Thank you very much, Mr. Chairman, Senator

Lugar. It’s an honor to be here——

I believe it is, yes.

I will speak louder.

I will be uncharacteristically brief for a Persian. I will be brief

in my oral testimony, and I’ve gone into much greater detail in my

written.

We’re here to talk about the nuclear proliferation threat from

Iran today, but I would submit that Iran has a sizable influence

on six major U.S. foreign policy challenges. There is nuclear proliferation,

Iraq, Afghanistan, the Arab-Israeli conflict, energy security,

and terrorism.

And starting with this premise, I would argue, as you said, Mr.

Chairman, that shunning Iran is no longer an option. I would

argue confronting Iran militarily will exacerbate each of these

issues I just mentioned. And the option we’re left with is talking

to Iran. But, the devil is in the details.

I think the first question which the Obama administration must

probe is a seemingly simple one, and that is, Why does Iran behave

the way that it does? Is Iranian behavior driven by this immutable

ideology which was born out of the 1979 revolution and is really

incapable of changing? Or is Iranian behavior somehow a reaction

to punitive United States measures? Meaning, could a different

approach—namely, a diplomatic United States approach—beget a

more conciliatory Iranian response? I don’t think we know the

answers to these questions, but the only way to test these

hypotheses is with direct dialog.

I would argue that the nuclear issue, which we’re here to talk

about today, is a symptom of the mistrust between the United

States and Iran, but is not an underlying cause of tension. And for

this reason, I don’t believe that there exists a technical solution to

this nuclear dispute. If President Ahmadinejad were to announce

a press conference tomorrow declaring that Iran has put its nuclear

program to rest, no one would believe him, nor should we. And I

believe that, again, there does not exist a technical solution to this

issue; it will require a broader political accommodation between the

United States and Iran, whereby Washington reaches a modis

vivendi with Tehran and Iran ceases its hostile approach toward

Israel. And we can go into more detail about this.

Now, I would make three points with regards to policy recommendations.

And the first point is to commence the dialog with

Iran by aiming to build confidence on areas of common interests.

And of the six issues that I mentioned initially, I believe that

Afghanistan and Iraq are the two best forums in which to build

confidence with Iran. These are two areas where there are broad

overlapping interests. There are certainly some competing interests

as well, but there are broad overlapping interests between the two

countries; namely, in Afghanistan. Iran does not want to see a

resurgence of the Taliban, a Sunni fundamentalist cult which they

almost fought a war with a little more than a decade ago. Iran, like

the United States, wants to see drug trafficking curtailed. And

Iran, having received over 2 million Afghan refugees in the last few

decades, certainly does not want to see continued instability in

Afghanistan. And likewise, we have common interests with Iran in Iraq.

So, I would say the first—the best step to begin this conversation,

after 30 years of cumulative mistrust, is to try to allay this

mistrust by working on these areas of common interest. And I

think those conversations, in and of themselves, could have an impact

on Iran’s nuclear disposition. If the United States is able to

set a new tone and context for the relationship in Afghanistan and

elsewhere, I think that, in and of itself, could change the calculations—

the nuclear calculations—of Iran’s leadership.

The second point I would make is to focus on the supreme leader

in Iran, Ayatollah Khamenei, not the President, Mahmoud Ahmadinejad.

Ayatollah Khamenei’s constitutional authority dwarfs that

of the President. He has authority over the main levers of state—

the judiciary, the military, the media; and, in the last several

years, he has emerged more powerful than he’s ever been. If you

look at the most influential institutions within Iran, the Revolutionary

Guards, the Guardian Council, the Presidency, the Parliament,

they’re all currently led by individuals who were either

directly appointed by Khameini or unfailingly loyal to him.

So, I think the focus should be on Ayatollah Khamenei. And I’ve

gone into much greater detail in my testimony—my written testimony,

about Khamenei. But, if I had to describe him in one word,

it would be ‘‘mistrustful.’’ He is deeply mistrustful of U.S. intentions.

He believes that U.S. policy is not behavior change, but

regime change. And he is reluctant to show any type of compromise,

because he believes that if you compromise, you project

weakness and it will invite even more pressure. So, I think one of

the great challenges of the Obama administration will be to (a)

deal directly with Khamenei, and (b) try to allay his profound sense

of mistrust, and see how that might affect Iran’s nuclear calculations.

The third point I would make—which is very much in line with

Senator Lugar’s initial comments—is that it’s absolutely imperative

that we maintain an airtight international approach. That includes

not only the Europeans, but also the Russians, the Chinese, and

others. What’s absolutely critical is that each country approaches

Iran with the same talking points, with the same redlines, because

if different countries approach Iran with diverging redlines, I

believe the entire diplomatic approach could unravel. Iran is very

adept at exploiting rifts within the international community and

it’s absolutely critical that they receive the same talking points

from all of our allies.

Now, I see two major obstacles to any type of confidence-building

or potential thawing in the relationship. And the first obstacle I

describe as the ‘‘spoilers.’’ These are factions, entities, and individuals

who would not benefit from a warming of the United States-

Iran relationship. Many are hard-liners in Tehran who thrive in

isolation, in the sense that they have quasi-monopolies on economic

power, on political power, and they recognize that, were Iran to

open up to the world, it would dilute the hold they have on power

now. And in the past, these spoilers have been incredibly adept at

sabotaging or torpedoing any type of confidence-building. They will

send arms shipments, meant to be discovered, to Hamas, to

Hezbollah. They will commit gratuitous human rights abuses. One

of my friends, Roxana Saberi, who’s an Iranian-American journalist,

was imprisoned last month in Tehran. She’s been in Evin

prison for the last month. And I believe these types of actions are

meant to gratuitously sabotage any hope for confidence-building.

And I think we, the United States, should not react by ceasing

dialog with Iran, because that’s precisely what these spoilers are

hoping to achieve. And it’s going to be tough, but I think we need

to continue forward.

And the big question is the will and the opinion of Ayatollah

Khamenei himself. And despite his hostile rhetoric, we don’t know,

deep down, whether he’s interested in having an amicable relationship

or not with the United States. But, I would argue that if we

reach out to Tehran, and he rebuffs our overtures, it will create

major issues and problems for him in Tehran, because, as Senator

Lugar mentioned early on, he’s presiding over a population which

is overwhelmingly in favor of a normalization with Iran, and even

amongst the political elite in Tehran, behind closed doors the majority

recognize that the ‘‘Death to America’’ culture of 1979 is obsolete

in 2009. So, I think that even if Iran’s senior leadership rebuffs

our efforts at overtures, it could create problems for them, and

could create cleavages in Tehran.

The second big obstacle I see is the Israeli-Palestinian conflict.

And I see this as the biggest point of contention between the

United States and Iran, not the nuclear issue. And what I would

argue is that some type of a parallel-track negotiation—Arab-

Israeli negotiations, headed by Senator Mitchell—could do a great

deal in forwarding United States-Iran confidence-building.

Iran’s position toward Israel is incredibly rigid. I don’t see them

changing that position anytime soon, but the important caveat is

that Iran’s leadership has long said that they will accept any agreement

which the Palestinians themselves accept. I truly believe forward

progress on the Arab-Israeli peace front could do wonders for

United States-Iran confidence-building.

The last point, which I will end on, is human rights and democracy,

because I think there’s a valid concern among some that if we

talk to the Iranian regime, we’re somehow selling out the demands

of the Iranian people, or by dealing with the Iranian regime—

engagement with the Iranian regime will be at the expense of the

Iranian people. And on this issue I would simply defer to Iran’s

human rights and democracy activists themselves; Iranian Nobel

Peace Laureate Shirin Ebadi argues that allaying the threat perception

of the regime in Tehran, and trying to reintegrate Iran into

the international global economy, will really expedite political and

economic reform in Iran by creating more fertile ground for democracy

and human rights.

Thank you very much.

Well, I think it’s a delicate balance, Senator

Kerry, because, as I see it, the short-term tactics and the long-term

strategy are at loggerheads, in the sense that I think, in the short

term, it’s imperative that we make it very clear to the Iranians and

to President Ahmadinejad that a belligerent noncompromising

approach is not going to reap rewards. And what we’ve challenged

them with is greater sanctions, greater political and economic isolation.

The problem, as I see it, is that the hard-liners in Tehran thrive

in isolation. I describe them as weeds that only grow in the dark.

So isolation is not necessarily a stick to them; in some ways, it’s

a carrot. And ultimately, our problem with Iran is the character of

the Iranian regime. And my concern is that the measures we’re

taking to send the signal to them that their belligerent approach

is not going to reap rewards actually strengthens the individuals

we’re trying to hurt.

So, I’ve been doing some research in Dubai, because Dubai is the

place—Dubai is the arena where Iran is most effectively circumventing

the sanctions regime and allaying its economic isolation.

And when I talk to businessmen in Dubai, Iranian businessmen

who are going back and forth, and European businessmen, and foreign

businessmen who are dealing with Iran, the recommendations

they always have are to have more targeted sanctions, targeting

senior officials within Tehran, as opposed to broader sanctions

which simply strengthen the regime’s hold over the economy and

are not conducive to economic and political reform.

I would second Dr. Haass’s comments, and I

would say that—I would argue we need not concede that right

before the negotiations take place, but certainly, as part of an end

game, I think it would be something more palatable not only to

Iran but also to our allies.

I would make a couple of points. One is that when the United

States prosecuted the Iraq war, we pursued very strong resolutions

at the U.N., and therefore, we achieved a very weak coalition. And

I think our strategy with regards to Iran needs to be the opposite,

in the sense that we pursue, initially, somewhat weaker resolutions

in order to achieve a broader airtight coalition. Because I think

what the Iranian leadership fears is not an amplification of existing

United States sanctions or European sanctions. What they fear

is the day when not even the Russians or the Chinese or the Indians

are returning their phone calls. This is what I think will concentrate

Iranian minds the most.

And the second point, as you mentioned, Senator Lugar, is the

contraction of oil prices. I once did a study charting the price of oil

from 1979 to the present, and charting major Iranian foreign policy

milestones. And I can tell you, it’s not coincidental that, in 1997,

when then-President Khatami first called for a dialog of civilizations,

oil was at $12 a barrel, and when President Ahmadinejad

first denied the Holocaust, oil was at $70 a barrel. So, I think we

will—this will be our best weapon in continuing forward with Iran,

this contraction of oil prices, coupled with a very airtight multilateral

approach.

OK, I just wanted to briefly recount an anecdote—

a brief anecdote—that will give you an idea of Iran’s vision

for the Middle East. I once relayed to a senior Iranian diplomat a

question which a Shiite Lebanese friend of mine once asked me. He

said, ‘‘Think of all the money Iran has spent over the years on

Hezbollah since Hezbollah’s inception in 1982. We can say upward

of $2 billion. And, likewise, Hamas. And think of how many Shiite

Lebanese Iran could have educated to become doctors and lawyers

and engineers instead of arming Hezbollah. And likewise, the Palestinians.

And how much better off would those communities be,

vis-a-vis Israel?’’ And his response to me was very telling. He said,

‘‘What good would that have done for Iran?’’ I said, ‘‘What do you

mean?’’ He said, ‘‘Do you think, had we educated them to become

doctors and lawyers and engineers, they’re going to come back to

South Lebanon and Gaza and fight Israel? No. They will remain

doctors and lawyers and engineers.’’

And my point is that Iran is to the Middle East, in a way, what

Rush Limbaugh is to the United States, in the sense that they

know they can be the champions of the alienated and the dispossessed,

but they know they can’t be the champions of the upwardly

mobile. And I think the problem with our strategy and Israel’s

strategy in the Middle East the last several years, if you look at

the last three wars which have been prosecuted in the Middle East,

the Iraq war, the 2006 Lebanon war, and the recent war in Gaza,

is that we’ve created—we’ve increased the ranks of the alienated

and the dispossessed, and we’ve created more fertile ground for

Iran’s ideology throughout the region.

I’m sorry?

I would describe the internal debate in Iran as

somewhat akin to the debate we have in the United States between

textualist and constructionist scholars of the Constitution, in the

sense that you have many Iranians, hard-liners, who believe that

anti-Americanism is central to the identity of the Islamic Republic,

and one of the core pillars of the revolution. And if you abandon

this anti-Americanism, then what’s left of the revolution and

what’s left of the Islamic Republic?

And I think you have plenty more moderates—and I would say,

the vast majority of the population—who understand that it’s time

to move on, that policies that came into play in 1979 are not constructive

in 2009. And—I would put, again, the vast majority of the

Iranian people in that category—and, based on my time in Tehran,

the vast majority of the political elite.

At the moment, I think the hard-liners very much benefit from

this antagonistic relationship with the United States. And that’s

why they want to continue to propagate it.

And, you know, it allows them a pretext—this

threat perception from the United States—it allows them a pretext

to clamp down on the population, narrow the accepted realm of

political discourse, and rig elections.

But I do think, like Ambassador Wisner, having had private conversations

with former President Khatami, that he is in the constructionist

camp, in the sense that he knows very well that Iran

will never fulfill its enormous potential as long as its relationship

with the United States remains adversarial. And I think we should

make it clear to the Iranians that, when and if they are ready to

change their approach, there’s a standing offer from the United

States that we will be ready to reciprocate.