Thank you, Senator.

Thank you very much, Mr. Chairman. I will ask

unanimous consent that my entire statement be placed in the

record because it mirrors—there is not a single thing you said I

disagree with and I would be somewhat repetitious—

[continuing]. And add one point. Gentlemen,

thank you so much for being here. We are anxious to hear what

you have to say. There is an old expression: Big nations cannot

bluff. I am not worried, but I am concerned as we deal with what

is, obviously, a serious security problem, that we have a realistic

assessment as best we can of what the consequences of certain actions

or inactions will be.

I am looking forward to you giving us some insight as to not only

what options may be available, the prospects of keeping the international

community together on this, but what the reaction, if you

have a sense, among the Iranian people will be to certain of the

things we may initiate as a nation.

My instinct tells me that we underestimate the support for a nuclear

Iran among Iranians of all stripes. They live in a pretty tough

neighborhood. I suspect, even the democrats with a small ‘‘d’’, not

necessarily pro-Western, there is not inconsiderable support for the

nation. I would like your assessment, as we go along, as to what

you think, beyond the frustration with the clerical domination of all

levers of security power. How do they feel, the Iranians, even those

who strongly oppose the present administration, the present government

there, about the acquisition of a nuclear capability, weapons

capability?

What do you think the reaction would be to either sanctions that

were consequential, if we could reach that conclusion internationally,

and/or military action of any kind, from air strikes to physically

embargoing their export of oil? So I hope you will talk about

some of those things with us today and I look forward to your testimony.

I wish you would keep going, Mr. Chairman, because,

look, this is—one of the frustrating things about this discussion

is that we have an awful lot of very bright people with very

few answers to anything. Not just you at the table, but across the

board.

Everybody starts off with the proposition that we cannot tolerate

a nuclear Iran. Wonderful. That is a great proposition. I agree with

that. We cannot tolerate it. Then everybody says: OK, well, what

are we going to do about it? And it ranges from, well, we are going

to do what I think the administration is correctly doing; we are

going to make sure, at a minimum, we are not the bad guy if anything

has to happen because we have cooperated fully with the Europeans,

with the Russians, with the Chinese, with the United Nations,

with every agency available, to demonstrate that we are not

a bunch of cowboys out there just as gunslingers. I think that is

important. It is not an unimportant thing.

Then you say, OK, but you know this administration that exists

in Iran today, I do not think a single one of you believe there is

any possibility it is going to cease and desist from seeking a nuclear

capability in the near term absent some significant hurdle

that it faces, and being sanctioned by telling them they are going

to have their assets seized, which they have already moved, we are

not going to let them travel, does anybody think that is going to

alter their behavior in terms of this march forward that we are

talking about?

So, then we get down to, OK, there are two options that may affect

behavior. One is a sanction regime, the other is a military option.

Then we pursue the military option and we find out that the

military option would require a significant—I understand General

Clark is making a speech today and is putting on, which he has

every right to do, his former hat as the Supreme Allied Commander

and giving his assessment of what would be required—

*x* number of sorties, *x* number of divisions, blocking the strait, et

cetera.

Then we talk about sanctions. The only ones that would reasonably

have any impact, most people think, are if you dealt with oil

and gas, because the analysis that many people have done, I suspect

you have done as well, is that if we could unite the world in

doing that and we could take the hit, the hit on Iran would be consequential,

maybe more significant on the world but very significant

on them. But there has never been any measure of that.

But everybody says, well, we are not going to be able to get the

world to do that, but we are going to stand by the policy we will

not tolerate a nuclear Iran.

So let me say that one of the things we said all prior to—and I

remember, Ron, we talked about this, and your great help with the

committee in trying to set up post-reconstruction capabilities within

countries, et cetera. We talked at length about—you have all

been in many discussions about what we talked about before we

moved on Iraq. This is just pure Biden. No foreign policy can be

sustained in this country without the informed consent of the

American public. Flat-out, cannot be sustained.

There is no information available to the American public on what

the heck we mean by we cannot tolerate and what the consequences

of either a military option would be for Americans or the

consequences of what an embargo of consequence would mean for

the Americans.

So, I hope if we do nothing more in this committee, rather than

judging whether or not the world community would go along with

an embargo, or judging whether or not the world community would

accept military action on the part of the United States, what would

it entail for the United States of America? It may very well be if

we really mean what we say, that we will not tolerate a nuclear

Iran, that the American public might very well choose the economic

hardship over the military confrontation. They should get a choice

in this. They should get a say in this. They should have some input

in this through their elected representatives.

Obviously, I never speak for the chairman, but I suspect that is

one of the reasons why he keeps pursuing this, if the options were

employed, notwithstanding no one thinks the options can be employed.

And the irony is, you may find we have more hydrogen-run

automobiles in a heartbeat than in Tom Friedman’s gas tax. I am

not being facetious.

My mother, God love her, she is 89 years old—88 years old, almost

89—lives with me, and she has said from the time I was a

kid: Joey, out of everything bad something good will come if you

look hard enough. All kidding aside, gas goes to $5 a gallon, awful,

awful, incredible dislocation. In relative terms, relative to the rest

of the world we are relatively no worse off than anybody else in the

world. And guess what, we might have a real energy policy, not a

joke, not a joke.

Now, I am not proposing that. So what I would like you to do—

and I am not going to say any more. I would like each of you to

speak to—get real with us, will you? Do not be academics with us.

Tell us what would the consequence be? Dr. Clawson, you are an

economist. What are the consequences? What do you think would

happen if we could convince the world to have an oil and gas embargo?

Granted, I would not bet my daughter’s graduate school tuition

on it, but what would happen? What does it mean? And if any of

you would also respond to the military option. We are told in various

fora—and I am not revealing anything from any classified

briefing we have had—this is not taking out Iraq’s nuclear effort

like the Israelis did. But you know, I could picture if this were,

quote, an ‘‘all-out war’’ where we could bring Iran to its knees mili-

tarily at least. We could, in fact, have an embargo so no ship ever

breached their ports. We could do a lot of damage to their various

nuclear facilities without taking them all out. We could make it

very difficult over the next 3, 4, 5 years for them to get to that

point.

So I guess what I am saying is, I worry about the rhetoric that

‘‘we cannot, under any circumstance, tolerate a nuclear Iran,’’ without

knowing what the price we may have to pay if that is, in fact,

the goal to accomplish that end.

So can you, doctor, speak with me a little bit about the economic

consequences to Iran as well as us, and can the rest of you talk

in the few minutes that I have left about the prospects and the consequences

of the use of military power to deal with this?

Thank you.

Thank you, Mr. Chairman.

Dr. Clawson, not now, but for the record, is it possible to get a

copy of the analysis you made about oil? Or is that classified?

Or maybe you can just come and talk to me.

Thank you.