The hearing will be called to order. I appreciate

all of you joining us today. Mr. Indyk, I appreciate you

gracing our committee yet again. It seems as if we get very familiar

with each other.

Although today—I know you have been involved a great deal in

the peace process. We are not going to be talking about that today,

unless you choose to do so, and make some great announcements

of the United States removing any pressure on Israel and we are

going to final status talks, but absent that we will talk about Iran

today.

I have had a great deal of concern, as you know, and a number

of Members of the U.S. Senate have, of what the Iranians have

been doing around the world, recent State Department report on

Iran having it as the lead exporter of terrorism around the world.

They have a visual up for you. Unfortunately you cannot particularly

see it from where you are, but we will, if we could—I tell you,

why don’t we give a sheet of this to Mr. Indyk so he can see the

various places.

We have put together a map of terrorism and fundamentalism

being exported by the Iranians, of activity around the world, which

is substantial, what they are doing and all the places they have

been involved in, many of them under your jurisdiction and review.

The new leader of Iran seems to have some good intentions, but

I also believe that the United States foreign policy is not about intentions,

it is about actions, and in terms of actions there has been

no change. Iran remains a sponsor of terrorism. It is still pursuing

weapons of mass destruction, and notwithstanding the very good

interview on CNN, it still stands as one of the United States’ implacable

enemies.

We will make a mistake if we make any moves on Iran on the

basis of impressions alone, I believe. When Iran changes their policies

I think we should be changing our policies, so I am deeply concerned

about some of the actions that I am seeing the United

States taking at this point in time, when we continue to have a

map that looks like this.

And by all consideration of what I am witnessing on the ground,

of what I am receiving of information, this map is not contracting.

This map is expanding, of Iranian influence and actions throughout

the world, particularly in these most troubled spots, North Africa,

and Central Asia.

So I hope you will be able to make some responses to us about

the administration’s activities and reviews toward Iran. I question

some of the issues of so-called national interest waivers that are

being discussed, particularly in regard to ILSA.

In addition, in light of India’s nuclear tests this week, it is all

the more urgent that we do all that we can to alert the world, and

Iran in particular, that the United States will neither tolerate an

Iranian nuclear program, nor foreign subsidies to the Iranian treasury

to help it develop one.

Iran is pursuing its weapons program with unabated vigor. Missile

cooperation with Russia is increasing. Nuclear cooperation is

continuing. Iran is cooperating with China and Russia on chemical

and biological weapons development.

On the question of Iranian State sponsorship of terrorism and

support for fundamentalist extremism, all we need do is look,

again, at the map that we have posted. From Central Asia to Africa

to Europe, as well as throughout the Middle East, Iran continues

to sponsor assassinations, terrorism, and Islamic radicalism. They

do so with cash, military equipment, logistics, and political support.

So Ambassador, I am open to believing Iran can change. I would

like the United States to renew relations with one of the most important

countries in the Middle East, but I and many of my colleagues

can never support embracing a nation responsible for the

deaths of so many, many Americans without proof positive that the

terrorism has ended, the weapons programs have ended, and the

foreign policy of hatred is behind them for good.

So I look forward to your statement today of United States position

toward Iran of—hopefully you can tell me that the map is receding

rather than expanding and, if it is not, what we are doing

to see that that takes place, so we look forward to a good dialog.

Senator Robb.

Very good. Ambassador Indyk, thank you

for joining us, and we look forward to your statement.

Mr. Indyk, would you mind pulling the

mike down a little bit and closer to you. I think it is pretty directional.

Thank you very much, Mr. Indyk.

If I could get somebody on the staff, I want to get this chart

around here so we can both look at it, because I want to go through

some of the places where Iran is operating.

I appreciate your statement and the difficulty of dealing with the

present situation that we have, and the hope and the promise of

new leadership that is in Iran, yet the actions that go contrary to

that—and you seem to struggle with the same issues in your statement.

I do not think that you quarrel any with my point that Iran is

operating on our map that we have here in 21 different countries

around the world, or has actions in 21 different countries around

the world today. Is that correct, or do you know the number?

I have heard reports of additional countries

that are not on this map of operation by the Iranians, so they are

there, they are active, they are pursuing expansionist desires.

I was in Uzbekistan recently. I have been in Azerbaijan, very

concerned about the expansion of Iranian-supported groups in Central

Asia and the South Caucasus, in these weak, weak countries.

What I am concerned about, Ambassador, is that it seems as if

the statements coming out of the administration and the rumors I

am getting are that we are trying to make nice with the Iranians

at this point in time when they continue a very expansionist agenda.

The statements coming out—and I support dialog and discussion,

and wrestling is good, glad to see that, but then I hear pretty reliable

rumors that the administration is making a decision on the

Iran-Libya Sanctions Act regarding the Total and Gasprom deal,

that they are looking at a national interest waiver under 9(c) with

that.

I would hope you would illuminate me as to, is the administration

going to grant that, and this seems quite a strong positive

step, given what actions the Iranians are currently taking around

the world.

If you could, Mr. Ambassador, in looking at

that map, do you know of another country anywhere in the world

that is as expansionist or as terrorist-oriented as Iran?

If you could, Mr. Ambassador, in looking at

that map, do you know of another country anywhere in the world

that is as expansionist or as terrorist-oriented as Iran?

Is there another country in the world that

is any more expansionist-oriented than Iran at the present time?

Mr. Ambassador, with all due respect, I do

not see how it is in our national interest for a national interest

waiver under ILSA, to put a waiver in place for Iran operating on

this map 21 different countries, and as you know there are some

others to put on here, to allow Iran to have several billion dollars

flowing into their coffers off of the proposal to allow Total and

Gasprom to operate so they can pour that into weapons programs

or terrorism programs.

They are the lead sponsor of terrorism around the world. How

can it be in our national interest to provide a waiver if the U.S.

expects to deter any other countries from operating or investing in

Iran, given our willingness to roll over on this issue? How could it

be in our national interest to provide a waiver if they can justify

the all-out U.S. embargo on Iran which denies profits to American

companies and then waive on this issue for Total or Gasprom?

I realize decisions are imminent, and that is why we are holding

this hearing. That is why I am trying to make these points to you,

is that I fail to see how, under any category, under any category

that you could see that this is in our national interest to provide

a waiver to Gasprom or Total under ILSA. I do not see how that

can possibly be interpreted as being in our national interest.

Senator Robb.

Go ahead.

Thank you, Senator, and thank you, Mr.

Ambassador. We appreciate your appearing in front of the committee,

and we appreciate your comments, and hopefully we can have

a good decision coming out of the administration and not waiving

ILSA in this regard. Thank you for joining us.

I have a need to get to the floor. There is a proposal that is up

that I have to be on at the present time. We need to take a break

if we could before our next panel comes up, in looking at the clock,

hoping we can get restarted at 2:45, so if we could, let us take a

short recess.

I apologize to the witnesses and to those in the audience, but we

have the India matter up on the floor now, with the defense authorization

bill, and I have to be over there for a moment. We will

reconvene at 2:45. [Recess.]

It turns out I got queued up later in the

line, so we will go ahead and proceed. I apologize, and beg your indulgence.

Our second panel will be Mr. Michael Eisenstadt, senior fellow

of the Washington Institute for Near East Policy, Hon. Richard W.

Murphy, senior fellow on the Council on Foreign Relations, and Mr.

Steven Emerson, Middle East affairs analyst and author and expert

on terrorism.

So I appreciate very much this panel. I apologize for the backand-

forth. This is the U.S. Senate. These things happen, it seems

like fairly often.

Mr. Eisenstadt, we appreciate your joining us. I think we will

run the time clock at a 5-minute interval, and we can accept your

written testimony into the record, if you would like to summarize,

if you would like to read off of it. The clock will give you some indicator

of where you are. We do not want to rush you, but at the

same time I would like to get succinct comments put into the

record. So Mr. Eisenstadt, thank you for joining us.