The hearing will come to order.

Good morning. Thank you all for being here with us this morning.

This is an important hearing on a timely subject.

Iran, I think it is safe to say, presents the biggest foreign policy

challenge facing the United States and others at this moment in

time. There are many facets to this particular issue—decades of

mutual antagonism, Iran’s support for terrorism, a deep-seated regional

sectarian rivalry. But also their perceptions of U.S. involvement

in the region, the unresolved Mideast peace process, which

contributes or at least provides certainly an excuse for many in the

region.

And of course, front and center is Iran’s nuclear enrichment and

reprocessing program, which continues despite best efforts of the

international community, the International Atomic Energy Agency,

and the U.N. Security Council to confirm its represented, purported

peaceful interests.

According to American intelligence officials, obviously, there are

serious questions that remain about whether Iran has, or has not,

made a decision with respect to nuclear weapons. But based on

abundant evidence, there is little reason to doubt our intelligence

community’s assessment that Iran is developing various nuclear

capabilities, technologies that better position it should it choose to

build or break out to a nuclear weapon.

In response, the Obama administration has worked with a broad

international coalition to assemble an unprecedented sanctions

regime. The administration is now implementing new legislation

requiring countries to significantly reduce Iranian crude purchases

or risk being cut off from the U.S. financial system.

The European Union has banned new oil import contracts with

Iran and will end all preexisting contracts by July 1. And most

recently, Swift, the Belgian cooperative that manages the world’s

financial transfer network, announced that Iranian banks will no

longer have access to the system.

Collectively, these steps are having, to the best of people’s knowledge,

significant effect on the Iranian economy, and they make it

increasingly difficult for Iran to sell oil and obtain hard currency.

I think certainly this pressure has affected Iran’s nuclear program,

but it hasn’t yet achieved compliance with the international community’s

nuclear program requirements.

I believe the reality is that sanctions alone are highly unlikely

to simply create a spontaneous Iranian decision to moderate their

nuclear program. I think it is going to take diplomacy, and it is

going to take some level of understanding about mutual interests.

The President has rightly and repeatedly said that all options

are on the table. And I personally do not think anybody should

doubt the President’s resolve regarding this.

The prospect of a military confrontation gives next month’s P5+1

meeting added urgency. Even at this late date, a coordinated strategy

of pressure and diplomacy gives us, I think, the best chance of

avoiding conflict, which I think is in everybody’s interests if it is

possible.

So we must engage in hard-nosed diplomacy that affects or offers

Iran a strategic choice—to continue to push forward in defiance of

international norms as an outlier facing crippling economic sanctions

and the possibility of a military confrontation, or embrace the

opportunity of a new Mideast of publicly certifying the legitimacy

of what it has already insisted is a civilian program by fully cooperating

with the International Atomic Energy Agency under a comprehensive

inspection regime and thereby rejoin the mainstream of

the community of nations.

I would comment parenthetically that there is a long history of

our involvement going back to the 1950s and plenty of reasons for

people in that part of the world to have their own suspicions. And

it is important for us also to be thoughtful about how we can proceed

forward here in the most effective way.

After more than three decades of hostility, it is certainly not realistic

to expect that one high-level meeting is going to resolve all the

differences or erase all of those decades, years of either misunderstanding

or mistrust or actions by one or the other that exacerbate

that mistrust. To have any prospect of success, we need an approach

that gives diplomatic engagement space to breathe without

creating delay and certainly without being drawn into a drawn-out

process that reduces the options for Israel or for other countries

with respect to potential breakout.

That is the challenge. The challenge is to find a solution that is

acceptable to both sides but also gives the international community

confidence that Iran neither has the capacity nor the desire to

make a mad dash to nuclear weapons.

To help us sort through these challenges, we have, I think, an

excellent panel of witnesses. First, we will hear from Ambassador

Tom Pickering. Maybe I should say Secretary Tom Pickering, one

of our most capable and experienced diplomats.

He is a former Under Secretary of State for Political Affairs, but

he has also served remarkably as Ambassador to the United

Nations, Russia, India, Israel, El Salvador, Nigeria, and Jordan. I

don’t know if I left anything out there, Tom. That is an extraordinary

portfolio by anybody’s standards, and it is a delight to have

his experience and wisdom here.

Then we will also hear from Gen. James Cartwright. ‘‘Hoss,’’ as

he was called and is called, retired last year after 40 years of service

in the Marine Corps. His last assignment was as Vice Chairman

of the Joint Chiefs of Staff, and he previously served as Commander

of STRATCOM.

And last, we will hear from Karim Sadjadpour of the Carnegie

Endowment for International Peace, and Karim is certainly one of

our leading experts on Iran, an important voice in this discussion.

And we welcome all three of you back to the committee.

Senator Lugar.

Well, thank you, Senator Lugar.

I appreciate the participation of everybody.

And Mr. Secretary, you are on. All the full statements will be

placed in the record as if read in full, and we welcome your

testimony.

Thank you very much, Mr. Secretary. Very constructive

and important.

General Cartwright.

Thanks. Thanks very much, General.

Mr. Sadjadpour.

Well, thank you very much, Mr. Sadjadpour. It

was very interesting.

Everybody, I think, has made a significant and interesting contribution

here. You may be the first witness in 26 years to have

quoted Trotsky before this committee.

But it was a pretty astute observation, without doubt.

Let me just begin, if I can, I want to come back to you, Mr.

Sadjadpour, but I want to set it up this way.

Ambassador Pickering, you said there were three options, and

your first option was this potential of doing nothing, and you then

go forward and they do what they want to do and they break out.

I don’t think—I am not sure that is, in fact, an option under any

circumstance because Israel isn’t going to let it be an option.

And that is really the quandary that we are in, that there really

are only two options. Either there is going to be military action

because one country is going to make a judgment about where they

think the rush to a weapon will occur. And based on that, they will

self-help, regardless of whether we are there.

And the other option is that that doesn’t take place because Iran,

hopefully in its wisdom, sees that that takes everybody to a bad

place, including them, and that there is a much better road to go

down. And therefore, there is something along the lines of an

agreement that you have defined or some other agreement.

Now I say that because I want to go directly thereforth. There

are those two poles that I think probably you would agree, Mr.

Sadjadpour, those are the two poles. If that is true then, you made

the judgment a moment ago in your testimony. You said there is

no evidence that Khamenei is going to see things differently or

move in a different direction.

How do you say that? Do you know whether there is an internal

debate? Do you know why then are they going to go to these talks?

Does that mean you are predicting these talks are a mere delay

process and destined to fail, or is something happening that maybe

none of us are aware of at this point?

So what is your advice to us with respect to this

question of their perceptions? I don’t disagree with you. I think

there is great fear in certain quarters that our primary goal is not

the nuclear plan at all. It is, rather, the regime change. And we

have to deal with that in any kind of dialogue or any dealings.

But given the speech that you quote in your written testimony

that the Supreme Leader gave in 2005 regarding bombs versus

miniskirts and so forth, it really poses a major challenge to us to

try to get over that inherent deep suspicion. What is your counsel?

But he is a smart man, a very, very smart man

and very clearly driven by religious foundation. It would seem to

me that that would also be very compelling to him with respect to

the alternatives, which are to find themselves even more isolated,

more punitive set of sanctions, greater threats in some ways to a

regime, and ultimately the potential of a very concerted military

action.

If everybody’s efforts are exhausted and there isn’t sufficient verification,

sufficient compliance, it may not be Israel acting alone at

that point.

Well, hopefully, I mean, I understand those calculations.

I think there are some much brighter and more significant

options available, and the question is obviously whether or

not, over the course of these next weeks, it will be possible for them

to see that and for people to reach what Tom Pickering has said

is sort of the confluence of interests here. It seems to me there are

real possibilities there.

But I am going to just stop there.

Senator Lugar.

Senator Shahee.

Thank you very much.

Senator Corker.

Thank you very much.

Senator Menendez.

Senator Risch.

Thanks very much, Senator. I appreciate it.

Do any other Senators have additional questions they wanted to

ask?

Senator Shaheen.

Before you answer that, if I could just say I have

to go to a meeting at noon. So I apologize.

Senator Lugar, would you close it out, if you could, afterward

and——

I thank all of the witnesses for being

here today. It has been a very, very helpful and important hearing.

Thank you.

I am sorry, Senator, to interrupt you.