

# The Nuclear Deal Fallout: The Global Threat of Iran

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## Hearing on The Nuclear Deal Fallout: The Global Threat of Iran

For much of the past three decades, the Islamic Republic's inflammatory rhetoric and aggressive posture concealed a measure of 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 nations arrayed themselves behind the American shield, Iraq sustained its animosity toward Iran long after the end of its long 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.

The key actors defining Iran's regional policy are not its diplomats mingling with their Western counterparts 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 and has now moved on to Syria. For the hardliners, the Sunni states attempting to dislodge Syrian President Bashar al-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 did the nuclear deal have on Iran and its regional surge? The proponents of the agreement insisted that Iran would funnel much of this newfound wealth into its depleted economy. By their telling, even during economic times, Iran prioritized funding for its malign activities and thus did not need to steer new money in their direction. Two years later, we see the hollowness of those claims. Iran's defense budget has more than doubled since the advent of the nuclear deal, and its activities in both Iraq and Syria have intensified.

The proponents of the view that Iran would not become a more aggressive regional power as a result of the deal ignored how the Middle East has evolved since the Arab awakenings. The post-colonial Arab state system that featured the dominant nations of Egypt and Iraq is no more. Egypt is too preoccupied with its internal squabbles to offer regional leadership while Iraq is a fragmented nation ruled by a Shiite 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 the 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 offered—such as sanctions relief, the release of entrapped funds abroad, and new investments—Iran would find it difficult to subsidize its imperial surge.

Iran's model of operating in the Middle East today is drawn from its experience in Lebanon in the 1980s. It was at that time that Iran amalgamated various Shiite parties into the lethal Hezbollah. In essence, Iran created a militia that was outside the control of the weak Lebanese state. In the meantime, Iran sought to manipulate the politics of Lebanon to its advantage by making sure that a strong central government did not emerge in Beirut. A decentralized state in full command of its coercive power is a model that Iran has used first in Lebanon and now in Iraq and Syria.

Since the U.S. invasion of Iraq in 2003, Iran has sought to take advantage of the disorder there to extend its influence. The Islamic Republic has trained Shiite militias responsive to its orders and has sought to sharpen the sectarian divides in Iraq as a means of dividing that nation against itself. The rise of the self-declared Islamic State provided Iran with an opportunity for further inroads in Iraq. Under the auspices of fighting the Islamic State, Iran has further projected its power in that hapless nation. So long as Iraq's troubles continue, Iran can be counted on to further exacerbate them. The additional funds that the Joint Comprehensive Plan of Action (JCPOA) has provided Iran are indispensable for its operations there.

Since the onset of the Syrian civil war, Iranian officials maintained that Assad would survive. This assessments stood in stark contrast to that of the Western powers who assured themselves that the forward march of history would envelop the Syrian despot. The Iranian model of operation in Syria was eerily similar to the one they used in Iraq and before than in Lebanon. Once more, Iran developed militias outside state control, deployed an increasing large number of its Revolutionary Guards and Hezbollah proxies, and essentially took command of the ground operations. Assad's war crimes are Khamenei's war crimes as well. Without Iranian assistance and guidance, Syria may have been spared the carnage that has wrecked that country.

Supreme Leader Ayatollah 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 the commanding

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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 previous American indifference offered Iran many temptations.

### **Iran, Israel, and the Instruments of Terrorism**

It is important to appreciate that Israel remains the principal victim of Iranian terrorism. Iran's hostility toward Israel is one of the most enduring and perplexing aspects of the Middle East conflict. Since the inception of the Islamic Republic, Iran's clerical politicians have persistently denounced Israel and questioned its legitimacy, if not its right to exist. This is curious as Iran has never fought a war with Israel and has no territorial disputes with the Jewish state. Indeed, Israel and Iran under the shah had established constructive relations.

Iran's animosity toward Israel can be traced back to the founder of the republic, Ayatollah Ruhollah Khomeini. In his eyes, the unforgivable sin was the creation of a Jewish state in the Middle East. Iran's antagonism toward Israel exceeded even its opposition to the United States. After all, the United States may have been a pernicious imperial power, but it was America's conduct, not its right to exist, irrespective of its actual policies and behavior. No peace compact or negotiated settlement with the Palestinians could ameliorate that essential illegitimacy.

Iran's view of Israel, like its view of America, was religiously defined as a struggle between a pristine Islamic civilization and a blasphemous Zionist creed. In this conflict between good and evil, light and dark, it was religious obligation to resist the profane Jewish entity. The reclaiming of Jerusalem was not considered a Palestinian responsibility alone but an obligation to be undertaken by the entire Muslim world. Such a conflict would lead not just to the destruction of Israel but also to greater Islamic cohesion and solidarity. It was natural, even inevitable, for the new Islamic regime in Iran to lead this crusade.

Iran's position on Israel has gone even beyond the Arab states and mainstream Palestinian organizations. For the past three decades, the Arab struggle has implicitly acknowledged the reality of Israel and has sought territorial concessions to establish a Palestinian homeland. Both terrorism and diplomacy have been employed to redraw the boundaries, but all such schemes appreciated the existence of Israel. This Iranian policy is designed not to readjust territorial demarcations but to evict the Jewish populace from the Middle East. The sacred land of Islam was not to be partitioned to accommodate Zionist aspirations but reclaimed for the Muslim world.

Like many regimes in the Middle East, Iran has indulged in its share of historical revisionism. The infamous *Protocols of the Elders of Zion* has been routinely published by state agencies, while prominent Holocaust deniers are at times offered a platform in Iran for spewing their odious views. Khamenei has even gone as far as to claim that "there are documents showing close collaboration of Zionists with Nazi Germany, and exaggerated numbers relating to the Jewish Holocaust were fabricated to solicit the sympathy of world public opinion, lay the ground for the occupation of Palestine, and justify the atrocities of the Zionists." In essence, Khamenei views the Holocaust as an embellished narrative to justify a Jewish homeland.

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A similarly incendiary approach has characterized Tehran's attitude toward the ideology of Zionism. While Iran's clerical leaders may have sporadically displayed a benign attitude toward the local Jewish community, their condemnation of Zionism has been stark and uncompromising. To them, Zionism is a racist and exclusionary ideology that should be opposed by all who care about human rights. Iran's propaganda insists that Zionism was inflicted on the region by force of arms, sustained by bloodshed, and perpetuated by the sinister designs of cynical politicians inclined to achieve power by subjugating the indigenous population. The complex history of the Zionist movement and its claims and aspirations has been caricatured as fiery sermons, Jerusalem days, and conferences calling for the annihilation of Israel replaced a rational assessment.

Over the past three decades, Iran has forged intimate ties with leading Palestinian militant groups such as Hamas and Islamic Jihad, as well as Lebanon's Hezbollah, which it essentially created. Iran has provided funds to these organizations, implored them to attack Israel, and celebrated their terrorist operations. The leaders of these groups maintain representatives in Iran and have easy access to the theocratic state. No nation has suffered more at the hands of Iran than Israel.

### **Toward a New U.S. Policy**

The Islamic Republic's relentless expansionism stems in part from the belief that its revolution can be consolidated at home only if it is exported abroad. This was always, after all, a revolution without borders. Moreover, threats from the outside have always been a convenient way for the Revolutionary Guards and other state instruments to seek to justify their brutality. Thousands of executions since the revolution testify to the oppressive nature of the regime and to its overriding goal of shoring up its rule at home, particularly by eliminating the threat that emanates from its own people.

Today, the theocratic state is ruled by clerical ideologues who claim to know the mind of God. For them, the Islamic Republic is not merely a nation-state, it is a combatant in a struggle between good and evil, at home and abroad—a battle waged for moral redemption and genuine emancipation from the political and cultural tentacles of a profane West. The mullah's internationalist vision has to have an antagonist, and the United States and its allies, particularly Israel, are it.

Still, in the 1990s, it looked as if the Islamic Republic would follow the trajectory of other revolutionary states and gradually dispense with its ideological patrimony. The rise of the reform movement led by enterprising intellectuals who sought to harmonize religious values with republican norms led to hopes of a different future. The election of Seyyed Mohammad Khatami to the presidency in 1997 was the culmination of efforts to connect the reformers to the larger public. The so-called Tehran Spring led to the rise of civil society groups, critical media, and a string of electoral victories by leaders committed to genuine change. And then came the counterreaction. Under the watchful eye of Khamenei, the conservatives struck back. The clerical oversight bodies negated parliamentary legislation, the judiciary closed reformist newspapers, and the vigilante groups assassinated key officials and terrorized others. To the detriment of the Islamic Republic, the possibility of evolutionary change through the use of Iran's own constitutional provisions died.

The starting point of any sensible policy is to recognize that the summer of 2009 was a watershed moment in the history of Iran. As we have seen, the presidential election that returned Mahmoud Ahmadinejad to power by rigging the vote presented the theocratic state with the most consequential crisis of its lifetime. The Green Movement that exploded on the scene was a coalition of disenfranchised clerics, restive youth, disenfranchised women, and impoverished elements of the middle class. The regime managed to regain control of the streets through brutal violence against its own citizens, show trials in which regime loyalists confessed to fantastic crimes, and continued repression. However, the essential link between the state and society were severed. The Islamic Republic was never a typical totalitarian state as its electoral procedures and elected institutions provided the public with at least impressions of democratic representation. That republican element of the regime provided it with a veneer of legitimacy—and in 2009 that legitimacy vanished. No less than Khamenei has acknowledged that the movement brought the system to the “edge of the cliff.” The clerical regime lingers on, but a state that relies on a terror apparatus cannot forever stifle the forces of change.

The task of American diplomacy is similar to the one that President Ronald Reagan faced with the Soviet Union: not just renegotiating a better arms-control agreement but devising a comprehensive policy that undermines the theocratic regime. In this regard, there is nothing as powerful as the presidential bully pulpit. Reagan’s denunciations of communist rule did much to galvanize the opposition and undermine the Soviet empire. Dissidents in jail and others laboring under the Soviet system took heart from an American president who championed their cause. President Barack Obama chose the opposite course and remained silent as protestors in 2009 called on America to support their cause. His administration was one that paid scant attention to Iran’s human rights abuses.

As it did with Solidarity in Poland, the United States should find a way of establishing ties with forces of opposition within Iran. Given the Islamic Republic’s cruelty and corruption, the opposition spans the entire social spectrum. The Iranians have given up not just on the Islamic Republic but even on religious observance as mosques go empty during most Shiite commemorations. Three decades of theocratic rule has transformed Iran into one of the most secular nations in the world. The middle class and the working poor are equally hard pressed by the regime’s incompetence and corruption. Even the senior ayatollahs are beginning to realize the toll that has taken on Shiite Islam by its entanglement with politics. America has ready allies in Iran and must make an effort to empower those who share its values.

Economic sanctions are a critical aspect of any policy of pressuring the Islamic Republic. The experience of the past few years has shown that the United States has a real capacity to shrink Iran’s economy and bring it to the brink of collapse. The fewer resources the regime has at its disposal, the less capable it is of sustaining a cadre whose loyalty is purchased. The guardians of the revolution are well aware of their unreliability of their coercive services; the government had difficulty in repressing the Green Movement or mobilizing counter-demonstrations in the summer of 2009. Designating the Revolutionary Guards as a terrorist organization and imposing financial sanctions could go a long way toward crippling Iran’s economy. Once deprived of money, the mullahs will find it difficult to fund the patronage networks that are essential to their rule and their imperial ventures.

By generating such pressures, it is hoped that the Islamic Republic begins negotiating with the opposition elements. This will involve releasing political prisoners, allowing those barred from public service to stand

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as candidates for parliament, and ceasing its attacks on civil society groups such as trade unions and professional syndicates. The rulers of Iran will only embark on such activities if they are subject to sustained international pressure and condemnation. Iran should be held as accountable for its dismal human rights record as its nuclear infractions or support for terrorism.

For the recalcitrant mullahs to yield to international norms, all the walls around them have to close in. So as it stresses Iran's economy and divides its society, the United States should also push back against its influence in the Middle East. By contesting Iran's gains, Washington can impose additional costs on the regime and contribute to regional stability. Iran's leaders believe that the vitality of their revolution mandates its export. And it is that export that must be jeopardized as a means of undermining the revolution.

An essential insight of any such policy is to dispense with the false notion that Iran and America have a common enemy in the Islamic State or other Sunni terrorist organizations. Beneath Iran's expressions of concern about the rise of the Islamic State is a more cynical strategy. Iran today is using the Islamic State's ascendance in the Middle East to consolidate its power. The theocracy is now the key to keeping both Iraqi Shias and Alawite Assad's regime standing against well-armed and tenacious Sunni jihadis. In those battles, Iran will do just enough to make sure the Sunnis don't conquer the Shiite portions of Iraq and Assad's enclave in Syria, but no more. Meanwhile, in the Islamic State's wake, Tehran will strengthen its own Shiite militias. It is important to stress the fact that Sunni radicalism is the necessary by-product of Iran's Shiite chauvinism. Destroying the Islamic State requires diminishing the tides of Sunni militancy, which in turn necessitates tempering Iran's regional ambitions.

The best arena in which to achieve the objective of pushing back on Iran is the Persian Gulf region. The Gulf sheikdoms, led by Saudi Arabia, are already locked into a region-wide rivalry with Iran. The Sunni states have taken it upon themselves to contest Iran's gains in the Gulf and the Levant. Washington should not only buttress these efforts but press all Arab states to embark on a serious attempt to lessen their commercial and diplomatic ties to Tehran. The price of American guardianship is for Sunni Arab states to do their part in resisting the rising Shiite power of Iran.

Getting the Gulf states to agree to take common action has always been difficult. The United States should not only help the Gulf states as they battle Iranian proxies in Syria, Iraq and Yemen but also as they deal with a range of other challenges. These include protecting themselves against Iran's efforts to undermine their internal security, defending their economic infrastructure (such as oil and gas platforms, water desalinization plants, and tourist sites), and preventing Iran from interdicting their energy exports along key transit routes.

To confront Iran, the Gulf states will need capabilities commensurate with the challenge. In particular, the United States should consider supplying them with systems that defend against guided rockets and mortars, such as the Centurion C-RAM. And, in the long run, the Gulf states have the financial resources, even at reduced oil prices, to invest in the next generation of missile defense technologies, such as directed-energy weapons, which would diminish Iran's ability to attack them.

The countries in the region with formidable special forces capabilities, such as Jordan and the United Arab Emirates, should use that advantage to help some of the more vulnerable countries, such as Bahrain, deal with their internal security problems—arrangements that Washington could help broker. Iran's adversaries could even develop a subset of special forces capable of operating inside Iran to exploit the grievances of various ethnic minorities. The goal would be to make Iran think twice about its campaign of regional subversion by demonstrating that two can play that game.

The Gulf states need to further reduce Iran's ability to chock off oil exports by blocking the Strait of Hormuz. Although they have already built pipelines to bypass the strait, they should also take steps to increase those pipelines capacity. The Gulf states should invest in capabilities such as air-to-air missiles to take down Iran's aircraft and land-attack cruise missiles to destroy its anti-ship cruise missiles. And they should augment that effort with the undersea warfare capabilities needed for a campaign against Iran's surface naval assets, including its many small boats.

Even in a disorderly Middle East, there are opportunities to forge new constructive alliances. The enmity that Saudi Arabia and Israel share toward Iran should be the basis for bringing these two countries closer together. Instead of lecturing the Saudis to share the Middle East with Iran and hectoring Israelis about settlements, the United States should focus on imaginative ways of institutionalizing the nascent cooperation that is already taking place between Riyadh and Jerusalem. The United States should press both countries to move beyond intelligence sharing and perhaps force complementary trade ties, with Saudi oil exchanged for Israeli technological products. History rarely offers opportunities to realign the politics of the Middle East: A truculent Iran has presented this chance.

Another alliance that needs refurbishing after years of neglect and rancor is the U.S.-Israel relationship. One of the most spurious yet pervasive arguments has been that America's ties with Israel damages its standing in the Middle East. To be effective in the Middle East, it is claimed, Washington should put some distance between itself and the only democracy in the region. Any strategy of pushing back on Iran has to have Israel as one of its core elements. The fact is the Islamic Republic respects Israeli power and fears its integration in the Middle East. An Israel closely tied to the United States enhances our deterrent power. And an Israel that is mending fences with Sunni Arab states only empowers the anti-Iran alliance and further isolates the theocracy in the region. America's task should not be to distance itself from Israel but to bring all elements of its anti-Iran coalition together.

Although today Iraq seems like a protectorate of Iran, this is a predicament that most Iraqi leaders want to escape. Iraq was once the seat of Arab civilization and the center of the region's politics. Shiite leaders in Iraq take Iranian advice and money for the simple reason that they are locked out of Sunni Arab councils and abandoned by the American superpower. Iraqis understand that Iran has exercised a pernicious influence in their country, further accentuating its sectarian divides as a means of ensuring Iranian influence. Iraq cannot be whole and free so long as Iran interferes in its affairs. A commitment by the United States to once more rehabilitate the Iraqi army and bureaucracy can go a long way toward diminishing its ties to Tehran. No Iraqi Arab wants to be subordinate to imperious Shiite Persians. Once Iraq fees itself of Iranian dominance, it may yet find a path back to the Arab world and once more serve as a barrier to Iranian power.

At a practical level, Washington should also push Baghdad to govern more inclusively so that the central government is seen as benefiting Sunnis and Kurds, not just the Shias. It should make an outreach to the Sunni tribes on a scale equivalent to what took place during the 2007 surge of U.S. troops. And it should ramp up its military assistance to Kurds and the Sunni tribal forces, intensify the air campaign against the Islamic State in both Iraq and Syria, and embed U.S. personnel in the Iraqi military at lower levels than it currently does. A heightened U.S. presence in Iraq need not entail a massive combat force there, but it would mean a larger troop presence and thus a greater risk of casualties. Again, the price for greater U.S. involvement should be a commitment on the part of local actors to press back against Tehran and its enablers.

The tragedy of Syria is that as the Obama administration stood aloof and preoccupied itself with useless international summits, Iran and Russia possibly succeeded in saving the Assad dynasty. The Syrian army, buttressed by Iran's Revolutionary Guards, Hezbollah terrorists, and Russian airpower, is poised to control most of the population centers. This hardly ends the civil war, but the attempt to unseat Iran's client in Damascus will take considerable effort and commitment by the United States and its Sunni allies. For both strategic and humanitarian reasons, we should embrace this task. Pushing back on Iran means harassing its Syrian proxy. At the very least, as the opposition strengthens, Iran will have to face the dilemma of sinking more resources and men into a quagmire or cutting its losses, as the Soviet Union was forced to do in Afghanistan.

A regime as dangerous to U.S. interest as the Islamic Republic requires a comprehensive strategy to counter it. This means exploiting all of Iran's vulnerabilities, increasing the costs of its foreign adventures, weakening its economy, and supporting its domestic discontents. Pursuing that strategy will take time, but eventually it will put the United States in a position to impose terms on Iran. We should not settle for an arms control agreement that paves the way for an Iranian bomb, but a restrictive accord that ends its nuclear weapons aspirations. We should seek to compel Iran to cease its regional subversion, not create power vacuums that encourage it. And we should move human rights up the agenda, not look the other way as Iran's leaders oppress their people.

Some in Washington believe that the Iran problem is of secondary importance to the United States compared to violent jihadis. For all their achievements, those radical movements do not yet possess the resources and capabilities of a large, sophisticated state. It must be noted that the Iranian regime was the original Islamic revolutionary state. Its successes inspired a wave of radicals across the Middle East. At its most basic level, the confrontation between the United States and Iran is a conflict between the world's sole superpower and a second-rate autocracy. Washington does not need to settle for the hope that theocrats with no interest in relaxing their grip will somehow become moderates. A determined policy of pressure would speed the day when the Iranian people replace a regime that has made their lives miserable. And, in the interim, it would reduce the threat of a triumphant regime posed to the Middle East and the world beyond.

In the end, the nuclear agreement offered Iran all that it wanted. The accord conceded a vast enrichment capability and accepted both a heavy water plant and a well-fortified underground enrichment facility that the United States once vowed to shutter. It permitted an elaborate research and development program while relying on an inspection regime that falls short of the indispensable "anytime, anywhere" access. In the

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meantime, the sanctions architecture is diminished, and the notion of ever “snapping back” sanctions into place once they are lifted is delusional. And the financial dividends of the agreement have once more revived Iran’s imperialist dreams in the Middle East.