooting first in a crisis), both countries will assume extremely high alert postures and be certain to pursue preemptive strategies that will lead to chronic crisis instability.

For Saudi Arabia and our other Sunni Arab allies, the result will be further efforts to seek new security partners, perhaps bringing China into the Gulf arena as a major security player, and increased pursuit of conventional arms as well as seeking a latent nuclear capability of their own to offset Iran's relatively short breakout timeline. Unfortunately, it seems likely that the interaction among three or more nuclear-armed powers in the region would be more prone to miscalculation and escalation than a bipolar competition. [11]

In the Cold War the spread of nuclear weapons among United States allies was a collective good, since Britain, France, and the United States were members of the same formal security alliance, with a nuclear planning group to coordinate deterrence efforts and official policy declaring nuclear weapons integral to Western Europe's collective defense. A similar process in the Middle East would be a zero-sum phenomenon, since an unstable Iran-Israel nuclear dyad would be replicated between both countries and Saudi Arabia, were Riyadh to pursue an arsenal, and so on with Turkey, Egypt, or others. As Henry Kissinger and George Shultz commented recently, "Traditional theories of deterrence assumed a series of bilateral equations. Do we now envision an interlocking series of rivalries, with each new nuclear program counterbalancing others in the region?" [12]

MILITARY EFFECTS

These regional impacts would be daunting enough for U.S. defense planners who already face serious difficulties maintaining credible conventional deterrence in the region, given the prevailing trends and budgetary constraints. The aforementioned shortcomings of the JCPOA, however, will have knock-on military effects across the Middle East.

United States conventional deterrence, in the forms of carrier strike groups, expeditionary strike capability, long-range strategic airpower, and (when needed) boots on the ground, will become increasingly difficult to maintain as Iran's own military power grows and improves. In fact, they are already under stress due to budgetary and other constraints, as Admiral Richardson admitted last week during his confirmation hearing. [13]

Because Tehran knows it cannot compete head-to-head with the United States in conventional capabilities, it has long pursued its own asymmetric anti-access/area-

[11] Eric Edelman, Andrew Krepinevich, and Evan Braden Montgomery, "The Dangers of a Nuclear Iran," *Foreign Affairs,* January/February 2011.

[12] Henry Kissinger and George P. Shultz, "The Iran Deal and Its Consequences," *Wall Street Journal,* April 7, 2015.

[13] Travis J. Tritten and Chris Church, "Admiral: Carrier Gap in Persian Gulf hinders War effort," *Stars and Stripes,* July 30, 2015.

denial (A2/AD) capabilities in the Gulf, including: mobile missile launchers, anti-ship cruise missiles, advanced air-defense systems, new deeply-buried and hardened nuclear facilities, increasingly effective torpedoes, smart mines, and possibly anti-ship ballistic missiles akin to those deployed by China in the Pacific Ocean to hold United States carriers at greater risk, albeit on a smaller scale.

As the JCPOA sunsets, Iran will be able to access the materiel and technology to bolster these forces. Russia and China, not to mention Iran, pushed for the lifting of the arms embargo and ballistic missile restrictions not because they believed the windfall in unfrozen assets would ameliorate the condition of the long-suffering Iranian people, but because Iran wished to secure, and Russia and China hoped to sell, precisely these capabilities.[14] Foreign Minister Zarif recently underscored to the Majlis that Iran's pursuit of ballistic missile and other enhancements of its defense capabilities, while violating existing UNSCRs, is not a violation of the JCPOA.[15]

As a result, the United States will not be able to rely, as it has for the past 30 years, on an assumption that it will have unimpeded access and control in all the domains of warfare in the Persian Gulf. In the wake of this deal, the United States will likely have to expand its regional military presence to reassure Israel and the Gulf States and to deter Iran. The Iranians, however, would now have an additional $150 billion dollars to beef up its A2/AD capabilities, the IRGC Quds Force, and the ability to project power regionally through subversion and proxies. The United States will need to upgrade both its own and allied capabilities to counter this growing threat from Iran and will likely have to "reassess the validity of its legacy planning assumptions, operational concepts, and forward military posture for the Persian Gulf." In particular this means developing concepts that enable the United States to fight both within range of Iranian missile forces as well as from extended range.[16]

The potential acquisition by Iran of an upgraded S–300 air defense systems from Russia—which appears already to be in the works—as well as upgrades for its outdated air fleet and potential expansion of its nuclear infrastructure, would pose a severe challenge to the air supremacy currently enjoyed by United States forces in and around the Persian Gulf.[17] Thus far, Tehran's attempts to challenge the status quo in the Strait have been met with firm demonstrations from the United States Navy that underscore Iran's inability to mount any realistic opposition—most notably sending additional United States carrier battle groups into the Gulf. As time goes on these steps may carry greater risk for U.S. forces than we assume today.

As Iran's A2/AD capabilities mature, the United States must make concerted efforts to maintain or achieve superiority in a range of areas, including: long-range U.S. strike and stealth capabilities; advanced bunker buster munitions like the Massive Ordnance Penetrator (MOP); sustainable unmanned intelligence, surveillance and reconnaissance strike platforms; and advanced, integrated, and layered air and missile defense systems for its in-theater forces and for its allies. We will need to develop greater capability for undersea precision strike and the ability, perhaps relying on close-in weapon systems and directed energy weapons, to defend our fielded forces in the theatre against cruise missile and swarming fast boat attacks. All of this will be extremely difficult, especially in an environment where defense spending is constrained under caps imposed by the Budget Control Act of 2011 and the continuing threat of sequestration.environment where defense spending is constrained under caps imposed by the Budget Control Act of 2011 and the continuing threat of sequestration.environment where defense spending is constrained under caps imposed by the Budget Control Act of 2011 and the continuing threat of sequestration.[18]

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[14] David Lerman and Anthony Capaccio, "How Iran Arms Embargo Became Key Sticking Point in Vienna Talks," *Bloomberg,* July 10, 2015.

[15] For a more detailed background on Iran's pursuit of anti-access/area-denial capabilities in past years, see Andrew Krepinevich, *Why AirSea Battle?* (Washington, DC: Center for Strategic and Budgetary Assessments, 2010), pp. 27–36; for Zarif's comment see "Iran Can Deny Access to Nuclear, Military Sites Under Deal—FM," *Voice of the Islamic Republic of Iran, Radio Farhang,* July 21, 2015, available via BBC Monitoring Trans Caucasus Unit. I am grateful to Ray Takeyh for providing this reference.

[16] An excellent preliminary examination of future requirements to counter Iran's emerging A2/AD complex is Mark Gunzinger with Chris Dougherty, *Outside-In: Operating from Range to Defeat Iran's Anti-Access and Area-Denial Threats* (Washington, DC: Center for Strategic and Budgetary Assessments, 2011), quotation on p. 19.

[17] "Russia modernizing S–300 missile system for Iran: RIA, citing Putin aide," *Reuters,* July 30, 2015.

[18] See Mark Gunzinger with Chris Dougherty, Outside-In: Operating from Range to Defeat Iran's Anti-Access and Area-Denial Threats.

JCPOA ALTERNATIVES

The Administration's constant refrain has been that no other agreement would have been possible; that this is the best deal that could have been achieved, and that the only alternative is war. I reject these propositions. As the historian E. H. Carr once suggested, "In politics, the belief that certain facts are unalterable or certain trends irresistible commonly reflects a lack of desire or lack of interest to change or resist them." [19]

A better deal—an acceptable deal that ensures basic U.S. national security interests—is possible and absolutely necessary. The many deficiencies of the agreement need to be addressed now, as they will not be susceptible to remediation after Iran has received the upfront benefits of sanctions relief. Our Iran Task Force has maintained throughout the negotiations that Iranian concessions will come only if Tehran believes it has more to lose than its counterparts. Fortunately, the United States still has options short of war that it could exercise to secure an acceptable agreement. Iran is in violation of multiple legally binding U.N. Security Council resolutions. Its regime relies heavily on energy export revenues and remains vulnerable both to sanctions and to oil prices that will likely remain low for the next year or more. It is footing the bill, and providing manpower, to keep its proxies on the frontlines in Syria and Iraq, even as those proxies face rising pressures at home to keep morale high and continue the fight.

For all these and other reasons, Iran needs an agreement more than the United States. Rejecting the current deal will create discomfort for the Administration, and will require it or its successor to embark on a new round of diplomacy. This will undoubtedly be a messy, vexing task for whoever takes it on, but the United States retains powerful tools in the form of sanctions to discourage others from undertaking a headlong embrace of Iran—a fact which some of our P5+1 partners have recently acknowledged, much to their discomfort. [20]

The Administration has suggested that, in the event the agreement is blocked by Congress, Iran might sprint to a bomb (although this contradicts both the Administration position that the Supreme Leader has issued a fatwa against pursuit of nuclear weapons, and the intelligence community's consistent assessment that Iran is pursuing the means to build weapons, but has not made a decision to proceed with weaponization). The reality is that Iran could undertake such an effort, but only at great potential peril to itself. Congress might consider raising the potential costs by coupling its disapproval of the deal with authorization for the use of force to prevent Iran from acquiring a nuclear weapons capability.

To succeed, a new round of negotiations must use increasing pressure, including additional authorities beyond the tools that Congress has already provided. This is crucial if we hope to redress the manifest inadequacies of the existing agreement. Otherwise, we will put ourselves on a path that leads to a catastrophic war in the Middle East.

I thank you, Mr. Chairman, for my time, and I look forward to the Committee's questions.

About the Center for Strategic and Budgetary Assessments

The Center for Strategic and Budgetary Assessments (CSBA) is an independent, nonpartisan policy research institute established to promote innovative thinking and debate about national security strategy and investment options. CSBA's analysis focuses on key questions related to existing and emerging threats to U.S. national security, and its goal is to enable policymakers to make informed decisions on matters of strategy, security policy, and resource allocation.

Chairman MCCAIN. Thank you.

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[19] Edward Hallett Carr, The Twenty Years' Crisis, 1919–1939 (London: Macmillan and Company, 1939), p. 89.

[20] 20 Josh Rogin, "Top French Official Contradicts Kerry on Iran Deal," *Bloomberg View,* July 30, 2015; French officials have denied that Monsieur Audibert made these comments, but other members of the congressional delegation who heard him say these things have corroborated the initial account. Furthermore, Audibert in his denial to *Le Monde* has reinforced the potential power of the U.S. sanctions. The original story is found at *http://www.bloombergview.com/articles/2015–07–30/top-french-official-contradicts-kerry-on-iran-deal.* For the denial and follow-up see *http://freebeacon.com/national-security/lawmakers-confirm-french-diplomat-supports-congress-rejecting-iran-deal/;* and *http://tempsreel.nouvelobs.com/monde/20150731.OBS3527/info-obs-le-conseiller-diplomatique-de-hollande-au-centre-d-une-polemique-a-washington.html*

Ambassador Burns.

STATEMENT OF HON. R. NICHOLAS BURNS, GOODMAN PROFESSOR OF DIPLOMACY AND INTERNATIONAL RELATIONS, HARVARD KENNEDY SCHOOL

Ambassador BURNS. Mr. Chairman, thank you—Senator Reed, members of the committee. It's an honor to testify. I appreciate it. It's an honor to testify with three great public servants and friends of mine, to my right.

Mr. Chairman, I've submitted my written testimony. I'll just cite a few quick points to summarize my views.

I support this agreement that the Obama administration has negotiated. I think it will help to prevent Iran from becoming a nuclear weapons power. I think the agreement also has many advantages that are specific to us. It's going to arrest Iran's forward movement of the last 10 years since Ahmadinejad took over, in 2005. And it's going to freeze their program for the next decade or more. It will effectively prevent Iran from producing fissile material for a weapon through uranium enrichment or plutonium processing. Its current breakout time—and this, I think, is the most significant advantage we have—the administration says now it's 2 to 3 months; under this agreement, for 10 to 15 years, Iran's breakout time would be extended to a year. So, we have line of sight. We have the opportunity to act, should Iran subvert the agreement. There will also be significantly strengthened inspections of the nuclear supply chain to the Iranian plants for the next 25 years, and the additional protocol.

The sanctions are important. They're not going to be lifted until Iran implements the agreement in every respect. That could be 3 to 4 to 5 to 6 months. I don't anticipate it any sooner. And the administration has to maintain sanctions on Iran for terrorism violations and human rights violations.

A final advantage. This is an opportunity for us to deter Iran from becoming a nuclear weapon state through diplomacy and negotiations rather than by war. I certainly support the President's right—obligation to use force, if necessary, but, if we can take this step first, our country is far stronger.

My second point, Mr. Chairman, Senator Reed, while the benefits are substantial, there are risks. And my colleagues have pointed out the risks. I don't want to minimize those risks. The most significant, for me, is that the superstructure of Iran's enrichment and plutonium programs will remain intact. They'll be frozen, they'll be in mothballs, they can be taken out of mothballs. Ten to 15 years from now, Iran could reconstitute—I think, will—a civil nuclear program. It could possibly use that civil nuclear program as a base to construct a covert program.

So, the first 10 to 15 years of this agreement are a decided advantage for the United States. It's the follow-on 10 or 15 years that represent a major challenge for us. And, should Iran seek a nuclear weapon during that time, the United States would need to do something that's going to be difficult: reconstitute a global sanctions regime and also have the will and the capacity to use force to prevent Iran from becoming a nuclear-weapons power. I don't think it's impossible, but it would depend on a strong and assertive and self-

confident American President at the time, either President Obama's successor or the person after that.

A final risk, Mr. Chairman. The conventional arms sales and ballistic missiles, the compromise that they'll end in 5 and 8 years, respectively, I remain opposed to this compromise. I don't think it's in our interest. I'm sorry that it was made. What it will mean is that we'll have to reconstitute a coalition of sanctions countries against Iran 5 years from now on conventional weapons, 8 years from now on ballistic missiles.

Third point. I see the nuclear deal much in the way that I think Dr. Haass does, as a combination of benefits and of risks. And I, thus, fully understand why this is a difficult vote for many members, and why you're deliberating in the way that you are. I would suggest that all of us—and I certainly include myself in this—need to go beyond the conventional wisdoms as we think about Iran. For example, I don't believe that congressional defeat of the President's proposal would lead inevitably to war, as some in the administration are saying. But, neither do I believe that the nuclear deal leads inevitably to an Iranian nuclear weapon, as some of the critics are suggesting. I think a lot's going to depend on the United States. Can we create strategic deterrence against the Iranians? Can we coerce and intimidate them from becoming a nuclear-weapons power, not in the next 10 years, because we'll freeze them, but in the follow-on 10 to 15 years? In that respect, the no-deal solution that many critics believe is preferable—and that would be walking away, ending the talks, continuing to sanction Iran, and negotiating a better deal—it's an option that deserves to be looked at. I mean, I think we have a responsibility to look at it.

I've tried to think about this. Ultimately, I think it probable that such a course would leave us weaker rather than stronger. It's not at all certain to me—and I spent the years 2005 to 2008 working with the P5 as a member of it, sanctioning Iran—not at all certain that our partners would follow us out the door if we walked out unilaterally. Global unity that we've created, both President Bush and President Obama, against Iran, the sanctions regime, I think it would—not automatically, probably not even quickly—but, over time, it would begin to fray, and it would weaken. And, most importantly, the restrictions that have frozen Iran's nuclear program since January 2004, and that would freeze them for the next 10 to 15 years, they'd be lifted, because I think the Iranian response, the likely response, would be to walk away from—itself, from the deal if we chose to do so. So, instead of Iran being a year away from a nuclear weapon, it would go back to being a nuclear threshold state in this no-deal scenario.

So, on balance, I believe the benefits outweigh the risks. In fact, I think there are greater risks in rejecting this agreement, because it would free Iran from the considerable restrictions that they will have to live under for a very long time.

Just two more points, Mr. Chairman. Thank you for your patience.

My fourth point. To implement the deal successfully, however, the administration, I think, has to do more to strengthen our strategic deterrence and to coerce the Iranians over the short and long term. So, specifically, I hope, maybe as early as tomorrow, when

the President makes his speech, that the President will threaten publicly and unambiguously that the United States would and should use force against Iran, should it break the agreement and race towards a nuclear weapon. The U.S. should certainly reaffirm what Secretary Kerry's been trying to do this week with the Gulf Cooperation Council—reaffirm our support for the Gulf Cooperation countries—and, as the Pentagon is trying to do—strengthen their missile defense and strengthen their ability to defend themselves.

The President also needs to close ranks with Israel. It's a glaring problem for American policy in the Middle East when we are openly feuding with our strongest partner. That's a two-way street. And so, both leaders need to do this. But, certainly, especially for this committee, as the United States negotiates its next 10-year military assistance agreement with Israel—the current one expires in 2017—assuring Israel's qualitative military edge should be a priority for the United States. So, in effect—and this gets to the point of your hearing today on the regional implications—as we going forward with a nuclear deal, we will simultaneously need to go forward to contain Iran in the Middle East. And we'll have a greater success, as Senator Reed has suggested in his opening remarks, of containing Iran if it's a non-nuclear state over the next 10 to 15 years than it would have been as a nuclear-weapon state.

Finally, I recommend that Congress support the agreement. I fear a vote of disapproval will weaken the United States and our credibility in the region. It would let Iran off the hook. It would leave Iran closer to a nuclear weapon. I think what Dr. Haass has suggested at the end of his remarks is instructive. Could the Congress also pass accompanying legislation that might seek to strengthen our ability to be the strongest power in the Middle East and to coerce Iran in the future?

Thank you very much.

[The prepared statement of Ambassador Burns follows:]

PREPARED STATEMENT BY AMBASSADOR R. NICHOLAS BURNS

Mr. Chairman, Ranking Member Reed and members of the committee, thank you for this opportunity to testify on the international agreement to prevent Iran from becoming a nuclear weapons power.

This is one of the most urgent and important challenges for our country, for our European allies as well as for Israel and our Arab partners in the Middle East. The United States must thwart Iran's nuclear weapons ambitions and its determination to become the dominant military power in the region.

This will be a long-term struggle requiring the focus and determination of the next two American Presidents after President Obama to ensure Iran complies with the agreement. We should thus marshal our diplomatic, economic and military strength to block Iran now and to contain its power in the region in the years ahead.

With this in mind, I support the Iran nuclear agreement and urge the Congress to vote in favor of it in September.

This is, understandably, a difficult decision for many members of Congress. It is an agreement that includes clear benefits for our national security but risks, as well. It is also a painful agreement, involving trade-offs and compromises with a bitter adversary of our country—the government of Iran.

I believe, however, that if it is implemented effectively, the agreement will restrict and weaken Iran's nuclear program for more than a decade and help to deny it a nuclear weapons capacity over the long term. That crucial advantage has convinced me that the Obama Administration is right to seek Congressional approval for this agreement.

I have followed the Iran nuclear issue closely for the last decade. From 2005 until 2008, I had lead responsibility in the State Department on Iran policy. During the

second term of the George W. Bush Administration, we worked hard to blunt Iran's nuclear efforts. We created in 2005 the group that has since led the global effort against Iran—the United States, the United Kingdom, France, Russia, China and Germany (the P–5 plus One). This group offered to negotiate with Iran in 2006 and again in 2007. We were rebuffed on both occasions by the Iranian regime.

When Iran accelerated its nuclear research program, we turned to sanctions. I helped to negotiate for the U.S. the first three United Nations Security Council Chapter VII sanctions resolutions to punish Iran for its actions. Led by the Treasury Department, we initiated United States financial sanctions and encouraged the European Union to do the same. We built a global coalition against Iran. While Iran became increasingly isolated, however, it chose to accelerate its nuclear research efforts in defiance of international law.

When President Obama came into office in 2009, Iran had made considerable progress in advancing its uranium and plutonium programs. It made further progress in his first years in office and was on its way to become, in effect, a nuclear threshold state. In response, President Obama expanded the sanctions and coordinated an aggressive international campaign to punish and isolate the Iranian regime.

Congress made a vital contribution by strengthening American sanctions even further. This increasingly global and comprehensive sanctions campaign weakened the Iranian economy and ultimately convinced the Iranian government to agree to negotiate during the past eighteen months.

The Obama and Bush Administrations and the Congress acted over ten years to expand American leverage against Iran and to coerce it to accept negotiations. Despite these efforts, Iran was far along the nuclear continuum when negotiations began in earnest in 2013.

It made sense for the United States to commit to negotiations with Iran in 2013. We retained then, as we do now, the capacity and right to use military force to prevent Iran from achieving a nuclear weapon should that be necessary. It is important to note that there were alternative negotiating frameworks available to the Obama Administration in 2013 that might have served our interest in containing Iran's nuclear program more effectively. But, the issue before the Congress now is the specific agreement that has been negotiated by the Obama team. That is thus the focus of my own testimony today.

In my judgment, the Joint Comprehensive Plan of Action (JCPOA) negotiated by Secretaries Kerry and Moniz is a solid and sensible agreement. It has many concrete advantages for the United States.

First, the agreement will arrest Iran's rapid forward movement on its nuclear research programs over the past decade since the inauguration of former President Mahmoud Ahmadinejad. It will essentially freeze that program. The restrictions the United States negotiated will effectively prevent Iran from producing fissile material for a nuclear weapon (either through uranium enrichment or the plutonium process) at its nuclear facilities for at least ten to fifteen years.

The number of centrifuges at the Natanz plant will be reduced by two thirds. Use of advanced centrifuges will not be permitted for a decade. Iran's store of enriched uranium will be restricted to levels below those needed for a nuclear device. In addition, there will be no enrichment at all at the Fordow plant for fifteen years.

The Administration also succeeded in blocking Iran's plutonium program. The core of the Arak Heavy Water Reactor will be dismantled. The reactor will be transformed to make it impossible to produce sufficient quantities of plutonium for a nuclear device. Spent fuel will be transported out of Iran. There will be no reprocessing of fuel for at least fifteen years.

The most important advantage for the U.S is that Iran's current breakout time to a nuclear weapon will be lengthened from two to three months now to roughly one year once the agreement is implemented. This is a substantial benefit for our security and those of our friends in the Middle East. It sets back the Iranian nuclear program by a significant margin and was a major concession by the Iranian government in this negotiation.

Significantly strengthened inspections of Iran's nuclear supply chain for the next twenty-five years is a second advantage of the nuclear agreement. Iran has also agreed to be subjected to permanent and enhanced IAEA verification and monitoring under the Additional Protocol. This will give the IAEA much greater insights into Iran's nuclear program and will increase substantially the probability of the United States detecting any Iranian deviations from the agreement.

Third, sanctions will not be lifted until Iran implements the agreement in every respect. This could take up to three to six months. The United States and other countries should demand full and unambiguous Iranian implementation to deconstruct and modify its nuclear program according to the letter of the agreement.

And, after sanctions are lifted, we must be ready and willing to re-impose them should Iran seek to cut corners, cheat or test the integrity of the agreement in any way.

A final advantage, Mr. Chairman, is that this agreement gives us a chance to prevent an Iranian nuclear weapon through diplomacy and negotiations, rather than through war. While the United States should be ready to use force against Iran if it approaches our red line of acquisition of a nuclear weapon, the more effective strategy at this point is to coerce them through negotiations. And, it will be more advantageous for the United States to contain a non-nuclear Iran in the Middle East for the next decade than to contend with a country on the threshold of a nuclear weapon. In this respect, I admire the commitment, energy and the achievements of Secretary Kerry, Secretary Moniz and their team.

While the benefits of this agreement for the U.S. are substantial, there are also risks in moving ahead. The most significant, in my judgment, is that while Iran's program will be frozen for a decade, the superstructure of its nuclear apparatus will remain intact, much of it in mothballs. Iran could choose to rebuild a civil nuclear program after the restrictions begin to end ten to fifteen years from now. This could give Tehran a base from which to attempt to build a covert nuclear weapons program at some point in the future.

Here is where considerable challenges may arise for the U.S. and its allies. While we can be confident Iran's program will be effectively stymied for the first ten to fifteen years of the agreement, many of those restrictions will loosen and disappear altogether in the decade after. We will need to put in place a series of mitigating measures to deter Iran from diverting any part of its revived civil nuclear program to military activities.

President Obama and his team will need to reassure Congress about the effectiveness and credibility of these initiatives to keep Iran away from a nuclear weapon after the first decade of this agreement. This should include a direct, public and unambiguous American commitment to use military force to deter Iran should it ever get close to construction of a nuclear weapon. In addition, the United States should assemble a coalition of strong partners willing to re-impose sanctions should Iran deviate from the agreement. The United States and its partners should also bolster the capacity of the IAEA and our own governments to be fully capable of detecting Iranian cheating. In sum, we will have to construct a long-term strategic deterrent to convince the Iranian government that it is not in its interest to pursue a nuclear weapons program a decade from now.

Containing Iran will be a difficult challenge for American diplomacy. I differ with those critics, however, who believe that the expiration of the agreement will make Iranian acquisition of a nuclear weapon all but certain a decade or two from now. Much will depend on the Iranian leadership at that time. Will they want to risk another generation of international isolation and sanctions if they drive toward a nuclear weapon? Will they risk the possibility of an American or Israeli use of military force in response? A decision by Iran to turn back to a nuclear weapons ambition is a possibility, but by no means a certainty. The actions and resolve of the United States will have a major impact on Iran's calculations. It will be up to the President and Congress at that time to make clear to Iran that we will be ready to use any option available to us, including the use of military force, to prevent Iran from becoming a nuclear weapons power.

The overall effectiveness of the agreement will thus require the Obama Administration and its successors to maintain a very tough inspections regime and to be ready to re-impose sanctions if Iran seeks an illicit nuclear weapons program in the future.

Congress is right to focus on these concerns and to require concrete assurances from the Administration that they can be overcome. Specifically, the Administration will need to focus hard on the possibility that Iran will cheat, as it has done so often in the past and attempt to construct covert facilities. Should this occur, the U.S. would need to ensure that the "managed inspections" set out in the agreement would work effectively. If Iran were to violate the agreement, American sanctions should be re-imposed. Gaining broader international agreement for sanctions would be a more effective way to intimidate the Iranian authorities. This would be a priority, but also a challenging hurdle, for American diplomacy.

A final risk is the agreement that the prohibitions on Iran's conventional arms sales and purchases and ballistic missiles will end in five and eight years, respectively, after the agreement is in force. I remain opposed to this compromise. In my view, it could embolden Iran and strengthen its conventional capacity in ways detrimental to our own interest. The next United States Administration will need to construct a new coalition to attempt to restrict and sanction Iran in these two areas.

On balance, however, I believe the nuclear deal will deliver more advantages than disadvantages to the U.S. There are greater risks, in my judgment, in turning down the agreement and freeing Iran from the considerable set of restrictions it has now accepted for the next decade and beyond.

Most importantly, I do not see a more effective, credible or realistic alternative that would give the United States a greater probability at this point of preventing an Iranian nuclear weapon. That is the key question members of Congress should ask before you vote. Is there a more effective way forward than the one negotiated by the Obama Administration?

The most common criticism of the nuclear deal is that the United States should have walked away from the talks during the last year, sanctioned Iran further and attempted to negotiate a better and stronger agreement. Some experts have recommended that Congress vote to disapprove the President's policies or to pass a bill that would alter the deal in such a way that a fundamental renegotiation of the agreement would be necessary.

If I thought it was realistic to renegotiate the agreement to make it stronger, I would support that option. But, I don't believe it would be possible to do so and, at the same time, to maintain the integrity of our coalition against Iran.

While this "No Deal" scenario could play out in many, different ways, I think it is probable that it would leave the United States weaker, rather than stronger, in confronting Iran's nuclear program. If the United States left the negotiations unilaterally, I don't believe it is likely that Russia and China and even possibly the European allies and other key international economic powers would follow us out the door. These countries are all strong supporters of the nuclear deal before the Congress today. The global coalition and the sanctions regime we spent the last ten years building would likely fray and weaken over time. We would lose the strong leverage that brought Iran to the negotiating table. While American sanctions were very important in convincing Iran to negotiate, it was the global nature of the sanctions with buy-in from nearly every major economy in the world, that also made a critical difference in cutting off Iran from the international banking and financial system during the past few years. All of these benefits would be at risk after a U.S. walkout.

Most importantly, the strong restrictions that have effectively frozen Iran's nuclear program since January 2014 would all be lifted if the negotiations are ended. The negotiated agreement would cease to be in force. Iran would be free to resume its advanced uranium enrichment and plutonium programs. We would lose the IAEA's insights into Iran's program as the inspections regime would weaken. Iran would not be one year away from a bomb under the Obama agreement but on the threshold of a nuclear weapons capability.

While I don't agree that this 'No Deal" scenario would lead inevitably to war, it would leave the U.S. worse off. On balance, this alternative is not preferable to the concrete restrictions on Iran's program ensured by the nuclear deal.

If it seeks to disapprove the President's policy, Congress should offer a realistic and effective alternative. But, I am unaware of any credible alternative that would serve our interests more effectively at this point than the agreement proposed by the Obama Administration and the other major countries of the world.

Rather than vote to disapprove the President's policy, I hope members of both parties will work with the Administration to strengthen the ability of the United States to implement the agreement successfully and to contain simultaneously Iranian power in the Middle East.

We should create, in effect, a two-track American policy towards Iran in the future. On the one hand, we should work to ensure Iran implements the nuclear deal. On the other hand, we will need to construct a renewed effort with Israel, Turkey and our friends in the Arab world to contain Iran's growing power in the region.

Now that we are talking to Iran again after thirty-five years of minimal contact, there may be issues on which contact with Tehran will be in our interest. Protecting the Afghan government from Taliban assaults is one such possibility. Convincing Iran to withdraw its support for President Assad in Syria is another.

But, I do not believe we will experience anything approaching a normal relationship with the Iranian government as some in our own country have suggested. This is not the time to restore full diplomatic relations with its government. There is too much that still separates us to justify such a decision. In fact, our larger interests in the Middle East require the creation of a coalition of countries to oppose Iran as it makes an assertive push for power into the heart of the Sunni world in Iraq, Syria, Lebanon and Yemen. The United States will have greater success, however, in confronting a non-nuclear Iran over the next decade rather than an Iran with nuclear weapons. This is another advantage of the nuclear deal.

With this in mind, there is more the Obama Administration can do to ensure effective implementation of the nuclear deal and to push back against a more assertive Iranian policy in the region. Here are some concrete suggestions toward that end.

- A first-order diplomatic priority should be for the United States to do everything in its power to maintain the ability to re-impose sanctions on Iran, if necessary. Russia and, especially, China will likely be weak and undependable partners in this regard. The United States should thus focus on securing commitments from the European allies that they will work with us to re-impose sanctions in the future, if necessary. The Administration should also convince Japan, South Korea, India and other major economies to be ready to curtail commercial links to Iran should it violate the nuclear agreement;
- The United States should set a very high bar for Iran on implementation of the agreement. Specifically, the United States should call attention to even the most minor Iranian transgressions from the start of the implementation process. If we don't set an exacting standard, Iran may well diminish the integrity of the inspections regime by cutting corners and testing its limits. Establishing a tough-minded policy now is the right way to convince Iran there will be immediate penalties should it not implement the deal fully and completely;
- The United States should reaffirm publicly that we have vital national interests in the Persian Gulf and that we will use military force, if necessary, to defend them. That was the essence of the Carter Doctrine of the late 1970s and has been the policy of Republican and Democratic Administrations since. President Obama should continue the campaign he has already begun to assemble a strong coalition of Gulf States to contain Iranian power in the region. This will require accelerated military assistance to our Arab partners and a strong, visible and continuous American military presence in the region;
- The United States should also try to close ranks with Israel and to strengthen even further our long-standing military partnership. The United States-Israel ten-year military assistance agreement that I led in negotiating in 2007 expires in two years. The Obama Administration could reaffirm our ongoing commitment to Israel's Qualitative Military Edge (QME) over any potential aggressor in the Middle East region. The Administration should accelerate military technology transfers to Israel to head off any potential challenge to Israel from Iran or, as is more likely, from its proxies, Hezbollah and Hamas.

The United States and Israel should also make a renewed effort to diminish their public divisions. President Obama should take steps to work more effectively with Prime Minister Netanyahu. But, repairing such a wide public dispute requires both leaders to make it work. Prime Minister Netanyahu would be well advised to diminish his excessive public criticism of the United States government. I found in my diplomatic career that allies work best when they work out their differences privately rather than publicly.

- President Obama should reaffirm publicly and in the most unmistakable terms, his readiness to deploy military force to strike Iran should it violate the agreement and seek to race toward a nuclear weapon. This would help to create a more durable American strategic deterrence to convince Iran that abiding by the nuclear agreement is in its best interest.
- Finally, the United States should also press Iran to meet the grievances of American families who lost their loved ones in Iranian-inspired attacks on American citizens in past decades. This includes, of course, the bombings of the United States Embassy in Beirut and the United States Marine Barracks in 1983. It also includes the assassination of Dr. Malcolm Kerr, President of the American University of Beirut, in January 1984. His family has brought suit against Iran in United States Federal Court as they believe Iran authorized his murder through its proxies in Lebanon. There are many other such civilian cases against Iran. Implementation of the nuclear deal should not be made conditional on resolution of these cases, in my judgment. But, we should not agree to resume full diplomatic relations until Iran has agreed to settle them. By raising them now, we would send Iran an unmistakable signal that we expect these cases to be adjudicated fairly and with justice for the American families in the future.
- At the same time, the Administration must continue to press as an urgent priority for the release of those Americans imprisoned or missing in Iran.

These steps would help to strengthen our ability to implement the Iran nuclear agreement and to put Iran on notice that it has a long way to go before it can resume a normal relationship with the United States.

Successful implementation of the nuclear deal will require strong, self confident and determined American leadership. We are the indispensable center of the P–5 plus One group that negotiated the agreement. We have to insist on full Iranian implementation of the agreement. We must assemble an Arab coalition to contain Iran in the region. And we have to remain Israel's strong and faithful partner in a violent, turbulent, revolutionary era in Middle East history.

Mr. Chairman, I urge members of Congress to support this agreement. A vote of disapproval in the absence of a credible alternative, would, after ten years of effort, be self-defeating for our country.

If Congress votes to disapprove and manages to override the President's veto, it would very likely dismantle the agreement, lead to the gradual disintegration of the global sanctions regime and remove all current restrictions on Iran's nuclear efforts. Such a result would leave Iran closer to a nuclear weapon. That is not a sensible course for our country.

I also fear a vote of disapproval would weaken the effectiveness and credibility of the United States in the Middle East and around the world.

There is another path open to Congress. Work with the President to strengthen America's position in the Middle East. Move forward with the nuclear deal. Push back against Iranian power in the region. A Congress that sought greater unity with President Obama would help to strengthen our country for the struggles that are inevitably ahead with Iran in the years to come.

Chairman MCCAIN. Well, thank you.

I want to thank the witnesses for very important testimony. And I note that all—a large number of my colleagues paid close attention.

Is there any agreement among—disagreement among the witnesses that Iran is the largest state sponsor of terror in the world? Is there anyone who disagrees with that?

[No audible response.]

Chairman MCCAIN. Is there any disagreement that the Iranian are now spending billions of dollars on those adventures, whether it be in Iraq or Syria or Yemen, or even now, we—I understand they are providing weapons to the Taliban—is there anyone who disagrees with their activities throughout the region?

[No audible response.]

Chairman MCCAIN. Is there any doubt that they're spending quite a bit of money on these efforts to destabilize and exert their influence in these nations?

[No audible response.]

Chairman MCCAIN. Well, if that's true, then obviously verification is a key issue. And we understand now that, quote, "side agreements" have been made between the IAEA and Iran on the vital issue of verification. Is there anyone that thinks—that doesn't think that Congress should be informed as to this vital part of the enforcement of any agreement?

[No audible response.]

Chairman MCCAIN. Well, then I guess my question is that—oh, and, in case we missed it, I'd like to have the witnesses' comment on the top advisor to Supreme Leader Ali Khamenei, who appeared on al-Jazeera on July 31st and was asked about United Nations (U.N.) inspection of Iran's military sites. Here's how he replied, according to the translation, quote, "Regardless of how the P5+1 countries interpret the nuclear agreement, their entry into our military sites is absolutely forbidden. The entry of any foreigner, including International Atomic Energy Agency (IAEA) inspectors or any other inspector, to the sensitive military sites of the Islamic Republican—Republic is forbidden, no matter what."

What do—first of all, if all those facts are true that you agreed to, and verification is a key item, here we are faced with these statements—and it's not the first one that's made a statement about entry into military sites—but also, shouldn't the Congress know, shouldn't the American people—more importantly, shouldn't the American people know that there is verification the—on a—about inspections, and they should not be some secret side agreement that no one knows about? Isn't this a critical item in ensuring that the nation that has been the constant violator, the constant cheater of international law concerning nuclear weapons—isn't—doesn't this give reason to some very deep concern on the part of those of us who are responsible and the American people?

I'll begin with—well, I'll begin with you, Ambassador Burns, and we'll work the other way.

Ambassador BURNS. Thank you, Mr. Chairman.

I do agree with you. You know, the protocol here with the IAEA is that, when it has an agreement with any member state, they're confidential. But, it——

Chairman MCCAIN. Yes. But, you know that this is not with any other state, Ambassador. I've heard that line. This is a country that has consistently cheated. It's not Brazil. So, to just dismiss it in that way, I think, is, frankly, pure sophistry.

Go right ahead.

[Laughter.]

Ambassador BURNS. I was actually just going to make—say exactly what you said.

[Laughter.]

Ambassador BURNS. However, I think, in this case——

Chairman MCCAIN. I have factitized.

[Laughter.]

Ambassador BURNS. It's okay. I'm in violent agreement with you on this question.

[Laughter.]

Ambassador BURNS. I think, in the—they lied about the existence of Natanz. They lied about the existence of Fordow. We have to assume they're going to cheat, on the margins or grossly, in the future. They're in the dock of international public opinion. A way should be found for the IAEA Secretary General to brief in full the United States Government about what's in the agreement. And I think the administration should find a way, perhaps in classified session, to brief the Congress. I agree with that.

Chairman MCCAIN. Thank you.

Ambassador Edelman.

Ambassador EDELMAN. Mr. Chairman, there are two issues here, I think.

Chairman MCCAIN. I apologize for interrupting a—what I wanted to hear, Ambassador.

[Laughter.]

Ambassador EDELMAN. There are two issues, I think, with the verification provisions. One, I talked about in my statement, which is the 24 days between a challenge to see a suspect, undeclared site, and the potential of actually getting access to it.

The side agreements with the IAEA have to do with the issue of past military dimensions to Iran's activity and Iran being held to

account for all that and cooperating with the IAEA to resolve those issues.

The problem here is that, until that is accomplished, I don't understand, for the life of me, how you can even begin to assess the verification provisions, because we won't know exactly the full scale of what their activity encompassed. So, that part is extremely important. And I agree with you, Mr. Chairman, there is no reason why the IAEA should not be able to explain to members of the Senate how they are going to go about working through with Iran the account—accounting for what Iran did in the past. That seems to me to be just a basic that one couldn't even begin to go forward without having.

Chairman MCCAIN. Dr. Haass.

Dr. HAASS. Senator, we have a structural problem here, which is—because the IAEA is essentially a gentlemen's regime. It's a cooperative arrangement, where countries essentially declare what is meant to be inspected, and the IAEA is meant not to discover so much as confirm. The IAEA essentially doesn't have hunting licenses, it has very restricted licenses to go look at certain places, under certain conditions, at certain times. That is clearly not adequate, given Iran's histories. We've got a problem there.

I would think the United States would want to have very candid conversations with the IAEA. We would want to establish a regime for intelligence-sharing that might be unique to the Iran situation.

And, coming back to something I had in my statement, this is exactly the sort of area where I think Congress and the administration ought to spell out, in terms of what are the—what are our expectations about what Iran and the—would allow the IAEA to do? And what would be the consequences if Iran were not prepared to do that? And, very early on, I think we should test this. We've had all these statements by the Iranians about certain things are off limits, including military bases. Let's test that. Let's very quickly see what they're prepared to—if this thing unravels—if this agreement unravels after a month or 2 months, so be it. But, I think it's important that, if it were to unravel, that it is because the Iranians are unprepared to meet their obligations. So, very quickly on, we ought to test them, and we ought to hold them to a very high standard.

Chairman MCCAIN. General Hayden.

General HAYDEN. I agree with everything that's been said so far. And, Senator, I would add that, in my view, that Iranian statement is an accurate reflection of what it is that the Iranians believe they have and have not agreed to. We claim that we will have access to the sites. And there are a lot of meanings tucked under the word "access." I would press our administration to define precisely whether or not "access" includes physical presence in the site, to enter and go about the facility, not whether you allow technical equipment, Geiger counters, or cameras to be entered into the facility by the Iranians.

And then I guess I'd offer one additional caution. We should not allow our executive branch to tell you that access will be sufficient based upon the definitions provided by the IAEA, because, as Richard just pointed out, that's not the kind of organization that they are. I think, absent your forcing that issue, access will not include

physical entry into any facility the Iranians do not want to permit physical entry.

Chairman MCCAIN. Senator Reed.

Senator REED. Well, thank you very much, Mr. Chairman.

Ambassador Burns, one of the arguments against the arrangement is that there's a better arrangement out there. Do you think that there is an arrangement out there, short of a military confrontation, that would be supported by the international community if we stepped back and essentially either try to increase sanctions or just step back and wait for the Iranians to come back to the table?

Ambassador BURNS. Senator, I think this is the best alternative available to us right now. We could go back 10 years, 5 years, and perhaps design a different framework to these negotiations. Many of us would. But, this is the agreement that's been negotiated. And, as I said in my oral remarks, I fear that if the United States is the one that walks away, the Iranians will have agreed to this, they'll have accepted—they'll have made major concessions, their program frozen for 10 to 15 years. It would give them the upper hand.

It would be complicating in two respects. Beyond our agreement with the Europeans—the European oil and gas embargo, the European financial sanctions—we've been able to get the Indians, the Japanese, the South Koreans, the Indonesians onboard. I think it's that global coalition that would fray and weaken first.

And second, I think we'd also have problems with the Europeans. The Germans, the French, and the British all support this agreement. Their Parliaments are very likely—I think almost certainly—to support these agreements, given the nature of their systems. And so, we—they would be in a tough spot. I think their inclination would be to try to help us figure out a way forward. But, extraterritorial sanctions, which some Members of Congress have said would be our key instrument, would be very controversial in allied countries in Europe, unfortunately. And I think it would be difficult to carry that.

The EU also has to reauthorize sanctions, and they vote by consensus. And so, of the 28 EU members, I can think of three to four who would be sorely tempted to withhold consensus, meaning the sanctions would end. So, keeping this coalition together is critical.

What we've had, over 10 years now in the Bush and Obama administrations, is leverage over the Iranians—through the global coalition, through the financial and—sanctions, and through the Security Council Resolutions. That's what we would give up. And so, I don't see walking away, waiting for a better deal, as a credible alternative.

Senator REED. And if we did walk away, would there be an internal dynamic in Iran, because of their institutional and political structures, to sort of show us that they're going to go forward now, because they've given their best? They're going to start accelerating their development of fissile material, they're going to essentially get back on the path they were, which would bring forward very quickly options that we might have to contemplate—either intelligence options or military options?

Ambassador BURNS. I suspect that the—if we walked out and abrogated, effectively, the agreement by failing to implement it, the Iranians would feel compelled not to abide by the agreement. And, I think, for domestic reasons, but also for reasons of trying to position themselves perhaps for the next round of this drama, they would lift the restrictions that they've agreed to. They'd go back to being a threshold nuclear state.

And, you know, we've had the upper hand over the last 10 years because most of the rest of the world feared the Iranians were heading towards a nuclear weapon. If we walk out first, I think that reduces our credibility to keep it together.

Senator REED. And just very quickly, Secretary Kerry was with the Gulf Cooperation Council (GCC) yesterday. It appears that they've endorsed it, maybe with not enthusiasm, but—is that your impression?

Ambassador BURNS. You know, I—it is. I mean, the statement by the Qatari Foreign Minister said that they would support this agreement, and they would it implemented. They also want their defenses strengthened. And there is also announcement by several dozen Israeli officials—former officials—Shin Bet Mossad military yesterday—I don't think they embraced the deal, but they said that the—Israel should go along with it and work on strengthening Israeli-United States relations.

Senator REED. Dr. Haass, I thought your statement was—no surprise—very insightful. And one of the lines is critical, "But, the issue before the Congress is not whether the agreement is good or bad, but whether, from the point of it on—this point on, the United States is better or worse off with it." I know you've proposed a third track, but I think, essentially, we're on one track of a motion to disapprove, and then whether it's veto, and the veto sustained. So, basically, the track is, either this agreement's going to be eventually sustained or it's rejected. And my presumption from your comments is that, with all the shortcomings, that you would feel that, on that track, sustaining the agreement makes more sense.

Dr. HAASS. It's always odd to push back against someone who gave you a compliment.

[Laughter.]

Senator REED. I respect you. That's why I asked the question.

Dr. HAASS. Thank you, sir. And it's mutual.

I would, at this point, urge you and your colleagues to think, though, about some version of what I would call the third track. I mean, for example, Ambassador Edelman talked about the authorization for the use of military force. General Hayden talked about the conditions of access. Ambassador Burns talked about certain things we do with our allies. I could imagine a comprehensive statement—and I'm not a legal or political expert on what form it would take—presidential communication, legislation, resolution, what have you—but, something that would address the shortcomings, and, in some ways, fill out. This is a narrow agreement. It's not just a flawed agreement, in some ways, but it's a narrow agreement. And even if it were flawless, there would be lots of issues. And I would think it's very much in our interest to do that, because one of our jobs here is to reassure friends in the region, so they don't follow suit, and it's to signal Iran so—in particular,

on the longer-term nuclear question. I—that, to me, is the biggest single set of concerns. And I would, very early on, sit down with the—ourselves and then the Europeans to think about what a follow-on framework would look like.

Let me just make one other point. I think it's—Senator McCain and I were talking about this a little bit beforehand—I find it frustrating and, in some ways, sad and problematic, we are where we are today, having this hearing. And I wish, earlier on, the administration and the Congress had worked more in tandem. And I think that would have strengthened our hand, vis-a-vis the Europeans, the Chinese, the Russians, and also the Iranians, so we could have come up with a sense of minimal collective requirements or standards. So, now we're in a after-the-fact situation trying to do that. It is imperfect. But, I still think it's—some version of that still makes the most sense at this point.

General HAYDEN. May I add just one comment to what Dr. Haass just said, Senator?

There are global implications to the nonproliferation regime, as well as regional implications. And I am—and so, Dr. Haass suggests a second regime after the 10-year period. Because there is such a danger to the global nonproliferation regime that this agreement actually explicitly says, (a) Iran gets all the benefits of an NPT party, but no other NPT party should believe that anything in this agreement sets a precedent for them. And so, what you've got if you don't go to a second agreement is a regime with the Iranians that then threatens to undercut global nonproliferation.

Senator REED. My time expired.

Thank you, Mr. Chairman.

Thank you, gentlemen.

Chairman MCCAIN. Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman.

I'm going to make this real quick since we have a full panel up here and everyone has to have access to their time.

You know, prior to the time the first reports came out, I have to tell you—and I'll address this to General Hayden and to Ambassador Edelman, because I know you guys better than the other two—prior to that time, I just thought the mere concept of negotiating with terrorists seems not a good idea. But, then there are two things that came out that I've realized that, when I go back to Oklahoma and talk to real people, that are problems with this. One is the lack of verification, the other is the billions of dollars going to terrorists. And I—I've—the last person I would expect to say what she said were the words that came from Susan Rice. She's the one that said things that were not true about Benghazi, on the Sunni programs. And when she came out and said—I think this is with Wolf Blitzer, and this is a quote—she said, "We should expect that some portion of that money would go to the Iranian military and could potentially be used for the kinds of bad behavior that we have seen in the region up until now."

Now, I really believe, building on that, that this could fund the terrorism efforts through Hamas in Palestine, Bashar al-Assad in Syria, Yemen, and the rest of the places. The Pentagon currently estimates that Iran provides approximately $200 million a year to Hezbollah, alone. Now, on that thing, I asked the two of them,

"What am I overlooking?" I mean, isn't that pretty obvious, just on its face, that this would expand the use of money going to terrorists?

General Hayden?

General HAYDEN. Very quickly, Senator. Of course it will. Now, the intelligence community put out an estimate that was, I think, intentionally leaked, that most of the money would not go. But, you know, "most" is like 51 cents on the dollar, so that leaves an awful lot of headroom for that estimate——

Senator INHOFE. Sure.

General HAYDEN.—beyond that. Right? Let's just imagine a world in which none of it goes. You realize that you've created a situation for the Iranian regime, where they can do guns and butter, that there is no pressure, internally on the regime, for continuing their current behavior, which is not the case today before the sanctions are lifted. But, I agree, it's even worse than guns and butter. It's more guns and butter.

Senator INHOFE. Okay, I thought—

Ambassador?

Ambassador EDELMAN. I agree, Senator Inhofe, with what General Hayden just said, and I would add one—you know, one other factor here, which is the fact that the Iranians, at the last minute in the negotiations, suggested that the price for getting the deal was to lift the conventional arms embargo and the embargo on ballistic missiles in the U.N. Security Council, which my colleague earlier talked about, and that it was supported vigorously by Russia, I don't think, as I might have said in my earlier career as a Sovietologist, was "by accident, comrade." This happened because the Iranians intend to use with this windfall—to use it to purchase advanced conventional systems with anti-access area denial elements to it, and the people who are going to sell it to them are going to be Russia and China.

Senator INHOFE. Okay. Very good answers.

The second thing that I looked at was, you know, if you're talking about 5 days, 10 days, 24 days, or whatever length of time, if you have to give a site warning that an inspection is going to take place, which that immediately sent up a red flag to me, then we had the statements by the Deputy Director Heinonen, who said that a 24-day adjudicated timeline reduces detection possibilities. He goes on to talk about what all can be done.

Now, during the last hearing, Senator Fischer pursued it a little bit with Secretary Moniz and talked about the timeline. And I got a little confused there, because, first of all, you start off with the 24 days. We know how that's broken out. However, if Iran believes that any or all of the—you know, are not meeting their equipment—their commitments, it could refer the issue to the Joint Commission for 15 days, then the Ministers of Foreign Affairs for another 15 days. Now, that's a total of 54 days. Now, I don't know how much further it could go out. Is—do you agree that that could happen, in terms of something that would have to be verified?

Ambassador EDELMAN. I'm aware of the provisions that you've talked about with regard to referring issues to the Joint Commission. You know, like any agreement, you know, we're going to find out, once it's actually in place, how it actually will work. But, I

think it is possible that you could get a longer-than-24-day period from the——

Senator INHOFE. Yeah.

Ambassador EDELMAN.—request to an inspection.

Senator INHOFE. Yeah, okay.

Ambassador EDELMAN. I think that's——

Senator INHOFE. Okay, that adds up to——

Ambassador EDELMAN.—perfectly plausible.

Senator INHOFE.—some 56 days.

General Hayden, do you think that they would be able to cover up a lot of stuff in 24 days, leave alone 56 days?

General HAYDEN. Well, more time is better. And again, I think we all agree——

Senator INHOFE. Okay.

General HAYDEN.—that there's not going to be a sprint out to a new Natanz somewhere. It will be—there will be cheating, but it will be incremental. And that'll be the kind that will be very, very difficult.

And, Senator, one additional thing. In addition to your adding onto the back end, there's some fuzziness at the front end before the 24-day clock starts, because there's a dialogue between the IAEA and the Iranians about what it is—to identify what really the issues are, about which facilities.

Senator INHOFE. Thank you.

Chairman MCCAIN. Senator Nelson.

Senator NELSON. I want to thank all of you for very reasoned statements. And this is—I consider it one of the most important decisions that I will make. And I'm sure all of us in the Senate feel that same responsibility.

General Hayden, in your opening comments, and later amplified, you think it will be more guns and butter if the agreement goes through, and you characterized it earlier, versus if the deal is rejected, it would be a more impoverished Iran.

And so, I want to take that and ask Ambassador Burns—given the fact that, when you subtract out all of what Iran owes under contracts, it's my understanding it's a net of about $56 billion that would flow to Iran, most of which are in the banks of five countries: China, India, Taiwan, Japan, and South Korea. So, if the deal is rejected, my question is, What's the incentive for those banks in those foreign countries that hold those dollars for Iran's oil if those countries want additional Iranian oil—is there any incentive for them to keep them and, therefore, keep Iran impoverished?

Ambassador BURNS. I think one of the problems is—and I've been in a couple of hearings now, and Senators and congresspeople are focusing on this issue, is—there's really no Plan B. The expectation by all the adherents to this agreement is that it's going to go forward. But, if it does fall apart, for whatever reason—or if the United States Congress decides to disapprove, and the President can't sustain a veto—I think there's going to be a dynamic that develops that's not going to be in our favor.

I've paid attention, of course, to Secretary Lew's testimony about the amount of money he thinks would be available to the Iranians. I'm not competent to answer the question specifically. I would think some of that money will go to long-term contracts, some will

have to go to the Iranian economy, because it's been so impoverished. They'll have to spend on social welfare, infrastructure projects. No question, some of it will go to the IRGC, given the relationship of Qassem Soleimani, the head of the IRGC Quds Force, to the Supreme Leader, Ali Khamenei. That's to our disadvantage. And that's what we're going to have to compensate for.

But, I look at this from a very practical viewpoint. I think if we get into this realm where the deal falls apart, the Iranians have more of the advantage than we do. And I think we will lose the grip on the international sanctions regime. And some of those banks around the world that have been—that had funded the Iranians, some of the long-term contracts will come back. It will be difficult, in that scenario, to impose extraterritorial sanctions, even in Europe, because the consensus would have broken down. So, I really don't see the logic of that no-deal scenario. And that's why I prefer and support the President's initiative.

Senator NELSON. I've been reading some of these annexes. And the one on access, which is Annex Q, it goes through this process on undeclared sites, that so many days, and so many days, and a vote of this Council, five of the eight members, another 7 days and 3 days, which is the maximum of 24 days. If Iran still balks at giving us access, giving the IAEA access, to an undeclared site after that process, and, with the overlay of our intelligence, isn't it pretty well that we're going to be able to understand that that is covert activity, and we could operate accordingly?

Anyone.

General HAYDEN. I guess I'll take that, Senator, because I've—in my previous life, I would be the one going into the Oval with the case.

There's actually a phenomenon in intelligence that describes that dilemma. It's called the Phenomenon of the Unpleasant Fact. And you're going in to your senior leadership with something that cuts across their policy goals, their policy preferences, and maybe even their politics. And there, the burden of proof is incredibly high. So, I actually think it's going to take a long time to convince any President who would believe in the deal to go ahead and put the deal at risk by responding to what still is ambiguous behavior. And then, even after you've convinced our government, it's going to be even more difficult to convince other governments that further action has to be taken if your evidence remains ambiguous. There will always be arguments for alternative explanations.

Senator NELSON. You can't—I don't think you can hide traces of enriched uranium. And that's why I think the IAEA plus our intelligence apparatus is going to be able to find it.

General HAYDEN. No, I—number one, there would—there can be cheating that actually could approach being substantial without enrichment activity. But, I assumed in your scenario, Senator Nelson, that the IAEA would not get physical access in order to go ahead and do the swipes for the detection of isotopes. And that's what I meant by "and it will remain ambiguous."

Chairman MCCAIN. Senator Sessions.

Senator SESSIONS. Thank you all for your wise insight and help us make some tough decisions here.

I asked Secretary Carter, last week, and Secretary Kerry testified before the House last week that Iran is the number-one world sponsor of terrorism. So, we're negotiating with a very problematic country whose religion transcends, sometimes, normal political discourse, I think, creates an ideological extremism that's dangerous there.

Dr. Haass, you mentioned the historical perspective. I remember Mr. O'Hanlon, from Brookings, testifying. I followed up on something he said about the fact that this may be 30, 40-plus years of dealing with this spasm of Islamic extremism that we're seeing. And he just said, "Yes." That was his answer.

So, what we do with Iran, would you agree, should be consistent with an overall historic strategy, over decades perhaps, to help subside this extremism that we're seeing?

Dr. HAASS. In principle, yes. But, in practice, it's going to be extraordinarily hard, simply because, even though Iran would say, from their point of view, the principal threat to stability in the region is the Islamic State, much of what Iran is doing is actually encouraging people to go join that organization by, for example, using Shiite militias inside of Iraq or supporting the Assad government. So, Iran's own policy, I would argue, is against their own professed self-interest. And that's why this is going to be so difficult.

It's one of the reasons, Senator, I'll be honest with you, I am so pessimistic about the trajectory of this part of this world. We haven't even discussed Turkey, we haven't discussed Egypt, we haven't discussed Yemen. We could—Saudi Arabia's own internal dynamics. I think there's more fault lines in this part of the world than we have fingers on our hands. And Iran is a significant, but not the sole, contributor to the pathologies of this part of the world.

Senator SESSIONS. Ambassador Edelman, it seems to me that we've gotten into this negotiation improvidently. Bush administration said we can't negotiate with this terrorist state. And President Obama decided to commence those negotiations. A wise Middle Eastern leader told us that you've got to know how to get out of a talking trap; otherwise, you can't—you know, you lose all kind of ability to act.

So, I guess what I'm asking, first and foremost—it seems to me that the—that an agreement of any kind with Iran should be founded on a—as part of an overall strategy to deal with the problems in the Middle East. And it seems to me this has been an ad hoc agreement, this situation that started talking that we couldn't get out of it, and now we've ended up with an agreement that, I agree with you, does not serve the national interest. Is that incorrect, or you have any thoughts on that?

Ambassador EDELMAN. Senator Sessions, thank you.

First, I think, in fairness, although we were not directly involved in the negotiations with Iran during the Bush administration, my colleague to the left was constantly working with the then-EU3. And I believe, at the very end of the Bush administration, the other Ambassador, Burns, actually participated in one round of negotiations. So——

Senator SESSIONS. Were those official negotiations?

Ambassador EDELMAN. They were official negotiations, but—and his participation was brief and fleeting, I would say, but it was a part of the process.

You're right that—and, first, one of the occupational hazards of negotiating is, negotiators get the bit in their teeth, understandably; they work on something, and then they want to get a conclusion, they want to get a deal. And there is always the danger that the objective—in this case, preventing Iran from developing a nuclear weapon—gets lost, particularly in the final effort to conclude a deal, which is difficult and arduous. And, in this case, I think the negotiators got a lot of things. If you read the entire document, there are a lot of things I would have been—you know, I would have predicted they wouldn't have gotten. It's, you know, surprising in some of the limits, et cetera. But, the overall result, I agree with you, is not satisfactory.

The—I think that, you know, my colleague, Ambassador Burns, said there seems to be no Plan B. I don't quite understand that. I mean, the administration said, throughout the negotiation, it was prepared to walk away from a bad deal. It said repeatedly that a bad deal was worse than no deal. So, presumably, if they were prepared to walk away, there had to be some Plan B somewhere, because someone had to be thinking about what they were going to do if they didn't actually get the deal. So, the idea that there's no other deal out there that's available, I don't think is credible.

I would add another thought experiment to this. Let's say, for the sake of argument, that the Majlis actually act before you all do. And let's say, for the sake of argument, the Majlis were to reject the deal. I don't believe that the administration's first response would be, "Oh, my God, there's no deal. Now we have to go to war." I think they would say, "We've got to figure out a way to get the Iranians back to the table and start negotiating again and get a—you know, get something we can do." I don't understand why that principle wouldn't apply to this body, as well.

Senator SESSIONS. Do you think—just to—do you—all right. My time is up. I'm sorry. He didn't answer the question.

Chairman MCCAIN. Senator Manchin.

Senator MANCHIN. Thank you, Mr. Chairman.

And thank you all of you. This is extremely enlightening, and it's extremely important, and I think the decision that we make is one of the toughest decisions any of us have ever made since I've been here. And I'm sure the rest of our committee here agrees. But, it's one that's going to have world implications, not just to the United States, and not just Iran.

With that being said, I look back in history. I grew up at a period of time when Iran was a friendly nation or a favored nation, with the Shah. And I remember, 1979, we had 52 hostages that were held for 444 days. The regime changed. I don't know if any of—look—of you all look back in history, thinking this regime would withstand 36 years. Did anybody predict they would be able to hang on for that long? And if that's the situation or evaluation, do we believe that they are on the brink of breaking, to where the people will revolt and change because of the hardship after 36 years? I would have thought—this hardship's been going on for quite some time. They didn't progress like they did prior to this regime change

in '79. And if that would be the case, then what's the chance of this regime changing if we do the deal or don't do the deal? Which puts more pressure on them? Because I would think the only way we're going to change that country, or even that part of the world, is if some of these regimes and some of these people who want a—more of a peaceful life are going to be able to take hold again. So, that's one question.

And also, the other question I would have is, Is there any possible way of stopping the flow of money if we walk away from the deal? I think we've touched on it. I think Senator Nelson asked the question. I know we all have been thinking about that. But, we act like we're in control. And if we walk away, the money—we just put a grip on it, and nothing moves.

The third thing I would ask you all is, If you were going to meet with the P5+1—if you were sitting down with all the representatives, whether they be ambassadors or spokespeople for these countries, what question would you ask?

So, we'll start with the third, if you—first—regime change. Can it be done if—with or without the deal? And then down to the three.

So, we can start either way you want to start. Do you want to start?

General HAYDEN. Regime change has not been the American objective, looking backward as far as my experience allows me to see. That said, the Iranian leadership has never wavered from the conviction that this was always all about regime change. So, that's made our dialogue with them even more complex.

I would say that one course of action gives a better chance of coercing regime change. That's no deal. And then, there are hopes that, if you do have this deal, you might entice regime change because of integrating the state, the people, into the larger community. I actually think both chances are very low. I don't think it's going to happen.

Senator MANCHIN. Money?

General HAYDEN. One more on regime change. That is most—actually, looking at it, it is most tightly tied to demographics, and it's a nation's youth bulge that creates disturbances that lead to regime change. It's very—it's actually a very predictive indicator. Egypt just went through a youth bulge. Our youth bulge was——

Senator MANCHIN. I'm sorry, General, we're going to have be very quickly, because I—I'm running out of time.

General HAYDEN. Our youth bulge was '68 to '70. The Iranians are now on the back end of their youth bulge.

Senator MANCHIN. Okay.

Money, Dr. Haass? Or which way—do whatever, real quick.

Dr. HAASS. Regime change, I don't think it's in the cards, unfortunately.

Senator MANCHIN. Either way.

Dr. HAASS. Either way.

Senator MANCHIN. With or without.

Dr. HAASS. It's the impact—first of all, it's likely to be slight, either way. Second of all, you can't count on it.

Senator MANCHIN. Gotcha.

Dr. HAASS. Regime change may happen——

Senator MANCHIN. Gotcha.

Dr. HAASS.—for reasons that we can't predict. If it does, it could be for the better, it could be for the worse. Took the Soviet Union over 70 years, happened rather quickly at the end. But, it simply—to me, it—it's more wishful thinking right now than it's——

Senator MANCHIN. Okay.

Dr. HAASS.—than a strategy.

P5+1. I would sit down, very quickly, and have the conversation both about how to deal with noncompliance, and, second of all, how to deal with the long-term nuclear challenge. Because this agreement stores it up, if you will, for years 10 and years 15.

Very quickly, I'm worried that too many think—people think this agreement solves the problem. It parks the problem. And that's the conversation I would begin with the P5+1.

Senator MANCHIN. Thank you.

Ambassador EDELMAN. Senator Manchin, excellent questions. In the interest of time, I won't add anything on the regime change——

Senator MANCHIN. Okay.

Ambassador EDELMAN.—question, except to say I think, on the margin, this agreement strengthens the regime rather than weakens it.

On the flow of money, I think actually there are ways to staunch it. I think a strong vote in the Congress against this deal would help staunch it. And the reason I say that is the comments that my former colleague, Jacques Audibert, the French National Security Advisor to President Hollande, made in denying the conversations he allegedly had with some members of the House. He did say that he told them that it would be a powerful disincentive, given the kind of penalties BNP Paribas paid for violating U.S. sanctions.

Senator MANCHIN. Could I have Mr. Burns just answer the two—

Ambassador EDELMAN. Yeah.

Senator MANCHIN.—because we just ran out of time.

Real quick.

Ambassador BURNS. Very quickly. We should hope for regime change, but we can't bank on it. And I would say this is a tough regime which will likely survive, unfortunately.

On the money, long line of European and Asian officials and businesspeople in Tehran ministries over the last weekend. So, I think it would be very difficult for us to kind of reimpose and rejigger that whole sanctions regime if we walked away.

And finally, on the last question, I was in the P5+1 for 3 years. They need to stick with us on sanctions reimposition. I think the Europeans would. I don't think the Russians and Chinese would.

Senator MANCHIN. And your question to P5 would be what, right today?

Ambassador BURNS. Excuse me?

Senator MANCHIN. Your——

Ambassador BURNS. My question would be, we—I think it's inevitable the Iranians will test the restrictions and try to cheat. And we're going to need P5 unity. And that's one of the downsides. It's going to be difficult to have——

Senator MANCHIN. Commitment to do that. Thank you.

I'm sorry, Mr. Chairman.

Senator INHOFE [presiding]: Senator Ayotte.

Senator AYOTTE. Thank you, Chairman.

I want to thank all of you for being here. This has been very helpful.

One of the issues that General Hayden raised, and some of you have raised on the inspection regime on undeclared sites—I think, if you look at the language in Annex 1, Section Q, that lays out the procedure for undeclared sites, it—I don't see anywhere in that Annex—in fact, what I see in it, in paragraphs 75 and 76, is that, first, the IAEA has to raise the concerns of undeclared sites to the Iranians, then, at that point, they actually have to put in writing their concerns. The Iranians have an opportunity to respond, and they actually get to suggest alternatives to what the IAEA would like, in terms of access to undeclared sites.

So, in that language, to General Hayden's point, do you remain concerned, if the IAEA is not given physical access to undeclared sites, that that could undermine their ability, even if you use the most advanced testing to know, in fact, whether an undeclared site is being used for their nuclear program? I mean, is this a real issue?

As I look at this—by the way, I think this is a lawyer's dream. I mean, as we look at the back-and-forth on this, I mean, I can only imagine, my prior life as a litigator, I could have a ball with this.

I'd just like your comment on physical access. Nothing in this can I see guarantees us any—or the IAEA, obviously—any physical access to their undeclared sites.

Dr. HAASS. I'd say two things. It—you're right, it doesn't guarantee it. The question of access is not explicitly defined. But, second of all, we shouldn't kid ourselves. For certain activities, even physical access is not a panacea. By definition, undeclared sites are just that. You can't know something is going on if you don't know what's going on. So, for example, if there's certain weaponization activity going on at an undeclared site, by definition we're not going to have access to it, because we won't know it's going on. And certain types of activities don't leave traces. So, even physical access is valuable, as it would be in some cases, is not a solution. Inspection is meant to be a cooperative enterprise. And I think we have to accept the limits that we've got a noncooperative party on the other end of this agreement.

Senator AYOTTE. Ambassador?

Ambassador BURNS. Thank you very much, Senator.

If we get into this realm of the managed inspections, the 24 days, we're into, likely, a significant violation. If the Iranians ultimately, in those 24 days, don't provide access, that's a violation of the agreement. And I think we would have the—if we're serious and we would prosecute this, we would have the upper hand in getting a lot of international support—not from everybody, but from key countries.

Senator AYOTTE. So, one other—I have a number of questions, but—Dr. Haass, you mentioned that we need to reassure our friends in the region so they don't follow suit. One of the issues that many of us have heard an earful about is from our allies in the region and their potential desire to have threshold programs or programs, themselves, to hedge against the Iranian program, and that this is a real concern for us as a result of their ability to keep

their infrastructure in this agreement. Could you all comment as to what the impact could be on our allies in the region, in terms of their own nuclear programs or desire for this capability?

Dr. HAASS. What it's going to take is the combination of things. One is going to be that they're going to have confidence in how we pursue this, noncompliance as well as follow-on—there's clear ceilings, shall we say, on Iranian capabilities. We're going to have to look at defensive systems of all sorts for these countries.

I actually think the most interesting area may well be security guarantees. If we don't want them to each go down that path themselves, the question then is, What are we prepared to do for them and with them in this area? Because, despite our best efforts, Iran may still achieve, you know, at a minimum, threshold status. So, I think if we don't want—and we don't want—the United Arab Emirates (UAE), the Saudis, and others going down that path, then I think it's actually a big debate for the United States, which is, To what extent are we prepared to put, however conditional, various types of nuclear umbrellas out there in the region?

Senator AYOTTE. Do others want to comment on that?

Ambassador EDELMAN. Senator Ayotte, I would just add one thing, which is, if you take a country like the UAE, which has signed a 123 Agreement with the gold standard of no enrichment, they have been very vocal about, you know, what this means for them now that this very large industrial-scale program is being okayed by the international community. You see that in Saudi Arabia, as well. So, I think the concern you've expressed is extremely well placed and goes to General Hayden's comment about the threat that this agreement, I think, represents to the broader nonproliferation regime over time.

General HAYDEN. And, Senator, one solution is to compensate with conventional weapons to our allies in the region, which has its own second- and third-order effects with regard to the balance between the Arabs and the Israelis. And we may end up, as a byproduct of this agreement, with a far more militarized Persian Gulf than we've had in the past.

Ambassador BURNS. One option for President Obama and his successor is to reaffirm the doctrine that the Persian Gulf is vital for the national security interests of our country. I think all administrations, Republican and Democrat, have essentially said that since Jimmy Carter's administration, but we haven't heard it in those terms, clear terms from the Obama administration. That would help to reassure the Gulf allies.

Senator AYOTTE. I thank all of you for being here. Appreciate your insight.

Chairman MCCAIN [presiding]: Senator Shaheen.

Senator SHAHEEN. Thank you.

And thank you all very much for being here this morning.

You have all suggested, and I have heard this in virtually every other hearing on this Iran deal, that the likelihood of Iran breaching this agreement is more that they would breach it incrementally rather than that they would walk away or have a very flagrant breach. And so, one of the things that we ought to be thinking about if it goes forward is what other measures we could take with the other signatories to the agreement that would show Iran that

we are strong and we're not going to tolerate those incremental breaches.

So, I wonder if you could speak—and maybe I'll start with you, Dr. Haass—about what other steps that we should be thinking about as we're looking at the potential for incremental breaches.

Dr. HAASS. Well, again, I think your premise is exactly right, and I think the Iranians—getting back to something General Hayden said—hope that the inevitable ambiguity gives them protection and that these issues get talked to death and, at the end, there's no clarity. But, I—what I would think is—the only response I can think of is that we have—how would I put it?—lesser responses to lesser breaches. If we only have all-or-nothing responses, then I——

Senator SHAHEEN. Right.

Dr. HAASS.—I think we tie ourselves in knots. So, we ought to have gradations of responses, if you will, in some ways geared to the breaches. I think we have a much better chance of getting something like that through the P5+1, the—something that seems, if you will, proportionate.

Also, could I say one other thing? We have to think about if there is something of a breach, what is our goal? And our goal is not simply to penalize at that point, it's also to get the Iranians back into compliance. And I think that's got to be an important part of our policy, as well.

Senator SHAHEEN. And so, what are—Ambassador Edelman——

Ambassador EDELMAN. Yeah.

Senator SHAHEEN.—what are other actions that we might take?

Ambassador EDELMAN. You know, Senator Shaheen, you've raised an important question, and it's one that I find particularly troubling, because my own experience in government is—and I'm saying it in light of the comments by Minister Zarif, that, "Basically, oh, we're only going to get penalized for big violations, not for little violations." Of course, you pile little violations up on top of each other incrementally over time, and it can actually amount to, you know, serious capability being developed.

The problem is, as General Hayden said earlier in the hearing, you're always going to be dealing with ambiguous information. There will be an argument inside the intelligence community first about whether this information actually is a violation——

Senator SHAHEEN. And——

Ambassador EDELMAN.—and how important the violation is. Then we'll have an——

Senator SHAHEEN. I'm sorry to interrupt you, but——

Ambassador EDELMAN.—then we'll have an interagency debate about it.

Senator SHAHEEN. I appreciate that. But, what I'm suggesting is that—what I think everyone was saying is that, if an agreement goes forward, we ought to be prepared that we're going to respond to those incremental breaches. And so, what—what's the menu of options that we've got, to do that?

Ambassador Burns?

Ambassador BURNS. I think the administration is prepared and should set a very high bar for the Iranians; meaning, if you anticipate that they're going to begin to cheat, you have to be very

tough-minded and call them on those early rounds, or else they're going to be emboldened, the way that Foreign Minister Zarif predicted in his public statement. And, at least from my own understanding of the administration's position, they're determined to be very tough-minded at the beginning. And I think that's what we have to be. We'll have to have the Europeans with us. In a strange sort of way, President Putin has stayed with President Obama on this particular issue, despite our sanctions on Russia over Ukraine. The Russians don't want Iran to become a nuclear-weapons power. I'm not predicting they're going to be a great partner, but you have to work on the Russians, as well.

Senator SHAHEEN. Let me also ask—I think it was you again, Dr. Haass, and Ambassador Edelman, as well, who suggested that there were other steps that Congress could take, should an agreement go forward, that would help strengthen the U.S. position with respect to any agreement. And, Ambassador Edelman, you suggested an AUMF, which, you know, I think many of us might be open to, except that we haven't been able to get an AUMF done on the actions that were taken against ISIS. But, what other kinds of measures are you suggesting that Congress might take that would help to strengthen our position?

Dr. Haass?

Dr. HAASS. It's a longer conversation than your time limit would have, but certainly we would spell out of some of the parameters of the follow-on nuclear deal beyond the 10 and 15 years. I actually think that would be critical, dealing with, for example, questions of levels of arrangement. Just because the agreement ends at certain points, and may not preclude Iran from doing certain things, doesn't mean we couldn't put into place something that would be a follow-on that would preclude those things, or say, "If you are tempted to do it, here would be the results or the consequences." So, I would think that is high on the list. We would also talk about some of the help we would provide for other countries in the region against certain kinds of threats from Iran.

But, essentially, Senator, I would go through each of the three baskets—the noncompliance basket, the regional basket, and the follow-on nuclear basket—and say, each one of those, what do we see as the problems or the shortcomings or the issues likely to arise? What can we do now, looking at them—some would be immediate, some would be towards the future—to reinforce this agreement? And that—that's the conversation I think Congress should be having with the executive branch, sooner rather than later.

Senator SHAHEEN. Thank you.

Thank you all very much.

Chairman MCCAIN. Senator Fischer.

Senator FISCHER. Thank you, Mr. Chairman.

Gentlemen, I would like to follow up on an answer that General Hayden gave to Senator Reed on his questions dealing with precedent and nonproliferation. As you all probably know, in paragraph 11 of the preamble, it states that, "This agreement should not be considered as setting precedents for any other state." And, Ambassador Edelman, in your beginning comments, in your opening comments, you said that this agreement reverses 50 years of non-

proliferation policy, even to friendly governments. So, a couple of questions, here.

First question. Does including a caveat like this in the preamble, does that really accomplish anything? And my second question would be, To what extent will this agreement impact future nuclear cooperation agreements?

You know, if we're prepared to embrace the idea of a serial violator building an enrichment program, and leave open the possibility that they begin reprocessing activities in 15 years, I don't see how we can object to extending similar terms to other countries that actually have good nonproliferation records.

So, I would like you to begin, in any order you'd like to. Ambassador Edelman, would you like to start?

Ambassador EDELMAN. Senator Fischer, yeah, you've put your finger on something that I found troubling in the agreement, as well. And I think what you're seeing there is that the administration has gotten that inserted into the agreement so that it can say, in principle, we have denied Iran the right to enrich; we've just recognized it, in practice, because we're allowing them to have an industrial-scale enrichment capability. So, that's why I think you see it there. And I think, notwithstanding the fact that people say it's not a precedent, other people will say that it's a precedent, just as, for instance, we asserted that the recognition of Kosovo's independence unilaterally was not a precedent; Russia used that precedent against us in 2008, in Georgia.

Dr. HAASS. Two things. Whenever you say something is not a precedent, it's the equivalent of saying, "With all due respect."

[Laughter.]

Dr. HAASS. And you inevitably run into it.

That said, Iran is sui generis. And a lot of the countries we're going to have to deal with nuclear programs are not Iran, thank God. Iran is an outlier. Whether it's the UAE or potentially Saudi Arabia. I mean, they are qualitatively different sorts of challenges.

So, I think we ought to, to the best we can, deal with this as a one-off. Yes, it's going to be pushed in our face sometimes with people that are saying, "Well, you agreed to this," and we're going to have to argue, "But, that was a special case."

So, I think it is in our interest, to the extent this is a problematic agreement, to make it as sui generis as we can, understanding that others are going to cite it. But, it's not the same as most-favored-nation status. It's not that problematic, because we're not dealing with a world of rogues. Iran is, to some extent, an outlier, as is North Korea and several others. And the more likely conversation is going to be one, two, or three agreements with friends. And I think that is a qualitatively different sort of conversation.

Senator FISCHER. So, you think, if a country that we are somewhat friendly with, if they want to say, "Okay, for 15 years, we won't be running centrifuges, we're not going to reprocess any reactor fuel, you know, we're going to abide by that for 15 years, but, you know, hey, 15 years later, all those bets are off," what's the option then?

Ambassador EDELMAN. Well, but we've had the——

Senator FISCHER. We're going to say, "But, you're a good actor, you're not going to do this."

Ambassador EDELMAN. But, that's exactly what's worked. Look at Japan, look at South Korea, and others. We've had a whole experience of close American relationships which have been, I would argue, the best nonproliferation tool available to the United States. So, to the extent we have good relations and there's confidence in American reliability, then I don't think we have to worry about proliferation across the board.

So, at the end of the day, proliferation is part of a larger thing, called American foreign and national security policy. We've got to get the larger thing right. Then we'll be in a better position to address proliferation pressures, just as we have in Asia. People predicted many countries in the Asia-Pacific would go down certain paths. They have not, I would argue, because we had military presence, we had credible security arrangements and commitments to them, and, with them, we dealt with their adversaries. So, I don't think, if you will, it is hopeless in this area.

Senator FISCHER. I'm running out of time.

So, if Iran decides it wants to build a reprocessing spent-reactor fuel and produce highly enriched uranium or build a massive uranium enrichment program after year 15 of this agreement, what are our options?

Ambassador BURNS. Our options will be to reimpose—well, first of all, they have—they will have the right to reconstitute a civil nuclear program. The danger will be, Will they use it as a cover for a covert military program? And we'll have—this is where it gets challenging for us in years 10 to 15 to 20 to 25—we'll have to, I think, reassert our ability to use military force, should they get close to a weapon, and reimpose a sanctions regime, should that be necessary.

So, in essence, we'll be back, if you will, to what we've been doing for the last 10 years, in trying to contain them.

Senator FISCHER. Thank you.

Chairman MCCAIN. Senator Blumenthal.

Senator BLUMENTHAL. Thanks, Mr. Chairman.

Thank you all for being here, and thank you for your very thoughtful and insightful testimony today.

Dr. Haass, I think that one of the very important points you make is that we can agree or disagree that a better agreement could and should have materialized. Many of us, I think, have expressed the view that a better agreement was not only possible, but perhaps should have been reached. But, the reality today is that we have this agreement. And the question before us is not the one for historians, as you've said, it's what the consequences are, the practical and real-world effects. And I know that you said that you did not have time, in response to my colleague Senator Shaheen's question about what the follow-on could be, but perhaps you could expand on what you think, specifically, the Congress could insist on the administration doing, even if there are the votes to sustain the President's veto.

Dr. HAASS. Senator, I'd want to think about it in greater detail and have that conversation with some other experts, including the three gentlemen at this table for whom I have great respect. But, I would think that we would want to have certain limits on Iranian enrichment levels, possibly on the amount of enriched material. I

would probably want to have limits on delivery systems. I would want to talk about what exactly is the—is meant by the implementation of the additional protocol, what is our understanding of that. So, I would want to, essentially, keep ceilings and tabs on the Iranian nuclear program beyond 10 and 15 years.

The Non-Proliferation Treaty (NPT) is an open-ended document. I believe our approach to Iran in the nuclear realm ought to be similarly open-ended. And we ought to decide in our own minds what—to what degree—what's an acceptable threshold and what isn't. Because, I think, to simply say that Iran is allowed to be a threshold nuclear power, but not a nuclear-weapon state, that leaves me uneasy, because that could—because it would mean zero breakout time, and that would put tremendous pressures on others to follow suit. So, where I think we ought to be detailing is, What sort of—what is our definition of an acceptable threshold? And I would want to get into—in many ways, many of the things addressed by this agreement for 10 and 15 years, I want to—I would want to see how they could be extended, either in their current form or in a modified form.

Senator BLUMENTHAL. And I hope that conversation will continue even before the Congress has to vote on this issue.

General Hayden, if the United States Congress rejects this agreement, does it lead to a better agreement? And, if so, how?

General HAYDEN. It could lead to a better agreement, but it would require a powerful amount of American enthusiasm for Plan B. You don't improve on Plan A without really strong American leadership. And that may actually be an important factor as to how much willingness the current administration would have into pursuing Plan B.

I think it was Ambassador Edelman who suggested, earlier, you know, that there always seemed to—there had to have been a Plan B; otherwise, you can't make the statement that, you know, a bad agreement is worse than no agreement. But, there doesn't seem to have been any construct put forward the—what Plan B might look like. And so, again, very powerful American leadership, probably from both political branches.

With regard to the Iranians, I don't think they sprint to a weapon. I think we get more of the same. Actually, they're—actually, I think it's more likely that they abide by the agreement for a time period, rather than sprinting to a weapon, in order to try to create a wedge between ourselves and our, particularly, European allies. And I think the way it settles over time is the incremental growth of the Iranian nuclear system, not a sprint to weapons.

To be very candid, Senator, we were never convinced they were going to build a weapon. I mean, if this were a weapon, it was our belief that Iranian foreign policy is best served by parking right here, because, unlike the North Koreans, cooking one of these things off in the desert pushes a whole bunch of things into the red, not into the green. And, unfortunately, I think what the agreement, in its current form, has created is this, if they just have a bit of strategic patience.

Senator BLUMENTHAL. Thank you.

My time has expired. But, this issue obviously is immensely complicated. I have a lot more questions, and hope that I can explore them with members of this panel in another setting.

Thank you, Mr. Chairman.

Chairman MCCAIN. Senator Cotton.

Senator COTTON. Thank you all for being here today.

General Hayden, you've spent a career in the American intelligence community, from the lowest levels to the very highest levels. I've heard it reported that you once said, "Intelligence is not a fact; otherwise, it wouldn't be called intelligence." I have the highest regard for the professionals in our intelligence community, but I want to review briefly the history of assessments of foreign countries' pursuit or acquisition of nuclear weapons.

The Soviet Union, China, India, Pakistan, Iraq—twice—North Korea, Iran, and Syria. Do you think the U.S. intelligence community has provided timely and accurate assessments, down to a month-by-month timeline, of these countries' pursuit or obtaining of nuclear weapons?

General HAYDEN. No, of course not, Senator. And hence, my earlier comments and other testimonies that, absent an invasive inspection regime, American intelligence alone can't give you sufficient confidence in the agreement.

Senator COTTON. And the reason it's so hard is that these countries are very good at concealing their intentions and capabilities, and it can often be hard to develop assets that reveal those to us?

General HAYDEN. Iran, much to my disappointment, particularly to the President I served, was a very hard human intelligence target. And, in many ways, that's what you need in order to detect this, because the physical evidence of at least the early stages of breakout is very hard to come by.

Senator COTTON. What, then, is your level of confidence of the United States intelligence community's ability to have deep insight into Iran's intentions and capabilities down to the nearly month-by-month assessment necessary?

General HAYDEN. Yeah, I wouldn't go, Senator, month by month. Back to my phenomenon of the unpleasant fact, how much evidence do you have to have in your folder to go in to tell the President his favorite plan is now off the rails? So, month by month would be very hard.

But, again, back to my point, within the 10-year period, the best part of this agreement is Richard's basket or my bubble of the agreement itself, because it does create some fairly robust ability. Not that they won't cheat. They will cheat. That's unarguable. But, I think the cheating will be roughly at the margins, and not that breakout or sprint.

Senator COTTON. Do you expect that to happen in declared facilities, like Natanz or Fordow——

General HAYDEN. No.

Senator COTTON.—or in undeclared sites?

General HAYDEN. No, of course not. It would be in undeclared sites. It's always in undeclared sites.

Senator COTTON. In a country two and a half times the size of Texas.

General HAYDEN. Senator, Fordow was pretty far along. We count it as an intelligence success, but Fordow was pretty far along before we discovered it. We learned about Natanz from an Iranian opposition group.

Senator COTTON. I want to move now to the alternatives to this deal, or, more specifically, what would happen if Congress were to disapprove this deal and override the President's veto. I know there's a lot of proponents of the deal who say, "It's this deal or war."

Ambassador Edelman, recently a French diplomat, speaking to several Members of Congress, said that was not the case. Could you elaborate on that perspective and share your opinion of his perspective?

Ambassador EDELMAN. Senator Cotton, I think you're talking about my colleague, Jacques Audibert, the French President's National Security Advisor. There is some dispute about what he actually said, since he's denied part of it, but I think what's not disputable is that he made it clear that a vote against the deal would have a very chilling effect on people going back into Iran, because of the potential penalties and lack of access to the United States financial system. And that, I think, is an important fact to bear in mind when we think about potentially walking away from the deal and renegotiating it. We have lots of tools at our disposal.

Senator COTTON. What do we think would happen if the Iranian Parliament voted to reject this deal? Surely, it is a rubber stamp for the Supreme Leader, but, nonetheless, they still have scheduled a vote a few weeks after our vote in this Congress.

Dr. HAASS. As you say, it's unlikely, sir. If it were to happen, I think current arrangements would remain in place, in terms of sanctions, because it would be seen as their doing. So, I think there would be no major move afoot. The real question, What would Iran do in the nuclear sense? Again, I would think more drift than sprint, because that would be the sort of thing that they would think would be—would not stimulate or trigger the sort of reaction they supposedly would want to avoid.

Senator COTTON. Ambassador Edelman, one final question, because my time is running short. Given the fact that a nuclearized Middle East, if this deal one day leads to that, would likely have countries with limited nuclear stockpiles, limited delivery vehicles, very-near-distances limited communications, less stable governments than we saw during the Cold War in the Soviet Union and the United States, what do you assess the risk of genuine outright nuclear war in the Middle East to be?

Ambassador EDELMAN. I think, potentially, Senator, it's very high. Back in the Cold War, nuclear strategists identified something called the "N country problem," which was—it was possible to understand how a nuclear balance of power would work between two parties, but, once you got multiple parties into it, it seemed to be an insoluble paradox. And, in the Middle East, it would be heightened by the fact that you have very, very short flight times, you'd have relatively small arsenals, at least at the beginning, and you've have enormous incentives on the part of all parties to preempt. And I think there's a very real chance you would end up with nuclear use in anger for the first time since 1945.

Senator COTTON. Thank you all. My time's expired.

Chairman MCCAIN. Senator King.

Senator KING. Thank you, Mr. Chair.

I want to thank you and the staff for putting together these hearings and giving us an opportunity to listen to some very provocative and thoughtful commentaries. I'm finding this a very difficult issue. It seems to me it's all about weighing risks—weighing the risks of going into this arrangement, weighing the risks of not going in. And, of course, weighing those risks means alternatives.

And you gentlemen have done a pretty good job today of picking out many of the defects in this agreement, which I agree are there, but the real question then becomes—is, What is the alternative?

Ambassador Burns has testified that—and it seem to me logical—that if the agreement is rejected, two things happen. One is, Iran reverts to a situation where they have essentially an unfettered nuclear program, and, secondly, the sanctions will inevitably—and here's where the choice of verb is difficult—erode, fray—unravel may be too strong a word. But, I don't see it—how it's possible to argue that the sanctions will be stronger if this deal is rejected unilaterally by the United States after it's been adopted by the U.N. Security Council.

General Hayden, you made the point that the agreement itself may not be that bad for 10 to 15 years. As I see it, what we're essentially buying is 15 years of a nuclear-free Iran, and, if Iran starts to misbehave in a nuclear sense at the end of 15 years, we have the same options we have today. In fact, we may even be in a stronger position, because then we will be working with the rest of the world to impose those sanctions rather than working at cross-purposes with the rest of the world. Would you—help me out here.

General HAYDEN. Sure. If the Iranians—and back to the baskets again, the——

Senator KING. Right.

General HAYDEN.—one out there in the future—if the Iranians begin to misbehave after the limitations in the current agreement expire, they're misbehaving from an incredibly higher baseline, in terms of what——

Senator KING. In what sense?

General HAYDEN. In what is legitimately allowed the Iranian state, in terms of their nuclear industry. All right? And frankly, they will have time to do things on the margins to improve their capacities. So, I think it's very important, as Dr. Haass says, a second regime out here that keeps meaningful limits——

Senator KING. Well, right now, they're—the—all the intelligence is that they're 2 to 3 months from a breakout. Would they be closer than that——

General HAYDEN. Oh, yes.

Senator KING.—the 10 or 15 years?

General HAYDEN. I mean, even in the administration's calculations, when you get out there, somewhere between 13 and 17, the breakout period for sufficient fissile material, which is what we're measuring here——

Senator KING. Right.

General HAYDEN.—gets below the current 2 to 3 months. So, that—so, you run that danger, even if you continue to have the tools you have on the table. And frankly, since Nick was involved in building the tools currently on the table, that doesn't happen quickly. That's going to take time.

The other aspect that makes me uncomfortable are the more immediate effects of empowering a state that should still be a renegade state, of empowering a state by welcoming it back into the family of nations, and really giving it the wherewithal to do all the other things they want to do.

Giving additional way of thinking about this, Senator——

Senator KING. I'm very limited on time.

General HAYDEN. I'm sorry. I'm sorry. I'll——

Senator KING. Let me follow up on that.

Ambassador Burns, what would be the effect of—within Iran, of a unilateral American rejection, in terms of the relationship between the hardliners and Rawani and Zarif?

Ambassador BURNS. Well, there is tension between them, there's no question about it. This not a monolithic regime. And I would—in that hypothetical instance, I would think that there would be tremendous pressure in the Iranian system not to race towards a bomb—I think we all agree on that—but to reconstitute a nuclear threshold state so they'd be able to enrich uranium further, develop weapons-grade uranium, and continue to work on their plutonium processing. That would, I think, be—the rationale for that would be to reposition themselves for the next round of this.

I think that would be a real problem for us, because if we're the one that walks out first in this hypothetical example, we're going to lose our leadership both—we're the political organizer of the global coalition to isolate them, and we've been the organizer of all the sanctions resolutions, in the U.N. and elsewhere. And so, we lose our ability, I think, to keep that coalition together. And that's why I, for practical reasons, believe that—I think the plan can work—the administration's plan. It gets very difficult, as my colleagues and I are suggesting, after years 10 to 15, and you have to reconstitute the system and the will to contain the Iranians.

Senator KING. Two quick points. One is, I want to associate myself with Senators Shaheen and Blumenthal, and Mr. Haass—Dr. Haass, and—all of you. You must help us think through agreement-plus. What is the—what is—what can Congress do to strengthen the implementation of this agreement and be sure that it is abided by? And I know that there are people here thinking about that. And, to the extent you can provide input, I think that's important.

The only other point I would make is, we've been talking mostly about the IAEA, as if that's it for verification. But, the fact is that we'll have five and probably six intelligence agencies watching intently—and I mean that literally—and working with the IAEA. So, I think it's important to realize that this isn't just the IAEA, that there is a combined intelligence capability that is quite vigorous.

Thank you, Mr. Chairman.

Chairman MCCAIN. Senator Ernst.

Senator ERNST. Thank you, Mr. Chair.

Gentlemen, thank you very much for being here today. This has been an enlightening discussion, I think, very good for all of us to participate in and hear your areas of expertise.

It has been brought up a couple of times already today, and I want to make it very clear—a couple of you have affirmed this—but, I would like to ask each of you, yes or no—a simple yes-or-no question, and then we can come back and talk a little bit more about it. But, the President made very clear, several weeks ago—very, very clear—that it was either this nuclear agreement or war. There was no in between. It was either the agreement, sign it, have it done, or we are going to war. General Dempsey pushed back on this. Admiral Richardson pushed back on this. They agreed that there are other options available. So, just simple yes or no. If we don't sign this agreement, are we going to war?

General Hayden.

General HAYDEN. There's no necessity to go to war if we don't sign this agreement. There are actions in between those two extremes.

Senator ERNST. Thank you.

Dr. Haass.

Dr. HAASS. I would echo that, but I can't rule out that Iran would not take steps that would force the United States to contemplate the use of military force. We would have to decide what, at some point, we deem to be intolerable.

Senator ERNST. But, do you think there are other options before we get to war?

Dr. HAASS. Absolutely, from sanctions to covert action of various types, and so forth.

Senator ERNST. Thank you.

Ambassador?

Ambassador EDELMAN. Yes, Senator Ernst, I agree with you, I don't think those are the only alternatives.

Senator ERNST. And Ambassador Burns.

Ambassador BURNS. I don't believe that war would be inevitable. Possible. But, I do think congressional disapproval would weaken the U.S. and our ability to hold the sanctions regime together, which has been the key factor.

Senator ERNST. And I think there has been some very good discussion today. I think it's very, again, enlightening that we have gone from, a number of weeks ago, many people, whenever I would bring up this topic about having other options available, "Why are we just talking about war?" Now we're having very good discussion about other things that we need to do, as the United States, to protect not only our population but our friends in that region and around the world.

A number of weeks ago, this was not happening. People were either saying, "We're going to sign this agreement or we're going to war." There are a lot of things that we can do. And, unfortunately, I think these discussions should have occurred much more significantly during the negotiations process. Now we're at a point, we either take the deal, or not, and try and unilaterally come up with things that we can do as a country to push back on Iran. Do you agree with that?

Dr. HAASS. Violently, I agree with that. And I think we would have had far more negotiating leverage, had Congress been involved sooner. I remember—and Senator McCain and Senator Reed and others will remember, because we all go way back—when you used to have Senators and Congressmen as part of delegations. I would—I think the idea of joint negotiating approaches so Congress, if you will, is in on the takeoff as well as the landing—because, right now, you're right, we have—we have, I always say, poor choices and very few of them. It would have been much better to have expanded the range of choices and to improve the quality of the choices. And I think there ought to be some lessons derived for future administrations and future Congresses about how to conduct negotiations. Because we're leaving ourselves in a very difficult place if we only get to this point after the deal, if you will, is signed, sealed, and delivered.

Senator ERNST. We are between a rock and a hard place right now. Most certainly.

Iran's chief terrorist is, of course, I think, General Soleimani. And we have talked a little bit about this gentleman today. And great article just out by Lieutenant General, Retired, Michael Barbero, "Empowering the Iranian Who Murdered Americans." I think 20 percent of the deaths in Iraq have been attributed to the EFPs that the General had put in place—Soleimani. I think it's good that we remember that this gentleman now is in good standing, once this agreement goes into place. And this is a man who I don't think is going to curb his terrorist activity or backing of Hezbollah and Hamas and many of these other organizations. How will this deal empower this general?

General Hayden, can you speak to that, please?

General HAYDEN. Sure. Senator, in terms of direct impact, he wasn't going to travel to the United States anyway, or show up at the U.N., so—but, we talked earlier about unleashing resources that can now be put at his disposal to continue doing what he's been doing. And frankly, it couldn't possibly come at a worse time. I mean, the man routinely is on the ground in Iraq directing Shiite militia. And now we're giving him additional resources.

Senator ERNST. Yes. Thank you. And I think it's wise to remember that all of us that serve in the Senate probably have constituents and families in our States that have members that were killed overseas as a direct result from those EFPs.

Thank you, Mr. Chair.

Chairman MCCAIN. Senator Hirono.

Senator HIRONO. Thank you, Mr. Chairman.

Most of you have indicated that we have other options, should we walk away from this agreement. But, I am wondering, you know, what the scenario would be; because, if we walk away from an agreement, unless we enter into another agreement, the reality of which becomes questionable, given that we probably won't be able to rely on our P5+1 partners to go along with us in trying to renegotiate another agreement, doesn't that create the scenario, as I think Dr. Burns acknowledged, that it—this scenario increases the potential that we would have to resort to military action to stop Iran from proceeding apace with building a nuclear bomb? That is

not a question, but an observation, based on the testimony that I've heard today.

General Hayden, as a former Director of the CIA, does this agreement improve the intelligent community's ability to gain intelligence on Iran's nuclear activities?

General HAYDEN. It does, in the zero-to-10-year period, with the invasive inspection regime. I mean, assuming at least moderate Iranian compliance with that, you do have more detailed knowledge than we would otherwise have.

Senator HIRONO. So, during this period, as we get more detailed information—intelligence—which I assume your assessment of the enhanceability for us to gain intelligence based on this agreement—as a result of this agreement, that we could, at the end of 15 years, or even before then, determine what else we could consider doing to prevent Iran from becoming a nuclear power.

General HAYDEN. Again, as Dr. Haass pointed out, in order to continue that invasive inspection regime, that window into what it is they're doing, I don't think there is any deus ex machina that's going to happen in the next 10 or 15 years that's going to allow us to do this remotely. And so, as part of the negotiation of a follow-on agreement, we would still need to have that kind of invasive inspection regime.

Senator HIRONO. But, during the period that we have this enhanced inspection—well, this enhanced capability to gather intelligence, I would think that we would therefore be able to determine what else we can do at the end of 15 years.

If someone else wants to weigh in on this, I see—yes.

Ambassador BURNS. I'd be happy to.

I think——

Senator HIRONO. Dr. Burns.

Ambassador BURNS. I listed, in my oral statement, some measures that the administration can take now, things they haven't done and said, to try and create a stronger containment coalition of the Iranians, because the Iranians are striking into the heart of the Sunni world. And then, on your question, Senator, we already have to think ahead to the time when this—these restrictions lapse, 10 to 15 years after the agreement takes effect. We'll have to reconstitute much of what the Bush and the Obama administrations built up over the last 10 years. Now, I support the agreement, because I think the value of freezing them for the next 10 or 15 years is considerable. But, I also see that, if the Iranian regime stays in place—and I think it's probable that it will, although we can't predict—and if they do try to reconstitute their program, we're going to have to have an American President who will be very, very assiduous in rebuilding the coalition. So, you have to start that now and keep our closest allies with us.

Senator HIRONO. One of the very interesting aspects to this hearing and all of your testimony, which I appreciate very much, is asking Congress to think about what we could be doing now during—you know, to address the eventuality, possibility of, at the end of 15 years, as General Hayden has said, that Iran would have sufficient fissile material to break out with a nuclear weapon in a very short time. So, thank you all for really pushing us toward that kind of consideration now, rather than waiting til the end of 15 years.

Regarding the potential for Iran changing its behavior, I realize that we should be looking at the agreement itself. However, I'd like to ask Dr. Burns, What is the likelihood that this agreement and Iran's compliance with it could lead to a moderating of Iran's behavior to the outside world, as well as its—to its own people? And what else besides this agreement would increase the likelihood of a moderate Iran?

We'll start with you, Dr. Burns.

Ambassador BURNS. Thank you very much——

Senator HIRONO. We may have to end with you. I'm running out of time.

Ambassador BURNS.—Senator, because I live in an academic institution, I have to tell you, I'm not Dr. Burns, I don't have a Ph.D.——

Senator HIRONO. Oh, excuse me.

Ambassador BURNS.—just to be fully transparent. There are other Ph.D.'s here.

Senator HIRONO. Dr. Haass.

Ambassador BURNS. I would say that we—it would be a very ineffective argument for the administration to make that we should go forward with a nuclear deal because it'll change Iran. I don't think Iran's going to change as long as the Supreme Leader and the Revolutionary Guard hold so much of the power. So, that can't be a reason. I don't hear the administration saying that now. And I think that's fortunate.

The reason to go ahead is because we're in a long-term struggle with them, and we can now gain the advantage, over the next 10 to 15 years, to freeze their nuclear program. But, as we've all been saying, we have to think strategically long-term, both in terms of mitigating measures against their nuclear program and containment measures against their military effectiveness—Syria, Lebanon, Hamas, Hezbollah, Yemen. They're a real problem, and we have to push back against them.

Senator HIRONO. Thank you.

Chairman MCCAIN. Senator Tillis.

Senator TILLIS. Thank you, Mr. Chairman.

Ambassador Edelman, I'll—I'd like to start with you, but I'd—I would invite in any of the panelists to chime in if they have comments.

What is the likelihood that Iran will live up to the terms of the agreement? In other words, maybe another way of saying—a negative way of saying it—what's the likelihood that they're going to cheat? Do you believe they're going to cheat? And in what way will they cheat?

Ambassador EDELMAN. If they don't cheat, it will be the first time that they haven't cheated on their NPT and nuclear obligations to the——

Senator TILLIS. I think there are some 27 international agreements or treaties where they've documented having cheated in the past. So, we know they're going to cheat. Is there any doubt among the panelists that they're going to cheat at some level, push the edges?

[No response.]

Senator TILLIS. So, Ambassador Burns, you mentioned about how the—voting down this agreement could substantially weaken our sanctions regime. But, let's assume that you're in a position where you have to deal with that. We've voted down the agreement, our partners, who are—I know, Foreign Ministers and CEOs, business leaders who travel into Iran in large numbers trying to figure out how they can invest and how they can become a part of the economic turnaround of that nation, but—so, you've got that hand dealt you. You've got—have a lot of these partners that have gone to Iran. We've identified a need to apply economic sanctions again. What do you do to make the best of that situation?

Ambassador BURNS. Thank you, Senator. And very quickly if I could just say on your last question, I think it's probable that their self-interest will be that they will appear to be living up to the agreement. I think they'll try to keep it. But, no question in my mind, they'll cut and cheat on the margins. That's why we have to watch them.

On your hypothetical question, if we were given the scenario of a congressional disapproval, override the President's veto, and—I think we would want to begin with Britain and France and Germany to try to reconstitute a way forward to pick up the pieces. And that would be to keep the sanctions regime together and try to convince the Iranians that they're better off living with an agreement that would take another set of negotiations. So, you'd probably be back into the negotiating game.

I've testified that I think you're right to look at the option, because if that option could work, that would be a logical way forward. I don't think it can work, and I think, actually, there are more deficiencies there than there are possibilities for us.

Senator TILLIS. Do you think that that is driven largely by these other countries believing this is a good deal on the pure merits of keeping Iran from having a nuclear weapon? Or is a lot of their motivation the economic benefit that they have by removing the sanctions and setting up shop in Iran?

Ambassador BURNS. I think there are varying motivations. I really trust that the British and the French and the Germans want to see Iran denied a nuclear weapon. They started these negotiations 3 years before we did, in 2002. They've been at it a long time.

The Russians, I think, are an interesting case, because the Russians lie closer to Iran than anyone else, geographically. I don't think the Russians want to see them become a nuclear weapons power, but the Russians want to cut us down to size, unfortunately, and that operates to be—it's a conflict in our relationship.

Chinese, I think, are motivated by commercial imperatives.

Senator TILLIS. Well, that's, maybe, the question I would ask of any of the panelists to opine. The—we talk about the—and I think, Ambassador Edelman, it was in your comments that you submitted for the record, that, you know, this—whether it's 140 billion or the discount of $56 billion, what we haven't really talked about is projecting the net positive economic impact through foreign investment that's going to occur. China's going to invest in Iranian infrastructure for the purposes of having oil or lower-cost energy coming to them. All of these various industries are going to come there, and I begin to believe that, over a 10-year period, that the $56 bil-

lion that we're talking about, you can argue, for one reason or another, may or may not flow back into—or 140 billion, whatever the number is—but there could be tens of billions, hundreds of billions—dollars—more in economic benefit over this timeframe that would be absolutely available to fund terrorist operations, proxy wars, all the other malign activities that they're involved in. Do you agree with that?

Dr. Haass?

Dr. HAASS. The answer is, there could be a lot of money to do it. That said, a lot of terrorism is actually fairly cheap. I mean, Iran's doing pretty well under the current circumstances. I think it also points to the importance of keeping—you know, of energy policy, because the last thing we want is Iran also to get a windfall out of oil prices, which is something we haven't really talked today.

I'd say one other thing on the economics. What we don't know—and I think it's the optimist side—I put it out; I'm not sure I believe in it, but I mention it—is that this will set in motion certain dynamics within Iranian society. And I think, you know, the optimistic side would say it'll strengthen certain middle class elements. So, while the regime will get some credit for improving the society, it might also set in motion some longer-term dynamics of demands for change. And none of us is smart enough to know how these things play out.

Senator TILLIS. Thanks, Mr. Chair.

Ambassador EDELMAN. Senator Tillis, if I could just add to what my colleague has said in response to you. I—one of the problems I have with waiting 10 or 15 years and then addressing this is precisely what you're saying. The two tools we've had, the threat of military force and the impact of the sanctions, are both going to be much less powerful tools 15 years from now—or 10 years from now, even—than they are today. And that's one reason why I think, as messy and problematic as it will be to reject the deal today, I would rather do it now and try and put the pieces back together now than wait 10 or 15 years.

General HAYDEN. I'd just add one additional thought to Eric—to Ambassador Edelman's point.

It—in my view, it will be more difficult to get a multilateral sanctions snap-back than it will be to continue sanctions under a proposed Plan B.

Chairman MCCAIN. Senator Sullivan.

Senator SULLIVAN. Thank you, Mr. Chairman.

Thank you, gentlemen.

You know, one of the things that strikes me as I've read through this agreement now is, there's a lot of asymmetry, in terms of commitments and obligations. Let me just give you one example, Ambassador Burns. There's a—up front, a phrase that says, "The P5+1 expresses its desire to build a new relationship with Iran." And normally, as you would imagine in international diplomacy, you would normally get a reciprocal kind of statement in a lot of agreements, wouldn't you?

Ambassador BURNS. It would be advisable. I don't think we're going to have a new relationship. I think it will be a continuation of the same in trying to contain them.

Senator SULLIVAN. But, there's no kind of reciprocal statement from Iran. So, we're saying we want a new relationship. In the agreement, we say it. But, the agreement doesn't say the Iranians want a new relationship with the West. Why do you think that's the case?

Ambassador BURNS. As you know, Senator, I was not part of these negotiations, so I can't account for it. But, what we're seeing is these conflicting statements, even 10 days ago——

Senator SULLIVAN. Yeah.

Ambassador BURNS.—saying, from the Iranian side, "No access to military sites." If they don't give access to military sites, they're in violation of the agreement in the opening stages. So, this agreement will test them.

Senator SULLIVAN. But, I mean, the—it's pretty obvious to me they—we say we want a new relationship. In the text, they're silent. As a matter of fact, they're not silent. After the agreement's signed, they're doing the "Death to the—Death to America" chanting, and it's clear they clearly don't want—or didn't want to commit to a new relationship, even though it seems like a lot of what we have in here is focused on that.

General Hayden, I wanted to kind of go into another area, in terms of asymmetry in the agreement. You know, the administration said they didn't want to include terrorism, human rights, weapons programs, even the hostage situation, because they were focused on the nuclear agreement, only, as part of this. And yet, if you look at the details of this agreement, there are all kinds of affirmative actions that we're supposed to take, you know, including helping them with finance, helping them with their energy sector, helping them import commercial aircraft, literally helping them import pistachios, Iranian rugs. One of the—so, there's a lot of affirmative duties we have that have nothing to do with the nuclear side of this.

One of these—it's a little unclear who the obligation is to, but it also says that we're, quote, supposed to "strengthen Iran's ability to protect against sabotage in the nuclear facility—its nuclear facilities." Do you think that is remotely a good idea? And is that a commitment the United States should—or anyone—should take up? And if we're preventing sabotage, do we have to prevent our allies—say, the Israelis—to prevent sabotage? Hasn't sabotage helped us, to be blunt?

General HAYDEN. Well, it's hard for me to talk about this in detail, but the plain-English reading of the sentence you just read would put a requirement, a legal responsibility, on us to protect the current—the negotiated Iranian nuclear program from any destructive activity, even if it were mounted by a friend of the United States.

Senator SULLIVAN. Is that in the United States national interest to do that?

General HAYDEN. I——

Senator SULLIVAN. In your experience?

General HAYDEN. It is overly complicated. I—it's hard for me to comment, in open session, on what the fine print means. I'm surprised to see that in there. I'm surprised that, although we insisted that ballistic missiles be talked about, they were thrown off the

table at Iranian insistence, until the 11th hour, and then they were brought up by the Iranians in order to get out from under——

Senator SULLIVAN. Ambassador—sorry, General—Ambassador Edelman, do you think that's a good idea?

Ambassador EDELMAN. I cannot——

Senator SULLIVAN. Do you think that's in——

Ambassador EDELMAN. I cannot imagine, Senator Sullivan, how that could possibly be in the best interest of the United States, and it's one of the reasons why I'm opposed to this agreement.

Senator SULLIVAN. Is it in the best interest of some of our allies in the Middle East?

Ambassador EDELMAN. Absolutely not.

Senator SULLIVAN. Let me just turn to one other area that has been a real big concern of mine. You know, a lot of us—Ambassador Burns, Edelman, we worked together on the whole effort to economically isolate Iran, and there's a lot that's been talked about this snap-back provision. And, as you know, it took years to get our European allies, who were not motivated to really help out, initially, to divest out of Iran. And, as you mentioned, they're already very quickly going and reinvesting in Iran.

One of the things I'm most concerned about the snap-back provision—it's being sold as this really important thing—powerful, prompt—but, it seems to me more of an illusion, because there's a provision throughout the agreement—paragraph 37, paragraph 26, and other areas—where the Iranians essentially say, "If any sanctions are reinstated, in whole or in part, Iran will treat that as grounds to cease performing its commitments under the agreement." So, it seems to me the snap-back provision is more aimed at us, it's more a boomerang provision, than it is at them, because if we ever reimpose sanctions, they can legally—legally—walk away from the deal.

Secretary Kerry and Secretary Lew have been asked this question a number of times. They don't seem to be able to have a good answer for it. Are you concerned about this kind of illusory snap-back provision?

Ambassador BURNS. I think the snap-back provisions are going to be a challenge for us. We had the great—I had the great pleasure to work with you in a previous capacity on this, Senator, and we're going to have to, I think, have some agreements up front with the Europeans that they're going to be with us—those three Europeans—France, Germany, and Britain—when there are serious violations. If the Iranians take the position that the imposition of sanctions for Iranian violations ends the agreement, "Well, the agreement's off"——

Senator SULLIVAN. It's in there.

Ambassador BURNS.—then the agreement's off, and then the United States, whatever administration is in power, will have the right to do what we have to do to keep them away from a nuclear weapon. So, I actually don't think that puts pressure on us. I think it's a—if the Iranians take that position, that gives us an opening, if the agreement's not working, to abrogate the agreement, theoretically.

Ambassador EDELMAN. Senator Sullivan, I mean, I, too, am a little worried about the snap-back provisions, for a couple of reasons.

One is, it seems to me there's a contradiction at the heart of the argument that the administration has made on behalf of snap-back. On the one hand, they argue that the sanctions regime—correctly, by itself—has not stopped Iran's nuclear program; but, if Iran violates the nuclear agreement, the penalty we're going to impose on them is snapping back the sanctions. So, right from the get-go, there's a problem.

I will give the negotiators enormous credit. The provisions for snap-back are a—very, very cleverly, you know, constructed, but I think there's a political problem, which is that the way that we guarantee snap-back is that the United States would have to veto the resolution in the Security Council that would allow the sanctions relief to continue. The United States, I think, always finds it difficult to wield the veto in the Security Council. We've done it from time to time to protect Israel and a few other things, but we don't use the veto lightly. And I think this is going to be much harder to actually implement the snap-back than people have argued it will be.

Chairman MCCAIN. Senator Rounds.

Senator ROUNDS. Thank you, Mr. Chairman.

Ambassador Burns, General Dempsey said, a few weeks ago, to Senator Ayotte's question about Iran and ballistic missile capabilities, that, quote, "Under no circumstances should we relieve pressure on Iran, relative to ballistic missile capabilities and arms trafficking," unquote. What do you think was the reasoning to allow the world's leading sponsor of terrorism—and, by the way, that's a title that was bestowed upon them by no less than our own State Department—to receive the gift of a sunset on U.N. sanctions in these two areas in 5 and 8 years, respectively?

Ambassador EDELMAN. Thank you, Senator.

I said, earlier, that I oppose this compromise that ends the conventional weapons and ballistic missile sanctions imposed in 2007 and 2010 by the United Nations. What I heard from the administration, though, is somewhat reassuring. They say that, when these sanctions—when these U.N. sanctions, global sanctions, expire, that they will—or the next administration—will have to reimpose, certainly American sanctions, but also try to put together a coalition of countries to sanction the Iranians. It's not in our interest to see the Iranians be able to import Russian or Chinese military technology, and it's certainly not in our interest to see them develop ballistic missiles.

Senator ROUNDS. It's interesting that, in an Armed Services hearing on this deal last week, Defense Secretary Ashton Carter confirmed to me that, under this deal, he could not rule out Iran acquiring an intercontinental ballistic missile in 10 years. This means that Iran could have the capability of producing a weapon that could reach the United States soil in a decade. A week before that, General Paul Selva, now the Vice Chairman of the Joint Chiefs of Staff, told me that—during his confirmation hearing—that Iran remains the leading state sponsor of terrorism, and sanctions relief agreed to in the nuclear deal could be used by Iran to continue to—or continue to sponsor terrorism.

Gentlemen, do you believe that, with this agreement, the U.S. and our allies are safer today than we were a year ago, and will we be safer when this agreement ends in 10 years?

Ambassador BURNS. I believe that we'll be—we are going to be safer over the next 10 years. That's the reason I'm supporting the President on this. If we freeze their program, then we have 10 to 15 years of insight into what they're doing, and severe restrictions on their program.

Second question is tougher. And again, I think, as many of us have said, and I've certainly said, we're going to have to be really good and forceful at putting back in place, if the same Iranian regime is in power, some of these restrictive measures, on our own and with a coalition, to ensure our safety in that 10-to-25-year period.

Senator ROUNDS. Gentlemen?

Ambassador EDELMAN. Senator Rounds, as Senator King said earlier, I think, a lot of this discussion that some of the panelists were discussing among ourselves before the hearing is a question of balancing risks. And my own view is that this deal, I would say, marginally improves our situation on the nuclear question over the next 10 years, but at the peril of various other threats to safety and security of the United States in the short term, outside the nuclear realm, and again in the nuclear realm at the expiration date of the deal.

Dr. HAASS. Consensus on that. Which, again, is why I—I didn't begin here, but I came out with the position that we need to think about how we buttress this agreement to deal with the downsides, in that the immediate regional problems, it will exacerbate; and the longer-term nuclear problems, I fear it will increase. So, I think anyone who's inclined to vote against the resolution of disapproval for the agreement should think very hard about how that vote is accompanied by steps—statements and steps that I believe will offset the—you know, the truly problematic parts of this arrangement.

General HAYDEN. Yeah, I think that my colleague has said it very well. In essence, there is some buying down of the nuclear risk, which was, frankly, somewhat theoretical and always long term. And the coin we've used to buy that down is embracing some concrete immediate risks and the danger of what happens after the 10-year period.

Senator ROUNDS. Thank you, gentlemen.

Thank you, Mr. Chairman.

Chairman MCCAIN. I thank the witnesses. There's a lot more of this to be discussed, and—but, I think you've given the committee a very excellent depiction of the challenges. And I appreciate very much that you've taken the time to be with us.

Hearing is adjourned.

[Whereupon, at 12:07 p.m., the hearing was adjourned.]

JOINT COMPREHENSIVE PLAN OF ACTION (JCPOA) AND THE MILITARY BALANCE IN THE MIDDLE EAST

WEDNESDAY, AUGUST 5, 2015

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

The committee met, pursuant to notice, at 9:33 a.m. in room SD–G50, Dirksen Senate Office Building, Senator John McCain (chairman) presiding.

Committee members present: Senators McCain, Inhofe, Sessions, Ayotte, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Reed, McCaskill, Manchin, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, and King.

OPENING STATEMENT OF SENATOR JOHN MCCAIN, CHAIRMAN

Chairman MCCAIN. Well, good morning, everyone. The committee meets today for our third oversight hearing on the Joint Comprehensive Plan of Action, which the United States and other major powers have signed with Iran.

We welcome our distinguished witnesses, and thank them for joining us today: Professor Walter Russell Mead, Distinguished Scholar in American Strategy at The Hudson Institute and Professor of Foreign Affairs at Bard College; Michael Singh, the Senior Fellow and Managing Director of The Washington Institute for Near East Policy; Dr. Ray Takeyh, the Senior Fellow for Middle Eastern Studies at The Council on Foreign Relations; Dr. Philip Gordon, Senior Fellow at The Council on Foreign Relations; and Richard Nephew, Fellow at The Center for Global Energy Policy at Columbia University.

This committee's oversight is focused on the strategic and military implications of the nuclear deal with Iran. Among other things, we want to know how this agreement will affect regional security, proliferation, and the balance of power in the Middle East, what impact it may have on Iran's malign activities and ambitions to dominate the region, what it means for perceptions of American credibility among our allies and partners, and what the consequences are for U.S. defense policy, military planning, and force posture.

From this broader strategic perspective and following the testimony given in our two previous hearings on this topic, this bad deal, to me, only looks much worse. The committee is eager to hear

from our witnesses on whether this deal is the best we can do and what realistic alternatives exist. Given that even the administration acknowledges Iranian aggression, support for terrorism and rogue regimes, and destabilizing behavior are likely to continue, what should United States strategy toward Iran look like?

The administration suggests that any criticism of this deal is tantamount to a call to war. Such scare tactics are to be expected from this administration, but they have no place in a debate of this magnitude. Our military leaders have also rejected the administration's false choice. The Chairman of the Joint Chiefs, General Dempsey, told this committee, just last week, quote, "We have a range of options." Likewise, the President's nominee to be the next Chief of Naval Operations testified that, quote, "There are other options besides going to war." We ask our witnesses to provide their candid assessments of what realistic alternatives to this deal might be.

The strategic and military implications of this agreement are perhaps even more troubling than the terms, themselves. Iran is more than an arms control challenge. It's a geopolitical challenge that demands a comprehensive strategy. For years, many of us have argued—have urged the administration to adopt a regional strategy to counter Iran's malign activities in the Middle East. Unfortunately, if such a strategy exists, there is no evidence of it.

President Obama likes to say that this deal is built on verification rather than trust. But, consider what we've already verified about Iran's activities and intentions, and contrast that to our own strategic drift. We know that, over the past decade, Iran's military and intelligence operatives have stepped up their destabilizing activities in Iraq, Syria, Lebanon, Yemen, Bahrain, Gaza, and elsewhere. Iran did this despite the full pressure of sanctions. Imagine what it could do with even a small portion of the windfall of sanctions relief, estimated at roughly $60 billion, or probably much more.

It's reasonable to assume that billions of additional dollars will soon flow to Iran's Revolutionary Guards Corps, or Quds Force, money that will likely be used to boost arms supplies to Iran's terrorist proxies and double down on Bashar Assad, right when he needs it most. We know that Iran intends to become the dominant military power in the Middle East. Yet, despite repeated assurances that negotiations were strictly limited to the nuclear program, the administration made major concessions related to conventional weapons and ballistic missiles, concessions that the Chairman of the Joint Chiefs of Staff warned, before the agreement, should occur, quote, "under no circumstances.

In 5 years, this agreement would lift the international arms embargo against Iran, freeing up the regime to acquire advanced conventional military capabilities from eager sellers, such as Russia and China. In 8 years, it would lift restrictions on ballistic missiles, whose only conceivable military purpose would be to deliver nuclear weapons against America and its allies. We know that these concessions have dangerous implications for the men and women serving in our military. This agreement would enable Iran to construct the kind of advanced military arsenal the anti-access and area denial capabilities that could raise the risk of employing our

military options, should Iran violate its obligations. In short, if this agreement fails, the lives of U.S. servicemembers could be at greater risk.

We know that our allies and partners in the Middle East have increasingly come to believe that America is withdrawing from the region, and is doing so at a time when Iran is aggressively seeking to advance its ambitions. Now we have reached an agreement that will not only legitimize the Islamic Republic as a threshold nuclear state with an industrial enrichment capability, but will also unshackle this regime and its long-held pursuit of conventional military power, and may actually consolidate the current regime's control in Iran for years to come. That is perhaps most troubling of all about this agreement, what it means for America's credibility in the Middle East.

For decades, the United States has sought to suppress security competition in the region between states with long histories of hostility toward one another and to prevent war. I fear this agreement could further undermine our ability and willingness to play that vital stabilizing role. For the sake of our own security, as well as that of our allies, I believe we cannot afford to let that happen.

Once again, I want to thank the witnesses for appearing before us today. I look forward to their testimony.

Senator Reed.

STATEMENT OF SENATOR JACK REED

Senator REED. Well, thank you very much, Mr. Chairman.

Welcome, to the witnesses.

Over the past 2 weeks, the Chairman has assembled a series of hearings on the Joint Comprehensive Plan of Action, or the JCPOA. Last week, the President's representatives, four Cabinet Secretaries and the country's most senior military officer, made the case for the agreement, both on the terms of the deal, itself, and the way forward with our friends and allies in the Middle East. Yesterday, the committee heard from a number of former senior government officials with experience in diplomatic, intelligence, and military communities. Today, the committee will hear from additional witnesses who bring with them a vast and extraordinary array of experience on the region, on nonproliferation issues, and sanctions implementation policy.

Thank you, again, gentlemen.

I want to thank the Chairman for assembling this series of hearings with the committee. They have provided a superb venue for attempting to understand the dynamics that shaped the P5+1 [5 permanent members of the U.N. Security Council, plus Germany] negotiations and for assessing the impacts of the agreement on Iran's calculations with respect to its nuclear program and their regional ambitions.

I want to pose the same question to this panel that I asked yesterday. First and foremost, I hope you will provide an assessment of whether the deal is the best available option to prevent the Iranians from obtaining a nuclear weapon. I also specifically hope each of you will address, first, the terms of the agreement itself, particularly with respect to cutting off a path to a nuclear device, the sufficiency of the duration of the elements of the agreement,

and the breakout time necessary for Iran to acquire a nuclear weapon. Second, the alternative, if any, to the JCPOA. Third, the inspections regime under the deal, including any lessons learned from past international inspection regimes that have been incorporated into this proposal. Fourth, the role and capacity of the International Atomic Energy Agency to implement this agreement. Finally, the sanctions regime under the JCPOA, the availability of similar tools the United States will have at its disposal for targeting Iran as a result of support for terrorism, regional stabilization, and human rights abuses.

Aside from the JCPOA, I'd also appreciate the witnesses providing their assessment of two other critical issues. First, while the P5+1 negotiated agreement, none of them share a border with Iran. Our partners in the Gulf Cooperation Council, the GCC, all share land or maritime borders with Iran. This makes Iran's activities in the region a far more tangible problem for them. A Camp David summit earlier this year continued our engagement with the GCC partners on this issue. Secretary Kerry was not only in the region this week, but appears to have elicited their support for the agreement going forward. But, we have to continue to support their efforts, in terms of their defenses, their ability to respond to asymmetric threats from Iran. I hope our witnesses can provide some detail and context in this issue, too.

Second, Israel rightly views Iran as a significant and ongoing threat to their national security interests. I'd be appreciate in hearing the witnesses' assessment of how the United States might move forward with Israel under this agreement, if it is eventually supported, to protect our shared national security interests. In fact, that'll be a key factor, going forward.

Once again, I look forward to the panel's responses.

I also must apologize, because I have to rush up, in a few minutes, to the Banking Committee, who is also having a hearing. So, my departure is because of the coincidence of hearings, not anything else.

Thank you, Mr. Chairman.

Chairman MCCAIN. Thank you, Senator Reed.

Thank the witnesses again, and we'll begin with you, Professor Mead.

STATEMENT OF WALTER RUSSELL MEAD, DISTINGUISHED SCHOLAR IN AMERICAN STRATEGY, THE HUDSON INSTITUTE AND CHACE PROFESSOR OF FOREIGN AFFAIRS, BARD COLLEGE

Mr. MEAD. Thank you. Mr. Chairman, Senator Reed, distinguished members of the——

Chairman McCain: Could I just say, all of the testimony that is submitted will be part of the record. The written testimony.

Thank you——

Mr. MEAD. Great.

Chairman MCCAIN. Professor.

Mr. MEAD. Thank you.

I'm honored to have the opportunity to speak this morning. I cannot speak with any particular acuity about issues of verification or nuclear engineering. That's not my approach to this. I'm interested

in this agreement as part of the broader framework of American Middle East policy. So, I will speak briefly about our interests in the Middle East, the issues that we have with Iran based on those issues, and then the implications of that for this agreement.

United States has long had strong interests in the Middle East. I want to talk primarily about our interests in oil. There are some who believe that the fracking revolution, unconventional shale and oil here in the United States which lessens our energy dependency on the Middle East, will therefore lessen American interests in the Middle East. I'd like to suggest that's probably not correct, because the flow—orderly flow—secure flow of oil from the Middle East to the major economic and industrial zones of the world is vital to their prosperity. If that oil supply were to be interrupted to Japan, China, and Europe, the American economy would rapidly suffer devastating consequences. This also—the fact that the United States is able to provide the security of the international oil flow is, to use the Chairman's phrase this morning, you know, an important aspect of our suppression of security competition, not simply in the Middle East, but by ensuring that countries like China, Japan, and others don't feel the need to maintain massive naval and intercontinental forces to secure the oil supply. So, this—our position in the Middle East is critical to America's global strategy of trying to preserve peace and promote prosperity. America's own lessening dependence on that oil does not change that dependency.

Given that, how do we think about our interests in the Middle East and our security there? We have, since, really, the Franklin Roosevelt administration, taken the view, as a country, that we do not want any single power to have the ability to interrupt or to endanger that flow of oil, whether it was an external power, like the Soviet Union seeking to dominate the region from outside, or an internal leader, like Saddam Hussein when he invaded Kuwait, attempting to impose something like that kind of control. We have always sought to make sure that no single power can hold the world and us to that kind of blackmail.

Today, it is—it's the reality that, essentially, the only power that is capable of posing a danger of that kind would be Iran, Islamic Republic of Iran, as the strongest regional power, and one which, over a number of years, has been demonstrating a determination, at great cost and risk, to expand its regional footprint. So, when we think about this nuclear agreement with Iran, or, indeed, any agreement that the United States and Iran would make, we need to think about, How does this agreement play into that situation?

One should also note that an additional threat that we face in the Middle East today, the rise of radical groups intent on an ideology of jihad, whether regionally or globally, that this, to some degree, is being exacerbated by the rise of Iran. The radical groups, like ISIS [the Islamic State of Iraq and Syria] and al-Qaeda, are deriving a great deal of legitimacy, funding, and recruiting strength from the sense, in the Sunni world in particular, that there's a religious conflict going on between the Sunni version of Islam, the Shiite version of Islam, and Iran as the captain of Team Shiite, so to speak, has been winning. This is creating a sense of fear, even desperation, that makes fanatical forms of ideology and very radical organizations attractive, not only to young men who are looking for

something to do with their lives, but even to wealthy people in the Gulf and others who may be increasingly persuaded to fund them.

I won't test the patience of the committee by delving too deeply into these issues, but it is, I think, worth noting that, whatever else it may do, the JCPOA has the effect of strengthening Iran's position in the region at a point when other powers in the region. Indeed, many American officials believe that the greatest danger to the region is an imbalance of power that favors Iran. Simply by removing sanctions, by ending Iran's diplomatic isolation, increasing its resources, not merely with the sort of tranche of money that comes from unfreezing of frozen assets, but by accelerating Iran's economic growth over a period of time so that it has more resources for various activities, simply geopolitically, leave aside the question of whether or not it's a good or bad deal on the nuclear issue—simply geopolitically and regionally, this deal represents a very important success for Iran. It increases Iran's capacities at a time when concern over those capacities is very high.

That means that we need to be thinking, as a country, What is our policy? What do we do about this? Certainly some of Secretary Kerry's recent diplomacy in the Gulf and elsewhere has been about trying to reassure countries who feel threatened by both the rise of Iran and the boost that it's likely to receive from this agreement. It's commendable that he's seeking to reassure these countries, but what we should all understand is that their need to be reassured is not out of some sort of case of nerves; they are actually accurately reading the regional impact of this agreement.

So, we actually now come down, I think, as a country—we have to think, What are our—what policy will we adopt? Is this—regionally speaking—is this nuclear agreement the first step in a rapprochement with Iran so that, now having resolved the nuclear issue, we try to reach ever-closer cooperation with Iran on a wider range of issues? If that's the case, again, I would suggest that the regional unrest will grow, and the alarm of other countries who would fear that the United States and Iran, over their heads, are remaking the region in a way that they don't like—we can expect greater instability in response to that. Or, having taken the nuclear issue off the table, as proponents of the deal suggest we're doing, does this then free us up for a much more vigorous policy of containing Iran in the region—in particular, in Syria, which, for a number of reasons, is the most important focus, I think, of regional politics today in that part of the world? Are we going—you know, are we, for example, going to say, "Well, we can't really take a strong line against Assad, Iran's client, in Syria, because otherwise Iran might walk away from the nuclear agreement." If that's our thinking, then, in a sense, we have contained and constrained ourselves. Or do we say, "All right, now that we have this agreement, we need to work much harder on containing Iran's ambitions and ensuring the balance of power in the Gulf"?

So, I would just suggest to you, as Senators who are working to make up your minds and inform your colleagues about whether or not this agreement with Iran should receive Congressional support and ratification, that you should not simply look at the nuclear dimensions of the deal, though obviously they are vitally important, but you must also consider this agreement, like any agreement be-

tween nations, as a step in a regional and geopolitical policy, and think through, Is this agreement leaving the United States in a stronger or a weaker position? Also, What assurances are you getting from the administration about the regional policies that it intends to follow this agreement with? Are we moving toward containment, or are we moving to engagement, are we moving in some other direction? I, myself, sense a lack of clarity about this sometimes in Washington. I hope, Senators, that you will be able to get us a clear answer as to where we're going.

Thank you.

[The prepared statement of Walter Russell Mead follows:]

PREPARED STATEMENT OF WALTER RUSSELL MEAD

Mr. Chairman, Ranking Member Reed, and members of the committee:

It's a great honor to be invited to testify before this august committee and its distinguished members. That is especially true at a moment like this, when the Committee is called on to advise the Senate on a matter of great national importance. I am not presumptuous enough to tell the members of this committee how to vote on the JCPOA; to make that decision you must look at many factors. My testimony does not concern the technical specifications of the agreement, the strength of the inspections regime, or the verifiability of key provisions. My job is to offer the Committee some thoughts about the impact of the agreement on regional politics and to present some concerns that can inform your thinking as you proceed.

Mr. Chairman, no agreement stands alone. Ultimately, the JCPOA will be not be judged as a standalone agreement; it will be judged as part of a policy aimed at securing American interests in a vital region at the lowest feasible risk and cost. It would be a mistake to think of this agreement simply in the context of nuclear weapons. It also needs to be examined in the light of important non-nuclear policy issues in a region of vital importance to the United States. At a time when the Middle East is in its most volatile, unsettled state in a century, and when a sectarian conflict between Shiite and Sunni Muslims is spreading, this agreement affects the balance of power, relations with our existing allies and perceptions of America's role in the sectarian conflict. To reach an appropriate decision about this agreement, Mr. Chairman, the United States Senate needs to consider the agreement's likely impact on important American interests and relationships across the Middle East, and to a lesser extent, elsewhere.

To assist your analysis I will cover three topics this morning, reviewing the key interests of the United States in the region, the current situation in the region, and the likely impact of the JCPOA on those interests. I will conclude by offering some suggestions to the Committee about the questions you should be asking as you continue to review this matter with your colleagues, with scholars and practitioners in the field and with officials in the executive branch.

When asked to identify America's principal interests in the Middle East, most people will agree with President Obama's summary: oil and the security of Israel[1]. Israel is a valuable American ally and partner, an outpost of democracy, and, as the national state of the Jewish people, both a refuge from persecution and a shining example of what a free people can accomplish. With roots that date back to the 19th century and even earlier, the bipartisan American commitment to the establishment of a secure homeland for the Jewish people is one of the oldest and most durable elements of our foreign policy. Every president since Woodrow Wilson endorsed this position, and ever since the Lodge-Fish joint resolution of 1922 endorsed the Balfour Declaration, bipartisan majorities in both Houses of the United States Congress have been steadfast in their support.

Oil has played a role in American policy for almost as long. Access to Middle Eastern oil was an important military concern during and after World War Two, and the success of the Marshall Plan depended in part on increased Middle Eastern production in the early years of the Cold War. In recent decades, growing American demand for oil made the United States itself at least partially dependent on imported oil from the Middle East. The revolution in shale oil and gas has changed that picture, and many experts now believe that North America as a whole will be an energy exporting region for the foreseeable future.

[1] *http://www.defense.gov/news/newsarticle.aspx?id=120847.*

Some have argued that energy independence will relegate Middle Eastern oil to a second tier of American interests and that an energy independent America will be less concerned about the security and stability of the Middle East. Perhaps unfortunately, this is not the case. If the Middle East is no longer necessary for America's own energy needs, oil from this region remains vital to our friends, allies and economic partners around the world. If war in the Middle East, or the actions of a powerful regional hegemon seeking to blackmail the world should cut the flow of oil from the Middle East to Europe, India, China and/or Japan, the economic consequences to the United States would be enormous. American manufacturing companies operate globally and their overseas operations and supply chains would be serious affected by a disruption in energy supplies. The profits of American corporations depend on a healthy global economy; these companies would see their sales and profits drop as the consequences of the oil supply disruption rippled across the world. Stock markets globally would be severely affected, including in the United States. Worst of all, the world's interdependent financial system would suffer severe shocks, and the health and solvency of American banks would come under severe pressure.

The United States may not be dependent on the Middle East for our domestic energy supply, but the American economy remains profoundly and permanently entangled in the global economy. Prosperity will not endure here if the global economy suffers massive disruption, and interruptions or severe constrictions in the flow of oil and gas from the Middle East will remain capable of causing this kind of unacceptable disruption for the foreseeable future.

Some might argue that, given the importance of Middle Eastern oil to the rest of the world, the United States could reduce our involvement in the Middle East with the assurance that other countries would step in to fill the vacuum. Why, some ask, should the United States assume the costs and risks of ensuring the flow of oil to other rich and powerful states around the world?

The answers to this question go to the heart of American grand strategy for the last 100 years. As the bloodshed and destruction of warfare has increased, Americans have sought above all else to prevent wars between great powers from breaking out. While all war is destructive and horrifying, wars in which great powers, with their enormous technological and economic capabilities, turn their full strength against one another, have the potential to destroy civilization or human life itself. To make such wars less likely, the United States has worked to create an interdependent global system in which all countries depend so heavily on global flows of trade and investment that no country can contemplate cutting itself off from this system through starting wars. At the same time, the United States has worked to ensure the safe and secure passage of commerce across the world's oceans, taking questions like energy out of the realm of geopolitical competition.

In the Middle East, these policies have meant that since World War Two the United States has acted to prevent any power or combination of powers either inside or outside the region from gaining the ability to blackmail the world by threatening to interrupt the flow of oil to the great markets of Asia and Europe. Whether the danger came from external powers like the Soviet Union (which occupied part of Iran and threatened Turkey in the early years of the Cold War) or from ambitious leaders within the region (like Saddam Hussein when he invaded Kuwait), the United States has acted to ensure the security and political independence of the oil producing states of the region.

These policies have helped create the longest era of great power peace in modern times. They have also reduced the cost of America's military commitments. Because other countries do not feel the need to maintain large forces with an intercontinental capacity to protect their global trade, the United States has been able to maintain a global presence at a far lower cost than would be feasible if the world's major economic powers were engaged in competitive military build ups. A strong American presence in the Middle East and on the high seas has the effect of suppressing security competition worldwide, enabling America's most important interests to be secured with much less cost than would otherwise be possible.

Should the United States withdraw from this role, the world would likely see increased competition among other powers. China, for example, would see a greater need to protect its oil security, accelerating the build up of its armed forces. Japan and India would both likely see this build up as a threat to their own energy and maritime security and would accelerate build ups of their own. Trust among these powers, already weak, would erode, and the dynamics of a zero-sum competition for security and access to resources would drive them towards greater hostility and more dangerous policies. Under those circumstances, American prosperity and security would be much harder to defend than they are now, and the risks of great power conflict would intensify. America's Middle East policy is not just about the

Middle East; it is about America's global interest in a peaceful and prosperous world.

The starting point for any American strategy in the Middle East today must be the basic approach that has served us well since the presidency of Franklin Roosevelt. America's vital interests require us to look to the safety and the security of the Middle Eastern oil producing states, ensuring that no power, either external or regional, gains the power to interfere with the smooth and stable supply of oil and gas to the great economic and industrial centers of the world.

As we look at the region today, these vital American interests are not as well secured as one would wish. Today's Middle East is threatened by conflicts that could lead to immense humanitarian disasters against which the horror of the Libyan and Syrian civil conflicts would appear small scale. Whether considered from the humanitarian standpoint or from the perspective of vital American interests, the dangers facing us in the Middle East today are immense, and it is against this background that the value of the JCPOA or indeed of any major policy step involving the region needs to be understood.

One danger is presented by the rise of Iran and the consequences of its efforts to increase its power in Iraq, Syria, Lebanon, and beyond. Iran is the one country at the moment that appears to believe that it has both the capacity and the will to establish a hegemonic position in the region. Iran could challenge vital American interests in two ways. It could come close to success in this regional strategy, presenting the United States with the choice of accepting Iranian hegemony or engaging in conflict. Alternatively, an Iranian bid for control, while ultimately falling short, could create such chaos and upheaval in the region that normal governance would break down and some oil exporting countries could be paralyzed by international or civil conflict.

Another danger comes from the surge in fanaticism among some Sunni groups, in part because of the fear inspired by what many see as an Iranian-backed surge of Shiite power across the region. Under the wrong circumstances fanatical movements like ISIS could either conquer or make ungovernable wide stretches of the Middle East, including important oil producing provinces and countries. The successful establishment of a 'caliphate' or some other form of radical and revolutionary governance across strategically important areas could present the United States with the choice between military intervention or accepting the establishment of a hegemonic regional power. Short of that, insurrections or guerilla conflicts involving fanatical groups could destabilize key countries. Additionally, groups based in territory controlled by these forces and accessing financial and other resources under their control could plan and carry out major attacks against western targets as al-Qaeda did from Taliban controlled territory in 2001.

Beyond the danger of Sunni radicalism, there is the danger that the sectarian conflict between Sunni radicals and Shiite radicals aligned with Iran now taking shape would so seriously destabilize the region and important countries in it that the oil supply could not be secured. In this scenario, even if neither side in the sectarian war achieved anything like dominance, the social upheavals, economic distress and surge in violence and hate fueled by an escalating religious conflict could lead to conditions in which the oil industry could no longer function in a stable and orderly way.

THE JCPOA AND THE REGIONAL CRISIS

In evaluating the JCPOA, the Senate needs to apply two tests. The first, which is where most of the attention so far has been concentrated, is the question of whether the agreement offers a path to resolve the question of Iran's drive for nuclear weapons. The second test is of equal importance when it comes to determining the prudence and desirability of Congressional support for the existing agreement. That second question is whether the JCPOA will advance or hinder America's vital interests in the region other than our interest in preventing the emergence of a nuclear Iran. Does the JCPOA make it more or less likely that any of the three dangers referenced above—of an Iranian drive for hegemony, of a similar movement by fanatical Sunni-based groups, or of an intensifying and escalating sectarian war that destabilizes the region—will come to pass?

For the JCPOA to serve the American interest in the Middle East it needs to pass both tests; the agreement must block Iran's path to nuclear weapons, and it must help (or at the very least, not hinder) America's broader regional agenda. My purpose in appearing before the Committee today, Mr. Chairman, is to offer some suggestions about how the Members of this Committee and their colleagues in the Senate can determine whether the JCPOA advances, hinders or leaves unchanged America's pursuit of its vital interests in a combustible region at a critical time.

This is a complex problem; the question of the effects of the JCPOA on Iran's nuclear program is more technical than political, depending more on the nature of the limits and the verification protocols, though questions remain about whether the United States and the other signatories will have the political will to enforce it. The effect of the JCPOA on the regional situation depends much more on perception and policy. How will Iran, our allies and other forces in the region view the agreement? How does the agreement weaken or strengthen Iran on the ground? What policies will the United States and Iran pursue in the region and toward each other should the agreement come into full force?

One thing seems clear: if the JCPOA fails to contain Iran's nuclear program, and Iran gets a nuclear weapon, the agreement will be a disaster in regional politics as well. Iran's drive toward regional hegemony will receive a powerful boost, the strength of fanatical movements in the Sunni world will be boosted by a sense of apocalyptic fear and rage, and the sectarian conflict will intensify in ways that are both unpredictable and, probably, very dangerous for American interests.

But what if the JCPOA is successful on the nuclear front, even temporarily, and is seen to have stopped or slowed Iran's drive for the bomb? Or, perhaps more probably, suppose there is a period of time in which the success or failure of the JCPOA on the nuclear issue is unclear? During this uncertain interval, one that could last for some time, how will the JCPOA affect the regional balance of forces?

Here, the news is bad. Whatever the JCPOA does in terms of the nuclear program, when it comes to the conventional balance in the region the JCPOA appears to strengthen Iran. The end of sanctions does not just result in a "windfall" gain to Iran as frozen assets are released; it also adds substantial and growing amounts to Iran's national income as normal trade relations resume, as Iranian oil production expands, and as access to markets for new technology and spare parts increases the productivity of Iranian society. In the short term this means that Iran will have more money with which to support regional allies like the Assad regime in Damascus; in the medium term as conventional weapons restrictions are lifted Iran will have the opportunity to strengthen both defensive and offensive arms capabilities; in the medium to long term Iran's greater economic clout will substantially increase its political weight both in the region and in world affairs, giving it new allies and making a return to sanctions and isolation increasingly unlikely.

These worries loom larger because Iran, under sanctions and suffering serious economic privation, has nevertheless been able to operate effectively in regional politics, scoring gains against Sunni adversaries that have seriously alarmed some of its neighbors. If an isolated and economically challenged Iran could achieve such results, one must ask what it can achieve under the more favorable conditions that will follow the implementation of the JCPOA.

It is worth noting in this context that many of Iran's neighbors do not share the Obama Administration's view that the greatest danger from Iran flows from its nuclear program. Rather, the fear is that Iran's large population, sectarian fervor and powerful security institutions make it potentially the most powerful state in the region and a threat to the security of its neighbors. For many Saudis in particular, whose close ties to Pakistan's security establishment give them confidence that an Iranian nuclear weapon could be offset by the existence of the Pakistani arsenal, the nuclear program in Iran is much less threatening than Iran's apparent ability and willingness to support militias, rebels and Iran-aligned governments across the region.

Although Gulf governments have issued pro forma statements in support of the JCPOA, their fear and distrust of Iran, and their lack of comfort with American regional policy have led to dramatic shifts in their policy as they seek to offset the perceived negative consequences of the JCPOA on the regional balance. The most spectacular (and alarming) changes have been seen in the foreign policy of Saudi Arabia. The Kingdom has departed from a long history of quiet and cautious policy and initiated a series of high risk, high profile steps that testify to a deep sense of distress and unease with American policy and its consequences for the regional balance.

The inevitable increase in Iranian conventional resources and capabilities that follows the JCPOA can damage American interests in three ways. First, if Iran devotes even some of its gains from the agreements to its regional allies and hegemonic goals, it could create a major crisis in the region that would require massive American intervention to avoid the danger of having one country dominate the oil wealth of the entire Gulf. Some countries would be endangered directly by subversion or conflict; others, increasingly surrounded by Iranian clients and allies, would feel the need to align their foreign policy and their oil production and pricing strategies with Iran. The United States could be faced with a triumphalist Iranian regime that would be able to manipulate world oil prices and supplies. It would be extremely

difficult for future presidents to create effective coalitions to limit or balance Iran under these circumstances.

Second, fear of Iran can drive American allies and other actors in the region to actions that destabilize the region or run counter to American interests. Concerns about potential proliferation among other regional countries who want to balance the Iranian nuclear program are one example of the potential 'blowback' from the JCPOA. But there are others. Saudi Arabia and other oil producing Gulf states could for example 'circle the wagons' among Sunni states, tightening their links with military and intelligence services in countries like Egypt and Pakistan in ways that undercut important American goals. Many Gulf countries will see the expansion of Pakistan's nuclear capacity and growth in the quality and quantity of its arsenal of delivery systems as an important deterrent and counter to Iran. This could only intensify the arms race in South Asia and increase the chances of conflict between India and Pakistan. It will also likely lead to more resources and power going to figures in the military and nuclear establishment who share radical ideologies uncomfortably close to those of al-Qaeda and other dangerous groups. Bringing Pakistan more fully into Middle East politics would be a natural and obvious move for oil rich Sunni states alarmed by a rising Iran.

More broadly, fear of a rising Iran increases the incentives for rich individuals and states to deepen their links with fanatical organizations and fighters. Fanatical anti-Shiite fighters may, from an American standpoint, be terrorists who are as anti-western as they are anti-Iran. If Iran's regional power is seen as rising, however, many in the Sunni world will be tempted to support these organizations as indispensible allies in the fight against Iran.

Finally, the perception, plausible to some however incorrect, that Iran now has tacit American support in its quest for regional hegemony will act as a powerful recruiting incentive for radical pro-Sunni jihadi groups throughout the Sunni world. Sectarian conflicts feed on apocalyptic fears; the perception that Shiite 'heretics' are threatening the Islamic heartland and holy cities in the Arabian Peninsula will make it significantly easier for radicals to recruit new fighters—and to raise the money to employ, train and arm them.

EVALUATING JCPOA

Elected officials charged with determining whether JCPOA strengthens or weakens the American position will need to balance a number of factors in determining whether or not the agreement merits Congressional support. This must necessarily be a judgment call; officials will have to weigh probabilities and balance the strengths and weaknesses of the agreement. For example, if the agreement is found to have a very strong ability to stop the progress of Iran's nuclear program, those gains might be worth some regional difficulties. On the other hand, it is quite possible that the regional consequences of the agreement would be so severe that even a relatively effective nuclear agreement could be a net negative for American interests in the region.

Judgments about the regional impact of the JCPOA must take one other factor into account: Administration policy in the region could substantially limit or seriously exacerbate the impact of the agreement on the regional situation. To reach useful conclusions on the likely consequences of this agreement, Mr. Chairman, you and your colleagues will need to consult with the Administration to determine as far as possible what the future course of American policy toward the Middle East and Iran will be.

There are two possible courses the United States can take. One would be to see the JCPOA as the first step in a policy of accommodating Iran looking to détente or an even closer relationship. Alternatively, the JCPOA could be seen as an effort to facilitate a tougher policy of regional containment by taking the dangers of nuclear proliferation off the table. Much depends on which course the Administration chooses.

A policy of accommodation will maximize 'blowback' from the JCPOA, throwing the region and America's key alliances into deep disarray. The more credible the perception is that the United States is prepared to accept and perhaps facilitate a large regional role for Iran, the more the United States will be seen as having taken the anti-Sunni side in a widening sectarian war. Gulf states who have long considered the United States a reliable protector will see American policy as a threat to their security and will explore new policy options with potentially very dangerous consequences for stability and American interests. The gap between radical and fanatical fighting groups and militias on the one hand and governing elites in the Sunni world will compress; alignments that are unthinkable today could become quite likely if key Sunni states come to believe that the United States has chosen

Iran and the Shiite in the sectarian war. Such a course of action is also more likely to empower hardliners in Iran, as they will be able to make a plausible case that Iran has a historic opportunity to vault into the ranks of leading global powers by consolidating its power in the critical Gulf area.

American allies in the Middle East are well aware of this dynamic. This is why they have been seeking more arms and stronger political commitments from the United States as they brace for the impact of a stronger and richer Iran in the wake of this agreement. Fueling a conventional arms race in the region and making additional commitments to protect threatened states are among the consequences of this agreement; the Congress should take care to inform itself about the nature of these new commitments and engagements that the JCPOA has made necessary.

A robust policy of regional containment combined with other pressures on Iran could significantly reduce the negative consequences of the agreement on American interests. This would almost certainly involve a much more active American role in Syria, where the struggle between a variety of Sunni groups and the Iran-aligned Assad regime has transfixed the region and led to the worst and most dangerous outbreak of Middle Eastern violence since the Iran-Iraq War. For many countries in the region, including close historical allies of the United States, a strong American military commitment to the overthrow of the Assad government would serve as an acid test for American seriousness against Iran. Certainly any line of American policy that fails to lead to the emergence of a Syrian government in Damascus that satisfies Sunni opinion will be seen throughout the region as ratifying Iran's regional dominance.

A similar logic applies to Iraq. If American aid to anti-ISIS forces in Iraq goes primarily to Shiite militias and regime forces seen as aligned with Iran, many Sunnis in Iraq and beyond will conclude that the United States is pro-Iran and anti-Sunni. The JCPOA increases the pressure on the United States to deepen its involvement in Iraq even as it makes the politics of that involvement more complex.

Many of those supporting the JCPOA argue that the alternative to the agreement is an American war with Iran. Ironically, in order to balance the regional consequences of the agreement, the United States may well need to assume an increased risk of war in Syria and other frontline states.

One of the reasons that the period leading up to the JCPOA has been so volatile in the Middle East is that many regional observers have concluded that American policy in the region is based on an American acceptance of Iranian hegemony on the ground. For the conspiracy minded, and their number is legion, this goes back to the Bush administration's decision to invade Iraq in 2003 and then to turn the country over to its Shiite majority. From an American point of view, whatever one thought of the war itself, the establishment of majority rule represented the triumph of our beliefs in democracy; many in the Middle East viewed it as a deliberate choice by the United States to promote Iran and to check Sunni power. Suspicion intensified when the United States then, despite talk about 'red lines' and statements that Assad 'must go' remained inactive in Syria as casualties and the refugee toll mounted. Where the majority is Shiite, many said, the United States supports majority rule. Where the majority is Sunni, the United States does nothing.

That perception has become destabilizing in a region where escalating sectarian conflict between Sunni and Shiite increasingly dominates the agenda; endorsing the JCPOA without also making major changes in American regional policy would confirm that perception and further drive the region in the direction of radical polarization, religious war, and transnational conflict.

CONCLUSION

As the Congress deliberates over whether or not to endorse the JCPOA, it must pay close attention to the entire mix of American policies in the region of which the JCPOA will be one part. The JCPOA on its own strengthens Iran's hand in the region by reducing its isolation and adding significantly to its economic resources. Unless this effect is offset by a much more robust policy of containing Iran, centered on a focused drive for regime change in Damascus, the JCPOA will make the Middle East as a whole less secure, and increase the prospect that the United States will be forced to choose between war and strategic setbacks that gravely undermine America's global strategy and our peace and prosperity at home.

Chairman MCCAIN. I certainly hope so.

Mr. SINGH.

Thank you, Dr. Professor Mead.

Mr. SINGH.

STATEMENT OF MICHAEL SINGH, LANE–SWIG SENIOR FELLOW AND MANAGING DIRECTOR, THE WASHINGTON INSTITUTE FOR NEAR EAST POLICY

Mr. SINGH. Thank you, Mr. Chairman, Ranking Member Reed, members of the committee.

The nuclear agreement with Iran contains strong points and weak points. My judgment, however, is that it leaves Iran with a significant nuclear weapons capability. Indeed, it allows Iran, I think, to improve that capability over the life of the deal while obtaining broad upfront sanctions relief.

I believe this has been Iran's twofold objective throughout the talks. It has escaped, rather than had to confront, a strategic choice between retaining its nuclear weapons option, on the one hand, and diplomatic and economic rehabilitation, on the other. I detail the nuclear aspects of the agreement in my written testimony, and I'm not going to dwell on those now.

This is relevant to the topic at hand because Iran's nuclear ambitions are not separate from, but are part and parcel of, its regional strategy, which emphasizes, as Professor Mead was talking about, projecting Iranian power while creating an inhospitable environment for the United States and our allies. Iran doesn't accomplish this through conventional military power, in which its lacking, but through asymmetric capabilities, such as proxies, arms trafficking, sea-denial tactics, cyber activities, and missiles. There's nothing in the accord that requires or even incentivizes Iran to alter these policies. Indeed, I'd say the deal seems more likely to facilitate Iran's regional strategy. Iran will have additional resources, should it wish to help financially squeeze proxies, like Hezbollah—and I think we saw, in the Wall Street Journal this morning, a story that the Houthis in Yemen are also feeling a financial squeeze—to ensure that its militias in Iraq can outmatch the official security services there, as they do in Lebanon, and to buy political influence in places like Iraq, Afghanistan, and elsewhere.

With the removal of the ban on the export of arms by Iran, and the lifting of the sanctions on the import of arms to Iran in no more than 5 years, Iran will face fewer impediments to arming its proxies. We do have other authorities, both U.N. [United Nations] and U.S. authorities, to address such activity in some circumstances, but those have been little used, and I'd say they are weakened rather than strengthened by this accord. Secretary Kerry, in a recent interview, he acknowledged that we're not doing much interdiction, but he said we would double down in the wake of the deal. I'm afraid that, for folks in the region, that doesn't really carry credibility.

Such actions by Iran are likely going to spur a reaction by United States allies in the region who consider Iran their chief rival. They may act more aggressively and autonomously to counter Iranian policies—proxies, rather. This is a dynamic we're obviously already seeing in Yemen, Syria, Iraq, and elsewhere. They may choose to pursue nuclear capabilities of their own to supplement that.

As Professor Mead said, increased Iranian intervention, I think, would also feed already rampant sectarian polarization in the region, because that interventionism by Iran fuels support and re-

cruitment for the likes of ISIS, and it worries the Sunnis in the region.

Beyond the Middle East, if we extend this further, Iran is likely to bolster its ties, I think, with Russia and China, who share with Iran an interest in challenging the United States-led international order. That cooperation is likely to be not just diplomatic and economic in nature, but also military. Moscow and Beijing are Iran's largest suppliers of arms. Russia is likely not just to provide Iran with nonsanctioned systems, such as the S–300 or even a more advanced air-defense system, but also to come immediately to the Security Council to request exemptions for other types of arms exports to Iran. It'll be up, frankly, to the United States to stand against those requests. Will we do so in every circumstance remains to be seen.

Russia and China will also be able to assist Iran's ballistic missile program when sanctions are lifted in 8 years. This is particularly important, I think, for Iran's pursuit of ICBMs [intercontinental ballistic missiles], because that would benefit enormously from foreign assistance, given the limited pool of knowledge on this particular topic.

A particular challenge, as you mentioned, Mr. Chairman, to United States interests in the region is Iran's pursuit of a rudimentary, for now, anti-access area denial strategy in the Gulf. The region is well suited to such a strategy, because of its narrow confines, its highly concentrated population centers, and its target-rich environment, when it comes to, say, vulnerable energy infrastructure. It's undoubtedly an area—A2/AD [anti-access area denial]—where Chinese assistance would be invaluable, since we see Beijing pursuing its own A2/AD capabilities in the western Pacific on a much larger scale. One defense analyst from CSBA has suggested that Iran could enhance its A2/AD strategy with select high-end technology, such as missiles—enhanced missiles, and expanded low-end investment in sea mines, fast attack craft, and the well-armed proxies that it currently fields.

Some of these regional effects that I'm talking about would, of course, result from any nuclear deal not preceded by an Iranian strategic shift. That's why it's so important to ensure that the benefits of such a deal outweigh these costs. As it is, I think we're going to need to invest significant resources to offset the downsides of the accord. These will include increased resources for the intel community and the IAEA [International Atomic Energy Agency] to monitor Iran, to monitor Iranian compliance. We'll need to repair relations with our regional allies, like Israel and the Gulf states, and increase assistance to those allies. I think we're going to need to review our military posture to ensure we're positioned to counter Iranian A2/AD efforts, which I believe has to be done in the context of an overall increase in defense resources if it's going to be seen as credible by our adversaries. I think we'll need more proactive policies to counter Iranian activities in Syria, Iraq, and elsewhere.

I do worry, as Professor Mead said, that we'll be self-deterred from responding to violations of this accord. You—we see this dynamic with the INF Treaty [Intermediate-Range Nuclear Forces Treaty] and Russia. We've seen this dynamic with Syria and the Chemical Weapons Accord. There was a very good article about

Syria on—in the Wall Street Journal, a couple of weeks ago, that delved into this very topic. I think that we're going to need to be careful, in the wake of the deal, to avoid incrementally shifting our own policies in a misguided effort either to bolster Rouhani and pragmatists in Iran against a hardline backlash there, or to demonstrate the transformative effects of the deal. We should disincentivize Iran's destabilizing behavior, incentivize more constructive policies. But, the strategic shift should be Iran's, not ours.

It seems to me the bottom line is that we've negotiated a weak agreement and painted ourselves into a diplomatic corner. I agree with you, though, Mr. Chairman, that the alternative to the deal is not war, but, rather, a mess with our allies, some very important allies.

In the longer run, though, I'd argue that the real question is not whether we're going to need an alternative policy, or whether we need an alternative policy, but when. Even in the best-case scenario, the limits the deal imposes on Iran are narrow limits, and even those will start phasing out in 5 to 15 years. If the deal works as intended, the agreement will buy time for us, but it also buys time for Iran. Iran's going to use that to advantage.

Thanks very much.

[The prepared statement of Michael Singh follows:]

PREPARED STATEMENT OF MICHAEL SINGH

Chairman McCain, Ranking Member Reed, and Members of the Committee, thank you for this opportunity to appear before you today to discuss the nuclear agreement with Iran and its implications for the United States and the Middle East.

AMERICA'S OBJECTIVES AND IRAN'S

When we analyze foreign policy, the first question should be what interest or objective is served by a particular policy. A good policy should clearly advance U.S. interests and should complement rather than clash with our larger strategy, unless the policy in question heralds an entirely new strategy that can be clearly articulated and implemented. A prudent, conservative foreign policy should clearly deliver benefits that outweigh its costs or, by incurring certain costs, forestall an even greater projected cost.

The objective in this case is not—and has never been—simply to conclude a nuclear agreement with Iran. A deal is a means toward an end, not an end in itself. The intended end in this case is to prevent Iran from possessing a nuclear weapon, in order to safeguard our interests in the Middle East and beyond, which would be clearly threatened by such a development. While this objective has long enjoyed consensus bipartisan support, the question that has divided policymakers—acutely in recent years—is how to accomplish it when faced with an Iranian leadership apparently willing to entertain great cost and risk to expand Iran's nuclear weapons capability.

At the outset of the recently concluded diplomacy—the P5+1 process devised in 2005—the United States strategy was to persuade Iranian leaders to embark on a broad "strategic shift," recognizing that the costs of their regional strategy outweighed the benefits. The logic of this approach was that Iran's nuclear weapons ambitions were not separate from but an integral part of a larger security strategy, and only a strategic shift would sustainably end those ambitions.

Absent such a strategic shift, the sensible stance was to insist on the suspension of Iran's nuclear efforts and dismantlement of its nuclear infrastructure. Even if Iran retained the desire for nuclear weapons, it would be denied the means to develop them, and a ban on nuclear fuel cycle and related activities would be less challenging to police than limitations on the same activities would be. Such an approach would also offer an appealing symmetry—the dismantling of Iran's nuclear fuel cycle infrastructure and related activities in exchange for the dismantling of sanctions.

Absent such dismantling, the most sensible approach would have been to deny Iran at least those elements of its nuclear program most essential to retaining the

option to build a nuclear weapon in the future—to deny it a nuclear weapons capability, practically speaking. Yet retaining that option appears to have been a key Iranian objective in these negotiations.

Iran's negotiating positions over the past decade-plus of nuclear talks suggest a twofold objective: securing the removal of sanctions while retaining a nuclear weapons capability. While Iran has throughout the negotiations proven willing to brook temporary limitations on certain nuclear activities, it has steadfastly refused to consider steps—for example, forgoing advanced enrichment R&D, providing access to suspected weaponization sites and scientists, or accepting limitations on missile activities or permanent constraints of any kind—that would foreclose the future development of a nuclear weapon.

Indeed, Iran's behavior makes little sense absent a desire for nuclear weapons. It can obtain reactor fuel from abroad, as do most countries that utilize nuclear energy. Furthermore, an indigenous fuel cycle is marginal to Iran's energy security, given its rich endowment of fossil fuels. Rather, it is Iran's secret pursuit of that fuel cycle and other nuclear weapons-applicable technology that has proven a greater threat to its energy security in the form of sanctions on its hydrocarbon, financial, and other sectors.

ASSESSING THE NUCLEAR ACCORD

It is instructive to assess the extent to which the agreement advances the United States and Iranian objectives described above. Nuclear weapons development requires three lines of action—fuel fabrication, weaponization, and development of a delivery vehicle. It also presumably requires secrecy, since being caught at the task would entail risk of a military response.

When it comes to *fuel fabrication,* the nuclear agreement leaves Iran in possession of a full nuclear supply chain from uranium mining to enrichment, and also leaves in place the heavy water reactor at Arak. These are subject to various temporary restrictions—Iran agrees to cap the number and type of centrifuges installed, the level to which it enriches, and the amount of low-enriched uranium it stockpiles, and converts its heavy water reactor at Arak to avoid producing weapons-grade plutonium. It also agrees not to build new enrichment, heavy water, and reprocessing facilities.

Two points stand out as most concerning, however: Iran is permitted to continue research and development on advanced centrifuges and to begin deploying such centrifuges after just eight and a half years. Because such centrifuges are designed to enrich uranium much more efficiently than Iran's existing "IR–1" centrifuges, they are far better suited to a covert weapons-development effort—far fewer of them, operating for less time, would be required to produce weapons-grade fuel. Second, the restrictions described above phase out ten to fifteen years from now, meaning that at that time Iran would face few technical impediments to reducing its breakout time substantially.

When it comes to *weaponization,* the agreement commits Iran not to "engage in activities, including at the R&D level, which could contribute to the development of a nuclear explosive device." [1] But the question is how Iran's adherence to this commitment can be verified, especially since such activities tend to be secretive by their very nature. Indeed, International Atomic Energy Agency (IAEA) reporting suggests that Iran has already engaged in various "activities related to the development of a nuclear explosive device," [2] part of what the IAEA terms the "possible military dimensions" (PMD) of Iran's nuclear program.

Many analysts have urged that Iran be required as part of any agreement to disclose the extent of its past (and possibly ongoing) weaponization and other clandestine nuclear efforts so that inspectors understand what progress Iran made, and provide the IAEA with the necessary access to ensure that such efforts are not resumed. The agreement does not appear to meet these criteria. It does not specify that inspectors must be given access to weapons-related sites and personnel, or that full disclosure of past weaponization and other clandestine nuclear work is required for the agreement's implementation to proceed. Without such provisions, I do not believe we can have confidence that Iran's work on nuclear weapons will not be resumed (perhaps by elements of Iran's security apparatus, and perhaps even without the knowledge of the civilian officials with whom inspectors interact) or even that it has ceased.

In the area of *delivery vehicles,* the agreement contains no limitations whatsoever as far as I can tell. Iran is not required to limit its ballistic missile development

[1] Joint Comprehensive Plan of Action, part C, para 16
[2] IAEA GOV/2011/65

and testing, nor does the list of "activities which could contribute to the design and development of a nuclear explosive device" from which Iran agrees to refrain in Annex I of the agreement include any mention of missile reentry vehicles, despite their inclusion in the IAEA's accounting of PMD. Indeed, the binding ban on Iran "undertak[ing] any activity related to ballistic missiles capable of delivering nuclear weapons, including launches using ballistic missile technology"[3] contained in U.N. Security Council Resolution 1929, is replaced with nonbinding, hortatory language[4] in U.N. Security Council Resolution 2231.

The effect of this shift is that as of "Implementation Day" of the nuclear accord, Iran will not be barred from conducting ballistic missile launches or pursuing nuclear-capable ballistic missiles, which are an essential part of any modern nuclear weapons program. This concern has even been voiced in the past by Russian officials. In 2008, following a failed Iranian missile test, then-Deputy Foreign Minister Aleksandr Losyukov said the test added "to general suspicions of Iran regarding its potential desire to build nuclear weapons."[5] When sanctions on Iran's ballistic missile program are lifted in eight years, it will also be able to receive foreign assistance, which has been described in the past by United States officials as essential to its ability to produce intercontinental ballistic missiles (ICBMs). While some United States secondary sanctions on missile cooperation with Iran will remain in place, these are insufficiently robust to deter Iran's likely partners.

Taken together, these weaknesses suggest that the agreement will permit Iran to retain the option to build a nuclear weapon in the future. Indeed, the agreement could be seen as a means by which Iran buys time to perfect, in some cases with international assistance, the technologies—advanced centrifuges, weaponization, and long-range ballistic missiles—required to build a nuclear weapon in the future. In my view, this is not by accident—Iran's "red lines" seem to have been designed to shape this outcome, implying again that Iran's purpose in the talks has been to obtain sanctions relief while retaining or even improving its nuclear weapons capability.

The strength of the agreement must instead rest, then, on our ability to detect and deter any such weapons-development effort, whether covert or overt. Unfortunately, the inspection mechanism in the accord does not appear up to this task. While robust monitoring will be in place at declared sites, the United States intelligence community assessed in 2007 that Iran "probably would use covert facilities—rather than its declared nuclear sites—for the production of highly-enriched uranium for a weapon."[6] The agreement does not, however, permit inspectors anything approaching unfettered access to suspect sites.

Rather, after an indefinite back-and-forth with Iran regarding suspicious activity, the IAEA could formally request access to a site, which would initiate a deliberative process lasting as many as twenty-four days. If, however, Iran continued to deny inspectors access at the end of this period, the matter might not be resolved for another thirty to sixty-five days—bringing the delay to fifty-four to eighty-nine days—or even longer if any of these periods were extended by consensus of a "Joint Commission" consisting of Iran, the EU, and the P5+1. This is far too long a delay to permit inspectors to do their jobs effectively.

Combined with Iran potentially not being required to disclose and provide access to PMD-related sites, personnel, and documentation, and a missile program that is not subject to inspection at all to my knowledge, the result is an inspection regime that falls short of what is necessary to detect covert nuclear activity. This inadequacy is compounded by the fact that Iran's breakout time even at declared sites could potentially diminish to near zero once the restrictions on its enrichment- and reprocessing-related activities phase out in ten to fifteen years, rendering it practically improbable to halt a breakout attempt even with monitoring in place.

The inspection regime is further undermined by the agreement's enforcement mechanism. The only remedy for noncompliance—whether the refusal of access to inspectors by Iran or any other violation—is the termination of the accord and the reimposition of previous U.N. resolutions, in which case Iran has asserted that it would consider its obligations under the agreement null and void. The implication is that small violations of Iran's obligations are likely to go unpunished, and access requests are likely to face a high bar, for fear of unraveling the accord entirely—the IAEA may hesitate to make a formal access request for fear of being party to the agreement's collapse, and the other parties to the accord may hesitate to support

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[3] U.N. Security Council Resolution 1929, op9

[4] U.N. Security Council Resolution 2231, Annex B, para 3

[5] 5 "Iran: Russia Says New Rocket Raises Nuclear 'Suspicions,'" Associated Press, February 7, 2008.

[6] 2007 Iran Nuclear NIE

the IAEA if they do. Violations of Iran's other obligations may be explained away as inadvertent, the work of rogue elements within Iran, or otherwise not worth risking the entire accord over.

As is often the case with such agreements, the leverage will be with the less risk-averse party. The United States has not, for example, imposed any cost on Russia for its reported violation of the INF Treaty, nor on Syria for apparently violating its commitment to destroy its chemical weapons. Indeed, in both cases U.S. officials have appeared loath even to acknowledge the violations. Iran has already indicated its intention to test the inspection regime by asserting that access to military sites will be refused as a rule. The absence of "snap" inspections will remove a psychological barrier to cheating and further encourage such risk-taking. Even in the event sanctions snap back, their initial effect is likely to be only psychological or symbolic—their economic impact will take far more time to be felt, much less to affect Iran's decisions.

Military force remains an option in extremis to enforce the agreement. However, the military option may prove more difficult to exercise in the future given the international legitimacy the accord grants to Iran's nuclear activities, the international involvement in those activities that it permits, any steps by Iran to further harden its nuclear sites against attack, and the likely return of international investment and commerce to Iran.

In sum, the nuclear agreement is best thought of as a form of containment: Iran will retain its nuclear weapons capability, and the United States and our allies will attempt to prevent it from being used. But it is a containment policy in which we agree in advance to gradually lower our defenses by phasing out the limitations on Iran's nuclear activities by a date certain, and limit our own toolkit by lifting sanctions nearly comprehensively up front. In past proposals, the United States had made the easing of restrictions dependent on Iran's own behavior. Under this accord, all Iran need do is bide its time and the restrictions will be lifted regardless of its policies. The incentive for Iran is therefore simply to wait: to avoid significant overt nonperformance under the accord, but not to alter in any fundamental way its nuclear ambitions or regional strategy.

BROADER IMPLICATIONS OF THE NUCLEAR AGREEMENT

The challenge to United States interests posed by Iran goes well beyond its nuclear and missile program. Chairman of the Joint Chiefs of Staff General Martin Dempsey recently told the Senate Armed Services Committee that the threats posed by Iran also included its support for proxies, arms trafficking, sea-based mines, and cyber activities. These and other Iranian activities threaten our interest in nonproliferation, counterterrorism, freedom of navigation, and cybersecurity, and directly challenge a United States regional strategy focused on ensuring regional stability and bolstering the security of our allies.

President Obama has asserted that the agreement does not presume any improvement in Iranian behavior on these fronts, though he has expressed hope that Iran's behavior will in fact change as a result of the deal. However, in the short term at least, Iran's behavior in the region is more likely to worsen than improve.

Anti-Americanism is central to the ideology of the Iranian regime, and Iranian leaders—having just reached a diplomatic compromise with the United States—may feel the need to reaffirm its anti-American bona fides. The agreement is also widely perceived as a victory for Iranian pragmatists led by President Hassan Rouhani and was, according to Secretary of State John Kerry,[7] opposed by the Islamic Revolutionary Guard Corps (IRGC) and other hardliners. Iran's Supreme Leader, widely regarded as seeking to balance the regime's contentious factions, may feel the need in the agreement's wake to give freer rein to those hardliners to prevent one faction from becoming too powerful.

Finally, Iranian regional behavior is not driven solely by United States policy or this nuclear accord, but by events in the region themselves. Iran's security strategy, in part compensating for a lack of conventional military power, has focused on building asymmetric power through proxies and surrogates who are able to project Iranian power and keep potential foes such as Israel and Sunni Arab states occupied far from Iran's borders.

There is nothing in the agreement that requires Iran to change this strategy, or that would forestall a spike in malign Iranian behavior. Quite the opposite—the agreement will provide Iran with an influx of financial resources, some portion of which seem likely to go to foreign priorities such as Lebanon, Syria, Iraq, or Yemen. An infusion of Iranian funds could have salutary effects on the Assad regime, which

[7] Secretary of State John Kerry at the Council on Foreign Relations, July 24, 2015

has reportedly depended on Iranian assistance, for example receiving a fresh $1 billion line of credit from Tehran just last month; on Hezbollah, which has reportedly seen assistance from Iran decline as the latter was squeezed by sanctions; on Palestinian Islamic Jihad (PIJ), which has reportedly been suffering from financial duress; and on Hamas, which seeks to rebuild military capacity degraded in its last round of fighting with Israel. It could also be used to step up recruiting for Iranian-backed militias in Syria and Iraq, to ensure that Iraqi Shiite militias backed by Iran are better resourced than official Iraqi security services, and to buy increased political influence in Iraq, Afghanistan, and elsewhere.[8]

The agreement will also lift the ban on ballistic missile tests and the designations of certain entities involved in Iran's regional troublemaking, such as (in eight years) the IRGC–Qods Force. It will also remove, in no more than five years, sanctions barring the transfer of arms to Iran—paving the way for the possible modernization of Iran's relatively antiquated conventional forces—and will lift by my reading the ban on Iran exporting arms itself.than five years, sanctions barring the transfer of arms to Iran—paving the way for the possible modernization of Iran's relatively antiquated conventional forces—and will lift by my reading the ban on Iran exporting arms itself.than five years, sanctions barring the transfer of arms to Iran—paving the way for the possible modernization of Iran's relatively antiquated conventional forces—and will lift by my reading the ban on Iran exporting arms itself.[9] While in some circumstances other authorities exist to prohibit arms transfers to Iranian proxies, these measures have been poorly enforced and seem likely to be weakened further, not strengthened, by this agreement. As a result, and seeing as regional conflicts in which Iran is embroiled show little sign of abating, there is more reason to believe that Iran's regional activities will increase rather than deminish, including the proliferation of sophisticated arms.

While some regard Iran as a potential partner against the likes of ISIS, in fact any uptick in Iranian regional troublemaking stands to benefit ISIS and its ilk, which feed off the sectarian polarization Iran's activities foster. In addition, because many United States allies in the region see Iran and its proxies as a major threat to their security, they are likely to respond to any increase in Iranian adventurism. To an extent, we are already witnessing these dynamics playing out around the region. To make matters worse, United States allies may also seek in the wake of the accord to match Iran's nuclear capabilities to ensure they could respond rapidly to any Iranian nuclear breakout; while there is no guarantee they will do so, the incentive is clear. Our reassurances to them will be met with skepticism in light of our relative inaction thus far to counter Iranian regional aggression, and in light of our failure to follow through on similar assurances given to Ukraine in 1994 as part of our pursuit of a different arms control treaty.

This incentive will remain even if, as some hope, the Iranian regime becomes friendlier or more constructive in the coming years. Even a different regime in Tehran may not wish to concede a nuclear capability that has been granted international legitimacy. Given the long history of rivalry between Iran and its major neighbors, the presence of a large, advanced nuclear program in Iran will likely prompt a balancing reaction in the region regardless of Tehran's attitude toward the United States.

The agreement also seems likely to foster closer diplomatic, economic, and military ties between Iran and a host of states outside the region, including India, Pakistan, Russia, and especially China. Sino-Iranian trade has been growing despite sanctions, and even China's energy imports from Iran have reached record highs in 2014–2015 despite NDAA sanctions calling for states to reduce their oil trade with Iran. In addition, China-Iran military ties have increased, with Chinese fighter jets landing in Iran to refuel and Chinese warships paying a call to the Iranian port of Bandar Abbas in recent years. Chinese and Iranian defense officials have called for expansion of these ties, and the lifting or phasing out of sanctions will smooth the way for this to occur.

All of this is on its face would appear to constitute a significant strategic reversal by the United States—accommodating Iranian nuclear expansion after years of opposing it, lifting sanctions on Iran after years of expanding them, and facilitating Iran's financial and diplomatic reintegration into the international community after years of seeking to isolate it. These actions stand in opposition to longstanding United States strategy in the Middle East, which aimed to foster regional stability and prosperity by bolstering the security of allies, effectively countering those who

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[8] For more examples, see "The Regional Impact of Additional Iranian Money," PolicyWatch 2456, The Washington Institute for Near East Policy, July 28, 2015, *http://www.washingtoninstitute.org/policy-analysis/view/the-regional-impact-of-additional-iranian-money.*

[9] U.N. Security Council Resolution 1747, op5

challenged our mutual interests, and preventing inroads by hegemons from inside or outside the region. This conflict between our actions and our stated strategy inevitably leads allies to conclude either that our commitment to that strategy and to the region itself is diminished, or that we are embarking on a broader strategic realignment.

LOOKING AHEAD

One of the chief defenses offered for the nuclear agreement is that, whatever its shortcomings, it is preferable to the alternatives. It is one thing to say, however, that a negotiated agreement of some sort was preferable to alternatives such as military conflict or acquiescence, and another entirely to claim that this is the best accord that could have been negotiated. I have little doubt that different tactics could have produced a stronger agreement. Indeed, it is the very denigration of our alternatives and failure to credibly project consequences—whether sanctions or military force—for Iran of failing to accept strict limitations on its nuclear activities that in my view most contributed to the weakness of this accord. The notion that Iran would have marched inexorably toward a nuclear weapon were it not for this deal ignores the considerable deterrent effect that further sanctions and the credible threat of military force would likely have had on Iranian decisionmaking.

Such assertions on both sides, however, are now largely a matter for historical debate. The more immediately relevant question is whether to implement the accord. If the deal cannot muster sufficient domestic support, it should like any rejected agreement be renegotiated. There is no particular reason it cannot be, though the other parties are likely to resist. Ordinarily they would nevertheless require U.S. participation for the termination of international sanctions, but the recent passage of a U.N. Security Council resolution endorsing the accord and setting a schedule for lifting sanctions gives rise to the possibility—the text of the deal is not clear on this point—that the deal's implementation could proceed even without the United States fulfilling our obligations.

It is also possible that Iran would refuse to implement its obligations were the deal rejected by the United States, and that it would find sympathy from partners such as Russia and China. Because, however, our allies would remain committed to preventing Iran from developing a nuclear weapon, Iranian noncompliance would not be met with resignation but would likely lead to a resumption of previous efforts to resolve the crisis through diplomacy and pressure. None of these scenarios is by any means an easy one; our policy to date will not be without consequences.

If the nuclear accord is implemented, U.S. policymakers will need to contend with the new reality it creates. We must avoid the temptation to overlook harmful Iranian policies or offer unilateral concessions in a misguided effort to bolster one regime faction against another, but instead establish clear disincentives for destabilizing behavior and incentives for constructive behavior by Tehran. It will be important to ensure that the United States intelligence community and IAEA have sufficient resources to monitor Iranian nuclear efforts, to strengthen the United States position in the Middle East by reinvigorating our regional alliances, to restore the credibility of United States military deterrence in the context of an overall strengthening of United States defense resources, to more firmly counter Iranian regional actions while pressing Iran to play a more constructive regional role, and to respond quickly to violations of Iran's nuclear obligations as well as activities not covered by the agreement such as provocative missile tests. Frankly these are objectives we should have been pursuing now for years—not merely considering as a consequence of a nuclear accord—but have neglected.

Most difficult of all, the next president is almost certain to find the nuclear constraints imposed on Iran by this accord to be unsatisfactory, if for no other reason than those limitations will begin to expire by the end of the next president's tenure if he or she is reelected. In this sense, the question is not whether, but when, we will need to devise an alternative policy toward Iran's nuclear and regional activities. The next president will need to rebuild international support for a strengthened Iran policy with fewer tools at his or her disposal, and may well be doing so in a less favorable international context given recent shifts in the international security environment and the likely strengthened diplomatic, economic, and strategic ties Iran may enjoy with other states in the future.

As I noted at the outset, sensible foreign policy must clearly advance American interests at a cost that is outweighed by the policy's projected benefits. It is not clear that the nuclear agreement with Iran meets these criteria. It does not clearly achieve the objective it sets out to—the prevention of a nuclear-armed Iran—nor does it complement our broader strategy in the Middle East or our global nonproliferation strategy. Instead, it entails significant costs that are justified primarily

by conjuring the specter of an even more costly war no analyst believed was imminent.

Chairman MCCAIN. Dr. Takeyh.

STATEMENT OF RAY TAKEYH, SENIOR FELLOW FOR MIDDLE EASTERN STUDIES, THE COUNCIL ON FOREIGN RELATIONS

Dr. TAKEYH. Thanks, Chairman, for inviting me, as well as Senator Reed, in his absence.

I think it's fair to say, and I think it's indisputable to start with, the suggestion that this agreement has been negotiated with a rather peculiar regime, perhaps one of the most peculiar in annals of history. Most non-Western revolutionary states eventually abandon their ideological mission for sake of integration into the global economy and the international system. This has not been the case with Iran. Its leaders remain committed to an ideology rooted in anti-Americanism and anti-Zionism. This resilience of Iran's Islamist enmities is, indeed, striking. Iran's leadership continues to cling to radical policies that are just not detrimental to its national interests, but have been rejected by a large segment of its population.

The question then becomes, What is the impact of this nuclear agreement on Iran and its regional surge? I think you have to think about Iranian foreign policy as before and after 2011, because they're very strikingly different. Since the Arab Awakenings of 2011, the post-colonials Arab state system has essentially collapsed. That system was predicated on a dominant state of Egypt and Iraq. Egypt is too preoccupied with its internal squabbles to become a real player seeking regional leadership. Iraq is a fragmented state led by a Shiite government that's also from the Arab Councils.

Iran has embarked on a dramatic new mission that is seeking to project this power in corners of the Middle East it never thought possible. This is not traditional Iranian foreign policy of supporting terrorism and rejectionist groups against Israel. This is essentially a new form of imperialism that is becking Iran. Imperialism may be attractive, but it is also financially burdensome. Without this arms control agreement and the financial rewards it will bring, in terms of sanctions relief, release of entrapped funds, and new investments, Iran would find it difficult to subsidize its imperial surge.

It is often suggested—it may have been suggested here—that the United States can still redress Iran's malign activities, irrespective of the agreement. However, in the wake of the nuclear agreement, the United States will have a diminished coercive power to achieve this task. The fact of the matter is, for the past 30 years we have responded to Iranian terrorism and Iranian regional aggression by applying economic sanctions. As a result of this agreement, the United States is committed to relieving those sanctions over a period of time. Today, Iran is segregated from the global financial markets, and sanctions inhibit the Central Bank. As they essentially diminish over time, the room for United States President's—future United States President's coercive options will correspondingly be parsed. Subsequent administrations may have no choice

but to use force or accommodate Iran's transgressions, whatever those transgressions may be.

Some have argued—the administration witnesses have argued that the United States is still committed to pushing back on Iran in the region, irrespective of this arms control agreement. They should be asked how, specifically, they are planning to do that. How are we planning to dislodge Iran from deep penetration of Iraq? Nobody has thought more about this than the chairman. This may actually require employment of American forces. The low estimates I've seen is 10 to 15,000 troops. Are they prepared for that? How are we prepared to dislodge Iran from Syria and support of the Assad dynasty, one of its most consequential clients? How are we going to—Hezbollah and the Shiite militias who are acting as Iran's lethal proxies?

In the Gulf, the suggestion has been made that we're going to sell more arms, which I don't think will do the trick. As a matter of fact, I would suggest it's counterproductive. These countries have deep-seated structural economic problems. Additional money spent on that is unlikely to ameliorate those problem. Iran doesn't seek to invade the Gulf country, it seeks to subvert them. Therefore, by selling more arms and using those resources away from vital economic tasks, we exacerbate the problems of the Gulf without necessarily creating a barrier to a projection of Iranian power.

Finally, let me address briefly the Joint Comprehensive Plan of Action, and hopefully suggest some ideas for its revision that may broaden its appeal and make it stronger. My colleague, Eric Edelman, who was here yesterday in the wise man hearing, kind of suggested some ways ahead. I'd like to reiterate some of those that perhaps will be found useful. There are others. You can have your own suggestion.

I have not seen, and I continue not to see, any credible defense of the "sunset clause". I haven't seen it because it doesn't exist. One thing I would say is the—what the United States should do is essentially try to suggest that, after expiration of the sunset clause, all members of the P5+1, plus Iran, should vote on whether the restrictions should be continued for additional 10 years; and every 10 years, we should vote on that—the members of the treaty should vote on that. This way, essentially we can determine Iran's nuclear program going ahead by a majority vote among the signatories of the agreement, as opposed to some arbitrary timeclock. A majority vote every 10 years, I think, would be—the precedent for that is the NPT [Non-Proliferation Treaty]. NPT expired after 25 years, and then all member states voted to extend its restrictions.

A second suggestion I would make, we really ought to go back and revisit the notion of if Iran should develop IR8s, the advanced centrifuges. Vice President Salehi has suggested that it operates 17 times faster than IR1 centrifuges that Iran currently have, more than its current stockpile, allowing the Islamic Republic to dramatically increase its enrichment capacity and provide—capability. At the very least, these machines should not be allowed to develop.

This particular agreement suffers from the same structural agreement that, to be frank, every arms control agreement in the past has. It is not equipped to deal with marginal incremental vio-

lations. To be fair, no arms control agreement is. INF was bought up here, as well. This is particularly the case because, as has been mentioned in this hearing, Iranian violations are likely to be incremental. Foreign Minister Zarif, in his presentation of the nuclear agreement to the Parliament, said, and I quote—"Sanctions can be reimposed on Iran only in case of serious violation of its obligation and not in case of small-scale violations." How do you deal with that, incremental violations that Foreign Minister Zarif is promising? The entire defense leadership of Iran—General Ja'afari, the head of the Revolutionary Guards, Defense Minister Dehghan, and the head of the ground forces, General Pourdastan—have suggested, since the enactment of the treaty, that they will not provide access to military installations. That's something that we have to deal with. Again, incremental violations are difficult to prosecute. That's the history of arms control agreement. This agreement falls within it.

Finally, let me say, I have heard—Secretary Kerry, in particular, but others have suggested that the Revolutionary Guards are against this agreement. Frankly, I don't see that. I know where to look for this sort of a thing. I have surveyed all their public speaking. I have surveyed all the publication and media outlets that are related to them. They have suggested that they will not allow access to facilities, but I have not seen the opposition. The most succinct presentation of the Revolutionary Guard position was in—2 days ago, in one of their newspapers, Javan—translated "Young"—and assessed some like this—pardon the translation—ultimately—quote, "Ultimately, the positive achievements of the nuclear agreement is that it increases the power of the Islamic Republic in the region. It has made Iran's regional allies happy. It has made its adversaries unhappy." I think that's a fairly succinct presentation of the Revolutionary Guards. I see the notion that they're opposing it as farfetched.

I will say, some of the measures that I suggested for reconsidering the agreement can actually help strengthen it and actually provide a greater bipartisan foundation for the agreement that can potentially forestall an Iranian bomb, stem proliferation cascade in the Middle East, and hopefully anchor this agreement on the greater bipartisan foundation, therefore ensuring its durability.

Thank you.

[The prepared statement of Dr. Takeyh follows:]

PREPARED STATEMENT BY RAY TAKEYH

THE PERMANENT REVOLUTION

More than three decades after its founding, the Islamic Republic remains an outlier in international relations. Most non-Western, revolutionary states eventually eschew a rigidly ideological foreign policy and accept the fundamental legitimacy of the international system. But Iran's leaders have remained committed to an ideology rooted in anti-Americanism and anti-Zionism. The resilience of Iran's Islamist enmities is striking. Iran's leadership continues to cling to radical policies even when such practices are detrimental to the country's other stated national interests and even when a sizable portion of the population rejects them.

The question then becomes why Iran's ruling elite continues to maintain this ideological template? After all, other revolutionary regimes, after initially using foreign policy for ideological purposes, later moved away from that approach. Why has China become more pragmatic but not Iran? The answer is that the Islamic Republic is different from its revolutionary counterparts in that the ideology of its state

is its religion. It may be a politicized and radicalized variation of Shia Islam, but religion is the official dogma. Revolutionary regimes usually change when their ardent supporters grow disillusioned and abandon their faith. It is, after all, much easier to be an ex-Marxist than an ex-Shia. In one instance, renouncing one's faith is political defection; in the other, apostasy. Although the Islamic Republic has become widely unpopular, for a small but fervent segment of the population it is still an important experiment in realizing God's will on earth.

Iran's revolution continues to challenge the concept of nation-state and the prevailing norms of the international system. The essence of Islamic Republic's message is that the vitality of its vision at home is contingent on its relentless export. Moreover, because God's vision was not confined to a single nation, Iran's foreign policy would be an extension of its domestic revolutionary turmoil. For the clerical state, the global order is divided between two competing entities, nations whose priorities are defined by Western conventions; and Iran, whose ostensible purpose is to redeem a divine mandate. Of course, no country can persist on ideology alone. Iran has to operate its economy, deal with regional exigencies and meet the demands of its growing population. But its international relations would be characterized by revolutionary impulses continually struggling against the pull of pragmatism.

The Islamic Republic's internationalism has to have an antagonist, a foil against which to define itself. A caricatured concept of the West has become the central pillar of the mullahs' Islamist imagination. The Western powers are rapacious imperialists determined to exploit the region's wealth for their own aggrandizement. Islamist themes soon followed, portraying the West as seeking to subjugate Muslims and impose its cultural template in the name of modernity. Disunity among Muslims, the autocracies populating the region, the failure of the Arab clerical class to assume the mantle of opposition and the young people's attraction to alien ideologies are seen as byproducts of a Western plot to sustain its dominance over Islam's realm.

In many ways, China's experience encapsulates the paradigm of the life cycle of a non-Western revolutionary state. Initially, the new regime rejects the existing state system and norms of international behavior. Foreign-policy decision making is dominated by ideological considerations, even if there are concessions made to pragmatic concerns. But, over time, a clear trajectory emerges. As new leaders come to power, the ideology is modified and later abandoned in favor of "normal" relations with other countries, usually to promote economic development and modernization.

Thus, Western policymakers continue to be puzzled over why Iran has not yet become a post-revolutionary country. What makes this case more peculiar is that by the late 1990s, Iran did appear to be following in the footsteps of states such as China and Vietnam. Yet this evolution was stymied by the resilience of the Islamic Republic's ideological mission. The institutional juggernaut of the revolution has contributed to this success, as has the elite molded in Ayatollah Ruhollah Khomeini's austere image. But Iran's foreign policy also has played a crucial role in sustaining this domestic ideological identity. A narrow segment of the conservative elite, commanding key institutions of the state, has fashioned a foreign policy designed to maintain the ideological character of the regime. That remains a key ingredient in determining how the Islamic Republic thinks of itself and its role in a changing Middle East.

IRAN AND THE NEW MIDDLE EAST IN THE AFTERMATH OF THE NUCLEAR AGREEMENT

For much of the past three decades, the Islamic Republic's inflammatory rhetoric and aggressive posture concealed the reality of its strategic loneliness. Iran is, after all, a Persian nation surrounded by Arab states who were suspicious of its revolution and its proclaimed objectives. The Gulf sheikdoms arrayed themselves behind the American shield, Iraq sustained its animosity toward Iran long after the end of its war, and the incumbent Sunni republics maintained a steady belligerence. Iran nurtured its lethal Hezbollah protégé and aided Palestinian rejectionist groups, but appeared hemmed in by the wall of Arab hostility. All this changed when Iraq was reclaimed by the Shias and the Arab Spring shook the foundations of the Sunni order. Today, the guardians of the Islamic Republic see a unique opportunity to project their power in a region beset by unpredictable transitions.

The key actors defining Iran's regional policy are not its urbane diplomats mingling with their Western counterparts in Europe, but the Revolutionary Guards, particularly the famed Quds Brigade. For the commander of the Quds Brigade, General Qassim Soleimani, the struggle to evict America from the region began in Iraq. "After the fall of Saddam, there was talk by various individuals that they should manage Iraq, but with Iraq's religious leaders and Iran's influence, America could

not reach that goal," proclaimed Soleimani. The struggle moved on and today "Syria is the frontline of resistance." For the hardliners, the Sunni states attempting to dislodge Assad is really a means of weakening Iran. The survival and success of the Assad dynasty is now a central element of Iran's foreign policy.

The question then becomes what impact the nuclear deal will have on Iran and its regional surge. How will the Islamic Republic spend the billions of dollars it would receive as a result of the accord? Proponents of agreement insist that Iran will funnel much of this newfound wealth into its depleted economy. By their telling, even during dire economic times, Iran prioritized funding for its malign activities and thus does not need to steer new money in their direction. Such a curious justification overlooks how Iran's regional policies, and its internal dynamics, are undergoing momentous changes.

Supreme Leader Ali Khamenei stands as one of the most successful Persian imperialists in the history of modern Iran. In the 1970s, at the height of his power, the shah did not enjoy a commanding influence in Iraq. Lebanon's factional politics continued to elude him, the Assad dynasty was no mere subsidiary of Iran, and the Persian Gulf emirates resisted his pretensions. Today, Khamenei has essential control of much of the Iraqi state, he is the most important external actor in Syria, and Hezbollah provides him with not just a means of manipulating Lebanon's politics, but also shock troops who can be deployed on various war fronts. In the Gulf, the United States' crumbling alliances offer Iran many tempting opportunities.

Proponents of the view that Iran will not become a more aggressive regional power in the aftermath of a deal ignore how the Middle East has evolved since the Arab awakenings of 2011. The post-colonial Arab state system that featured the dominant nations of Egypt and Iraq is no more. Egypt is too preoccupied with internal squabbles to offer regional leadership while Iraq is a fragmented nation ruled by a Shia government ostracized from Sunni Arab councils. Iran has embarked on a dramatic new mission and is seeking to project its power into corners of the Middle East in ways that were never possible before. This is not traditional Iranian foreign policy with its sponsorship of terrorism and support for rejectionist groups targeting Israel; imperialism beckons the mullahs, but it is also economically burdensome. Without an arms control agreement and the financial rewards it will bring—such as sanctions relief, the release of funds entrapped abroad, and new investments—Iran would find it difficult to subsidize this imperial surge.

Still, the claim that Iran will invest a portion of the economic spoils of a deal on domestic needs is not entirely wrong. President Hassan Rouhani belongs to the wing of Iranian politics that has long been attracted to the so-called China model, whereby a regime purchases domestic consent by providing a measure of economic opportunity to its stifled citizenry. Two years into Rouhani's tenure, his government stands as one of the most repressive in the post-revolutionary period. Many civil society activists languish in prison, media censorship has continued unabated, and the intelligence services remain abusive and unaccountable. The state cannot sustain such an oppressive order without ameliorating some of its constituents' misfortunes. It may come to pass that Iran, with its small, badly mismanaged economy, will not be able to emulate China's authoritarian model, especially since the Green Movement that enlivened Iran six years ago continues to cast a long shadow. But to have any hope of success in his aims, Rouhani needs an arms control agreement as much as Khamenei's Islamist imperialism.

The much-discussed terms of the impending agreement with Iran thus offer the theocracy all that it wants. The accord would concede a vast enrichment capacity, as well as accepting both a heavy water plant and a well-fortified underground enrichment facility that the United States once vowed to shutter. It would permit an elaborate research and development program while relying on an inspection regime that falls short of indispensable "anytime, anywhere" access. In the meantime, the sanctions architecture will be diminished, and the notion of ever "snapping back" sanctions into place once they are lifted is delusional. Because the agreement itself would be term-limited, there would be no practical limits on Iran's nuclear ambitions upon its expiration.

CONTAINING IRAN AND MAINTAINING THE JOINT COMPREHENSIVE PLAN OF ACTION:

The defenders of the nuclear agreement with Iran insist that the United States can still hold Iran accountable for its pernicious policies, regardless of an accord. Such assurances miss the point that maintenance of an arms control agreement is not always consistent with a coercive policy.

Signing a nuclear agreement with a nation acknowledges that that state is a responsible actor. The Joint Comprehensive Plan of Action suggests that the Islamic Republic will be left with a substantial nuclear infrastructure that is likely to grow,

over time, in size and sophistication. By concluding an accord with Iran, the Obama administration is effectively vouching that the clerical regime is a suitable custodian of nuclear technologies and that it can be trusted with a program that may eventually reach an industrial scale. A nuclear agreement would not only legitimize Iran's program but also signal to the region that the United States sees Iran as a power whose claims have to be taken into account.

In the American imagination, arms control and détente are joined. Many in Washington are likely to call for improved relations with Iran given the deal. If the two powers can settle the nuclear issue, this thinking holds, then surely they can cooperate on topics of common concern such as the rise of Islamic State and ending Syria's civil war. A superpower that has grown tired of the burdens of the Arab world can reasonably turn to a seemingly responsible stakeholder to stabilize the region. Now, consider that in the 1970s the United States, feeling overstretched, turned to another arms control partner, the Soviet Union, for help extracting itself from Southeast Asia. The history of such actions isn't the only concern here: The notion of constraining Iran has no place in a policy that looks for areas of cooperation between the two states.

Even if the United States were determined to hold the line and push back against Iran's actions in the region, in the wake of a nuclear deal it may not have the necessary coercive power. For much of the past three decades, Washington has responded to Iranian terrorism and regional aggression by applying economic sanctions. But a nuclear agreement would commit the United States to lessening the financial pressure on Iran. Today, Iran is segregated from the global financial markets and sanctions inhibit its central bank. But with such sanctions revoked under an accord, future U.S. presidents' coercive options will be sparse. Subsequent administrations may have no choice but to use force or accommodate Iran, whatever its actions.

Unlike the United States, revolutionary regimes that enter nuclear agreements tend to see them as pathways to asserting power. During the heydays of arms control in the 1970s, the Soviet Union embarked on one of the most aggressive stages of its foreign policy. Moscow and its proxies took up the cause of militant actors throughout the Third World. As part of the Helsinki Accords, the Kremlin obtained from Washington a formal recognition of its sphere of influence in Eastern Europe. The decade ended with the Soviet invasion of Afghanistan—the first time the Soviet Union had invaded a country outside Eastern Europe. In retrospect, these were a series of foolish and costly decisions. The Soviet experience, however, belies the notion that arms control accords moderate ideological regimes.

The Islamic Republic looks upon the United States as a crestfallen imperial state seeking to dispense with its Arab inheritance. A staple of Supreme Leader Ayatollah Ali Khamenei's rhetoric is that the United States is a declining power, beset by problems at home. In his telling, it is the United States that needed an arms control agreement as a means of paving its exit from the Middle East. With Iran's actions and posture suggesting it is about to embark on its own expansive imperial mission, there might be little in way of coercive leverage that Washington can bring to bear. A hegemonic Iran may yet be the most consequential legacy of a nuclear accord.

THE ROAD AHEAD

The United States cannot have a viable strategy of pushing back on Iran without re-considering key aspects of the JCPOA. As the JCPOA stands today, it is one of the most technologically permissive arms control accords in history. It is an agreement that is likely to spark a cascade of proliferation as Iran's rivals and enemies seek to match its capabilities. However, a number of revisions to the agreement can help in strengthening it and ensuring that it is a less-deficient accord.

My colleague Eric Edelman and I recently proposed that the United States should return to the negotiating table and revisit some of the most problematic aspects of this agreement:

1. One of the most problematic aspects of the JCPOA is its sunset clause whereby the most essential restraints on Iran's program begin to fade in a decade. The United States should insist that upon the expiration of the sunset clause, the P5 + 1 countries and Iran should vote on whether to extend the agreement for an additional 10 years. A majority vote every 10 years should determine the longevity of the treaty and not some arbitrary time-clock. The precedent for such a move is the Nuclear Non-Proliferation Treaty (NPT) itself. After the NPT expired after 25 years, it was not simply cast aside but all member states voted to extend it in perpetuity.
2. Limit Iran's centrifuges to IR–1s: The other disturbing aspect of the JCPOA is its research and development stipulations. Under the current agreement,

Iran will have a right to begin installing advanced IR–8 centrifuges starting year 8. These machines operate approximately 17 times faster than Iran's current stock of centrifuges, allowing the Islamic Republic to dramatically increase its enrichment capacity. Moreover, given how few such machines will be needed to enrich uranium, Iran can easily develop small, surreptitious installations that may escape detection. By limiting Iran to its more primitive models, we can best guard against a sneak out option.

3. A more intrusive inspection regime: There has been much debate about "anytime anywhere" inspections versus the current plan that calls for an elaborate procedures and a 24-day waiting period. The inspection modality should resemble to the extent possible the South African model. When South Africa finally renounced its nuclear weapons, it provided the IAEA a full accounting of its previous nuclear history and access to its military installations. South Africa declared that it was prepared to offer the IAEA anytime, anywhere access. In practice, this meant that the inspectors could visit sites in South Africa in as little as a day. South Africa was determined to disarm and thus had no qualms about such extraordinary procedures. If Iran is similarly committed to proving its goodwill, it should concede to such a verification system.
4. The JCPOA has sensibly stipulated that all of Iran's spent fuel from its plutonium production will be send out permanently. A similar procedure should be in place for Iran's enriched uranium. In essence, the enrichment aspect of the agreement should mirror its plutonium dimension.
5. The agreement must also address Iran's ballistic missile arsenal. The delivery systems are an indispensable aspect of Iran's nuclear weapons program. It is inconceivable that the pathways to Iran's nuclear weapons aspirations can be obstructed without addressing this important pillar of that program.

These and other measures can best forestall and Iranian bomb and stem the proliferation cascade in the Middle East. These steps are fairly modest and reasonable. It is unlikely that America's negotiating partners would disagree that these measures strengthen the agreement and perhaps anchor it on a bipartisan footing. I believe that the European states would support the United States should it want to revise aspects of this agreement. Nor do I think that a Russian Federation that views Iran's oil sector as competitive to its own petroleum industry will strenuously object. If these powers agree, China will not obstruct a consensus rooted on simple but important set of demands.

The one way that Congress can ensure that the executive branch returns to the negotiating table is to disapprove the JCPOA as it currently stands. There are ample precedents in the history of arms control whereby congressional objections has led U.S. diplomats to return to the table. During the Cold War, Senator Henry Jackson refused to approve SALT I unless the Nixon Administration agreed to his amendment that all future arms control accords between the United States and the Soviet Union must aim for strategic parity. His amendment expressed a sense of Congress that requested "the President to seek future treaty that, inter alia, would not limit the United States to levels of inter-continental strategic forces inferior to the limits provided for the Soviet Union." The Threshold Test Ban Treaty of 1974 was also initially blocked by the Senate because of concerns over Soviet compliance. To ease congressional anxieties, the Nixon/Ford administrations had to engage in two additional years of negotiations. During the presidency of Bill Clinton, the Senate agreed to the ratification of the Chemical Weapons Test Ban Treaty only after inclusion of 28 conditions.

These and many other such examples testify to the important role that Congress has played in ensuring that the United States negotiates the best possible agreement. Given the enormous flaws of the JCPOA and the enormity of its importance, the Congress should aim to do no less.

Chairman MCCAIN. Thank you.

Dr. GORDON.

STATEMENT OF PHILIP GORDON, SENIOR FELLOW, THE COUNCIL ON FOREIGN RELATIONS

Dr. GORDON. Thanks very much, Mr. Chairman, Senators. I really appreciate the opportunity to speak before the committee this morning.

Like other speakers, I think this is a hugely consequential issue, and it really deserves all of the attention you and other committees are giving it.

As I think many of you know, I was part of the administration from 2013 to 2015. I was the White House Coordinator for the Middle East, so I was very much involved in the efforts to get this agreement. But, obviously, here this morning I'm speaking as a private citizen and expressing only my personal views.

My bottom line on this agreement is that I think it's in the National security interests of the United States, and I hope Congress will support it. I say that, not because I think it is a perfect deal. It's not a perfect deal. Like every one of you, I could spell out a number of ways in which it could be better and stronger. In fact, Ray just did so, and I would be happy to have all of the elements that he presented.

The reason I think it's a good deal and I hope you'll support it is that I just think it's far better than any realistic alternative. Without this deal, I am afraid we would very quickly be put in a position of facing a choice between an Iran that is steadily advancing its nuclear capabilities, as it has over the last decade, or using military force to temporarily stop it.

As for the option that some always want to hope for, that we just keep on the pressure until Iran comes back to the table for a better deal or a perfect deal, I'm afraid that's an illusion. Think about, for the past decade, we have had significant sanctions on Iran, and, during that period of time, we've seen Iran steadily advance its program to where it is today, from zero to 19,000 centrifuges, accumulating a very significant stockpile of low-enriched uranium, enough to make a number of nuclear weapons, an almost completed heavy water reactor at Arak. All without significant monitoring and verification. So, that's why I'm afraid—and continuing research and development on advanced centrifuges—and that's why I'm afraid that, if we reject this deal, we will end up not with a better one, but with an Iran that continues down the path that it has been on.

It's worth thinking about other cases, as well, when you think about this issue. Can we just continue to squeeze them until they give us everything we want? We squeezed North Korea pretty hard. North Korea is far poorer and more isolated than Iran. The result was not them coming and giving us everything we wanted, but a nuclear weapon state. We squeezed Iraq pretty hard, to the point of genuinely crippling sanctions, and demanded absolute access, and, instead of coming to the table and giving us everything we want, we actually had to implement that credible threat of force.

Every case is different, but my point in mentioning those cases is simply to underscore that there's no guarantee that, even if we could maintain these powerful sanctions and had a credible threat of force, that Iran would come back to the table and give us everything we want. I think there's plenty of reason, actually, to believe that it would not.

So, the issue is not whether we can use leverage to get Iran to agree with our list of desirables, but whether this deal that we were able to negotiate effectively cuts off its path to a nuclear weapon, which is what the sanctions were put in place to do. I

think it does, thanks to the joint efforts of Congress and the administration to put the sanctions regime in place.

Now, others have made the positive case for how, in the administration and now others, have made the—the other witnesses before this committee and others—have explained how it blocks off those paths. I won't take my time to do that, because I know even that case has left a number of Senators with concerns, and I'd rather just take my time and address a couple of those concerns. My written testimony goes into more, but just let me just mention three that I know are high on many lists.

One, which was central to this hearing this morning, is the issue of Iran using freed-up financial assets to pursue nefarious ends in the region. We are all rightly concerned that Iran will use some of the assets it gains from sanctions relief to support its regional foreign policy agenda, which, in many ways, threatens our partners and our interests. I don't think that's invalid. Therefore, in an ideal world, we would keep all of these sanctions in place and freeze all of Iran's assets, and get a good nuclear deal at the same time. But, frankly, that was never a realistic option. The deal on the table—any nuclear deal, even one that left Iran with 500 centrifuges or zero centrifuges instead of 5,000, always implied that there would be sanctions relief in exchange for the nuclear agreement. So, in that sense, to insist that sanctions be—relief be excluded from a nuclear deal with Iran is probably to exclude a nuclear deal, itself. If you don't have a nuclear deal, that means no nuclear constraints, no enhanced monitor and verification, an Iran that continues to do all of these nefarious things that it—as it has been doing while under sanctions, and, I think, genuinely increasing difficulties in getting our partners to maintain sanctions once it's clear—once it became clear that our aim went beyond the nuclear issue and essentially involved transforming Iran's foreign policy, which is a highly desirable goal, but one unlikely to receive the support of the international community to pursue these sanctions. I am confident that, through continued and increased military and intelligence support for our partners in the region, who, by the way, collectively spend far more on defense than Iran does, we can continue to contain Iran just as we did before these international sanctions were put in place. I'd be happy to elaborate on the—that in the discussion.

A second major concern, I know, of a number of Senators, is that the deal allows Iran's nuclear program to expand once the so-called "sunset provisions" expire. Again, I would say the same thing. In an ideal world, we would have negotiated an agreement that lasted indefinitely or at least for many decades. Obviously, the administration sought to get as long an agreement as possible. But here, too, I don't think it was realistic to imagine that Iran was ever going to agree to a deal that it—kept the same tight constraints on its civil nuclear energy program forever. Asking for that deal would mean no deal, and tomorrow Iran could proceed with its program. So, while this part of the agreement also isn't perfect, it nonetheless involves some very serious constraints for a very significant amount of time: until 2025 for the number of centrifuges, until 2030 for the limited nuclear stockpile, until 2035 for centrifuge production, until 2040 for access to uranium mines and mills in Iran,

and indefinitely for adherence to the Non-Proliferation Treaty, the commitment not to pursue nuclear weapons, and the application of the IAEA's additional protocol, which requires access by inspectors to any suspected sites.

Finally, the premise of the deal, we should keep in mind, is that Iran used this quite long period of time to demonstrate that its nuclear program is exclusively peaceful. If it fails to do that, all of the same options available to us now will be available to us then, including sanctions and military force—I think more likely, in that case, with the support of the international community. I think there are ways we can reinforce this insistence that Iran use this period to demonstrate its peaceful intentions. Again, be glad to elaborate those—on those in the discussion.

The third concern I'll mention here very briefly is that inspections are not sufficiently rigorous. I respectfully disagree with that assessment. There's been a lot of focus on this—the standard of so-called anytime/anywhere inspections, which I think is an unrealistic standard only likely to apply after a military defeat or occupation. I think there's been a failure to appreciate just how extensive the verification mechanisms in this agreement are, including not just the increased monitoring and daily access to the declared enrichment facilities, but the monitoring of the entire nuclear fuel cycle. In other words, to cheat successfully, Iran would have to somehow mine and mill uranium, convert it to gas at an industrial facility, enrich that gas to a weapons-grade enriched uranium at a different facility, and successfully develop a covert weaponization program, all at the time—at the same time, while escaping different monitoring programs. Anything is possible, but I think that's a rather implausible scenario. The most important thing to say about it, of course, is, whatever you think about this inspections regime, it's better than the one we would have if we didn't have this agreement, which is much more minimal and would allow Iran to do all of these things tomorrow.

Again, my written testimony goes into some of the other concerns I know you have, so I will just sum up, again, by repeating, Mr. Chairman and others, I don't want to suggest for a minute that these—that the concerns that I listed, or others, are not legitimate. They absolutely are. Again, that's why I appreciate these kinds of hearings. But, I do believe that, when you weigh the advantages and the disadvantage of the deal, the advantages outweigh them, and that's why I hope Members of Congress will support it.

As I've said, we can all describe ways to make this deal, quote/unquote, "better," but holding out for a perfect deal could mean no deal at all, and I really do believe that rejection of the agreement at this point, which, of course, was supported by every member of the U.N. Security Council and just about every country in the world, would result, not in a better deal, but in the continued expansion of the Iranian nuclear program while making it more difficult to keep international sanctions in place.

Thank you very much.

[The prepared statement of Dr. Gordon follows:]

PREPARED STATEMENT BY PHILIP GORDON

Thank You, Chairman McCain, Ranking Member Reed, and all the other distinguished members of this Committee for inviting me to testify here this morning. The Iran nuclear deal is a hugely consequential issue for our country and the world, and it deserves the serious debate it is getting before this and other Committees and in the Congress and the country as a whole. As you know, from March 2013 until April 2015 I was the White House Coordinator for the Middle East and therefore intimately involved in the effort to reach this agreement, right up until the Lausanne Framework was announced on April 2. Here this morning, of course, I am speaking as a private citizen and expressing only my personal views.

My bottom line is that this agreement is in the national security interest of the United States, and I believe Congress should approve it. I say that not because it is a perfect deal—it is not, and I, like all of you, could easily come up with a list of changes we would make if it were only up to us. Instead I support it because I believe that it is far better than any realistic alternative. Without this deal we would very quickly face the unpalatable choice between acquiescing to an Iranian nuclear weapons capability or using military force to temporarily stop it. As for the option of simply maintaining pressure and threatening force until the Iranians accept a so-called "better deal," I believe that is an illusion. For the past decade and more, we have increased sanctions pressure on Iran with the goal of getting it to abandon its program entirely—and the result has been a steady expansion of that program to where it is today—19,000 centrifuges; a stockpile of more than ten tons of low-enriched uranium (LEU); an almost completed heavy-water reactor at Arak; and increasingly advanced research and development (R&D) of centrifuges. I believe that rejecting this deal would result not in Iran agreeing to all our demands or even a "better deal" but the continued expansion of that program.

Keep in mind that in North Korea—a country many times poorer and more isolated than Iran—we hoped maximizing economic pressure would bring the regime to its knees and oblige it to give up its weapons program, and instead North Korea became a nuclear-weapons state. In Iraq, we imposed starvation-inducing sanctions to deprive the Iraqis of the wherewithal to continue with their WMD [weapons of mass distruction] programs. We insisted Saddam Hussein allow completely unfettered access to his weapons sites or face war, he refused, and we ended up going to war. The point is there is no guarantee that even powerful sanctions and the threat of force will lead Iran to eliminate all aspects of its nuclear program, and plenty of reason to think that it will not. The issue is not whether we can use leverage to get Iran to agree to everything we might want, but whether this deal ensures that Iran's nuclear program is and will remain exclusively peaceful. I believe it does, thanks to the efforts of Congress and the administration to leverage sanctions in pursuit of that goal.

Others have testified before this Committee and others about the many ways this deal blocks Iran's path to a nuclear weapons capability. These include reducing Iran's number of installed centrifuges by two-thirds; reducing its stockpile of LEU to just 300 kg for 15 years; reconfiguring the heavy-water reactor at Arak; constraining centrifuge R&D; and providing for rigorous monitoring backed by the possibility of sanctions "snapback." These and other steps—which are required prior to any sanctions relief for Iran—will mean that Iran's breakout timeline (the time required to enrich enough uranium for one nuclear weapon) will be extended from the two months it is today to at least a year—more than enough time to detect violations and respond as necessary, including with renewed sanctions and/or the use of military force. Still, I know many Senators still have concerns—legitimate concerns, I might add—so I would like to address them head on.

One major concern is that the deal frees up financial assets that will be put to nefarious ends. We are all rightly concerned that Iran will use some of the assets it gains from sanctions relief to support its regional foreign policy agenda, which in many ways threatens our partners and our interests. Thus in an ideal world we could keep all the current sanctions on Iran and get a good nuclear deal at the same time. But that was never a realistic option, and the concerns about lifting sanctions would be the same whether the deal allowed Iran to keep 5,000 centrifuges, or zero. To insist that sanctions relief be excluded from a nuclear deal, in other words, would be to exclude a nuclear deal itself. This would mean no nuclear constraints, no enhanced monitoring or verification, no end to Iranian meddling even while sanctions are still in place, and increasing difficulties in getting international partners to maintain sanctions once it was clear our aims went beyond the nuclear issue.

I am confident that through continued and increased military and intelligence support to our partners in the region—who collectively spend many times more on defense than Iran does—we can continue to contain Iran, just as we did before the

international sanctions were put in place. I am also confident that rejecting any nuclear deal that unfreezes Iran's assets and provides for sanctions relief would leave the nuclear issue unresolved and force us to watch Iran's program grow or stop it with military force—all without support from our partners. The challenge of dealing with Iran in the region would of course be far greater if Iran were allowed to become a nuclear-weapons state.

A second concern is that the deal allows Iran's nuclear program to expand once the "sunset" provisions expire. Again in an ideal world, all the constraints on Iran's nuclear program would be indefinite, or at least last for many decades. But here, too, it was never realistic to expect Iran would agree to indefinite restrictions on its civil energy program. While not perfect, many of the most important restrictions last for a very long time—until 2025 for number of centrifuges; until 2030 for the limited nuclear stockpile; until 2035 for centrifuge production; until 2040 for access to Iran's uranium mines and mills; and indefinitely for adherence to the Nuclear Nonproliferation Treaty, the commitment not to pursue nuclear weapons, and the application of the IAEA's Additional Protocol, which requires access by inspectors to any suspected sites. Finally, the premise of the deal is that Iran must use this period of time to demonstrate that its nuclear program is exclusively peaceful. If it fails to do that, all of the same options available to us now will be available to us then, including sanctions and military force. To reinforce this point, the President and Congress should make clear now that violations of the agreement during this period will be considered inconsistent with Iran's pledge never to seek nuclear weapons, and the United States will act accordingly. Even after certain restrictions expire, other Iranian actions—such as the development of highly-enriched uranium—could also be considered indications of intent inconsistent with the agreement. In any case, whatever concerns we might have about sunset provisions would have to be even greater about the absence of a deal—since without a deal Iran can begin doing all of these things right away.

A third concern is that inspections are not sufficiently rigorous. I disagree with this assessment. There has been much focus on the unrealistic standard of "anywhere, anytime" inspections, which no sovereign country would ever accept, except after a military defeat or under occupation. I think there has also been a failure to appreciate just how extensive the verification mechanisms in this agreement are, including not just continued monitoring and daily access to declared enrichment facilities but the monitoring of the entire nuclear fuel cycle. To cheat successfully, Iran would have to somehow mine and mill uranium, convert it to gas at an industrial facility, enrich it to weapons grade at a different facility, and successfully develop a covert weaponization program—all without being detected by separate monitoring regimes. Anything is possible, but that is a rather implausible scenario.

I also believe there has been significant misunderstanding of the notion that Iran has "24 days" to allow for inspections. The IAEA's Additional Protocol—which Iran agreed in this deal to implement forever—requires Iran to provide access whenever and wherever the IAEA needs it. The problem is that there has never been a mechanism for resolving disputes over access, meaning that even AP signatories could drag out a dispute over access forever. That is what this agreement adds, and which never existed before. So while in certain circumstances Iran may be able to find ways to keep inspectors out of a suspected site for up to 24 days, that process itself would set off clear alarm bells, and Iran can certainly not hide an entire nuclear fuel chain under the alleged protection of this provision.

Finally and perhaps most importantly: Whatever you think of the inspections regime—and as you can tell I think it's pretty good—it is far better than the inspections regime we would have in the absence of this agreement.

A fourth concern is that "snapback" of sanctions is not strong enough. Actually, I believe our power to snap back international sanctions is one of the most impressive aspects of this agreement. During the negotiations, Iran (as well as Russia and China) vigorously opposed leaving this power in United States hands, for the Russians as a matter of principle and for the Iranians because it could lead companies to think twice before investing in Iran. But that is effectively what they have done. While disputes must pass through a somewhat convoluted resolution process involving a Joint Commission and an Advisory Board, the bottom line is that if the United States says Iran has not complied with the agreement, not just United States but also United Nations sanctions can be re-imposed. That power should provide a strong disincentive against any Iranian temptation to cheat. It will also give companies reason to pause before investing in Iran absent evidence that Iran intends to abide fully by the agreement.

Finally, there is the concern that the agreement will spur nuclear proliferation throughout the Middle East. All Americans are rightly concerned about the potential for nuclear proliferation in the Middle East, which is one reason why this deal

is so important. It is legitimate to worry that if Iran is eventually allowed to develop a large-scale uranium enrichment program, other states in the region will demand one as well.

But I believe this concern is overstated. Iran, after all, already has a fairly large-scale enrichment program—built up starting in the early 2000s and including domestic uranium mining and milling, gas conversion, and centrifuge production and R&D—and no one has yet sought to duplicate it. Nuclear enrichment is a costly, technologically challenging, and for most countries unnecessary process that raises international alarm bells about a country's intentions. In any case, for at least a decade this deal pushes Iran significantly further away from a nuclear capability rather than bringing it closer—it would make little sense for countries in the region to forego their own nuclear capability while Iran is two months away from nuclear breakout but decide to pursue one when that timeline is extended to over a year.

There are, moreover, steps we can take to mitigate the risk of other countries seeking their own nuclear programs. The first, to state the obvious, is to ensure that Iran does not develop the capacity to build a nuclear weapon—which this agreement does—and to reiterate the President's pledge to do whatever is necessary to prevent that. The second—which the administration is already doing—is to bolster our defense cooperation with regional partners to ensure they do not feel vulnerable vis & vis Iran, and to make clear in word and in deed that the United States will not allow Iran to use even a potential nuclear weapons capability to threaten them.

While none of these measures can guarantee that others in the region will not show an eventual interest in their own nuclear programs if this deal goes ahead, consider the scenario in the absence of a deal: Iran advances its program, installs more centrifuges, builds a large LEU stockpile, and finishes its heavy water reactor at Arak. That scenario seems far more likely to lead others in the region to imitate Iran than the implementation of this deal.

Once again, Mr. Chairman, I do not want to suggest for one minute that these are not legitimate concerns, or that the deal is somehow perfect. I do, however, firmly believe that the advantages of this deal strongly outweigh the disadvantages, and urge Members of Congress to support it. As I have said, we can all describe ways we could make the deal "better," but holding out for a perfect deal could mean no deal at all. I believe that rejection of this agreement—supported by the entire U.N. Security Council and just about every country in the world, including all the key players on sanctions—would result not in a better deal but rather in the continued expansion of the Iranian nuclear program while making it difficult to keep international sanctions in place. It would not necessarily result in war, but it could well mean having to decide soon between allowing the continued expansion of that program and using military force to stop it. This agreement would set back the Iranian program significantly while providing for unprecedented monitoring of that program, which seems a better option than either of those two paths.

WASHINGTON AND THE WORLD

The Iran Deal Turned Out Pretty Well

And if anyone has a better idea they've yet to say what it is.

By PHILIP GORDON | July 15, 2015

Getty.

It will likely be many days, or even weeks, before anyone not holed up in Vienna for the past 18 days can make a proper assessment of the detailed, 109-page comprehensive nuclear agreement reached yesterday between the United States and its partners and Iran. It's probably not a good idea to make snap judgements about byzantine dispute resolution mechanisms, schedules for different types of centrifuge research and development or terms for sanctions relief—let alone provisions regarding things like "UF6 pipework including sub headers, valves and pressure transducers at cascade level, and frequency inverters."

That said, an initial reading of the Joint Comprehensive Plan of Action suggests that warnings (many of which notably came from people not privy to what was being discussed in Vienna) that the P5+1 negotiators were making a "parade of concessions," as Israeli Prime Minister Benjamin Netanyahu put it last week, appear

to have been misplaced. On the difficult, outstanding issues that prevented a final deal from being agreed at the end of March, the administration and its partners appear to have stood firm enough to get what they needed, consistent with the framework announced three months ago in Lausanne. Indeed, fighting to get satisfaction on these key points is why the endgame in Vienna took nearly three weeks, and it is more than a little insulting to negotiators who endured that travail—and the four other "endgames" over the past two years—to suggest that they were over-eager for a deal.

In an article for POLITICO MAGAZINE on June 26, four days before the ostensible "final" deadline, I identified five key areas where I thought it would be necessary for negotiators to hold the line for the comprehensive deal to be fully defensible before Congress and key partners in the region. Around the same time, under the auspices of the Washington Institute for Near East Policy, a bipartisan group of experts and distinguished former U.S. officials, including some of my former colleagues from the administration's Iran team, put forward a similar list. It will be interesting to see whether the signatories of the Washington Institute letter conclude the outcome in Vienna meets the necessary bar.

On balance I think it does.

Take, for example, the particularly critical provisions on monitoring and verification. We already knew the deal would allow for unprecedented monitoring of Iran's nuclear facilities, including the entire nuclear supply chain, and that Iran would implement the IAEA's "Additional Protocol," requiring that it provide access to inspectors whenever and wherever they had concerns. What was unclear was what would happen in cases where there were disputes over access, which the Additional Protocol does not adequately address.

The result agreed in Vienna was a dispute resolution mechanism that enables the United States—or any other P5+1 member—to ensure that not just U.S. but international sanctions will be re-imposed if Iran fails to fully implement the agreement. The mechanism is certainly more complex and convoluted than any of us would have liked, requiring that a dispute first be brought to a "Joint Commission," a group of foreign ministers, and then an "Advisory Board" before it even gets to the U.N. Security Council. But once there, the Council would have to vote to "continue the

sanctions lifting," a process the veto-wielding United States, if not satisfied, could block. And the Joint Commission, consisting of the United States, United Kingdom, France, Germany, Russia, China, Iran and the European Union, can reach conclusions on the basis of five votes, meaning that even Iran, Russia and China together cannot stand in the way. Bottom line: if the United States does not believe Iran is abiding by the agreement—including by providing inspectors timely and effective access to the sites it feels the IAEA needs to see—it can ensure the re-imposition of Security Council sanctions, without being subject to a veto by Russia or anyone else.

The schedule for lifting those sanctions in the first place was another outstanding issue that proved very difficult to resolve. Indeed just before the June deadline, Iran's Supreme Leader Ayatollah Khamenei doubled down on Iran's push for early sanctions relief by insisting that "all sanctions" would have to be lifted "immediately when a deal is signed," an Iranian redline that led many to conclude the U.S. would have to cave or there would be no deal. On this issue, however, it was Iran that caved. The JCPA states that sanctions will be terminated "simultaneously with"—i.e. "not before"—"the IAEA-verified implementation of agreed nuclear related measures by Iran." Those nuclear related measures include the elimination of two-thirds of Iran's installed centrifuges, the destruction or export of the core of the heavy-water reactor at Arak, the reduction of Iran's stockpile of low enriched uranium by 98 percent and the provision of information about Iran's past nuclear work—in other words steps that will not be taken for some time (U.S. experts estimate it could take at least several months). So much for Iran's "redline" on this issue, and for all those predictions by U.S. skeptics like Senators Tom Cotton and Ted Cruz that Iran would receive a multi-billion dollar "signing bonus" before it had implemented the deal.

Even the U.N. Security Council's arms embargo on Iran, which only existed because of Iran's nuclear violations, will not go away when Iran implements the "nuclear measures." Instead—notwithstanding a strong push by Iran, Russia and China to lift it immediately—the embargo will remain in place for five years. The only way that timeline can be shortened is if the IAEA is able to confirm before then that Iran's nuclear program is exclusively peaceful, a confirmation which is highly unlikely. I would prefer to see an international arms embargo on Iran indefinitely, so long as it's a threat to the region, but it was always unrealistic to maintain the embargo forever even if Iran implements its nuclear commitments without support from the rest of

the Security Council. And there are other ways the United States can and should make sure its security partners in the region—whose collective defense budgets dwarf that of Iran—can defend themselves and their interests, with U.S. support.

Clarification of Iran's past work on nuclear weapons research—known as possible military dimensions or PMD—was another particular concern about the endgame, given Iran's longstanding refusal to answer the IAEA's questions in this regard. Recognizing that Iran's leaders were never going to step forward and publicly admit such past work—an admission that their previous denials were not truthful—U.S. and European members of the P5+1 focused instead on getting Iran to provide the IAEA with access to sites, documents and scientists so that it could reach its own conclusions. The JCPA made progress in this regard by committing Iran to fully implement previous agreements with the IAEA to address all "past and present issues of concern" by October 2015. IAEA Director-General Yukio Amano believes the work can be completed by that time. Perhaps more significant, given that the more important objective is to prevent Iran from doing weapons work in future, the document includes a new section spelling out prohibitions on a range of activities that could contribute to the design and development of a nuclear explosive device. In an ideal world where the United States could simply write up the outcome it wanted, the specific PMD provisions would be more detailed and complete. But once again, the progress made at Vienna was important and real. And sanctions will not be lifted until the IAEA gets what it needs.

Finally, in the face of the Iranian leadership's strong insistence that any agreement not restrict what it considers to be legitimate scientific research, the JCPA ended up including strict limits on Iran's research and development of advanced centrifuges. The U.S. concern here was that if Iran could conduct unconstrained research and experimentation of its most advanced machines, it might be able to deploy them in advance of the ten-year restriction on enrichment capacity, and be in a position to shorten the time it would take to enrich enough uranium for a nuclear weapon. I will not claim here based on 24 hours to read the document to know precisely where the agreed schedule for research will leave Iran's centrifuge program in 2025 (or that I could do so even if given an infinite amount of time). But given what we know about centrifuge development in Iran and elsewhere, it takes several years of phased experiments with single machines, cascades, mechanical tests and finally the introduction of gas before the centrifuges can actually be used to enrich uranium.

This means that whereas Iran might well make progress on centrifuge knowledge in the coming years, it will not be able to reduce the "breakout timelines" from the agreed period of one year during the next decade, and will only gradually be able to do so in the years that follow.

In each of these cases, the agreements reached in Vienna were not ideal. In a perfect world we would be able to ban Iranian enrichment entirely and forever—but we don't live in that world. Given the strength of Iranian feeling about these issues, and the lack of a good alternative to a diplomatic deal, it appears that the P5+1 played a pretty good hand in Vienna, and the agreement is one that is in the interest of the United States. A military strike that would set back Iran's program only temporarily and almost certainly leave it determined to develop a nuclear deterrent would not be a good alternative to a diplomatic deal.

Members of Congress now have 60 days to review the text. I hope they will use the time to read it carefully, rigorously examine all these arguments, and hear from experts on all sides—no one should pretend this is an easy issue or that there are not risks either way. I know from my own engagement with Members of Congress—in the course of dozens or even hundreds of congressional calls on Iran when I was still in the administration—that many of them are extremely knowledgeable about the issue and take their responsibility seriously regarding such a critical issue.

I also hope, though, that they will not take the easy way out and vote against the agreement, secure in the knowledge that President Barack Obama will veto their resolution of disapproval, a minority of members will prevent a veto override and the agreement will still go into effect. Instead I hope they will vote as if the outcome depended on their vote and they had to take responsibility for that outcome. Here are just two questions I hope they will ask: If we kill this agreement now, would we ever get a better one? And if not, would we be better off with no constraints on Iran at all?

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Philip Gordon is a senior fellow at the Council on Foreign Relations in Washington DC. From 2013-15 he was Special Assistant to the President and White House Coordinator for the Middle East North Africa and the Gulf Region. As the most senior White House official focused on the greater middle east, his responsibilities

included the Iranian nuclear program, Middle East peace negotiations, the conflicts in Syria and Iraq, US relations with the Gulf States, Democratic transitions in North Africa and bilateral relations with Israel, Egypt, Jordan and Lebanon.

Additional credits:

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Chairman MCCAIN. Thank you.
Mr. NEPHEW.

STATEMENT OF RICHARD NEPHEW, FELLOW, THE CENTER ON GLOBAL ENERGY POLICY, COLUMBIA UNIVERSITY

Mr. NEPHEW. Thank you, Chairman McCain, Ranking Member Reed, and other distinguished members of this committee, for the privilege of speaking to you today.

I will focus my remarks on three reasons to conclude that this is a good deal, from a regional perspective.

First, it will create a 10- to 15-year band of time in which fears of an Iranian nuclear weapon will be much reduced. Since 2005, Iranian breakout time has dwindled to 2 to 3 months. Prior to the Joint [Comprehensive] Plan of Action, there were fears that Iran could stage an undetected breakout. With this deal, such an effort is not possible from declared facilities, and far more difficult to pull off from covert facilities. This is a welcome development for regional stability.

Second, I believe this deal will reduce the chances of a nuclear arms race in the Middle East. The argument that a deal creates the strategic pretext for Arab nuclear weapons programs is logically flawed. Iran has been building its enrichment program for decades, and, in the last 10 years, notwithstanding U.N. Security Council obligations to stop. If there was ever a time to pursue enrichment, it was then. But, we simply have not seen any evidence that countries in the region are seriously pursuing enrichment programs, let alone nuclear weapons. The most advanced nuclear state in the Arab world, the UAE, has specifically pledged not to pursue enrichment and reprocessing capabilities. In exchange, the UAE [United Arab Emirates] is constructing advanced power reactors that will provide it with the civil nuclear energy it wants without the proliferation risks we all fear. There has been no indication that the UAE will backtrack on the decision it's made, or that any other country in the Middle East is prepared to undertake the massive effort required to construct an enrichment program. Similarly, though many offhandedly suggest that the Saudis could buy a warhead from Pakistan, even the request would present real problems for the Pakistanis, who are still emerging from the pariah status that AQ Khan [Abdul Qadeer Khan] created. Pakistan's rebuff of Saudi Arabia's request for ground troops in Yemen suggest Pakistan will not accede to every Saudi request.

Third, this agreement may be the start of a process of integrating Iran better into the international community and moderating its bad behavior. This may not happen. At a minimum, Iran's leaders will have to wrestle with the benefits and risks of economic openness as a result of this deal, as well as the threat of returning sanctions if they break its terms.

Now, of course, the deal does not solve everything and, as other witnesses have testified, may make some problems worse in the region. Since 1979, Iran has supported terrorism in causes we oppose, even when impoverished by war or sanctions. The nuclear deal does not address this problem, but neither did strategic economic pressure. It is unlikely that holding back relief, at the risk of a nuclear deal, would have.

To better manage the regional implications of the deal, I believe that four steps ought to be taken:

First, we should and must continue to reaffirm our support for our partners in the region. This should include arms sales, but only as part of a broader package of cooperation across the security and economic spheres. The United States should also stand ready to use force against Iran, should it cheat on the deal. This is a meaningful concept for the GCC [Gulf Cooperation Council], which acknowledged the crucial nature of U.S. security assurances in its statement on Monday in support of the deal.

Second, we must have an active intelligence-sharing relationship, particularly with respect to Iran and its compliance with the nuclear deal. Partners will trust the situation remains in control if they know what we know.

Third, we must have an active nuclear cooperation policy with countries throughout the Arab world. Through these, we should demonstrate that effective civil nuclear programs can be built without enrichment and reprocessing, in practice, even if prohibitions are not part of cooperation agreements.

Fourth, we must enforce the terms of the deal vigorously, as well as use our sanctions authorities to target Iranian activities throughout the region. This deal is not U.S. unilateral sanctions disarmament. Snap-back is always possible and scalable. Beyond the nuclear issue, the United States retains a number of sanctions authorities that will continue to exact consequences for Iranian violations of human rights and damage Iran's ability to engage in terrorism financing. The United States will still be able to pressure banks and companies into not doing business with the IRGC [Iran's Revoluntionary Guards Corps], the Quds Force, Qassem Soleimani, and Iran's military and missile forces. This is both due to direct risk of U.S. secondary sanctions, which remain in place, and an improvement in international banking practices since 9/11. The United States will also retain its ability to impose sanctions on those trading with Iran in conventional arms, as well as with respect to ballistic missiles, even after U.N. restrictions lapse.

That said, we ought to seek ways to enhance these authorities. Certainly, Iran could judge that United States sanctions in these areas are unacceptable, and walk away. Partners could, likewise, view the United States as being in the wrong if our sanctions enforcement appears capricious. But, international reaction to U.S. actions will always depend on the context. If the rationale for doing so is credible, then we can convince others to support us. For Iran, it will have to face the prospect of all of our sanctions coming back into play. This will present real difficulties to decisionmakers in Tehran.

To conclude, though it is not a perfect deal, I believe that the nuclear deal reached by the United States, the P5+1 partners, and Iran meets our needs, preserves our future options, and improves the security and stability of the Middle East. I urge Congress to make the right choice and to support it.

[The prepared statement of Richard Nephew follows:]

PREPARED STATEMENT BY RICHARD NEPHEW

Thank you, Chairman McCain, Ranking Member Reed, and other distinguished members of this Committee for inviting me to speak here today. It is a privilege and an honor to speak to you on a subject to which I have devoted nearly twelve years of my professional life as a civil servant at the Department of Energy, Department of State, and National Security Council: how to address the problems created by Iran's nuclear program. In my current position at the Center on Global Energy Policy at Columbia, I have continued my study of the use of economic statecraft to deal with such national security challenges, with Iran as the centerpiece.

I would like to begin by extending my personal gratitude to the members of the United States negotiating team, all of whom set aside personal commitments large and small in the pursuit of the agreement reached in Vienna on July 14. Regardless of how one evaluates this deal, one cannot contest that the people who worked so hard and diligently to conclude it did so with anything other than the intention of addressing a profound threat to U.S. national security. These men and women, many of whom I can call friends, are dedicated to stopping Iran from acquiring a nuclear weapon. Some of them have pursued this goal for decades. We are all most fortunate that this country produces diplomats, civil servants, and experts like these.

I would like to offer here my evaluation of the Iran nuclear deal first as a general matter and then focus specifically on the regional implications of the deal. In doing so, I will describe what the deal itself has achieved, the consequences of this achievement, and the alternatives that would be facing us absent the deal. I come to the conclusion that, compared to the most realistic alternatives, this deal is a very good one.

The agreement reached two weeks ago will prevent Iran from having a credible opportunity to produce weapons-grade nuclear material for use in a bomb for at least 10 years and likely beyond that. It does this through a combination of restrictions and monitoring that will ensure Iran faces a long path to weapons-acquisition, which can be detected almost as soon as it begins. In this respect, President Obama and his successors will have the time they need to evaluate Iranian compliance with the agreement, and to take any necessary decisions to address Iranian deficiencies.

This includes the use of military force. President Obama has not taken this off of the table through this deal, nor would any President. Instead, President Obama has ensured that if such a decision is ever needed, it can be undertaken with greater time and clarity as to Iranian intentions.

SETTING THE CONTEXT

To some degree, Iran has been at the precipice of a nuclear weapons capability since it first began operating centrifuges at the underground Natanz plant in 2007. Both Presidents Bush and Obama have had to consider regularly whether the Iranian nuclear program was getting out of hand, growing too large to be addressed through diplomacy.

In my opinion, we were reaching just such a dangerous crossroads in 2013. Iran's nuclear program had grown to involve over 20,000 installed centrifuges, nearly 7,000 kilograms of up-to-5 percent enriched uranium gas (enough for multiple weapons), nearly 200 kilograms of up-to-20 percent enriched uranium gas (nearly enough for one weapon), and a reactor at Arak that was nearly finished. Moreover, Iranian cooperation with inspectors at the International Atomic Energy Agency (IAEA) was stagnant, with access granted to confirm only that declared nuclear material was where it ought to be. While important, outstanding questions about Iran's past nuclear program remained unaddressed and with little prospect of answers or access forthcoming.

At the same time, sanctions were beginning to run out of steam. International oil prices were over $100 a barrel and prospects for taking away further Iranian oil revenues were slim. Despite aggressive diplomatic efforts, including at the Presidential level, we were getting fewer returns on our demands for oil reductions. Iran was the worse for our sanctions, suffering a GDP contraction of 6.6 percent between 2012–2013 according to the World Bank.[1] Unemployment was high, as was inflation. But, still, Iran was continuing to expand its nuclear program and engage in all manner of destabilizing activities in the region.

This was leading to calls both within the United States and from our partners to consider military action. The problem was that no one could articulate a theory

[1] World Bank data, downloaded on July 20, 2015, and available at: *http://data.worldbank.org/country/iran-islamic-republic?*

of such action that would be decisive in stopping Iran from ever getting a nuclear weapon without involving regime change.

Faced with this situation, the United States decided to test the proposition that newly-elected President Rouhani was committed to fulfilling his campaign promise to seek removal of sanctions and a new relationship with the international community. Talks began in secret to see if a first step arrangement could be concluded that would, if not step back from the brink of military confrontation or an Iranian nuclear weapon, at least hold us at the lip. Such an arrangement would require—and did elicit in the end—major nuclear concessions from the Iranians. They would be forced to halt their progress, something they had sworn never to do, and even roll the program back in key respects. Sanctions relief would need to be part of it, in order to to create incentives to keep Iran negotiating for a final deal. It had to promise Iran a return on its investment but not make a final deal meaningless.

The result was the Joint Plan of Action (JPOA), a much-derided document at the time of its announcement but one that I think even critics would grudgingly agree has served these purposes well.

Iran made clear during the negotiations on the JPOA that they would not be able to accept it as a permanent arrangement; the sanctions still in place were too severe and political pressure would prove toxic for Rouhani if talks went on too long. So, they wanted to complete the deal faster. Unfortunately, a similar desire to speed up the negotiations also emerged from the United States and some of our partners, despite the fact that Iran gave up much in its nuclear program for a modest amount of relief. This was the first time, but not the last, that opponents of the deal in the United States and Iran share a common view. Unfortunately, a similar desire to speed up the negotiations on a comprehensive deal emerged from the United States and some of our partners, despite the fact that—for a modest amount of relief—Iran gave up much. It was the first time, but not the last, that opponents of a deal in both the United States and Iran were in full agreement.

As a direct consequence, deadlines were established that Iran sought to use as leverage against the United States. Iran came to believe that the deadlines put in place were more important for United States negotiators than for themselves, leading to inevitable delays in Iranian decision-making and extended talks.

Still, the United States did not rush into a deal. Had it done so, talks would not have been extended first in July 2014, then in November, and then multiple times at the end of June and into July 2015. Instead, the U.S. negotiators demonstrated time and again that, as Secretary Kerry said, "we will not rush and we will not be rushed."

In the end, the Administration successfully demonstrated to Iran that, if it wished to conclude a nuclear deal, then it would have to make a number of concessions on issues that no less an authority than the Supreme Leader had established as red lines. Admittedly, this did not surprise me. Iranian negotiating style often involves brinksmanship and some degree of exaggeration. It is only through testing and prodding such red lines that the real limits of Iran's negotiating room could be established. For this reason, key red lines—like the requirement that immediate sanctions relief be furnished before any nuclear changes could be implemented or that R&D continue without restriction or even that Iran would require 190,000 centrifuges in the near term—were broken by Iran in the final deal.

EVALUATING THE NUCLEAR ASPECTS OF THE DEAL

The result of these negotiations is a deal that, in my view, satisfies U.S. national security objectives. I define these as being:

1. Lengthening the time that Iran would need to produce enough nuclear material for one nuclear weapon; and,
2. Ensuring that, during this time, any such attempt could be quickly detected, such that the entire length of the breakout time is available for response.

With respect to the first objective, the deal manifestly delivers.

The deal negotiated by the P5+1 will create a one year or longer breakout timeline for Iran's declared nuclear program for the first ten years of the implementation phase of the deal. That's just for uranium; for plutonium, the breakout timeline is far longer, potentially measurable in decades. Why?

With respect to uranium, the deal restricts Iran's installed centrifuges to just over 6,000 IR–1 type machines for 10 years. Iran will be able to do some small scale enrichment using advanced machines at the end of this time period, but in numbers far too modest to contribute to breakout. This limitation will also hold back the progress of Iran's enrichment program. One does not go immediately from small scale enrichment on small numbers of centrifuges to installing and operating thousands of machines. Iran will have to spend time perfecting these machines and it

is unreasonable to expect that they will achieve perfection in a few months of work. Iran has spent nearly twenty years working on the IR–1 centrifuge, 1970s technology that it bought outright, and only managed to operate this centrifuge at roughly half of its design capacity.

Iran will also be limited to solely 300 kilograms of 3.67 percent U–235 in any form for 15 years. This restriction alone would hold Iran back from quick breakout because 60–70 percent of the work required for a bomb is in the initial period of enrichment from natural levels to ~4 percent.

But, combined with the centrifuge limits, Iran will be a year away for at least 10 years—until 2025—and anywhere from 6–12 months away for another 5 years beyond that. It is also important to note that, during this time, inspectors will have continuous, online enrichment monitoring of Iran's centrifuges. So, if a move to breakout were to take place, it could be detected almost immediately through a system of sophisticated, secure sensors.

After that, it is true that breakout probably will narrow. But, only with respect to the declared uranium path. For plutonium, the breakout timeline is multiple years long and will not shrink for a considerable length of time. The Arak reactor's modification will render it incapable of producing such plutonium, essentially permanently because of difficulty of modifying the reactor core of a once-operated reactor. Iran's agreement to not engage in reprocessing R&D, to construct a reprocessing facility, or to construct a reactor capable of producing weapons-grade plutonium in useful quantities will last until 2030. But the impact of this decision will go farther: having been stymied in this work for so long, it is unreasonable to expect a rapid improvement in Iran's capabilities or physical capacity. Judging by how long Iran has been building the Arak reactor (i.e., since 2007), it is reasonable to argue that it would be 2035 at least before Iran could have another such reactor, let alone spent fuel reprocessing capabilities.

Breakout is not the sole measure of a deal. But, compared to the status quo—2–3 months to breakout for uranium, with 1–2 weapons worth of plutonium being produced per year at Arak—we are far better off with the deal than without it.

The deal also offers much by way of timely detection. Daily access to Iran's most sensitive nuclear sites remains possible. But, continuous monitoring—including through use of sophisticated new safeguards technology—may make this unnecessary. The right to utilize advanced monitoring technology is perhaps one of the most important if unsung elements of the deal, reducing cost and labor burdens while also dealing with problems of immediate access that would have constantly raised questions as to whether Iran was cheating at any particular moment.

Beyond the declared facilities, there is an impressive array of monitoring provisions with respect to all of the key aspects of the nuclear fuel cycle. From uranium production through centrifuge manufacturing, the IAEA will have the right to monitor what Iran is doing to ensure that it cannot be diverted to a covert path. Similarly, Iran will be forced to utilize a procurement channel that enables the United States to have a vote on what Iran can procure and end use verification by exporters and, in some cases, the IAEA. Some of these provisions lapse at the ten year mark but others—including the important provisions on centrifuge manufacturing and uranium production—continue for 20 and 25 years respectively. This means that the world will have visibility into Iran's nuclear program beyond the international norm, even enhanced by the Additional protocol, until 2040. Of course, the access Iran is required to provide under its Comprehensive Safeguards Arrangement and Additional Protocol will continue so long as Iran is adhering to those treaties; a decision to withdraw from either would, naturally, trigger an international response.

Some may argue that the time available to the President is far less than promised, seeing as there is now a dispute resolution process that participants are obliged to observe if there are difficulties with JCPOA implementation. This process could take perhaps as long as 80 days. But, within a 1 year breakout time, that is still enough time to seek new diplomatic action, based on the reapplication of pressure via the snap-back mechanisms that would be triggered at the end of that process as well as additional sanctions.

Moreover, we must bear in mind that any contingency that requires less time than 80 days is also probably not one that sanctions would have addressed in any event. Exposure of an ongoing, near-breakout and covert Iranian nuclear weapons program would prompt consideration of military options more than sanctions, and I personally believe that use of force would be the best course of action in this instance. At the same time, more modest actions prompting snap-back also would be less likely to shrink the breakout time by any discernible degree. Discovery that Iran has 100 more kilograms of 3.67 percent enriched uranium would be a problem. But, it would not shorten breakout below the snap-back threshold.

In my view, therefore, any discussion of snap-back and the dispute process needs to be based on a thorough evaluation of likely scenarios and responses. Doing so results in different expectations for the risk created by any particular Iranian violation.

AFTER THE SUNSET

Even some skeptics may agree that, within a 10–15 year band of time, the deal may work as designed. However, this is distinct from the concerns that exist about what would happen after the deal's main restrictions end in 2030. Some, most notably Prime Minister Netanyahu, have alleged that it is in this fashion that the deal paves the way to an Iranian nuclear weapon.

I disagree. First, the argument against sunset presupposes that there is either no point in time in which Iran could be trusted with a nuclear program—or, anyway, the Islamic Republic of Iran—or that negotiations could possibly have delivered a sunset far longer than what is in the deal. Having experienced these talks personally, I can vouch for the fact that there was no scenario in which Iran would accept voluntarily the absence of a serious nuclear program for decades. If the Iranian negotiators had delivered such a deal, people—including important people in the security services—would be right to ask why Iran endured sanctions for as long as it did. Moreover, Iran has become an advocate for the entire non-nuclear world in its defense of a nuclear program including enrichment. Expecting Iran to back away from that role, even in return for sanctions relief, went beyond what negotiations could achieve.

Some would argue in response that this does not mean that sunset of 10 years is acceptable. Certainly, I too would have preferred a multi-decade long set of restrictions. But, it is legitimate to question why that would be necessary as well as to ask how many years would be enough to build confidence. Given that, taken in combination, the restrictions and access provisions extend in some respects for 15–25 years, it is reasonable to argue that sunset will be a prolonged affair.

During this time period, of course, the United States is also free to abrogate the agreement and to declare that Iran's nuclear program, at the time, remains a concern. Successful execution of this step will require effective diplomacy and the right context at the time. But, it is achievable if a future President decides that no other options would work. Of course, a future President could also decide that Iran's nuclear program must be met with force.

BUT WHAT ABOUT SANCTIONS?

A major complaint about the nuclear deal is that it provides Iran with far too much sanctions relief and that the practical effect of increasing trade with Iran will render snap-back ineffective.

First, on the issue of scale, it is a blunt reality that Iran was not going to accept major restrictions on its nuclear program and invasive monitoring on the cheap. No one in the United States government would disagree that Iran should take these steps without compensation, seeing as it is Iran that stands in violation of its international obligations. But, in the real world, this is not a sustainable argument. Just as Iran could not scrap its nuclear program to make a deal work, Iran could also not accept nuclear steps being taken without reciprocation. De-escalation of the nuclear program required de-escalation of sanctions.

Faced with this reality, the Administration did the right thing in leveraging sanctions relief for maximum, early nuclear steps. Instead of debating whether one sanction was worth 10 centrifuges, the Administration cut Iran a deal: in exchange for big nuclear steps, big sanctions relief could be given. Iran is now under every incentive to take the steps required of it as soon as possible (and, arguably, would be even now removing centrifuges if the Iran Nuclear Agreement Review Act had not been passed, mandating the present 60 day review period). The United States insisted, and Iran agreed, that no such sanctions relief could be enacted until the IAEA verifies that Iran has done its part. As a result, we will be able to see—and have the IAEA report—that Iran has done everything required of it before any relief flows.

But, the sanctions relief provided by the United States does not equate with unilateral sanctions disarmament. The United States retains a number of sanctions authorities that will continue to damage Iran's ability to engage in terrorism financing, as well as to exact consequences for violations of Iranian human rights and other destabilizing activities. This includes the all-too-important tool of secondary sanctions through the Comprehensive Iran Sanctions, Accountability and Divestment Act or CISADA. With this tool, the United States will still be able to pressure banks and companies against doing business with the IRGC, Qods Force, Qassem

Solemani, and Iran's military and missile forces. The EU and U.N. decisions to remove some of these entities from their own sanctions list is therefore important to Iran mainly as a symbolic step; practically, these entities and individuals will find their international business activities stymied due to the centrality of the United States in global finance until they correct their own behavior in the eyes of the United States.

Moreover, the United States will retain its ability to impose sanctions on entities and individuals trading with Iran in conventional arms and ballistic missiles, even after U.N. restrictions in this regard lapse in 5 and 8 years respectively. The U.N.'s provisions were important in terms of setting international approval and backstopping for U.S. unilateral efforts. But, they were conditioned, even as early as 2006 and 2007, on Iran's failure to fulfill its nuclear obligations. Even the earliest UNSC resolutions laid out a package in which these sanctions would be terminated when Iran satisfied the P5+1 and IAEA on the nuclear issue. Further, it is the consequence of U.S. sanctions on these targets that can best deter bad behavior. Similarly, international export controls governing transfers of these types will remain fully in force.

Second, on the issue of snap-back, Iran's growing international economic integration will cut both ways. Certainly, it is possible that the politics around future Iran sanctions will be prejudicial to rapid snap-back. However, the structure of the dispute process gives even just one country the right to insist that the UNSC consider whatever matter is in question with respect to compliance with the deal. The deal structures the snapback of UNSC sanctions such that the P5 veto power only works to end sanctions relief. In other words, though the process may need to be navigated, in the end, even acting alone, the United States can bring existing UNSC sanctions back into operation.

As noted, this could come with political costs. Many skeptics point to these costs as likely meaning that no such snapback would ever be triggered. But, many of these same skeptics also argue that it is theoretically possible to end the deal now and keep international partners moving forward with the imposition of sanctions. This is out of joint with reality and practical experience. Simply put, international reaction to U.S. actions now or in the future will always depend on the context and narrative. If the rationale for doing so is credible and the context demands action, then chances for success will always be higher.

Additionally, Iran too would have much to lose if snapback were to be triggered. Iran's leaders would therefore have to carefully evaluate the costs and benefits of any course of action that threatens the integrity of the nuclear deal. These costs will grow as Iran's economy recovers and grows. Explaining to Iran's people why a civil nuclear program has gone out of alignment with any practical needs, prompting reversion of sanctions, would prove a difficult conversation for Tehran, maybe as difficult as the one the United States would need to have with partners about the imperative of reapplying sanctions.

REGIONAL IMPLICATIONS

I would like to concentrate on two different sets of regional implications. The first is the risk that Iran will plow its hard-won sanctions relief into terrorism and regional troublemaking. The second is that Iran's enrichment program will spawn a cascade of new nuclear programs through the Middle East. I will conclude with some thoughts on how to address these implications.

Terrorism

It is certainly true that Iran will continue to support terrorism and activities that we oppose throughout the region. No level of sanctions could stop them from doing so. This is a government that has, after all, funded and armed radical elements since the fall of the Shah of Iran in 1979, through the Iran-Iraq War, and after the intensification of crippling sanctions in 2010. Tehran continued to invest in the Assad regime, despite the immediate loss of over a quarter of its 2012 oil revenues from sanctions imposed in December 2011, and $60 billion in potential revenues from that point forward. Likewise, Iran has assisted Shiite militants in Iraq, the Taliban in Afghanistan, and is now supporting the Houthis in Yemen, despite major economic crisis at home. Clearly, money is no consideration for the Iranians when it comes to support for terrorism.

But, money is important when it comes to Iran's domestic front. Iran's population as well as its leaders know how much money is at stake, and how it can be used. It is implausible that, after the Supreme Leader allowed Rouhani to be elected president in 2013 on a platform pledging economic recovery—in part, through promises of sanctions relief—either man would support initiatives that leave the Iranian population in the cold in order to protect foreign groups and leaders like Assad. To

do so would be to risk the very instability and threat to the regime that the Iranian government have sought to prevent by seeking sanctions relief through this deal.

Since the international community intensified sanctions against Iran in 2010, Iran has only grown more desperate. For example, the country's oil sector now needs anywhere from $50 to $100 billion in investment to improve production, a point that Iranian officials, including Oil Minister Bijan Namdar Zanganeh, have emphasized repeatedly over the past two years. External investment was cut off by sanctions, and Iran has not had the spare capital to maintain, much less improve, its facilities. Nor has it enjoyed access to new technologies that could enhance oil field productivity.

Oil is, of course, only one part of Iran's economy, which includes struggling industries like automobile and domestic manufacturing. To avoid an over-dependence on global oil markets, Iran has also made it state policy to build a diversified export economy. Given the prevailing low global oil prices, Iran is likely to continue trying to strengthen other sectors to maximize its growth potential and limit its vulnerability to an uncertain market.

Lest observers assume that Iran would have turned its entire economy into a terrorism-financing machine if only it had the money, consider the fact that the most intensive sanctions on the country are only 3 years old. Before January 2012, oil sales were bringing in nearly $88 billion a year, money that Tehran largely spent as any government would: on domestic priorities—not solely to back anti Western interests. If the LA Times is to believed, this is a conclusion that CIA has itself reached.

As with the effort to wean its economy off oil, Iran has also sought to reduce costly subsidies on everything from food, to housing, to energy, in order to improve the economy's efficiency, reduce waste, and spur competitiveness. But sanctions targeting Iranian oil revenues hampered that effort, as the country lacked the hard currency—and political will—to forge ahead with subsidy reform, at least until Rouhani's election. It is now struggling to complete this project, one that sanctions relief would undoubtedly boost by providing Iran with fresh revenue and reducing its citizens' dependence on government handouts. This is particularly important for Rouhani, who will be looking to shore up domestic support in the run-up to parliamentary elections in February 2016 and to win reelection in 2017.

But beyond this, any rosy expectations for Iran's economy must be tempered by the reality that oil, still its primary economic driver, is worth less today than in years past and is predicted to stay that way for the foreseeable future. Iran simply won't have as much money coming in on an annual basis, due to global economic conditions, until the rest of its economy picks up speed. Even if Tehran had wanted to spend $100 billion on nefarious side projects a few years ago (and let's be clear: given $100 billion was more than the entire annual oil export revenue for Iran at the time, even when prices were high, this would hardly be credible), it makes even less sense today.

Consequently, it is much more likely that only a portion of the liberated $100 billion and any future revenues will go to support Tehran's regional adventurism. No one knows how much, but experts have made some educated guesses, suggesting that the regime has spent anywhere from $3.5 to $20 billion a year in Syria, figures that pale in comparison to annual military spending by the United States and the Gulf Cooperation Council.[2] This is not to say that Iran cannot do a lot of damage with a few billion more dollars.

But, Iran will have to deal with residual United States and international sanctions inhibiting it. As mentioned earlier, this includes sanctions that preserve the secondary application of U.S. sanctions on foreign businesses and banks. But, beyond this, since 9/11, the international banking system has adopted new standards and helped create intergovernmental groups like the Financial Action Task Force [FATF] to crack down on money laundering and terrorism financing. Banks monitor their business far more aggressively now than ever before to detect and prevent such activities, in part by using the best practices and guidelines developed by FATF. Banks are also under greater scrutiny by their national regulators—and, in fact, by the U.S. Treasury Department—to keep their systems from being used by terrorists and their financiers for illicit acts.

Moreover, if need be, Washington and its partners can always augment sanctions to deal with specific Iranian threats, such as Iran's conventional arms market. These could be modeled on an existing authority, like sanctions covering the manufacture, shipping, and financing of weapons of mass destruction. Far be it from abandoning sanctions as a tool after the nuclear deal, the United States could use

[2] Stockholm International Peach Research Institute, "SIPRI Military Expenditures Database," *http://www.sipri.org/research/armaments/milex/milex—database.*

sanctions as an effective deterrent in this regional context. Care, however, will have to be taken to avoid giving Iran a pretext to argue that the United States is undermining the very sanctions relief that made a nuclear deal possible in the first place.

In this context, several observers have suggested that it might be necessary to undertake strategic economic pressure against Iran as we have done to deal with the nuclear program. I think that this is probably unnecessary and potentially a mistake. First, we already have applied strategic economic pressure on Iran and did not meaningfully change its regional approach. Though the sanctions we applied on Iran from 2010–2013 were nuclear in focus, Iran felt no distinction. Nor did it respond by making accommodations on the terrorism front, as it did on the nuclear program. I believe this is because both the causes to which Iran is dedicated in the region are too dear to it to abridge and the financial requirements for the support of terrorism are relatively meager. To get the kind of economic pressure that would be required to get Iran to discontinue its financial support for terrorism—rather than reduce it, as probably did take place—we would have to establish the same kind of sanctions regime against Iraq in the 1990s, reducing Iran to a starvation diet.

It is highly doubtful that our most important sanctions partners would support us in such an endeavor and the risk of sanctions leakage would be significant. But, even if they did, for how long would we prepared to keep such a regime in place? For, if we relaxed the pressure at some point, it is doubtful that Iran would abandon future support for terrorism. Ultimately, in my view, such a path leads us to requiring regime change, with all the complications that this would bring.

Instead, I believe that the use of targeted financial sanctions pressure to cut off nodes is a better, more effective approach to dealing with support for terrorism, as part of a larger approach I will describe below.

Regional Proliferation

The second main concern posited is that Iran will fan the flames of regional nuclear proliferation, leading to nuclear weapons programs throughout the Arab world as a counter to Iran's now entrenched nuclear program.

I strongly disagree that this is the likely result of this deal. Moreover, I believe we have adequate tools to prevent such an outcome.

First, this argument presupposes that countries have been waiting for a negotiated outcome to enshrine Iran's enrichment program into international law to launch their own nuclear programs. But, this argument implicitly suggests that while a deal to constrain Iran's nuclear program might motivate others to launch a breakout, Iran's relatively unconstrained last ten years did not. If there is a logic to Arab nuclear weapons efforts, then it is that they cannot count on anyone else to stop Iran from acquiring nuclear arms and must counterbalance Iran themselves. If this were truly their view, then why only start now? We should be seeing signs of nuclear weapons breakout around the region.

Instead, we see either nuclear programs being undertaken with an explicit, if bounded, unilateral renunciation of uranium enrichment (as in the UAE) or with far less direction and interest than would be expected (as in Saudi Arabia and Egypt, principally). There have been periodic statements of interest in nuclear energy by other countries in the region and even some efforts to establish the legal and scientific infrastructure that could facilitate a larger program. But, the most advanced Arab nuclear program is in the UAE and, as noted, it is being built on the back of a non-enrichment pledge that no one in the UAE has suggested they will renounce. If a nuclear arms race has been launched, it may be the most modest one in history.

Of course, an argument can be made that, prior to the nuclear deal, Iran was under perpetual threat of military conflict with the United States. Now, with a deal, it is not. Such a mindset ignores the fact that President Obama has explicitly retained the military option for dealing with Iran's nuclear program and that several candidates to succeed him have done the same (if not indicated that military strikes would be a preferred approach to diplomacy). But, it is arguable that conditions have changed and, therefore, so must the security calculus of Arab countries.

The flaw in this argument, though, is that several states in the region have already stated their support for the deal, including those most often identified as the likeliest to match Iran with their own nuclear programs: Saudi Arabia, the UAE, Egypt and Turkey. The Gulf Cooperation Council issued its own statement of support on August 3, with the Foreign Minister of Qatar saying all of their behalf: "We are confident that what they undertook makes this region safer and more stable."[3]

[3] Gordon, Michael, August 3, 2015, "John Kerry Wins Gulf States' Cautious Support for Iran Deal," New York Times, Available at: *http://www.nytimes.com/2015/08/04/world/middleeast/*

The GCC's statement also underscored the degree to which United States security assurances bring comfort to its membership. True, any of these countries could be concealing their security fears in order not to offend either the United States or Iran. But, taken in combination with the fact that none of them also has announced a decision to establish an enrichment program with which to compete against Iran—which would be entirely legitimate under the NPT's current rules—it is pure conjecture to argue that the arms race has been launched.

The statement that is used most often to contradict this positive assessment is that of former Saudi intelligence chief, Prince Turki al Faisel, who has often indicated that Saudi Arabia will insist on matching directly any physical capabilities that Iran has.[4] Presumably, this means that the Saudis will now seek to build their own enrichment plant to match Iran's and to invest in the capabilities required to bring it to the nuclear weapons threshold. But, we have not seen that thus far. What we have seen is a willingness to spend some money to develop science centers that, one day, could train the experts required to start a nuclear weapons project. We have seen willingness to explore the construction of reactors, but the physical infrastructure has yet to be built or pursued seriously.[5] To acquire even an enrichment program—much less a nuclear weapons program—would require a massive expansion of Saudi expenditure and investment. Certainly, the Saudis have the money to finance the attempt but every day that they do not is another day deep into the future that they would be able to turn finance into nuclear material. It takes time to develop such capabilities. The Manhattan Project was a war-time endeavor financed by the world's strongest economy and aided by some of the finest scientific minds in the world. Nuclear weapons programs in China, India, Pakistan, and North Korea have taken far longer. Iran's enrichment program started in the late 1980s, but on the backs of scientists who took their training at United States universities in the late 1960s and 1970s. Iran's first reactor, supplied by the United States, was delivered in 1967. These things take time.

Of course, there has long been a theory that Saudi Arabia could purchase nuclear weapons from Pakistan, drawing on the long history of support the Saudis have given the Pakistanis (which some say even involved financing the Pakistani nuclear weapons program). But, the Pakistanis have their own problems, none of which would be assisted by transferring nuclear weapons or nuclear weapons technology or even enrichment technology to a non-nuclear weapon state. Pakistan has sought to emerge from the pariah status it attained when A.Q. Khan sold uranium enrichment elsewhere in the Middle East (notably, to Iran and Libya but not to Saudi Arabia), one reason why—when the Bush Administration sought to overturn decades of nonproliferation practice by creating an India-specific set of carveouts to the nonproliferation regime—Pakistan was left in the cold. Moreover, Pakistan has already demonstrated independence from Saudi Arabia in turning down the Saudi request for ground troops in Yemen this spring.

Egypt faces similar technical problems, while the UAE and Turkey have made clear that they have different priorities than matching Iran's enrichment program (the latter aided by the maintenance of the NATO nuclear umbrella).

But, let us briefly consider an alternative scenario in which the Iranian nuclear program is not constrained by a nuclear deal. If those arguing that nuclear proliferation will begin immediately, then killing this deal would logically become the starting pistol for an arms race as well. Iran's nuclear program would almost certainly be rejuvenated, with thousands of new centrifuges and a completed Arak reactor only the most visible manifestations of a dedicated Iranian capabilities drive. Some have argued that a better deal would emerge from this, though this argues that Iran could be forced to agree to lower centrifuge numbers, longer terms, and more intrusive inspections after the United States becomes the diplomatic pariah for ending a deal most states in the world support. Assuming that is not the case, then the only response would be accommodation of even greater Iranian nuclear capabilities through a new deal—with a United States bluff having been called—or military action. Unless regime change were envisioned, military action is more likely to create an incentive for Iran to develop a nuclear deterrent in the future. As a consequence, more likely to spur the arms race that so many fear now.

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gulf-states-cautiously-support-iran-nuclear-deal.html?hp&action=click&pgtype=Homepage & module=second-column-region&region=top-news&WT.nav=top-news

[4] Usher, Barbara Plett, March 16, 2015, "Iran Deal Could Start Nuclear Fuel Race: Saudi Arabia," *BBC*, Available at: *http://www.bbc.com/news/world-middle-east-31901961*

[5] Esfandiary, Dina and Ariane Tabatabai, April 22, 2015, "Why Nuclear Dominoes Won't Fall in the Middle East," Available at: *http://thebulletin.org/why-nuclear-dominoes-wont-fall-middle-east8236*

U.S. POLICY RESPONSE

The above analysis lays out a reasoned examination of why the region will not spiral out of control simply because of the nuclear deal we are here to discuss. But, this is not to say that the United States should rest on its laurels. I recommend four specific steps to manage the consequences of the deal and to ensure that the doomsday scenarios I doubt will occur are clearly avoided.

First, the United States must continue to reaffirm its support for our partners in the region. This should involve arms sales, but must go beyond that. We should maintain a robust military presence in the region and ability to quickly bring military assets to bear throughout it. We should also explore ways of working with Arab countries to make their military response force a capable, coherent and useful instrument to challenge and contain Iranian regional bad behavior. Most important, we need to demonstrate that, though we have global interests, we have regional priorities, foremost of these the security of our regional partners. Coordination of activities in the region to combat terrorism is an important part of the endeavor, as are continued strategic dialogues about how to handle the various problems that exist in the region. Importantly, dialogue must be a true two-way street in which the United States is free to share its perspectives and analysis, as are U.S. partners. This may include uncomfortable conversations about domestic situations in partner countries that could offer openings to Iranian troublemaking. Friends might not like hearing such things and resent the implied condescension, but it is the responsibility of friends to pass along tough messages as well as physical support.

Second, we need to maintain robust intelligence-sharing with countries in the region about Iran's activities and, importantly, compliance with the nuclear deal. Some things will need to be protected given sources and methods concerns, but the general modus operandi ought to be transparency when it comes to the nuclear deal. Only through confidence that intelligence cooperation is full and forthright will partners believe that they know all that we know about Iranian strategic intentions and capabilities. That can only come with enhanced coordination and sharing.

Third, the United States must strive to be an active, positive nuclear cooperation partner with countries in the region. Trying to put the genie back into the bottle by denying nuclear cooperation with countries like Saudi Arabia unless they foreswear any future possibility of uranium enrichment on their territories was always a complicated—and probably impossible—proposition. Now, it is undeniably more difficult. But, nuclear cooperation can put us in a stronger position to discourage the exercise of the enrichment option, which is not precluded by the NPT. We have never been able to convince any country to relinquish forever its capacity to produce enriched uranium at home. Even the "gold standard" nuclear cooperation agreement with the UAE contains the possibility of the UAE backing out of its no-enrichment pledge if it so chooses as well as an expiration date, Instead of pressing for a self-denying legal commitment, we must concentrate on removing the incentives to pursue enrichment or reprocessing by providing cradle-to-grave nuclear supply and by demonstrating our reliability as nuclear trading partners.

Fourth, we must continue to enforce our existing sanctions to deal with Iranian terrorism, destabilizing regional activities and violations of human rights. As noted above, Iran has reserved the right to react negatively to such decisions by withdrawing from the nuclear deal. This is not the unprecedented, unacceptable sign of a weak agreement that critics are making it out to be, but rather a standard principle of national sovereignty. Even the NPT has a withdrawal provision. But, Iran will face consequences should it decide to do so. Iran is less likely to withdraw from this nuclear deal in response to credible enforcement of non-nuclear-related sanctions than it is in response to broad sectoral-based sanctions for non-nuclear reasons. To this end, even new authorities could potentially be adopted so long as they do not overlap the terms of the sanctions relief provided in the JCPOA or give Iran a credible argument that it is being deprived of the relief its nuclear restrictions have purchased. One such concept could be the promulgation of sanctions authorities, including an Executive Order, that permits sanctions against those who traffic in conventional arms to or from Iran. This would remove the need to demonstrate that such arms are going to a particular end use, making the legal hurdles less. Iran may choose to ignore these sanctions or protest them, but we can enforce them nonetheless and continue to make such trade anathema. Of course, we can continue to enforce the U.N.'s and our specific sanctions covering transfers to terrorist groups, Assad's forces in Syria, and the Houthis in Yemen.

CONCLUSION

I believe that the nuclear agreement reached by the United States, its P5+1 partners, and Iran is a good deal. It is not a perfect deal. There are things that, in a

perfect world, would be changed, starting with the fact that—ideally—Iran would not be permitted to engage in enrichment, reprocessing or heavy water activities in perpetuity. Such an Iran would also be forced to change into a better actor in the region and beyond.

But, we do not have the luxury of that world. Instead, we face two options. We can either accept the deal that has been negotiated. Or, we can turn our backs on it. To do so is to go in an ill-defined alternative scenario. Some argue that in this scenario, sanctions can be intensified in order to achieve a better deal. Still others argue that military action could be undertaken. But, each of these courses of action would require taking significant risks that either they would not be successful and, in the attempt, that we would lose the support of the international community. An Iran strategy based on "going it alone" is not a recipe for success.

Moreover, while pursuing such an alternative, Iran would either wait expectantly for the sucker punch to be delivered that would complete the job of undoing global support for United States efforts, or march forward on its nuclear program, beginning the operations of thousands of new centrifuges and constructing the Arak reactor in its original, bomb-factory design.

For, at this point, there is no magical middle ground to be occupied. If the United States rejects the deal now, it will not be possible to negotiate a new one and certainly not before Iran undertakes a potentially dramatic expansion of its nuclear program. This is because of both the politics that will be associated with doing so in Iran—whose leaders would convincingly argue "if the United States is not going to fulfill this deal, what is to say they would fulfill a future one?"—and because the JPOA would collapse at the same time as the Joint Comprehensive Plan of Action. Some argue that Iran could continue to observe its JPOA commitments and so could the United States. But, United States law now makes that impossible. Under the terms of the Iran Nuclear Agreement Review Act (INARA), if a joint resolution of disapproval is passed by Congress, the JPOA can no longer be observed by the United States as a legal matter. The law states that the President is no longer permitted to provide relief from sanctions established by Congressional action. So, waivers could not be extended under the statutory authorities in place.

As such, the Executive Branch would have to restart efforts to reduce Iranian oil exports—paused under the JPOA—and impose sanctions for the movement of Central Bank of Iran funds. It is inconceivable that, even if Iran wished to keep the JPOA afloat, Iran would accept United States efforts to reduce Iran's oil exports by holding steady on the nuclear program. So, even if new laws are not adopted by Congress or the Executive Branch, U.S. sanctions under the JPOA would again be active and in need of enforcement.

Would international partners join us in this effort? It is highly doubtful and certainly not with the vigor needed to be effective. As such, the United States would be brought into confrontation with key trading partners.

So, Congress must make the choice that it asserted was essential in the passage of INARA and decide if the alternative to the JCPOA is worth it. Leadership and vision from Congress, as the President has shown in pursuing this deal, is now needed. I urge Congress to make the right choice, and to support this deal.

Chairman MCCAIN. Thank you.

Professor Mead, as a result of this—maybe I'd ask all the witnesses, beginning with you, Professor Mead—do you anticipate Iran's support for the spread of terrorism and influence throughout other Middle East to increase or decrease as a result of this agreement? We know that they are in Yemen and Iraq and Syria and Lebanon, and now we have reports of them providing—the Iranians providing weapons to the Taliban. Do you believe that their efforts as—and status as the world's number-one supporter of terrorism would increase or decrease?

Mr. MEAD. Mr. Chairman, I believe the Iranians will use the opportunities offered by this agreement to expand their efforts to become stronger, to push their enemies back, and to redesign the Middle East in their own image.

Chairman MCCAIN. Mr. Singh?

Mr. SINGH. I think that, at the very least, there's no indication that they'll decrease it, and I think there's good reasons to think that they could increase it as a result of the agreement, for a cou-

ple of different reasons. One is that you may see them want to reaffirm their anti-American bona fides in the wake of having made a diplomatic deal with the United States, since anti-Americanism is so core to the regime's identity. Second, I think that, because the Supreme Leader of Iran has generally tried to balance the different factions of the regime, to the extent this is seen as a victory for President Rouhani and the pragmatists, he may have a desire to sort of throw a bone to the hardliners in the IRGC [Iran Revolutionary Guard Corps] and so forth by giving them freer rein in other realms.

Chairman MCCAIN. Dr. Takeyh.

Dr. TAKEYH. As I mentioned, Chairman, the international relations of Islamic Republic, in my view, should be thought about in two segments—'79 to 2011, 2011 to today. In aftermath of 2011, we see a much more aggressive expansionist Iran, simply because there are more opportunities with the collapse of the regional state system as a result of Arab Awakenings. So, as they respond to those opportunities with additional funds, I expect a surge of Iranian imperialism and terrorism.

Chairman MCCAIN. Dr. Gordon?

Dr. GORDON. As I said in my testimony, Iran is, indeed, a leading state sponsor of terrorism, and it is right to worry that they would use some of the assets——

Chairman MCCAIN. My question was, Do you think it will increase or decrease?

Dr. GORDON. I'm not sure that it will have a direct effect on what is——

Chairman MCCAIN. So, you're not sure.

Dr. GORDON.—Iran is already doing.

Chairman MCCAIN. So, you're not sure. I've got to——

Mr. NEPHEW.

Mr. NEPHEW. Senator, I think that the Iranians are going to continue the policies they've had for the last 35 years. But, they weren't going to change them without a nuclear deal, as well.

Chairman MCCAIN. I see. So, it's okay to have a nuclear deal and no restraint on their terrorist activities. Is that your answer, Mr. Nephew?

Mr. NEPHEW. No, Senator. In fact, I said, a number of different ways, that we should have restraint on their terrorism support. We have a lot of policies that we can use to do that.

Chairman MCCAIN. The question is, now that they have $50–60 billion, or whatever additional they have, that they will—in the view of at least this Senator and others, they will increase their terrorist activities—more refugees, more killing, more expansionist into other countries in the region.

Professor Mead, what do you make of the statements by the Gulf countries and the Saudis? A sort of a conditional endorsement of this agreement?

Mr. MEAD. Well, Senator, I think they're making the best agreement—best step they can, from their own point of view. They see a *fait accompli*, and they think they might as well see if they can—what they can get from the United States by, at least in public, appearing to go along, though I must say, very cautiously, I suspect

that if some of you were to go over to the region and speak with them privately, you might hear a more alarmed response.

Chairman MCCAIN. I've already heard that, yes.

Mr. Singh, we have various quotes from individuals in the Iranian regime that are saying, for example, that there will be no inspections of any military facility. What are we to make of those comments by more than one senior members of this regime?

Mr. SINGH. Well, Senator, the agreement obviously gives Iran the ability to say no if the IAEA requests access to sites. So, I think that what you see now are the Iranians, not just for domestic consumption, but also for our consumption and the IAEA's consumption, trying to condition us to understand what they will and won't accept, to sort of already start testing this clause of the agreement about our access to undeclared or suspect sites. What you've heard, for example, from Ali Akbar Velayati, who is the Foreign Policy Advisor to the Supreme Leader, is, "Anytime we get a request for access to military sites, the answer is no." That should be unacceptable to us, and it will set up a confrontation to demand access and get access to those sites.

Chairman MCCAIN. Dr. Takeyh?

Dr. TAKEYH. I think, as Mike suggested, there will be a real issue of contention.

I just want to say one thing about inspection regime in this particular agreement, which is prolonged, and the notion that the only way you can get a different agreement is through armistice after the war. One of the things I did in the 1980s, when I was in college, I studied arms control, which in 1989 didn't seem like a very good decision, but, actually, in retrospect, it is. South Africa actually agreed, during the time of when it was cleansing itself of nuclear weapons, to allow inspectors anytime/anywhere access, which they identified as one day. That was the arrangement that was essentially informally worked out with the IAEA. That process took a number of years for IAEA to validate that South Africa is no longer husbanding nuclear weapons. But, we have had inspections that are much more time-sensitive in the past for a country that was ruled by Nelson Mandela.

Chairman MCCAIN. Well, of course, it's also—the repeated refrain is "the best deal we could get." That certainly is in the eye of the beholder. In the view of Dr. Kissinger and former Secretary [of State] Shultz, in the Wall Street Journal, this negotiation, more from doing away with Iran's efforts to attain nuclear weapons, to delaying the Iranian acquisition of nuclear weapons.

Senator REED.

Senator REED. Well, thank you very much, Mr. Chairman.

Mr. Singh, you made a very interesting point, which is that, in the aftermath of the agreement, if it's withheld, the leadership in Iran could try to placate their most, you know, aggressive forces by giving them a freer hand. There's a flip side to that, that if the agreement is rejected by the United States, wouldn't it be a temptation to sort of vent their displeasure by increasing their terrorism activities in the region, and—otherwise, it would appear that they're just simply accepting the fact that the sanctions are in place and that, you know, they're just unwittingly going along with the U.S.?

Mr. SINGH. Well, Senator, I think that—as I mentioned before in response to Senator McCain, I don't think that their regional strategy is going to change fundamentally as a result of the deal. I don't think it would change if there were no deal. I think that their regional strategy is what it is, essentially.

Senator REED. Right.

Mr. SINGH. What the deal does is, it perhaps facilitates that regional strategy. If there is no deal, I have no doubt that you'll have people in Tehran sort of crowing about the unreliability of the United States, and so forth. Again, what is the practical impact, in terms of what they do? I doubt that it causes a fundamental change. We're already seeing, as Dr. Takeyh mentioned, an expansion in what they're doing.

Senator REED. But, it—that expansion—I think the point that you make would—could be facilitated by additional resources, but their strategy, their terrorism, et cetera, that trajectory is set, regardless of the outcome of the nuclear negotiation.

Mr. SINGH. I think it is. There's a flip side to that, though, which is, their nuclear weapons ambitions are part of that strategy. That strategy I mentioned about anti-access and area denial, about projecting power and restricting our ability to operate in the region, is undoubtedly enhanced by having either a threshold nuclear weapons capability or an actual nuclear weapon. So, that's why we had, sort of at the outset of these negotiations, when I was involved from the NSC [National Security Council], thought that, for a nuclear agreement to be sustainable, you had to have a strategic shift by Iran. Since we haven't seen that strategic shift, I think, fundamentally, the nuclear weapons ambitions remain in place.

Senator REED. Those nuclear ambitions are at least suspended—there are various terms: parked, delayed, made more complicated—by the agreement, at least.

Mr. SINGH. Well, I——

Senator REED. They're made more complicated.

Mr. SINGH. I think that—as I mentioned, I think that Iran's objective has been twofold. I think they've wanted to have—to sort of cement that nuclear weapons option while getting the sanctions relief. I think the accomplishment, from the Iranian point of view here—and President Rouhani of Iran has sort of suggested this, he hasn't said it explicitly—is that now Iran's nuclear weapons program—he would say Iran's nuclear program—is legitimized, essentially. Iran's enrichment activities and other activities are accepted rather than considered illegal or illicit by the Security Council. So, it locks that option into place so that, if Iran wanted to exercise it in the future, whether because the sunsets expire, whether through covert means, which I actually think is much more likely, they have that option in place.

Senator REED. Thank you.

Dr. Gordon, the same—similar set of questions, in terms of—the agreement's rejected, I think there's—seems to be a consensus that the terrorism trajectory continues, maybe with more energy, or less. But, in terms of suspending, at least, their—or shackling a bit—their nuclear potential, that disrupts their overall strategy of combining this near-nuclear state with terrorism.

Dr. GORDON. Right. As I said in response to Senator McCain, I'm not sure there's a direct link between this deal and their terrorism activities, which they will probably pursue. It is true—so, I agree with Mike on that score—they will have a little bit more resources to put to that, but those resources, you know, have other obligations on them, as well.

I would note that most of their terrorism-supporting activities are not particularly cost-sensitive. I mean, Iran is devoting to terrorism what it chooses to devote to terrorism. More money in the coffers is not likely to make a significant difference there. So, my concern is—in the rejection scenario that you talk about, is that it doesn't have a major impact on the continued support of terrorism, which is obviously a huge problem we need to confront, but, at the same time, we lose the nuclear deal.

Senator REED. It essentially accelerates this strategy of enhanced terrorism with enhanced nuclear capabilities, so it's not 10 years out, it's several years out——

Dr. GORDON. Which——

Senator REED.—or we're forced to make a choice very quickly about more severe steps.

Dr. GORDON. Exactly. That would be the worst of all world, if they were able to move forward on the nuclear front while still pursuing the terrorism agenda.

Senator REED. Thank you very much, Mr. Chairman.

Mr. SINGH. Senator, can I just clarify one point here?

Senator REED. Sure. Sure. Absolutely.

Mr. SINGH. There's a point of disagreement, because I think that we shouldn't minimize the impact of additional resources. If you look at the state of groups like Hezbollah, Palestinian Islamic Jihad, Hamas, the Houthis, and so forth, in Yemen, there is plenty of reporting that's out in the open source to suggest that these groups are financially squeezed, that support for Hezbollah has gone down, Islamic Jihad has had to close offices, Hamas was decimated, obviously, by the last round of fighting with Israel. So, additional resources, I think, can actually make a big difference.

Then the other thing to bear in mind is, with the arms export ban to Iran lifted, with those arms sanctions being lifted in 5 years, with the ballistic missile sanctions being lifted, there could be a qualitative increase in what Israel—I'm sorry—what Iran is able to provide to groups like Hezbollah, which are facing Israel and other allies. So, replacing rockets with guided missiles, for example. Those are important things.

Senator REED. Let me, on the other side, though, just to put it on the table and be evenhanded, is that this opening to the West—the trade, the commerce, the more interaction—will have a very difficult—it will have an effect, difficult to measure, but it might even be a counter effect, in that they have, now, a little bit more to lose, in terms of some more provocative activity, if they're beginning to see a major increase in interaction with the international community. I—my time's expired, but I just——

Mr. SINGH. I mean—you know, I can't rule that out, but I would say we haven't seen that, you know, with China, for example, which is opened economically to the world.

Senator REED. Right.

Mr. SINGH. It's not really diminished the danger, in a sense. Also, you know, we haven't had a great success in the past in getting, say, European support for terrorism sanctions on Iran.

Senator REED. But, that might change, too, given the fact that we have now got their agreement with the nuclear side. Now we can shift forces. I don't want to abuse my time, but thank you, Mr. Singh.

Thank you, Chairman.

Chairman MCCAIN. Senator Sessions.

Senator SESSIONS. Thank you, Mr. Chairman. Thank you for another excellent panel. It's—provides some real insight to Congress on the issues that we face.

I appreciate your testimony.

Dr. Takeyh, you said it was curious how Iran is acting, because their actions, by any objective standard, seem to be contrary to their people's interest in—to the interest of the—of Iran as a nation, which I would agree. That is evidence to me that maybe Bud McFarlane was correct to say, "This is another revolutionary regime, and real revolutionaries don't change." You look at Castro, you look at North Korea, you look at these situations. They've asked their devotees to commit everything to this division, and they won't—they are loathe to give it up. Does that—do we not underestimate the religious, ideological drive behind this regime?

Dr. TAKEYH. I agree with that, Senator. I think that Iran's revolution has to be considered differently than China, Cuba, or, for that matter, the Soviet Union, because it is possible for some of those revolutionaries to kind of move on. To become an ex-Marxist is a sign of intellectual maturity. But, in this particular case, the religion—to be fair, a travesty and radicalized version—is the ideology of the state. There are people in the Islamic Republic hierarchy that believe the mission of the state is to realize God's will on earth, and they get to determine what God's will is. I mean, to ask them to abandon Marxism is maturity, to become an ex-Shi'ite is apostasy. This is serious stuff. I think this is one of the reason why Iran's revolution has not had the trajectory of previous revolutions, whereby over time they tend to mellow out and perhaps even, for sake of global integration, become less radical. I don't see that in here.

Senator SESSIONS. I think that's correct. I think we underestimate the power of religion in this circumstance.

Professor Mead, if we were to end—undertake this agreement, it seems to me it ought to be undertaken as part of an overall strategy for the Middle East in the spasm of violence that we've seen, and that may continue for several decades, I would think. You think of the George Kennan ideas that framed our response to communism, and this expansionist tendencies. Don't you think that what we need as a Nation is people, like the last two panels we've had, seriously analyzing the future of the Middle East, the nature of the extremist ideology that's there, and developing a long-term, sophisticated policy to rebut it and to try to diminish it over time?

Mr. MEAD. Senator, I think you've put your finger on something very important. As I've listened to some of the other testimony that's come before this committee in recent hearings, I'm struck that what we're not really hearing is, even from supporters of the

agreement, the idea, "Well, this is part of a well-orchestrated general strategy for the Middle East. This is what we're trying to accomplish. This is why this agreement is a step forward." We're simply seeing the agreement defended as, "Okay, there is a nuclear problem, and this, we hope, will be a solution to the nuclear problem, or at least it's less of a nonsolution than no agreement would be." But, what we—you know, what we're also hearing in the background is a kind of a universal confession of failure of strategy.

What is our strategy for ISIS? Are we fighting Assad first, then ISIS? ISIS first, then Assad? Neither? Both? Something entirely different? I think I've rarely, in my lifetime—although I certainly have heard moments of strategic incoherence, I've rarely seen American policy on such a wide scale on so many issues in such a vital region seem to be so incoherent. I'm still waiting to see what our strategy in Libya is. So—or why we intervened in Libya, which was of really rather insignificant strategic importance, and have done nothing in Syria, which is enormously more important. Why not both? Why not neither?

So, we do, I think, need, as a country, to have the kind of discussion about the Middle East that we had about Soviet expansionism in the 1940s, and to try to work our way toward some kind of general bipartisan agreement or confidence in an analytical approach to, really, a very vital part of the world.

Senator SESSIONS. Well, I think you've said it well. I do believe it's possible that we get a bipartisan approach. If we agreed to that kind of strategy, then we could be more willing to understand tactical decisions that are made along the way.

Mr. Chairman, thank you for your leadership and for having these important hearings.

Chairman MCCAIN. Thank you very much.

Senator KING.

Senator KING. Thank you, Mr. Chairman. This is a fascinating hearing.

Dr. Mead, before we begin, I've got to say, when I see Hudson Institute, a bell rings. Herman Kahn. Wasn't he with the Hudson Institute?

Mr. MEAD. Yes, sir, he was.

Senator KING. A great theoretician of the early Cold War.

Mr. MEAD. Exactly.

Senator KING. I remember that term.

A thought experiment. What if Iran had never had a nuclear program, no interest in nuclear weapons, no enrichment, zero. I would suggest we would still be having this discussion about how to contain Iran. But, the whole emphasis of the last 5 years or more—10 years—has been, "Let's get rid of Iran's nuclear capacity, and then we deal with the other issues." I would agree with the Chairman that we don't have an overall strategy. We should. But, the first element in the strategy was to not have a nuclear-armed Iran. That's why we're discussing what we're discussing here.

What's bothered me about the discussion today and as this has evolved is that the rationale for the sanctions seems to have migrated. The sanctions were imposed—and, Mr. Gordon, you were—you participated in putting the P5+1 together—it was all about the nuclear weapons. Now people are saying, "Oh, we can't release the

sanctions because it will be used for other things." If there had been no nuclear weapons program, there wouldn't have been sanctions, or they wouldn't have been to the extent that they are today.

Dr. Mead, think with me on this. Do you see what I'm saying?

Mr. MEAD. Yes, sir, Senator. I guess what I would say is that I would agree that, from the beginning, we should have been thinking holistically about Iran and the region, and that the—that thinking about its nuclear capacity, thinking about its regional ambitions, and so on, ought to have been a single policy.

Senator KING. But, when Ronald Reagan was talking about arms control, he wasn't demanding that Russia—or the Soviet Union change its immigration policy or forswear expansionism or adventurism. He said, "Let's control nuclear weapons." You deal with these issues one at a time, it seems to me.

Mr. MEAD. Well, it—actually, in President Reagan's case, I think he was doing it—he was—he did have a kind of a full-bore strategy, a controversial strategy rolling back in Nicaragua and so on, so that actually, by the time he was engaged in serious nuclear talks with the Soviet Union, he had already laid down a number of markers and put them in a kind of a constrained position.

Senator KING. But, that wasn't part of the nuclear——

Mr. MEAD. What I'm—right, but that was a precondition. In his mind, the idea was, you demonstrate——

Senator KING. Right, right.

Mr. MEAD.—to the Soviets that the other expansion can't work, simultaneously outbuilding them in strategic weapons.

Senator KING. I agree, I think that the strategy is twofold: (a) get rid of nuclear weapons in Iran, and (b) then develop the containment strategy, as Senator Sessions suggested, George Kennan or some other similar strategy.

Mr. Gordon, one of the—we met, yesterday, with the Ambassadors of each of the P5+1. The question was asked, "What is the likelihood of reconstituting the international sanctions, should the Congress reject this agreement?" The term used by one of the Ambassadors was "farfetched." You helped put that coalition together. How would you characterize the likelihood that these sanctions can be strengthened rather than erode, subject to an American rejection?

Dr. GORDON. Senator, I think "farfetched" is probably a good description. As I described, this is now an agreement that has been reached and supported by every member of the P5+1, by the Security Council, and just about every country in the world. To come back and say that, you know, "We've just decided, after all, not to go along with it, but, by the way, we want you to keep on the sanctions," which were so tough to get them to agree to in the first place, is just very difficult to imagine.

I would add, even if somehow, you know, through the threat of secondary sanctions—you know, I don't believe that it would collapse, the next day. We would have our secondary sanctions, and we would keep most countries onboard, at least to a limited degree. But, even under those circumstances, Iran could continue to advance its program.

Senator KING. Dr. Singh, you mentioned, we haven't been able to get much European support for terrorism sanctions. Isn't that

part of the problem, here? We're trying to separate these issues, deal with the nuclear and then deal with the terrorism. But, if we reject this agreement and try to get buy-in from the Europeans on a broader sanctions regime that would include terrorism, didn't you, yourself, concede that that might be somewhat difficult?

Mr. SINGH. I think, Senator, I would actually describe the history of this issue differently than you described it. I was Director for Iran at the National Security Council in 2005 and 2006, and then Senior Director for the Middle East after that. Actually, then we had quite a broad strategy of countering Iran in the region as well as taking on the nuclear program. We saw those things as connected to one another because of the view that the nuclear weapons program was a part of Iran's regional strategy. In the—one of the reasons we went to the P5+1 and the U.N. on the nuclear issue was, that was the issue where it was easier to get, for example, the Russians and Chinese onboard. Iran doesn't direct its terrorism against Russia and China; it directs it against the United States and our allies.

So, I would say that we have actually moved away—further away from that kind of broader approach. To date, over the past, say, 7 years, we haven't really pushed back on the Iranians, which is why it's not credible to folks in the region for us to say, "Well, we're going to start now." This doesn't look like the way you would start a serious strategy of pushing back on the Iranians, nor does it necessarily give you the tools. In fact, you're sacrificing quite a few of the tools you'd use to do that.

Senator KING. My time is expired, but I—and I take your point. I agree that this—there has to be a twofold strategy: nuclear and non-nuclear. We haven't been as effective as we should have been on the second part, I agree.

Thank you, Mr. Chairman.

Chairman MCCAIN. As a proud foot soldier in the Reagan revolution, I tell my friend from Maine, when Ronald Reagan said, "Tear down this wall," he wasn't talking about nuclear weapons. Ronald Reagan understood that we had to emphasize human rights, we had to emphasize all of the aspects and virtues of democracy and freedom, and then the nuclear weapons agreements followed. That's history.

Senator ERNST.

Senator ERNST. Thank you, Mr. Chair.

Thank you, gentlemen, for being here today. This has been one of many of a series of great discussions that we have had on this issue, so thank you for taking the time and providing the input necessary.

I'm going to sound a little bit like a broken record. I've asked this question over and over again of the last few panels, but I would like to ask each of you: In the middle of July, the President came out, and he stated, "We either sign this nuclear agreement or it's war." Sign the agreement or it's war. Not, "We'll work a little more on diplomatic relations, sanctions"—he said, "it's war." So, we either go along with this or America's going to war, evidently.

Do you believe that to be true, yes or no?

Dr. Mead?

Mr. MEAD. No, Senator.

Senator ERNST. Mr. Singh.

Mr. SINGH. No, Senator.

Dr. TAKEYH. No, Senator.

Senator ERNST. Dr. Gordon?

Dr. GORDON. I don't think it's automatically war, but it does, as I tried to underscore, put us in a position of either seeing Iran's program continue or implementing that credible use of force, which is war.

Senator ERNST. Okay, and I'll come back to you in a second, Dr. Gordon, thank you.

Mr. Nephew?

Mr. NEPHEW. Senator, I would agree with Dr. Gordon. I think that, over time, it will lead to an escalatory spiral that leads us to war, yes.

Senator ERNST. In time, it could lead to war, but not definitive. Is that correct, Mr. Nephew?

Mr. NEPHEW. Senator, I would say that I find the likelihood of getting a diplomatic resolution dims dramatically if we reject this deal. So, therefore, I do believe that we will have an escalating Iranian nuclear program, an ever-expanding one that sanctions will not be able to control. I think that leads us to war.

Senator ERNST. Okay.

Dr. Gordon, I'll go back to you, because you stated you did work in the administration for a period of years, so you were assisting with these efforts for the nuclear agreement. Is that correct?

Dr. GORDON. Yes.

Senator ERNST. Okay. When I spoke to General Dempsey, the other day, who is the President's senior military advisor, I asked him if he had recommended that to the President, and he stated, no, that he had not recommended that. He did believe that there——

Dr. GORDON. I'm sorry, recommended?

Senator ERNST. That we would go to war if this agreement were not signed. He stated that he did believe there were other options that could be explored before we automatically made the assumption that the United States would engage in war with Iran. So, he rejected that. I asked him if he knew who was advising him on that, and he said he did not know. Yesterday, the panel rejected the notion that war was the obvious solution if we did not sign the agreement.

So, are you the one that was advising the President that we would go to war, or we should go to war, if this deal was not signed?

Dr. GORDON. Senator, I don't think, and I don't know anyone who thinks, that, if this deal is not implemented, that, very quickly, Iran makes a dash for a bomb and the United States uses force. That's not, I think, the realistic way to think about it.

I think the realistic way to think about it is, there are one of three options if this deal doesn't go ahead. Either, and ideally, we get a better deal, the Supreme Leader decides that, after all, he can make more concessions, he comes back to the table in 3 months or 6 months or a year, and he gives us everything we want. That would obviously be ideal. I just don't think it's realistic.

If that doesn't happen, if the Iranians don't come back and agree to all of the things we would like, then it's really one of two things. They steadily proceed with their program, as they've been doing over 10 years, and, instead of 19,000 centrifuges, they have 30,000; instead of a—an LEU [low-enriched uranium] stockpile of 10 tons, they have 20 tons; they complete the heavy water reactor at Arak; they do their research and development on the IR8s. Then we have to decide: we either watch that happen and then have a hearing, in a year or two, when they've done all of that and they're basically on the verge of a nuclear weapons capability, or have one; or we implement the credible use of force to stop them. That's what I think people mean when they say they're worried that, if we don't do this deal, there will be a conflict.

Senator ERNST. I would reject the outright notion that we would go to war. I do think we need to take a step back and consider this.

I want to look at the—because we are talking about regional strategy, I do believe that Iran has a regional strategy, and they are a state sponsor of terrorism. I think this furthers their reign of terrorism in the region and around the globe. I think it makes them very powerful. On the other hand, the United States does not have a strategy in that region. If we had a strategy, and this nuclear agreement was involved in that, I don't think it would have been necessary to send Secretary Carter from country to country to talk with our allies in that region to, you know, ease their fears. I don't see that that would have happened if we had that strategy.

I would love to visit more, Mr. Singh, about—just very briefly, if I might, Mr. Chairman—just very quickly—I would like to look at the repercussions in Iraq. Iran is a very powerful nation through its proxies of terrorism, whether it's in Syria, Iraq, Yemen, Lebanon, you name it. What does this do to Iraq, with Iran having further means to empower the Shiite militia? Does that really lend credibility to a multisectarian Iraqi government, or do we see that falling apart, with greater power going to the Iraqi Shiite militia?

Mr. SINGH. I don't think that it's helpful. I think that the problem with this alliance of convenience with Iran in Iraq to combat ISIS, even though neither the United States or Iran likes ISIS, and both would like to see ISIS defeated, is that Iran's actions are meant, I think, to sort of bolster Iranian influence in the influence of Iran's proxies in Iraq. So, what I worry that you'll see is Iran using some of its resources, using the freedom from sanctions to further strengthen its own militias, which are answerable to Tehran rather than to the government in Baghdad, as well as to buy political influence. We've seen this pattern in places like Lebanon. It doesn't sort of contribute to our goals and our interests in the region. Quite the opposite, in the longer run.

Senator ERNST. Thank you——

Dr. TAKEYH. ISIS is——

Senator ERNST.—very much.

Chairman MCCAIN. Senator Shaheen.

Dr. TAKEYH. Can I just respond to that——

Senator ERNST. Yes.

Dr. TAKEYH.—Mr. Chairman, very briefly? Because I think there's been a discussion about this windfall, where it's going to be felt. I think the ramifications of this nuclear agreement, the eco-

nomic ramifications—I don't know how it would affect the trajectory of terrorism; I suspect it will be more. But, it will be particularly felt in Iraq and Syria, in terms of prolongation of the Syrian Civil War, when the military balance changes in disfavor of President Assad.

In Iraq, the Iranians are talking about application of the Hezbollah model to the Shiite militias. Mainly, those Shiite militias will be used outside Iraq, whether it's in Syria or whether it's elsewhere. So, essentially, the notion is that, in due course, you have mini Hezbollahs being created along that—Lebanon being the model for Iraq, a fragmented state, and Shiite militias following the model of Hezbollah, in terms of being employed by Iran in various other exigencies in the region.

Chairman MCCAIN. Senator——

Senator ERNST. Thank you.

Chairman MCCAIN. Senator Shaheen.

Senator SHAHEEN. Thank you, Mr. Chairman.

Thank you all for being here today.

Mr. Singh, I certainly, like Senator King, agree with the premise that you're all making that we need a comprehensive strategy in the Middle East. I guess I would take a little issue with the effectiveness of that strategy under President Bush, because, at least with respect to the nuclear program in Iran, which is—my recollection is correct, when he became President, they had about 160 or so centrifuges, and, by the time he left office, they had 19,000. So, I do think we need a different approach to address Iran's march towards a nuclear weapon.

What I'm trying to get some better understanding of is what you all believe should be part of the comprehensive strategy in the Middle East, in addition to trying to address Iran's nuclear program.

Dr. Takeyh, you raised concerns about providing arms to Middle Eastern countries. As you're probably aware, last month Saudi Arabia requested 600 new Patriot missile interceptors. So, can you talk about whether you think this kind of support for Arab countries is something that we should continue to pursue? Or do you think we should say we're not going to support arms for any Arab countries?

Dr. TAKEYH. Oh, I think the Saudi state is in considerable degree of difficulty today, in terms of thinking about its future. Since the inception of House of Saud, in earlier 20th century, they had a sort of a national compact, whereby they actually deliberately weakened their military, in terms of conscription, in terms of developing an officer corps that's not related to the royal family, and developed a national guard for internal security purposes. That actually worked well, in terms of preservation of House of Saud. If you look at every Middle Eastern country, they had a military coup—Libya, Egypt, Iran, Iraq, Syria, Algeria, Yemen. Saudi Arabia is the one place where the monarchy has not displaced by military, because they have kept the military weak. The purchases that they have made of these——

Senator SHAHEEN. Well, Jordan hasn't, either, I would argue.

Dr. TAKEYH. Yeah, that's right. The—so, the two monarchies. Basically, they have kept the military weak. They have to rethink their national compact. They have to essentially engage in conscription, developing an officer corps. They have the population

base to do that, but they haven't had the political will, because of the concern about their own population.

Going forward, I think Saudi Arabia has many problems, in terms of changing complexion of the oil market. So, I do agree with the President——

Senator SHAHEEN. Okay. But——

Dr. TAKEYH.—in one respect.

Senator SHAHEEN.—should we give them those interceptors, or not?

Dr. TAKEYH. I think they should be considered in line with Syria's deep-seated structural reforms that Saudi Arabia has to make to its economy, and the way it deals with its citizens, and——

Senator SHAHEEN. So, you think we should qualify that kind of——

Dr. TAKEYH. Yeah.

Senator SHAHEEN.—military assistance.

Dr. TAKEYH. I think—as I said, I think President Obama is absolutely right when he says these countries have to strengthen their internal mechanisms and political systems.

Senator SHAHEEN. Dr. Gordon, can you talk about what other kinds of efforts we should be thinking about in the Middle East as we're trying to develop a comprehensive strategy that accompanies any arms agreement?

Dr. GORDON. Sure. I mean, on this issue of comprehensive strategy, I do think it is important to acknowledge, right off the bat—and Senator King alluded to this—this deal doesn't provide that.

Senator SHAHEEN. Right.

Dr. GORDON. It doesn't. It doesn't resolve the Iran problem, it doesn't resolve the terrorism problem, and it doesn't deal with this huge structural change that we're seeing in the Middle East. So, no one should try to defend it, or even, I think, decide on it, on that criterion. What it does is take the nuclear issue off the table for a good 10 or 15 years, which is not bad, in the context of all of the issues you discussed. So, I think that's just important to state.

In terms of what we do in the meantime, I think the two elements of what you're talking about, and what Ray just replied on, are exactly right. We do need to stand by these allies. To the extent Iran will use its additional assets to threaten them, I think we do have to stand by all of our Gulf partners, give them the reassurance. That includes military sales, intelligence cooperation, and defense. But, I think it is also true, as was just said, that, in the long run, their vulnerabilities are less, in terms of advanced missile defense than in terms of the soundness of their societies, and they need to work on that, as well.

Senator SHAHEEN. So, Mr. Nephew, I asked you this question in a hearing in the Foreign Relations Committee. I think it's appropriate to raise it again, because several of you referenced the fact that if Iran's going to cheat on this agreement, it's likely to be incremental and not flagrant, and therefore, present other challenges for the P5+1, in terms of how we respond to that. So, it's not going to be automatic snap-back as the result.

So, can you talk about some of the other options that we should be thinking about, in terms of preparing the partners in this agree-

ment, should it go forward, that we need to respond to any incremental violations?

Mr. NEPHEW. Certainly, Senator. I think that the first one of those is the fact that sanctions snap-back can be scalable. Secretary Lew has testified to this effect. But, if there were to be a smaller-scale violation on the part of the Iranians, sanctions relief can be terminated in one particular area or another. That can have impact.

Second, we can also use the procurement channel that's been established as part of this deal to clamp down on nuclear-related transfers going to Iran.

Third, we can use the dispute process to consider additional constraints on Iranian nuclear activities. If they are found to be enriching too much uranium at one particular point, there can be an agreement that, in exchange for not snapping back all the sanctions, that Iran's enriched uranium stockpile would have to be smaller for some period of time.

I think the point is, the dispute process that's in this deal gives us flexibility to scale our response to what Iran actually does.

Senator SHAHEEN. Thank you.

Thank you, Mr. Chairman.

Chairman MCCAIN. Senator Ayotte.

Senator AYOTTE. Thank you, Chairman.

I want to thank all of you for being here. This is very helpful.

I wanted to ask Dr. Takeyh, what—can you explain for us our—the history of Iran when it comes to hiding its nuclear activity at facilities, such as Natanz, Fordow, and Parchin, and how the international community—how successful they were at that?

Dr. TAKEYH. Well, I think every nuclear facility that Iran has today at some point was an illicit facility, in terms of the fact that it was operated. Iranians do have their own explanations for why that is the case. Only after detection, after pressure by the international community, you began to see a measure of inspection and verification coming into being.

I think the international community was successful, in terms of application of pressure on Iran over time that caused it to perhaps reconsider some of the strategy, but the overall trajectory has been, as you suggest, that they essentially embark on illicit programs when the opportunity is there.

Senator AYOTTE. So, I would like to get our panel's take on—having looked at the language in the agreement on the process for undeclared sites, it strikes me as very attenuated. As you look at this process, the IAEA first has to provide Iran the basis for the concerns, in writing, regarding the undeclared materials or sites, activities. They have to let them know, you know, how do they want access to this. Iran actually gets to respond with alternatives to whatever access the IAEA wants. If you look at the plain language of it, those alternatives don't necessarily include physical access. That's been a real issue if we're thinking about the type of testing. There's been some reports that I've seen, that have actually been confirmed, that, in fact, Iran doesn't want to allow physical testing even at a facility like Parchin, that we're aware of.

So, I wanted to ask all of you what you thought, in terms of the process that's in place when it comes to undeclared sites, as op-

posed to the ones that we had—that Dr. Gordon referred to, the regular—the very continuous monitoring of. Because I think we have a history here that we need to be cognizant of.

Mr. Singh?

Mr. SINGH. Sure. Well, I think your assessment is correct. There is, first, this back-and-forth of indefinite duration between Iran and the IAEA to "clarify," quote/unquote, the questions the IAEA may have about a site. Only after that is complete does—can the IAEA make its formal request for access, which starts that 24-day clock.

You know, we have experience with the Iranians about this in the past, which folks aren't, I think, talking about enough. There have been several sites—three, in particular—where this has played out in the past, and the Iranians have proven to get better every time at hiding evidence of illicit activity.

So, I disagree with those who say that 24 days is not enough to hide evidence of illicit activity. It may be that, if we're lucky, they can't hide it all. But, that's very different from saying that we'll know what happened there. I think that places way too much, sort of, certitude on this process.

Senator AYOTTE. If you're not guaranteed physical access, yourself, to me that becomes insufficient, in terms of knowing exactly what has occurred at a facility.

Mr. SINGH. Even if you have physical access, Senator, you have physical access after they've had an opportunity to engage in various forms of hiding evidence. We saw this, again, at at least three different sites in Iran in the past.

Dr. TAKEYH. Just one thing. It's important to acknowledge that Iran is in violation of the safeguard agreements today. It—as General Amano is here, his agency does not have access. The first work plan between Iran and the IAEA was negotiated in 2007, and that remains incomplete. It was negotiated, at that time, by Ali Larijani. So, there are problems with that.

Arms control verification works only when it's collaborative. If it doesn't—it's not collaborative, it's antagonistic, there's no mechanism that can assure its success.

Senator AYOTTE. Well, I think one of the warnings we're seeing is, they're already issuing statements that are contrary to what we would, I think, expect from this agreement, in terms of inspection, access.

Yes.

Mr. NEPHEW. Senator, if I may. I would disagree with my fellow witnesses here about the inspection access. I actually think it's a material improvement over the current situation. Twenty-four days is actually quite sufficient to detect a lot of different nuclear activities, especially the most significant ones. I would just point out that I think the three facilities that Mr. Singh was referring to—actually, two of them involve pretty dramatic steps that were taken to sanitize the facilities, one of which was a complete failure. So, in the Clay Electric experience, for instance, the Iranians had over 6 months to sanitize the facility, and they failed. Enriched uranium was detected. In the Lavizan facility, the Iranians were so terrified about IAEA access that they bulldozed the entire facility down to 3 feet of topsoil because they didn't want to have access. We used that, in 2006 and 2007, to sell U.N. sanctions against Iran.

Senator AYOTTE. Can I ask you this? Don't you think physical access is important?

Mr. NEPHEW. Absolutely. Physical access can still be required by the IAEA. The IAEA is allowed to consider alternative means of access to the facility, but they can say no. They can say we must go.

Senator AYOTTE. Yes.

Dr. GORDON. The only thing I would add, briefly, without getting too much into the details of all of this is, the bottom line in the agreement is that, if we're not satisfied after this back-and-forth and what you've described as this attenuated process—if we are not satisfied, sanctions—not just U.S. sanctions, but U.N. sanctions—go back in place. That's new and different.

Senator AYOTTE. Well, I think the details very much matter in all of this. I have many more questions, but this—I appreciate all of you for being here, and your expertise on this issue.

Chairman MCCAIN. Mr. Singh, wasn't it that Anatan was not detected by anyone but the Iranians of informing us?

Mr. SINGH. I'm sorry, Chairman, could you repeat that?

Chairman MCCAIN. Wasn't the facility at Anatan concealed effectively until the Iranians, themselves, the opposition, gave us that information?

Mr. SINGH. Well, I think it's a relevant point, absolutely, Mr. Chairman, that—you know, this all started when we caught the Iranians redhanded at doing exactly the things that we're talking about. The process ends with these facilities not being dismantled, not being—you know, not requiring to sort of reverse what they've done but actually all this being legitimized. You know, we see this dynamic, where the less risk-averse party in these treaties—and you could draw a connection with the INF Treaty, with the Syria chemical weapons issue—has the leverage. It comes down, not just to the details of the inspections, but, Where is the political will? At the end of the day, if we detect something untoward, do we have the political will to do something about it?

Chairman MCCAIN. Senator Hirono.

Senator HIRONO. Thank you, Mr. Chairman.

I'd like to focus a little bit on what would happen if the United States walks away or rejects this agreement. Dr. Gordon has laid out—described three things that he believes will happen. One, we would get a better agreement. Two, Iran—if we don't get a better agreement, Iran will continue its path toward becoming a nuclear power. Third, the United States will—assuming we don't have another agreement, the United States will either watch Iran doing this or, at some point, we will need to decide whether to take military action.

I'd like to ask the other panelists, Do you agree with these three events or description of what would happen if we walk away from this deal?

We can start with you——

Mr. MEAD. Senator——

Senator HIRONO.—Dr. Mead.

Mr. MEAD. Thank you, Senator.

It's a good question. I think that it would be wrong to assume that all rejections of the deal are equal, in the sense that one might really see where perhaps the administration and the Congress

came together and saying, "Well, maybe some incremental changes or some things would allow Congress to give support for the deal." Then there might well be a bit of a momentum, because the other parties to this deal do want to see it succeed, that there might be ways of making some positive changes. So, I would just suggest that one ought to think, "Okay, it's not we just—do we turn the light switch on or off. Maybe there's a dimmer switch or something." We need to think—we need to craft the response that——

Senator HIRONO. I think that's a——

Mr. MEAD.—the United States makes.

Senator HIRONO.—that's a more nuanced way to look at this situation. But, what we are likely going to be faced with is an up-or-down vote on whether or not we agree with the deal. So, let us assume that we are—if the United States rejects this agreement, and the three items that were laid out by Dr. Gordon—would you agree that those are the kinds of eventualities that we would be faced with?

Mr. MEAD. I would say that's why I would urge the Senate and the administration to try to avoid a kind of a car crash like that.

Senator HIRONO. Mr. Singh?

Mr. SINGH. I think that, you know, anything we say is inherently speculative. That's true of what you'll hear from, say, the European Ambassadors, as well, because they want you to approve the deal.

I think that if Congress were to disapprove, and the U.S. weren't to participate in the deal, then I really see sort of two branches, in terms of possibilities. One is that the other parties go ahead and implement the deal. That puts us, obviously, in an awkward situation. Second would be, the other parties—and, I think, Iran, in particular—choose not to implement the deal. They also choose to walk away. Then, in a sense, we are back to the drawing board. I don't agree that that ends, necessarily, with force, because I think it's important to bear in mind that these other states are not acting out of goodwill or anything like that towards the United States. They'll act in accordance to their interests. So, they'll evaluate what's in their interest to do. Is it more in their interest to take diplomatic actions, in hopes of averting this type of military conflict? Or is it more in their interest to simply, say, walk away, and so forth?

I don't think that our allies who have been part of this process, with the objective of stopping Iran from obtaining a nuclear weapon, and with the objective of averting a war over this question, would simply abandon that objective. I think they'll still try to do those same things that brought them to this process.

Senator HIRONO. Well, that's another interesting perspective, because this is a deal that was made by the P5+1, and there is a question as to what kind of a deal remains if the United States walks away from it.

Mr.—Dr. Takeyh?

Dr. TAKEYH. Certainly. In my testimony, I suggested five, six things that could be done to——

Senator HIRONO. I believe——

Dr. TAKEYH.—revisions to the——

Senator HIRONO.—your first was that we should renegotiate a stronger agreement.

Dr. TAKEYH. Well, I think, specific aspects of the agreement—the sunset clause, the IR8s, and so forth. So, we can go back and actually try to strengthen the agreement in that particular sense. The history of arms control, from SALT–1 on, is replete with renegotiating arms control agreements that have been agreed on. I think this——

Senator HIRONO. But——

Dr. TAKEYH.—falls——

Senator HIRONO. Excuse me, I'm running out of time. But, before we can get to a renegotiation posture, we would have to reject this agreement.

Dr. TAKEYH. I think, at this particular point, given where we are—the only way we can get to the aftermath of——

Senator HIRONO. There are a lot of questions as to whether or not our P5+1 partners would even get back to the table. In fact, yesterday, I specifically asked the Ambassadors to the United States from the U.K., China, and Russia whether their countries would come back to the table to renegotiate if the United States walked away, and they said no.

Dr. Gordon? We've already gotten to your——

Mr. Nephew, would you like to respond? Very briefly.

Mr. NEPHEW. Yes, Senator, I basically would agree with what Dr. Gordon was saying. The only point I would just add to Dr. Singh's point about "Could we get a better deal some down—someday down the road?"—we should all bear in mind, we'll probably be negotiating over a much larger Iranian nuclear program at that point in time. The idea that we managed to get from 10,000 centrifuges down to 5 in this deal is somehow going to be improved when we're sitting at 30,000 centrifuges, I think is pretty farfetched.

Senator HIRONO. Thank you.

Mr. SINGH. Can I just say—I'm sorry—in response to that. That's—I think that's true, no matter what. In the future, Iran will have a bigger nuclear program. We'll still, at—when these things start phasing out, the limitations start phasing out, in 10 to 15 years, want to stop Iran from expanding it in certain ways. So, we'll be back to this issue, trying—I think, with less tools—to renegotiate. So, I don't think we should be under the illusion that this is going to be permanent. We'll be back to this issue, one way or the other, in the future.

Chairman MCCAIN. You can rebut, Mr. Nephew.

Mr. NEPHEW. Thank you, Senator.

I mean, I don't think that Mr. Singh is entirely incorrect on this point. We will have to be dealing with this problem, going into the future. But, I think 15 years from now is a much different environment that we'll be dealing with than we'd be dealing with at this particular moment in time. Second, I think it's folly to suggest that the tools that we have now remain the tools that we have if we reject this deal.

Thank you, Senator.

Chairman MCCAIN. Senator Gillibrand.

Senator GILLIBRAND. I'd like to continue this line of questioning, because this is the area of interest that a lot of us have: What happens if we reject the deal?

Specifically, I'd like a little more thought on, What do you think Iran will do when America rejects the deal? Because what we heard from the Ambassadors yesterday is, their skepticism about whether anybody would come back to the table was very much informed by their knowledge of their negotiating partners in Iran. They, in fact, said that they believed Iran would be so disgusted with the United States that they would say—and the hardliners would win and say, "Obviously, you can't trust America. They're the enemy we always thought they were. We are never giving them the opportunity to do this again." They based that conclusion on Iran's previous behavior when the Bush administration attempted a negotiation. Because the Bush administration attempted a sincere negotiation, but, at that time, there was no willingness to allow any production, even for peaceful means, and so, Iran rejected it, straight out, and we were left with nothing. From that time period, they had a few hundred centrifuges, and now they have several thousand centrifuges. So, they obviously have continued to invest to perfect their nuclear program, to make it more sophisticated.

So, from your expertise, I'd like to know, well, What do you think the disposition of Iran will be if we reject the deal? From some experts, we've heard, to date, that they will complete their production, they will refine to—in 2 to 3 months to have enough fissile material for one bomb. If they feel that militarization is their only option, then we have several options, most of them are military, to respond to that, if we choose to—choose to take that course. So, please talk about, if we reject the deal, what are the reactions, specifically with regard to Iran and with a likelihood of full production as to a bomb?

Start on this end and go down.

Mr. NEPHEW. Thank you, Senator.

So, my view is that the Iranians would, first off, say that they're not going to negotiate on their nuclear program again under the current United States President. I think they would argue that, having been defeated in the Congress, there's no chance that they would negotiate with him again.

Now, the big issue with that is, that means that we've got at least 18 more months of Iranian nuclear expansion. I think——

Senator GILLIBRAND. Right.

Mr. NEPHEW.—the Iranians would install more centrifuges, they would begin to operate them. I think they would complete the Arak reactor. I think we'd be, therefore, dealing with a bigger, more problematic program.

Senator GILLIBRAND. And——

Mr. NEPHEW. I also think——

Senator GILLIBRAND. If they complete the Arak reactor, we can no longer bomb it, correct? Because that cannot be a bomb target once it's completed, because then it's a nuclear fallout site, correct?

Mr. NEPHEW. Well, certainly once it's operational, it is much more complicated to attack the facility, that's true.

Senator GILLIBRAND. Okay.

Mr. NEPHEW. I would make one additional last point, which is, I think Iran would also attempt to undermine the international support behind our sanctions program. I think they'd be much

more successful now than they were in the past, because they'd be able to say, "The original premise of the sanctions effort was international consensus on the nuclear issue. The Americans said they wanted a nuclear deal. They've just proven they don't." So, I believe that, at this point, a lot of countries in the region—beyond that, in the world—would say, "What is the reason why we're supporting these sanctions now?"

Dr. GORDON. Senator, it's an excellent question. I think you were right to bring up precedent in thinking about it, because, obviously, looking into the future, we can only speculate. As we do look back, we do have a little bit of experience in going to Iran and insisting on certain goals, like zero enrichment, and seeing that result in an ever-expanding program.

I find it highly implausible that, if we reject the deal now—and we'd be doing so in the name of getting a better agreement—highly implausible that Iran would come back to the table—again, whether this year or in 18 months—and renegotiate what they feel they negotiated, not, you know, in some quick back-of-the-envelope deal, but over a 2-year period of painstaking negotiations with the P5+1 partners, missing 4 or 5 deadlines because we couldn't get to a deal, an 18-day final end game going over every single painfully negotiated detail—the idea that they would come back to that, even after it was endorsed by the Security Council, and give us a better deal is unlikely. So, we can go for it, but I think that's why the more likely scenario, as Richard said, was that they would say, "Fine, you walked away, we feel free to carry on with this program," which they would do, and it would expand. To be clear, and I'll end with this, I don't think it means Iran makes a dash for a bomb. I don't think that they suddenly start declaring their intention to pursue a nuclear weapon. They'd do what they've done over the past decade, which is gradually expand their program——

Senator GILLIBRAND. Hold it at 20 percent enrichment.

Dr. GORDON. Maybe.

Senator GILLIBRAND. Do you think they would just, maybe, continue to develop their centrifuges, but keep it at 20 percent, which I think is the limit, and not go beyond that?

Dr. GORDON. I think they would incrementally advance, right across the board, and slowly, so that there's never one moment where they're crossing some——

Senator GILLIBRAND. In breach or in——

Mr. NEPHEW. Right. We would find ourselves, in X-amount of time, with just a much bigger program, and therefore, a much bigger problem.

Senator GILLIBRAND. Thank you, Mr. Chairman.

Chairman MCCAIN. Your rebuttal, Mr. Singh.

[Laughter.]

Chairman MCCAIN. Or Mr. Takeyh.

Yeah, go ahead.

Mr. SINGH. I think it's just—it's important to bear in mind—I agree that I think Iran would likely walk away. The sensible thing for Iran to do, frankly, would be to implement the deal anyway. I don't think Iran would do the sensible thing. I think they would walk away if we walked away. But, the question of what, then, would guide their behavior—I think, you need to remember, Why

is Iran in this negotiation, anyway? Not because they want to be, but because, in a sense, they had to be. So, I think it'll really depend on, How do we shape the environment in that circumstance? I would not suggest to you that it would be easy, but I would suggest to you that things like deterrence, things like credible redlines, things like, you know, sort of, diplomacy will be just as important then as they have been all along.

The other point I would make about this is—I know that the choice facing all of you is binary, and I respect that greatly. But, I don't think we should think of this as a binary situation out in the real world. The negotiations, I think, will continue, one way or the other. I mean, if you look at the history—and I know you're all very familiar with the history of these arms control agreements—say, North Korea, the history of this issue, itself, and the agreements we reached with Iran in 2003–2004—these negotiations are likely to continue. We're, as Secretary Kerry has said, likely to going to want to take up other issues with the Iranians. So, one way or another, we're going to have additional issues to bring to the Iranians. The question, I think, is, What sort of tools are we going to have, going forward? What sort of framework will the next President inherit if he or she wants to further strengthen the nuclear constraints on Iran?—which I think will be necessary. That's a very critical question here, as well. This doesn't end now. This continues.

Chairman MCCAIN. So, then we'll—the importance of this question will go to you, either Dr. Gordon or Mr. Nephew, and then to Mr. Takeyh.

Please respond on this issue. You want to respond again to—we'll orchestrate this debate.

[Laughter.]

Mr. NEPHEW. Well, Senator, I mean, again, I don't want to abuse your time. I think my view is that, you know, Mr. Singh may be correct, that there will continue to be, you know, ongoing negotiations and ongoing attempts to resolve the issue. But, I think, if we look back from 2005, frankly, all the way to 2013, there were P5+1 meetings with Iran, but they weren't getting anywhere, because the Iranians were insisting on incredibly impossible red lines. It's because, I think, in part, they didn't believe that international pressure was going to require them to make the kinds of concessions we would need. In my view, sir, I think that's what would happen here, as well. Yes, there would be a process, but it wouldn't resolve in a good deal.

Chairman MCCAIN. Could part of that reason have been the economic sanctions hurting their economy that changed their attitude? Dr. Gordon?

Dr. GORDON. It could. The reason I pointed out the cases—the previous cases of North Korea and Iraq is to remind that, even when sanctions pressure is enormous and countries are genuinely crippled, they don't necessarily come to the table and give us everything that we want. So, I think it would be wrong to assume that, just because—even if we manage to keep sanctions in place, which is an open question if we rejected the deal, I think, would be tough, as we heard earlier, but, even if we did, I don't think we can as-

sume Iran would come back to the table and make major concessions.

I don't want to pretend that only this deal could have been negotiated, that our team—you know, that there's no other conceivable deal. You can imagine details that might have come out differently. I do think it's implausible that, on the big questions people are worried about, like sanctions relief for Iran, that there would be some deal where they would come to the table, "Give us the nuclear commitments we want for decades," but not get their frozen assets released. That—you could give me the best negotiating team in history, backed by the most credible force in history, and I don't think Iran comes to the table and does that deal. I think we just have to accept that.

Chairman MCCAIN. Well, let's hope it's not like the great deal we made with North Korea.

Dr. Takeyh, go ahead.

Dr. TAKEYH. I get a chance to rebut everybody.

[Laughter.]

Dr. TAKEYH. Why does—it is important to suggest that Iran has participated in the negotiations since 2002 for reasons other than the nuclear issue, for attempting to get economic measures, for attempting to shield its nuclear installations from military retribution. That doesn't happen during the—to attempt to shield this regional surge from military pushback, because you don't push back on a country. Of course, it cannot legalize or legitimize its nuclear program in absence of the negotiating table. So, the negotiating table has served Iran's purpose, as does, in my judgment, this agreement.

I'm very focused, as I have been in this testimony, on IR8 centrifuges that Iran wants to bring online. If there is no agreement, Iran will not be able to do so for 8 years. If there is an agreement, Iran will not be able to do for 8 years. Why do I say that? In March, Abbas Araghchi, their negotiator, and, twice since, Vice President Salehi has said that they needed 8 to 10 years to introduce these generation of centrifuges, and that's the R&D [research and development] deal he says they negotiated. So, that's a very disturbing aspect of this particular accord.

Finally, we do have to be prepared for a massive industrialization of Iran's nuclear program. Vice President Salehi has gone before the Iranian Parliament and asked for budgetary allocation to expand their scientific cadre, nuclear engineers, to 20,000 people. Currently, it's about 5,000. So—and they also put into place, as this agreement allows, their technological precursors for advanced centrifuges. They are getting ready to embark, within the confines and context of this agreement, to a very massive and sophisticated nuclear program.

One more thing that this treaty allows—this agreement allows is, international community, during the time that Mr. Nephew and Phil were talking about, had tried to sabotage Iran's program, had tried to sanction it, had tried to essentially forestall it. Under this particular agreement, it enables it. This agreement stipulates that Iran can have access to international market——

Senator GILLIBRAND. Can I just ask you one question——

Dr. TAKEYH. Yeah.

Senator GILLIBRAND.—about that? Do you take any—is there any benefit to the fact that they've created vulnerabilities in their nuclear program, the fact that they're going to cement Arak, the fact that they are going to take centrifuges out of Fordow, which is harder to bomb, the fact that the only centrifuges that are going to be in production will be in a aboveground facility that's very easy to target, particularly once we're on the ground—that is creating a military vulnerability, from my perspective, and that was agreed to by our Secretary of Defense and our Chairman of the Joint Chiefs. Does that not show some level of—I don't know—concession on their part?

Dr. TAKEYH. I think this agreement has some legitimate and important benefits. I do think those benefits—no agreement is perfect. You have to judge the agreement by scale of imperfection. This agreement imposes some important short-term restraints, but it stipulate a projection of Iranian program. It is the first arms control agreement in history that stabilizes a file and then envisions its rapid trajectory upwards. That's the problem with it.

It is, I must confess, a uniquely—an American agreement. It doesn't deal—it postpones problems for the later time, has entitlements and everything else.

Chairman MCCAIN. We're very good at that.

Professor Mead, do you want to summarize, here, since you——

Mr. MEAD. Well——

Chairman MCCAIN.—began this conversation?

Mr. MEAD. Yeah. Let me conclude with a—with an observation, here, which is, I think, that the United States has actually, through this entire negotiation, sort of ignored two of our principal sources of leverage, things that we might well gain by reasserting. One is that, historically, agreements of this magnitude that constitute this fundamental change in American foreign policy, have gone through the treaty process, requiring ratification by the Senate. Often, in order to gain ratification, particularly since Woodrow Wilson's misadventure at the Treaty of Versailles, this has meant bringing along a bipartisan delegation to be involved in the negotiations, and to ensure the kind of advice and consent of the Senate on an ongoing basis. This has actually had the impact of strengthening America's hands in negotiations, because it brings the will of Congress in from the beginning, and, in this particular case, our partners in the P5+1 would have understood more clearly what America's real red lines were. By choosing to take this negotiation in another way and trying to, I think, fundamentally distort the concept of execute agreement to avoid the traditional and, I think, legal constitutional process, we actually lost leverage as a country.

The other element of unsurpassed American leverage in this kind of negotiation is our ability to impact the strategic situation in the region by a focused, coordinated American policy, which coordinates our stance on Iran's regional expansion with our approach to its nuclear weapons in negotiations. Essentially, we've abdicated that.

I'm not trying to say, by the way, that it was great under the Bush administration, and now it's terrible. The last thing I'd want to do would be to make some kind of partisan point. I think we can all point back to a number of things that have gone awry, here.

But, nevertheless, we've really been—we tied, not one, but both hands behind our back. So, I'm not surprised, again, that what comes out of this is an agreement, where even the defenders tell you how terrible it is and how sorry they are that it isn't better. I—and my suggestion would be that, for the United States, it would actually be better to engage in this negotiation using the leverage that, in fact, as a country, we do have.

Chairman MCCAIN. Could I say that I thank the witnesses. I thank them for this discussion. I thank them for their point of view.

This may be, in some respects, the most important vote that any Senator, no matter how long we've been in the United States Senate, will take. We, I think, have been educated and informed by your knowledge and your presentation today. I appreciate it very much, and I know that all the members of this committee do, as we move forward to a day in September when there will be a very seminal vote on this issue.

I thank the witnesses.

This hearing is adjourned.

[Whereupon, at 11:37 a.m., the hearing was adjourned.]

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