WMD TERRORISM AND PROLIFERENT STATES

HEARING

BEFORE THE

SUBCOMMITTEE ON PREVENTION OF NUCLEAR AND BIOLOGICAL ATTACK

OF THE

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CONTENTS

Page

STATEMENTS

The Honorable John Linder, a Representative in Congress From the State of Georgia, and Chairman, Subcommittee on Prevention of Nuclear and Biological Attack 1
The Honorable James R. Langevin, a Representative in Congress From the State of Rhode Island, and Ranking Member, Subcommittee on Prevention of Nuclear and Biological Attack 2
The Honorable Norman D. Dicks, a Representative in Congress From the State of Washington 28

WITNESSES

Mr. Gregory F. Giles, Public Witness:
Oral Statement 3
Prepared Statenment 5
Dr. Daniel Byman, Director, Center for Peace and Security Studies, Georgetown University and Senior Fellow, Saban Center for Middle East Policy, The Brookings Institution:
Oral Statement 9
Prepared Statement 11
Dr. Ray Takeyh, Senior Fellow, Middle Eastern Studies, Council on Foreign Relations:
Oral Statement 20
Prepared Statement 21

WMD TERRORISM AND PROLIFERENT STATES

Thursday, September 8, 2005

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOMELAND SECURITY,
SUBCOMMITTEE ON PREVENTION OF NUCLEAR
AND BIOLOGICAL ATTACK,
Washington, DC.

The subcommittee met, pursuant to call, at 12:05 p.m., in Room 2261, Rayburn House Office Building, Hon. John Linder [chairman of the subcommittee] presiding.

Present: Representatives Linder, Langevin, Dicks, and Norton.

Mr. LINDER. [Presiding.] The Committee on Homeland Security, Subcommittee on Prevention of Nuclear and Biological Attack, will come to order.

I would like to welcome and thank our distinguished panel of witnesses for appearing before the subcommittee today.

We may not always be able to precisely predict and anticipate the devastation that Mother Nature unleashes, however we must ensure that we anticipate a terrorist attack involving a weapon of mass destruction.

We only have to imagine that it was a 10-kiloton nuclear device that was set off in the middle of New Orleans to fully comprehend the devastation that we would be facing today. What we would be doing is recover from a deliberate large-scale biological attack.

As we recognize the strong effort by the Department of Homeland Security to assist the people in the devastated Gulf Coast region, we must not lose sight of the fact that a terrorist assisted by a state actor who is intent on killing a large number of U.S. citizens will dwarf in magnitude the devastation that we have observed in Mississippi, Alabama and Louisiana.

While natural disasters can only be mitigated, attacks of man-made origin can and must be prevented. Prevention can only be achieved with accurate assessments of the threat, combined with the effective action.

It is with this outcome in mind that we focus today on a particularly challenging threat: states which sponsor terrorists, who also pursue weapons of mass destruction.

The WMD attack always raises questions about the capabilities of specific terrorist organizations. Given the hurdles that individual terrorist organizations must overcome, assistance by a state may be critical to a terrorist group wishing to launch a more sophisticated WMD attack.

Such states could enable terrorist groups to over come multiple hurdles in mounting a successful chemical, biological and nuclear

attack, sanctuary for planning and preparation, resources, expertise, material and technology, all vital to such an enterprise, to be provided by a state that is sympathetic to the terrorists.

As a nation with a nascent nuclear program, the well-documented links to Hezbollah and other terrorist organizations, Iran is a particular concern.

While Iran is by no means the only state of this type, its continued hostility toward the United States, its past attacks on U.S. forces, and its current well publicized proliferation activities give it a well-deserved special status.

Iran continues to convert uranium into a form suitable for enrichment, in defiance of IAEA requests to stop. Talks between European Union negotiators and Iran aimed at resolving the nuclear question have broken down, further dimming the prospect for halting Iranian enrichment activities.

Direct Iranian support for international terrorist organizations continues. The State Department's most recent country reports on terrorism states that Iran remains the most active state sponsor of terrorism. The Wall Street Journal reports that Iran's new president has called for a wave of Islamic revolution. This sponsorship of terror extends to Iraq as well.

Time magazine recently published a report entitled "Inside Iran's Secret War for Iraq," and other media reports have chronicled Iranian assistance for insurgent attacks against U.S. forces and civilians in Iraq. This was confirmed in the recently collected shaped charges in Iraq that clearly shows an Iranian pedigree.

Collectively, these actions give us concern. While historically no state, including Iran, has provided WMD to any terrorist organization, the future holds no such guarantees. We must remain vigilant and informed in this dynamic environment.

I look forward to hearing from our expert witnesses today and their views of the threat as it exists today and how it might evolve in the future.

I now recognize my colleague from Rhode Island, Mr. Langevin.

Mr. LANGEVIN. Thank you, Mr. Chairman.

I would like to welcome our witnesses here today. I certainly look forward to hearing the testimony.

After listening to witnesses at previous hearings and briefings held by the subcommittee, I feel that our government must move quickly to accelerate its efforts to secure nuclear material at its source. However, this cannot occur in a vacuum, and we must monitor the activities of nations such as Pakistan, North Korea and Iran.

I notice that all of our witnesses prepared testimony focused on Iran, and rightly so. Given that it is the most active state sponsor of terrorism, combined with the unsuccessful attempts by our European allies to prevent the Iranians from enriching uranium, we must not underestimate the threat a nuclear Iran would pose to our national security.

I also believe that other nations pose a threat as well. North Korea is a designated state sponsor of terrorism and has stepped up their weapons-making activities. I have said before that North Korea has never developed a weapon system that they have not

sold, which makes them a likely source for terrorists to obtain a weapon of mass destruction on the black market.

Pakistan is another concern. Given the large-scale proliferation activities of the A.Q. Khan network. In fact, Pakistan sent enrichment technology to Iran and North Korea and it remains unknown whether or not Khan-assisted terrorist groups.

Finally, a large portion of the Russian nuclear stockpile is not secure. Given that Russia is the largest source of nuclear weapons and weapons-grade nuclear material, we must ensure that our government does all it can to ensure that these weapons are secured or destroyed.

I look forward to today's testimony, and I would be particularly interested in hearing our witnesses' thoughts on North Korea and Pakistan.

Mr. Chairman, I want to thank you again for holding this hearing, and I yield back.

Mr. LINDER. I thank the gentleman.

We now turn to our panel of expert witnesses.

Other members are reminded that they may submit written statements for the record.

Mr. Gregory Giles is a national security consultant with extensive experience in developing threat assessments for the U.S. government, specializing in weapons of mass destruction. He has published several reports on Iranian unconventional weapons programs.

Dr. Daniel Byman comes to us from Georgetown University where he is an associate professor in the School of Foreign Service. Dr. Byman served as a professional staff member with both the 9/11 Commission and the joint 9/11 inquiry of the House and Senate Intelligence Committees. He has recently published a book entitled "Deadly Connections: States that Sponsor Terrorism."

Dr. Ray Takeyh is a senior fellow for Middle Eastern studies at the Council of Foreign Relations and is a noted expert on Iran. He has published extensively on the Middle East and has a forthcoming book entitled "The Guardians of the Revolution: Iran's Approach to the World."

We welcome you all. We thank you for being here.

Mr. Giles?

STATEMENT OF GREGORY GILES, PUBLIC WITNESS

Mr. GILES. Good morning, Chairman Linder and Ranking Member Langevin and distinguished members of the subcommittee. I thank you for the opportunity to appear before you today to discuss the potential threat of Iranian WMD terrorism against the United States.

As we approach the fourth anniversary of the September 11 attacks, we are sadly reminded of the tragic costs of underestimating our adversaries. It is against this backdrop that we must continue to strengthen our efforts to anticipate emerging threats against the United States.

The first part of my testimony suggests that the Islamic Republic of Iran stands at a very dangerous nexus of deep hostility towards the United States, pursuit of weapons of mass destruction, and international terrorism. Therefore, it is only prudent that we con-

sider the risk Iran might one day undertake or sponsor a WMD terrorist attack against the United States. I will provide some scenarios for such a possibility.

I will then propose a framework that considers, on one hand, possible impediments and, on the other, possible enablers or inducements to Iranian WMD attack on our country.

Finally, I will suggest some implications of this threat for U.S. national security planning.

In the interest of time, I would like to proceed directly to the scenarios as a way to try and structure our thinking about this potential threat. Among the possibilities are the following scenarios arranged in order from lesser to greater awareness and sanction by Iran's ruling elite.

Number one, zealots and profiteers in Iran's WMD scientific and industrial communities might engage in an A.Q. Khan-like network supplying WMD on the black market for terrorist groups.

Number two, rogue elements within the Islamic Revolutionary Guard Corps, which oversees Iran's WMD programs and supports international terrorism, might orchestrate a WMD terrorist attack of their own.

Number three, Iran provides terrorist groups with advice on how to procure WMD technology, equipment and materials.

Number four, Iran provides WMD to terrorist proxies and trains them to carry out specified attacks.

And number five, Iran uses its own IRGC or intelligence operatives to carry out a deliberate covert WMD attack.

This list is by no means exhaustive, and analysts have different views as to the likelihood of each scenario. But in thinking about the likelihood of the scenarios, I put forward a framework and emphasize that to date there are no public indications that Iran has engaged in WMD terrorism, so it is useful to try and assess why that might be and how things might change.

So I offer the following political, security and economic impediments to Iranian involvement in WMD terrorism.

Certainly, Iranian engagement in this kind of behavior would fly in the face of various Iranian religious edicts and policy pronouncements condemning the use of WMD, and I believe would further undermine the mullahs' claim to legitimacy. Also, turning over WMD to terrorist proxies could give such groups greater political leverage over Teheran, including the potential for blackmail.

On the security front, certainly Iran fears the possibility of retaliation and would not want to stimulate its own opponents to engage in WMD activity by setting a dangerous precedent.

Finally, on the economic front, nearly 80 percent of Iran's foreign income is derived from the sale of oil and natural gas, with the very risky prospect of an embargo for such behavior.

Turning to possible enablers or inducements, on the political front, should Israel and the Palestinians appear to be making progress toward a peaceful settlement, Iran might try to derail the process by dramatically escalating the level of violence. Use of WMD by Palestinian rejectionist groups would certainly provide such a shock. Extremes within Iran might once again initiate a wave of international terrorist attacks in order to embarrass their more pragmatic factions in Teheran as they did in the 1980s.

In terms of security, Iran might wish to remind its main adversaries of their vulnerabilities by subjecting them to a symbolic WMD attack by proxy, in essence an asymmetric shot across the bow to deter any preemptive attacks that might be under consideration.

In terms of economics, Iran's mullahs might be less inhibited to engage in this kind of activity if they thought they could undermine an international oil embargo. Their relationship with China in this regard is an interesting consideration.

So in terms of implications, I think in the end whether Iran would engage in this kind of activity depends on three factors: the regime's risk propensity, which is generally regarded as low but not zero; the perception that the benefits of such involvements significantly outweigh the costs; and how well the mullahs can control the WMD programs and terrorists operations within the IRGC and other organizations elsewhere in the regime.

This concludes my prepared statement. With the subcommittee's permission, I request that my formal statement be submitted for the record.

Mr. LINDER. Without objection, it will be.

Mr. GILES. Thank you, Chairman Linder and distinguished members of the subcommittee. I would be happy to answer any questions you have.

[The statement of Mr. Giles follows:]

PREPARED STATEMENT OF GREGORY GILES

I. Introduction

Good morning, Chairman Linder, Ranking Member Langevin and distinguished Members of the Subcommittee. I thank you for the opportunity to appear before you today to discuss the potential threat of Iranian WMD terrorism against the United States. As we approach the fourth anniversary of the September 11th attacks, we are sadly reminded of the tragic costs of underestimating our adversaries. It is against this backdrop that we must continue to strengthen our efforts to anticipate emerging threats against the United States.

The first part of my testimony suggests that the Islamic Republic of Iran stands at a dangerous nexus of deep hostility towards the United States, pursuit of weapons of mass destruction, and international terrorism. It is only prudent that we consider the risk that Iran might one day undertake or sponsor a WMD terrorist attack against the United States, and I provide several examples of scenarios for such an attack.

To help assess whether and under what circumstances Iran might engage in such behavior, I then propose a framework that considers on one hand possible impediments, and on the other hand possible enablers or inducements, to Iranian WMD attack on the United States. Finally, I suggest a number of implications of this threat for U.S. national security planning.

II. ***The Iranian Threat Nexus***

International Terrorism

International terrorism has been a cornerstone of Iranian policy since the inception of the Islamic Republic in 1979. Terrorism is seen as a legitimate policy tool by Iran's ruling clerics, although they do not refer to it as such. Instead, they try to cloak it in more politically acceptable terms of "resistance" and "export of the revolution." The goals of Iran's terrorism are to advance Tehran's influence and desire for regional hegemony, in the hopes of creating like-minded theocracies in the region, and eliminating opposition to the regime by liquidating dissidents wherever they may be.

Domestic politics has had an important influence on the scope and timing of Iranian terrorist attacks. In the 1980s, for example, extremist factions in Tehran launched a new wave of terrorist attacks against Western and Israeli targets in a bid to embarrass and outmaneuver their more pragmatic domestic rivals. The pragmatists, for their part, had advocated merely a pause in Iranian-sponsored terror

attacks in order to ease Iran's diplomatic isolation and replenish arms needed to continue the war against Iraq.

A hallmark of Iranian terrorism is the cultivation and reliance on foreign Shia extremist groups to do Tehran's bidding. Iran was largely responsible for the creation of Hezbollah in Lebanon, and its Islamic Revolutionary Guard Corps (IRGC) has been training and equipping Hezbollah terrorists for decades. Hezbollah, which has a global presence, has been described by senior US Government officials as a far more capable organization than al-Qa'ida. In 2002, a Hezbollah fund raising cell was uncovered in North Carolina, and the FBI was reported to be investigating about 20 other potential Hezbollah cells in the United States. Hezbollah had killed more Americans than any other terrorist group until September 11th.

Iran has courted al-Qa'ida over the years, apparently willing to set aside Shia-Sunni religious differences in common pursuit of toppling moderate Arab states, the destruction of Israel, and the withdrawal of the US presence in the Middle East. As detailed by the 9–11 Commission Report, Iran provided training to al-Qa'ida operatives in the early 1990s, helping them to become proficient in the manufacture of car bombs, which they have used so effectively against US and Western targets worldwide. Iran maintains an ambiguous relationship with al-Qa'ida, either "detaining" or "hosting" a number of senior al-Qa'ida operatives who fled Afghanistan, reportedly including Bin Laden's son.

Other terrorist proxies of Iran include Palestinian Islamic Jihad, the al-Aqsa Martyrs Brigades, the Popular Front for the Liberation of Palestine-General Command, and Hamas. Hamas has made crude attempts to introduce poisons into its suicide bombs since the late 1990s. Overall, the use of such proxies enables Iran to advance its goals through the use of force without the risk of direct reprisals from stronger powers.

Weapons of Mass Destruction

Iran has been pursuing WMD since the 1980s, in contravention of its numerous nonproliferation treaty obligations. In response to Saddam Hussein's use of chemical weapons during the 1980–1988 war with Iran, Tehran launched its own chemical warfare (CW) effort and used such weapons against Iraq, although it steadfastly denies this. The State Department recently declared that, "...Iran is in violation of its [Chemical Warfare Convention] obligations because Iran is acting to retain and modernize key elements of its CW infrastructure to include an offensive CW R&D capability and dispersed mobilization facilities."

Likewise, Iran is an original signatory of the Biological Weapons Convention, yet is believed to have an active biological warfare program masked within its civilian pharmaceutical and biotechnology industries.

Since the 2002 revelation of secret facilities in Iran to enrich uranium and produce heavy water, the International Atomic Energy Agency (IAEA) has uncovered a large-scale nuclear program in Iran that dates back to the 1980s. Much of this program, including the separation of plutonium and the enrichment of uranium, was deliberately hidden from the IAEA in contravention of Iran's safeguards agreement under the Nuclear Non-Proliferation Treaty (NPT).

Of particular note is Iran's acquisition of uranium enrichment technology and equipment from the A.Q. Khan network, which provided similar assistance and actual nuclear weapon designs to Libya.

Since the cover was blown on its clandestine nuclear program, Iran has reacted with the same "cheat and retreat" tactics Iraq used to conceal its nuclear weapons program from UN inspectors after the 1990 Gulf War. In numerous instances, Iran has understated its nuclear activities, only acknowledging their wider scope when presented with irrefutable evidence to the contrary by IAEA officials.

This pattern of deception, denial, and delay has served Iran well, helping it to avoid international sanctions for the past three years. Indeed, Iran has met international calls to constrain its nuclear program with steadfast defiance.

This defiance belies a determination to attain a nuclear weapons capability. Tehran has numerous motivations to get the bomb, spanning prestige, security, hegemonic, and domestic political concerns. Should they succeed in acquiring nuclear weapons, Iran's mullah's are likely to become emboldened on both the international and domestic political fronts.

Hostility Towards the United States

Hatred of the United States has been the mantra of Iran's theocracy since its inception. That hostility derives from a broader anti-colonial sentiment, resentment of US intervention in Iranian domestic politics in the early-1950s, support of the monarchy, a perceived "tilt" toward Iraq during the Iran-Iraq war, and subsequent US efforts to isolate the Islamic Republic, including technology denial. The leadership's enmity stands in contrast to broad segments of the Iranian populace, particularly

the post-Khomeini generation, which has a more favorable view of the United States.

The mullah's hostility toward the United States is manifest in the 1980–81 Tehran embassy hostage crisis, as well as numerous terrorist attacks perpetrated by Hezbollah and other proxies at Tehran's behest, which resulted in the deaths and wounding of hundreds of US citizens. In addition, Iran has orchestrated deadly attacks against US military forces, including the bombing of the US Marine barracks in Lebanon in 1983 and the bombing of Khobar Towers in Saudi Arabia in 1996.

Many of Iran's extremists harbor a fatalistic vision of "inevitable" conflict with the United States. Iranian leaders have long since concluded that a direct confrontation with the United States on our terms would spell certain defeat for Tehran. As former defense minister Akbar Torkan explained in 1993:

> "'Can our air force...take on the Americans, or our navy take on the American navy? If we put all our country's budget into such a war we would have just burned our money. The way to go about dealing with such a threat requires a different solution entirely.'"

In touting Iran's new asymmetric warfare doctrine against the United States last fall, IRGC Commander Rahim-Safavi warned that, "They know full well that if they start an onslaught against us, we will not be confined to our land borders and that we will attack them outside the boundaries of our land borders."

In short, Iran's hostility towards the United States, institutionalized use of terrorist proxies, and large-scale investments in asymmetric weapons capabilities and doctrine, provide a disturbing picture of what might one day converge in a WMD terrorist attack against the United States.

III.What Possible Forms of Involvement?

Before turning to the framework, it is useful to consider the various ways in which Iran might become involved in WMD terrorism. Among the possibilities are the following scenarios, arranged in order from lesser to greater awareness and sanction by Iran's ruling elite:

- Zealots and profiteers in Iran's WMD, scientific, and industrial communities engage in an A.Q. Khan-like WMD black market for terrorist groups
- Rogue elements within the IRGC, which plays a key role both in Iran's WMD programs and terrorist operations, orchestrate a WMD terrorist attack
- Iran provides terrorist groups with advice on how to procure WMD technology, equipment, and materials
- Iran provides WMD to terrorist proxies and trains them to carry out specified attacks
- Iran uses its own IRGC/intelligence operatives to carry out a deliberate, covert WMD attack.

The list is by no means exhaustive, and analysts have different views as to the likelihood of each scenario. Still, it is essential to develop initially a broad list of potential threat scenarios, evaluate the factors which could make them more or less likely, and develop intelligence indicators that might signal shifts that could make one scenario more or less likely than another.

IV. A Framework for Assessing the Risk of Iranian WMD Terrorism

To date, there are no public indications that Iran has engaged in WMD terrorism. Consequently, it may be useful to think about the issue in terms of the political, security, and economic considerations that prevent Iran from engaging in such behavior, as well as shifts which may enable it.

Impediments to Involvement in WMD Terrorism

A. *Political*

Iranian involvement in WMD terrorism, if discovered or inferred, would carry substantial political costs for the ruling clerics. It would undo years of effort to end Iran's isolation and stabilize its economy. Such involvement would fly in the face of various Iranian religious edicts and policy pronouncements, including Ayatollah Khamene'i's declaration shortly after the September 11th attacks that, "Killing of people in any place and with any kind of weapons, including atomic bombs, long-range missiles, biological or chemical weapons, passenger or war planes, carried out by any organization, country, or individuals is condemned." Official complicity in WMD terrorism would likely spell the end of Khamene'i's rule—whose legitimacy as the Supreme Leader of Iran is already on weak footing—whether the result of internal or external pressures.

Those external pressures could be immense and, increasingly, multilateral. In particular, UN Security Council Resolution 1540, which was recently adopted by consensus, requires all states to, "...refrain from providing any form of support to non-State actors that attempt to develop, acquire, manufacture, possess, transport,

transfer or use nuclear, chemical or biological weapons and their means of delivery." The new International Convention on Nuclear Terrorism, also adopted by consensus in the UN General Assembly, will open for signature next week and place additional obligations on states. These developments underscore the growing international intolerance of state-sponsored WMD terrorism. Whether Iran will take heed of this norm will probably hinge upon the consequences of violating it, since Tehran also signed the Non-Proliferation Treaty, the Chemical Warfare Convention, and the Biological Warfare Convention and appears to have violated all three.

Short of leadership or broader regime change, turning over WMD to terrorist proxies, who maintain their own agendas and degree of independence, could potentially give such groups greater political leverage over Tehran. They could, for example, use the weapons in ways other than those intended by Iranian leaders. They might also blackmail Tehran into meeting certain demands or risk public exposure of the WMD transfer.

B. *Security*

As suggested above, the risk of international retribution, including military attack against Iran's WMD-related infrastructure and possibly regime change, likely exercises a strong restraining influence over possible Iranian consideration of engaging in WMD terrorism. Such involvement might open a "Pandora's box" of another sort, inspiring regime opponents like the Mujahedeen-e-Khalq to acquire WMD and use them in their campaign to unseat the mullahs, a concern reflected by Iranian officials and academics.

C. *Economic*

Approximately 80 percent of Iran's foreign income is derived from the sale of its oil and natural gas. This dependency, and the potential for its exploitation by a punitive international oil embargo, presumably exercises some degree of restraint on the more risky forms of Iranian behavior, such as involvement in WMD terrorism.

Possible Enablers/Inducements to Engage in WMD Terrorism

A. *Political*

It is important to consider the range of political developments that might erode Iran's reluctance to engage in WMD terrorism. For example, should Israel and the Palestinians appear to be making tangible progress toward a peaceful settlement, it is possible that Iran might try to derail the process by dramatically escalating the level of violence. Use of WMD by Palestinian rejectionist groups would certainly provide such a "shock" and goad the Israeli military into a massive crack-down that would put a halt to a negotiated solution.

It is also possible that extremists within Iran's formal and informal ruling circles might once again initiate a wave of international terrorist attacks to counter any perceived challenges from more pragmatic factions in Tehran, as they did in the 1980s. WMD terrorist attacks by Islamic proxies against Western interests would certainly exacerbate tensions with Iran and politically isolate any faction that might have been seeking a rapprochement with Washington.

Another possibility is simple bureaucratic momentum. As mentioned above, the IRGC's WMD and terrorism roles might one day conflate in unanticipated ways. In this regard, it is important to note the IRGC's relative lack of religious oversight, compared to, say, Iran's regular military forces.

B. *Security*

Developments in the security realm might likewise undermine Iranian reluctance to engage in WMD terrorism. Consistent with its asymmetric strategy, Iran may wish to remind its main adversaries (i.e., the United States and Israel) of their vulnerabilities by subjecting them to a symbolic WMD attack by proxy. The overall goal may be to deter any pre-emptive strikes against Iran's WMD infrastructure—in essence, an asymmetric "shot across the bow."

Should Iran succeed in producing fissile material, developing nuclear weapons, and mating them to long-range delivery systems, Iranian foreign policy could be expected to become more assertive generally. In the perhaps mistaken confidence that such a capability would then preclude future retaliation against Iran, Tehran's leaders might be more inclined to support WMD terrorism.

C. *Economic*

In spite of its dependency on oil and natural gas exports to keep the Iranian economy afloat, Iran's mullahs may be less inhibited to engage in WMD terrorism if they believed that an international oil embargo could be averted by shrewd exploitation of the ever increasing international demand for energy. In this regard, it is noteworthy that Iran has recently deepened its energy ties with China, signing contracts to supply Beijing with natural gas for the next 25 years and to develop the Yadaravan oil field, deals worth an estimated $200 billion. The mullahs likely view

China's growing dependency on Iranian oil and natural gas as a means of securing Beijing's veto in the event Iran faces UN Security Council sanctions, be it for pushing its nuclear program or other objectionable activity such as involvement in WMD terrorism.

V. *Implications*

In the end, whether Iran would engage in WMD terrorism probably depends on three factors:

- the regime's risk propensity—which is generally regarded as low but not "zero";
- its perception that the benefits of such involvement significantly outweigh the costs; and
- how well the mullahs can control WMD programs and terrorist operations within the IRGC and other organizations elsewhere in the regime.

What I have attempted to demonstrate is that it is possible to conceive of situations that might result in a higher Iranian risk propensity, a more favorable cost-benefit calculus, and a greater possibility of involvement in WMD terrorism than currently appears to exist. Undoubtedly, analysts will hold different views on these issues. If we are to succeed in correctly anticipating the emergence of an Iranian WMD terrorism threat, however, these hypotheses should continuously compete with one another as new intelligence is developed that might "narrow the field."

Further, as a hedge against intelligence surprise, I believe that we should continue to move forward on other fronts, such as the development of a network to detect the smuggling of nuclear materials and devices into the United States. Such a network should be designed with a thinking, adaptive adversary—like Iran—in mind.

This concludes my prepared statement. With the Subcommittee's permission, I request that my formal statement be submitted for the record. Chairman Linder, Congressman Langevin, and Members of the Subcommittee, I thank you for your attention and will be happy to answer any questions you may have.

Mr. LINDER. Thank you, Mr. Giles.

Dr. Byman?

STATEMENT OF DANIEL BYMAN, DIRECTOR, CENTER FOR PEACE AND SECURITY STUDIES, GEORGETOWN UNIVERSITY SENIOR FELLOW, SABAN CENTER FOR MIDDLE EAST POLICY AT THE BROOKINGS INSTITUTION

Mr. BYMAN. Mr. Chairman, members of the committee, thank you for this opportunity to speak before you today.

To make my position clear from the start, although Iran is one of the world's leading sponsors of terrorism, I believe it is not likely to transfer chemical, biological or other unconventional weapons to terrorist groups.

My spoken remarks will concentrate on this theme, while my prepared remarks discuss Iran's support for terrorism more broadly.

Iran has supported terrorism steadily for 25 years. It has had chemical weapons at least for 15 years. Yet during this time, it has not transferred these systems. Several reasons explain this restraint.

First, Iran is aware that any major escalation in its support of terrorism would incur American wrath and the wrath of much of the international community, possibly leading to U.N. sanctions and possibly even to a military strike. Iran has not transferred much of its advanced conventional weapons to terrorist groups in the past. That would be a logical prelude to transferring things like chemical or biological weapons.

Iranian leaders are also extremely well aware that the transfer of WMDs would be a U.S. redline that would provoke a U.S. response. Traditionally, Iran has tried to have some degree of

deniability in its use of terrorism, working through terrorist groups like the Lebanese Hezbollah to disassociate itself from attacks.

For the most part, unfortunately, this has worked. The United States has not retaliated when Iran has used proxies to kill Americans in the past. If Iran were to have its proxies use WMD, however, that disassociation would not work. The United States and other countries would not accept that very arbitrary and artificial division.

Also, Iran's favorite proxies, like the Lebanese Hezbollah, do not seek these types of weapons. They, too, recognize the red lines the United States and other powers have drawn and their current tactics on weapons systems also enable them to kill the numbers of people they want to kill. At this time, they do not need these weapons.

It is arguable that some of the more advanced chemical and biological weapons systems would be difficult for even a skilled terrorist group like the Lebanese Hezbollah to operate properly. Although it is worth pointing out a very important point for homeland security: The psychological effect would be tremendous, even if the number killed were extremely small.

September 11 also had a limiting effect. A number of states and terrorist groups around the world recognized the increased U.S. concern with terrorism and have made great attempts to try to disassociate themselves or reduce their involvement in this as a result.

In my judgment, Iran is not likely to change its behavior with regard to support for terrorism except in the most extreme circumstances. Iran might increase its support for terrorism if the United States is determined to remove Iran's influence in Iraq; if it appears that the United States is going to stay indefinitely in Iraq; or if the United States escalates over other issues like Iran's nuclear program.

Yet even here it is not likely to transfer chemical or other unconventional weapons to terrorist groups. It would instead rely first on traditional methods.

Only in the event of a truly grave threat to the Iranian regime, like an invasion, would these restraints go out the window. I believe Iran would start overseas, rather than in the American homeland.

Let me conclude by talking briefly about some of the implications for homeland security.

First of all, the risk of Iranian-sponsored terrorism involving WMD in the United States is extremely low, in my judgment. That said, it should remain an intelligence priority. Given the catastrophic consequences of this, it is something that we should be watching, even though the chances are quite low.

I will make an aside at this moment to address what the ranking member has noted about Pakistan and North Korea.

Pakistan in particular is an extremely dangerous state that deserves careful watching. The regime stability there is unclear. Unlike Iran, it has a large nuclear arsenal. Also, it has an extremely large jihadist presence, and in contrast to groups like the Lebanese Hezbollah, these groups want WMD.

In my judgment, Pakistan deserves particular scrutiny because of this combination of nuclear weapons, jihadist terrorism and internal instability. I am quite concerned over the future of that country.

I will conclude by saying a last recommendation for the committee to consider for homeland security is fear management. Weapons of mass destruction like chemical weapons and biological weapons, most of the systems available to terrorist groups that are simple and easy to use are actually not that lethal. They can kill dozens at times, but far fewer than bullets, far fewer than car bombs. The real effect is psychological.

The comparison I would make is with the anthrax attacks in the United States, where tragically I believe five people died, but the overall effect was relatively low in terms of actual violence, but the psychological effect around the country was tremendous.

Educating our population, having officials on television ready to go to say that, while it is scary, it is not something to panic over, is very important.

I will conclude my remarks right now, but I would like to thank you for offering me this opportunity to talk before you, and ask that my prepared remarks be submitted for the record.

[The statement of Mr. Byman follows:]

PREPARED STATEMENT OF DR. DANIEL BYMAN

Chairman Linder, Members of the Committee, and Committee staff, I am grateful for this opportunity to speak before you today.

I am speaking today as a Professor in the Georgetown University Security Studies Program and as a non-resident Senior Fellow at the Brookings' Saban Center for Middle East Policy. My remarks are solely my own opinion: they do not reflect my past work for the intelligence community, the 9/11 Commission, the U.S. Congress, or other branches of the U.S. government.

Since the Islamic Revolution in 1979, Iran has been one of the world's most active sponsors of terrorism. Tehran has armed, trained, financed, inspired, organized, and otherwise supported dozens of violent groups over the years. Iran has backed not only groups in its Persian Gulf neighborhood, but also terrorists and radicals in Lebanon, the Palestinian territories, Bosnia, the Philippines, and elsewhere.[1] This support remains strong even today. It comes as no surprise then, that almost twenty five years after the revolution, the U.S. State Department still considers Iran "the most active state sponsor of terrorism."[2]

Yet despite Iran's very real support for terrorism today, I contend that it is not likely to transfer chemical, biological, nuclear, or radiological weapons to terrorists for three major reasons. First, providing terrorists with such unconventional weapons offers Iran few tactical advantages as these groups are able to operate effectively with existing methods and weapons. Second, Iran has become more cautious in its backing of terrorists in recent years. And third, it is highly aware that any major escalation in its support for terrorism would incur U.S. wrath and international opprobrium.

In my prepared statement, I begin by reviewing how Iran has used terrorism in the past and how this has changed over the years. I then assess U.S. attempts to press Iran with regard to terrorism and why they have met with little success. I conclude by arguing that, while I believe Iranian terrorism remains a threat, Tehran is not likely to pass chemical, biological, or nuclear weapons to terrorists.

Iran's Past Use of Terrorism

Iran initially began supporting radical groups, including many that embraced terrorism, after the 1979 Islamic revolution and quickly became the world's leading state supporter of terrorism. Exporting the revolution was a leading foreign policy

[1] This testimony draws on my recent book, *Deadly Connections: States that Sponsor Terrorism* (New York: Cambridge University Press, 2005).

[2] United States Department of State, *Patterns of Global Terrorism 2002* (Washington, DC: 2003), p. 77.

goal, an ambition that led Tehran to work with a range of radicals around the world. The clerical regime in Tehran viewed supporting revolutions overseas as part of its revolutionary duty. The theological justifications for the Iranian revolution espoused by the clerics emphasized the spread of Islam regardless of state boundaries. Iran's Supreme Leader Ayatollah Khomeini, shortly after taking power, declared, "We should try hard to export our revolution to the world . . . we [shall] confront the world with our ideology."[3] Indeed, Iran's constitution calls on its military forces to "extend the sovereignty of God's law throughout the world."[4]

For Iran's new leaders, supporting Islam meant supporting revolution. Typifying a view common to revolutionary regimes, Iran's leaders saw themselves on the defensive yet believed that aggressively promoting their revolution was the best means of ensuring its survival.[5] Ayatollah Khomeini declared that "[A]ll the superpowers and the [great] powers have risen to destroy us. If we remain in an enclosed environment we shall definitely face defeat."[6] Heady with their own success against the Shah at home, Iranian leaders made no secret of their belief that "corrupt" and "illegitimate" leaders abroad such as Iraq's Saddam Husayn, the Al Saud family in Saudi Arabia, and others, would soon fall as well.

Immediately following the revolution, Tehran was particularly active in working with Shi'a Muslim movements around the world. As representatives of the world's largest Shi'a nation, Iranian leaders feel a special affinity for the world's Shi'a. In most countries in the Muslim world the Shi'a faced oppression and discrimination, and the revolution both inspired them to take action and to look to Tehran for support. Iran thus backed Shi'a groups in Iraq, Bahrain, Saudi Arabia, Pakistan, Kuwait, and elsewhere.

In the eyes of its founders, however, the Iranian revolution was more than simply a Shi'a movement. Tehran saw itself as the champion of the "dispossessed" around the world. Thus it embraced an array of left-wing revolutionary movements, many of which had secular ideologies.

Not surprisingly, this ideological support engendered considerable hostility among Iran's neighbors. They regularly condemned Iran, froze or cut trade, formed anti-Iran alliances, welcomed Iranian dissidents (including several groups that supported terrorism against Iran) and took other steps designed to weaken and isolate the new regime. Thus emerged a strategic rivalry between Iran and many of its neighbors in which terrorism and support for subversion were the major Iranian weapons in its toolbox.

For Iran, supporting subversive movements became a way of weakening and destabilizing its neighbors as well as spreading its revolution and toppling what in the eyes of Tehran were illegitimate regimes. In 1981, shortly after the outbreak of the Iranian revolution, Tehran aided Shi'a radicals of the Islamic Front for the Liberation of Bahrain in an attempted coup against Bahrain's ruling Al Khalifa family.

Iran took a similar approach in its support for the Supreme Council of the Islamic Revolution in Iraq. On taking power, Iranian leaders held a visceral loathing of Saddam Husayn's regime in Iraq—a hatred reinforced by Baghdad's immediate execution of several prominent Shi'a religious leaders out of fear that they might support an Iranian-style movement in Iraq itself. Almost immediately after the revolution, Iran began supporting radicalism in Iraq, a decision that contributed to Baghdad's decision to invade Iran in 1980. As the war heated up, Khomeini declared that the path to Jerusalem's liberation went through Baghdad. In November 1982 Tehran organized various Iraqi Shiite groups under the umbrella of the Supreme Assembly for the Islamic Revolution in Iraq (SCIRI).[7] SCIRI was more than just a guerrilla front to weaken Saddam's Iraq or an organization trying to kill Iraqi leaders: it was also a government-in-waiting. As Iran expert R.K. Ramazani contends, Iran's goal was to "undermine the Hussein regime and pave the way for the establishment of an Iranian-type Islamic government in Iraq."[8]

In addition to giving Iran a way to weaken its neighbors, terrorism allowed Iran to influence events well beyond its borders. Lacking aircraft carriers or other mili-

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[3] As quoted in Anoushiravan Ehteshami, *After Khomeini* (New York: Routledge, 1995), p. 131.

[4] As quoted in Shaul Bakhash, *Reign of the Ayatollahs* (New York: Basic Books, 1986), p. 233.

[5] For a review of the war-prone tendencies of revolutionary states, see Stephen Walt, *Revolution and War* (Ithaca, NY: Cornell University Press, 1994).

[6] As quoted in R.K. Ramazani, *Revolutionary Iran: Challenge and Response in the Middle East* (Baltimore, MD: Johns Hopkins University Press, 1985), p. 24.

[7] International Crisis Group, "Iraq's Shiites under Occupation" (September 2003), pp. 12-13. Branches of the Da'wa party initially joined SCIRI, as did the Organization of Islamic Action. SCIRI accepted Ayatollah Khomeini as its spiritual leader. Iran's attempt to dominate the movement, however, alienated many Da'wa members, leading parts of the organization to leave the movement.

[8] Ramazani, *Revolutionary Iran,* p. 37.

tary forces that can deploy thousands of miles away, and with its economy too weak to force far-away countries to heed their demands, Iranian political protests have often gone unheeded. Iran has used support for terrorists to project power, particularly in the Arab-Israeli arena but also against Iraqi targets and in Europe. Up until the early 1990s, Iranian intelligence services also assassinated Iranian dissidents in Europe.

Iran supported terrorist groups not only to weaken adversaries, but also to have a voice in the opposition to a particular regime. For example, after the Israeli invasion of Lebanon and the subsequent U.S. and European troop deployments there, Iran chose to undermine the existing Shi'a group, Amal, because it had cooperated with Israel. It is interesting to note that Iran chose to do so even though the organization was well-established and popular. To undermine Amal, Iranian intelligence agents, diplomats and members of the Islamic Revolutionary Guard Corps (as well as Syrian officials) created the Lebanese Hizballah from a motley assortment of small Shiite organizations. Iran helped the fledgling movement train and indoctrinate new members in the Bekaa Valley and developed an entire infrastructure there to support it, including social services and a fundraising network. This effort paid off with the creation of a loyal and effective proxy. As one senior Hizballah official noted in the early 1980s, "Our relation with the Islamic revolution [in Iran] is one of a junior to a senior . . . of a soldier to his commander."[9]

Domestic politics also motivate Iran to support radical groups. During the 1980s, Iran provided support to a range of Shi'a Muslim groups such as the Iraqi Dawa party, the Islamic Front for the Liberation of Bahrain, and the Tehrik-e Jafariya-e Pakistan in part because the regime's legitimacy also depended on its self-proclaimed status as the protector of Muslims, particularly Shi'as, worldwide. Bolstering this position required clear gestures of support.

The prestige garnered from support to radicals mattered abroad as well. After the 1979 Islamic revolution, both Saudi Arabia and Iran competed to champion Muslim causes as a form of influence. Iran saw its support for radical group as a way of demonstrating its bona fides to other Islamist revolutionaries.

Terrorism, of course, was also a means for Iran to strike the United States and Israel. With Iranian guidance, the Lebanese Hizballah dramatically captured America's attention with devastating suicide attacks on the U.S. Embassy in Beirut in April 1983, where 63 people died, including 17 Americans, and on the U.S. Marine Barracks in October 1983, where 241 U.S. Marines were killed (a simultaneous attack killed 58 French peacekeepers). These attacks, and the sense that the peacekeepers had little peace to keep, led President Reagan to withdraw U.S. troops in February 1984. Hizballah also took numerous Westerners hostage in the 1980s, executing several of them. Hizballah, often working through suborganizations with different names, took 17 Americans, 15 Frenchmen, 14 Britons, 7 Swiss, and 7 West Germans hostage, as well as 27 others hostage during the 1980s. In March 1992, Hizballah and Iran worked together to bomb the Israeli Embassy in Argentina, killing 29 and in July 1994 attacked the Jewish Community Center in Buenos Aires, killing 86. Hizballah also aided other groups that shared its agenda. Iran also directed the attack on the U.S. military facility of Khobar Towers in Saudi Arabia in 1996, killing 17 American troops.[10] In addition to its support for Hizballah, Iran has also supported a wide array of other groups that have attacked Israel. In each of these instances, Tehran was able to compensate for its military inferiority by relying on terrorism.

Terrorism also offered Iran some degree of deniability in this effort. By working through proxies, Iran was able to achieve its own interests against the United States, Israel, or states supporting Iraq without paying the consequences that more direct involvement might entail.

How Iran Uses Terrorism Today

Iran's use of terrorism has changed dramatically since the 1980s. Most importantly, Iran appears not to target Americans directly, though it still retains the capability to do so. Iran instead uses terrorism as a form of deterrence, "casing" U.S. Embassies and other facilities to give it a response should the United States step

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[9] As quoted in Martin Kramer, "The Moral Logic of Hizballah," in *Origins of Terrorism: Psychologies, Ideologies, Theologies, States of Mind,* ed. Walter Reich (Cambridge: Cambridge University Press).

[10] Iran sponsored Saudi Hizballah, which carried out the bombing, and also trained cell members. One suspect detained by the FBI and later deported to Saudi Arabia noted that the IRGC recruited him and that an IRGC leader directed several operations in the Kingdom. The suspects also worked with the Iranian Embassy in Damascus for logistical support.

up pressure.[11] Tehran also dramatically cut back on operations in Europe and the Gulf states in the last 10 years. Iranian officials feared that attacks on Iranian dissidents there would lead to European support for sanctions and reduce investment in Iran's economy. In the mid-1990s, Iran's then President Ali Akbar Hashemi Rafsanjani engineered a rapprochement with the Arabian Gulf states, which led Iran to stop actively trying to overthrow those regimes, though it retains ties to a number of Shi'a groups there. Taken together, these three shifts represent a dramatic change in Iran's support for terrorism.

Today, Iran uses terrorism and support for radicals in several distinct ways. Particularly important for the United States are Tehran's close relationship with the Lebanese Hizballah; support for anti-Israel Palestinian groups; ties to various factions within Iraq; and loose contacts with al-Qa'ida.

The Lebanese Hizballah

Of the many terrorist groups that Iran has sponsored, none is more important to Tehran than the Lebanese Hizballah.[12] Their close relationship is perhaps the strongest and most effective relationship between a state sponsor and a terrorist group in history. Iran helped found, organize, and train Hizballah, eventually creating a strong and relatively independent terrorist group. In exchange, Hizballah has served Iran loyally, striking Iran's various foreign enemies, helping assassinate Iranian dissidents, and otherwise advance the interests of the Islamic Republic.

Iran, as noted above, helped build the movement from the ground up and to this day plays a major role in sustaining it and in its day-to-day operations. Iranian sponsorship of Hizballah is a major reason why Iran consistently tops the U.S. list of state sponsors of terrorism. Although exact figures are difficult to verify, Tehran provides perhaps $100 million per year to Hizballah. In addition, Iranian forces train the movement and provide it with intelligence. Moreover, Hizballah operatives enjoy close ties to Iranian intelligence and the Islamic Revolutionary Guard Corps, which is linked directly to Iranian Supreme Leader Ali Khamenei. Hizballah's senior terrorist, Imad Mugniyieh, reportedly enjoys Iranian citizenship and regularly travels there. Hizballah's leadership proclaims its loyalty to Khamenei, and he reportedly serves as an arbiter for group decisions. Iran is particularly influential with regard to Hizballah activities overseas. Hizballah, for example, stopped its attacks in Europe as part of a broader Iranian decision to halt attacks there.

In exchange for this aid, Iran gains a weapon against Israel and influence far beyond its borders. Because of Hizballah, Iran has defied geography and has become a player in the Middle East peace process. Hizballah also has cells and operatives around the world—a presence that allows Iran to step up terrorism should it so choose.

Hizballah today is far more cautious than in the past, in large part because its earlier successes have reduced the organization's incentive to kill large numbers of civilians. Having forced American and other Western troops out—and then triumphantly expelled Israel in 2000—Hizballah enjoys remarkable prestige. Much of the popularity the movement enjoys among the Lebanese population comes from removing what was widely perceived as a foreign occupier. If the organization were to conduct a sustained campaign outside of Lebanon, one that led to an Israeli or U.S. retaliation, it would not enjoy similar backing. The recent Syrian withdrawal from Lebanon also may force the organization to focus even more on Lebanon and less on its activities overseas.

Hizballah is now better characterized as a guerrilla and political movement that at times uses terrorism than as a pure terrorist group. Hizballah has reduced its direct involvement in terrorism in recent years even as it retained the potential to act and helped Palestinians carry out their own terrorist attacks. Indeed, even with regard to guerrilla war the movement has shown itself to be a careful actor. Hizballah has not used all the weapons available to it, saving long-range rockets that might strike larger Israeli cities such as Haifa for use to deter Israeli escalation. Hizballah made this shift in part because it recognized that attacks on civil-

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[11] Paul Pillar, *Terrorism and U.S. Foreign Policy* (Washington, DC: The Brookings Institution, 2001), p. 159.

[12] Iranian-linked groups frequently use the label "Hizballah," leading to much confusion. In Iran, "Hizballahis" are associated with pro-regime militants, many of whom fought street battles against rival leftist or other organizations in the early days of the revolution. Over time, this term became a label used to signify loyalty to the Islamic regime. Hizballah movements have reportedly appeared in Kuwait, Bahrain, and Saudi Arabia, among other countries. These movements often have links to Iran, but have few close ties to the Lebanese Hizballah. Other groups that are not linked in any way to Tehran, such as Turkish Hizballah, have from time to time adopted the name "Hizballah".

ians that could be labeled as "terrorism" hurt its image among potential supporters, both inside the region and outside it.[13]

Palestinian Groups

Iran has long supported Palestinian violence against Israel, and it has continued to do so since the outbreak of the second *intifada* in September 2000. For Iran, support for the Palestinians serves several purposes. First, Iranian leaders have a genuine commitment to help the Palestinians fight what Tehran regards as an illegitimate colonial regime. Second, support for the Palestinians enhances Iran's prestige throughout the Muslim world. Third, and perhaps most importantly, by disrupting the Israel-Palestine peace process Iran is able to prevent its isolation in the Muslim world. Tehran has long feared (correctly) that the United States wanted to isolate it for its rogue behavior. By keeping the Palestinian-Israel conflict alive (something that Iran's support for terrorism succeeded in doing in the 1990s), Tehran was able to divert U.S. pressure (including efforts at regime change) toward others in the region.

Over the years, Tehran has backed several Palestinian groups, including those linked to Fatah and the Islamist movement HAMAS. Iran gave some money and provided limited training, often through its proxy, the Lebanese Hizballah. Both movements, however, remain highly independent of Iran. Tehran's most important Palestinian proxy, the Palestine Islamic Jihad, is far more willing to follow Iran's lead. Palestine Islamic Jihad has proven a particularly bloody group and remains committed to conducting heinous attacks on Israeli citizens.

Radicals in Iraq

Iran has a daunting array of interests in Iraq. Tehran and Baghdad have long been rivals for dominance in the Gulf region. Iran shares a long border with Iraq, and the bitter war between the two in the 1980s highlighted the security threat that a hostile regime in Baghdad can pose to Tehran. As the self-proclaimed champion of the world's Shi'a, Iran also takes a strong interest in the fate of Iraq's Shi'a majority: an interest reinforced by decades of intermarriage among leading clerical families of Iraq and Iran. Tehran also fears that instability in Iraq could spill over into Iran, inflaming its own Kurdish population or leading to a refugee crisis. Not surprisingly, Iran has flooded Iraq with intelligence agents, and members of the Lebanese Hizballah have also set up at least a temporary presence there.

Tehran today has particularly close ties to an array of Iraqi Shi'a groups, many of which are leading actors in the new Iraqi government. Some of Iran's proxies in the Iran-Iraq war are now major players in the government. Although they are not Iranian pawns, they have close relations with many leading figures in Iran. For the most part, Iran has tried to unite Iraqi Shi'a, recognizing that the U.S.-backed political process serves many Iranian interests.

Tehran's contacts in Iraq, however, go well beyond the Shi'a community. Tehran recognizes that in Iraq local influence is as important as influence with the central government and almost certainly has ties at a local level with various militias and tribal leaders. Iran has also tried to cultivate Shi'a leaders such as Moqtada al-Sadr, even though he is often vociferously anti-Iranian. For Iran, having ties to a wide range of groups gives it additional leverage as well as options should one proxy prove unreliable or should the situation on the ground suddenly change.

Although some groups tied to Iran have at times attacked Americans or pro-U.S. actors in Iraq, in general Tehran has been a force for stabilization. It is not clear if the attacks that did occur were at Iran's behest. In part, this restraint is because the leadership that has emerged in Iraq in recent months is close to Tehran's ideal. Iran, however, is also concerned that greater instability in Iraq could spill over into Iran and fears the potential for U.S. retaliation. Thus, while Tehran and Washington do not have the same interests in Iraq, Iran has not turned Iraq into another Lebanon.

Iran's ability to wreak havoc in Iraq is immense, however. Fortunately for the United States, violence in the Shi'a parts of Iraq has been limited. But a force of only a few hundred fighters could overturn this tenuous peace, since U.S. forces are currently overstretched as they focus on the Sunni and mixed-population parts of Iraq. This ability to affect hostilities in Iraq is risky for Iran, but it also gives Tehran additional leverage over a future Iraqi government as well as the United States. Iran might increase the violence in Iraq if it looks like the United States is trying to remove Iran's influence, if the United States appears determined to stay indefinitely, or if the United States hardens its position in other areas, such as the standoff over Iran's nuclear programs.

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[13] Judith Palmer Harik, *Hezbollah: The Changing Face of Terrorism* (New York: I.B. Tauris, 2004), pp. 2–4.

Al-Qa'ida and Sunni *jihadists*

Iran has long pursued ties to Sunni *jihadists*, including members of al-Qa'ida. The 9/11 Commission reports that in 1991 or 1992 al-Qa'ida and Iran had contacts in Sudan and that individuals linked to al-Qa'ida received training in Iran and Lebanon in the early 1990s. Several of the 9/11 hijackers transited Iran, taking advantage of its policy of not stamping the passports of those traveling from Afghanistan—a practice that hindered Saudi security agencies? ability to detect the terrorists when they later returned to the Kingdom.

Since 9/11, Iran has cooperated fitfully with the United States in fighting various Sunni *jihadists.* At times Iran has provided considerable cooperation, such as sending many *jihadists* back to their home countries, where pro-U.S. security services can question them. Tehran, however, has allowed several very senior al-Qa'ida figures, such as Saif al-Adel, Saad Bin Ladin, and Abu Hafs the Mauritanian, to remain in Iran. Although Iran supposedly monitors individuals linked to al-Qa'ida, some reports indicate they played a major role in the May 2003 attacks in Saudi Arabia—suggesting Iran is not exercising true control over them. Iran claims it has subsequently clamped down on those suspected of links to the Saudi attacks, but its long-term intentions with regard to al-Qa'ida are still unclear and its past actions in this regard are cause for concern.

Iran appears to be keeping its options open with regard to the *jihadists.* On the one hand, it recognizes the heavy price to be paid if it openly backs them. Moreover, many *jihadists* regard the Shi'a as apostates deserving death. Sectarian violence is a growing problem in Iraq. On the other hand, the *jihadists* are a potent weapon for Iran, which historically has tried to keep as many options open as possible. At the very least, Iran seeks to use the jihadists in its custody as a bargaining chip. Indeed, it probably hoped to swap the senior al-Qa'ida figures for members of the anti-Tehran terrorist group the *Mujahedin-e Khalq,* who were long based in Iraq and, after the U.S. removal of Saddam's regime, came under U.S. control. At most, Iran may see the *jihadists* as a potential future ally.

Keeping Options Open Elsewhere

Although Iran has cut ties to terrorist groups in the Gulf and Europe, it retains a wide network and contacts with many radicals in these countries. Such contacts provide Iranian officials with options should they seek to use terrorism in these areas again. Moreover, these ties are a deterrent, allowing Tehran to tacitly threaten the United States or other countries that might seek to act against the clerical regime.

Sources of Restraint

Although Iran's support for terrorists groups have made them more lethal (particularly with regard to Hizballah), Tehran is also a source of restraint on its proxies. Most importantly, Tehran takes seriously the threat of escalation from Israel, the United States, or other potential victims should its proxies wreak massive violence. Iran stopped supporting attacks by Gulf Shi'a on U.S. forces in the Persian Gulf after the 1996 Khobar Towers bombing—despite a continued desire to expel Americans from the region—in part because it feared an increase in political, economic, and perhaps even military pressure. After the bombing, Iranian leaders worried they might have crossed the line they had long walked between confrontation and provocation. Similarly, Iran did not let the SCIRI make an all-out push to topple Saddam's regime when it was reeling after the 1991 Gulf War—despite the massacres of Iraqi Shi'a—because Tehran feared a confrontation with the victorious U.S. and other coalition forces.

The restraints states impose are often best observed in what terrorist groups do not do. As Iran sought to improve its reputation in Europe and the Middle East, the Lebanese Hizballah curtailed its attacks on targets in Europe and on Israeli targets worldwide, focusing instead on expelling Israel from the security zone along the Lebanon-Israel border: a struggle widely seen as legitimate in many parts of the world.

The Limits of U.S. Pressure

The problem of terrorism has plagued the U.S.-Iran relationship since the Islamic revolution. Arguably, the United States pressured Iran more than almost any other country in the world during the 1980s and 1990s. After the hostage crisis, the United States cut diplomatic ties to Tehran. During Iran's war with Iraq, the United States provided intelligence, financial assistance, and other forms of aid to help Baghdad survive and eventually forced Iran to the negotiating table.[14]

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[14] In 1983, the United States initiated "Operation Staunch" to prevent Iran from receiving arms. This hindered the war effort against Iraq, making it far harder to buy arms, particularly

At times, tension escalated into outright conflict. In response to Iranian attacks on U.S. re- flagged oil tankers in 1988, the United States sank several ships in the Iranian Navy and also destroyed several Iranian oil platforms. The United States also accidentally downed an Iranian civilian airliner, killing almost 300—a mistake that still angers many Iranians. U.S. strikes were however successful in getting the Iranians to cease their efforts at intimidating Iraq's allies in the Gulf.

Following the 1991 war with Iraq, the United States continued to maintain a large military presence in the Gulf. The U.S. troop presence in the Gulf varied between 8,000 and 25,000. The United States also established a series of basing and prepositioning arrangements with several of the Gulf monarchies. This presence was in large part intended to deter Iraqi aggression and contain the regime in Baghdad. However, implicitly—and at times explicitly—the United States also sought to use this presence to deter any Iranian adventurism and weaken Iran's regional influence.

The United States also took several covert measures to counter Iran. In 1995, the United States Congress proposed $20 million to overthrow Iran's government. This attempt at rather overt covert action, however, does not appear to have made any significant progress. In 1997, in contrast, the United States launched "Operation Sapphire," which led to the successful identification and expulsion of Iranian intelligence officers around the world.[15]

Although sanctions have proven the cornerstone of U.S. policy toward Iran since the 1979 Islamic revolution, they have not persuaded Tehran to abandon its support for terrorism. Immediately after the revolution, Iranian students and other activists seized the U.S. Embassy, holding 66 (eventually 52) Americans hostage. In response to this and other provocations, the United States froze $12 billion in Iranian assets, suspended hundreds of millions of dollars worth of arms purchases, and banned imports from Iran. Although the UN failed to join in these measures and did not require its member states to punish Iran, Western European states and Japan also banned the export of arms, halted new contracts from being signed, and limited investment in the revolutionary state.

U.S. sanctions continued even after the hostage crisis ended. Washington remained hostile to the Iranian regime as it began an ambitious effort to export its revolution, backing radical groups, including many that used terrorism, throughout the Middle East. In addition to punishing Iran for its support of terrorism, Washington used sanctions to address other grievances: to curtail Iran's weapons of mass destruction programs, to limit Iran's rebuilding of its conventional military arsenal, and to dissuade Iran from opposing the Middle East Peace Process.

With each passing year, the number and type of U.S. sanctions increased. In 1984, Iran was added to the state sponsor list, which brought a host of mandatory economic restrictions. In particular, the United States denied Iran arms—a serious loss, as the pre-revolutionary regime relied almost entirely on U.S. weapons systems and was engaged in a life-or-death struggle with the Iraqi regime from 1980 to 1988. In 1987, the United States stopped most imports from Iran due to terrorism. This policy did not end with the end of the Cold War however. In 1995 President Clinton prohibited investment in Iran's oil industry. The United States also opposed an oil pipeline that would cross Iranian territory, blocked international bank loans, and opposed Iran's memberships in international organizations.

The United States also extended the reach of sanctions beyond Iran, punishing those countries that assisted or invested in Iran. In 1996, the Anti-Terrorism and Effective Death Penalty Act outlawed any financial relations with Iran and also prohibited assistance to countries that provided military aid to Iran. That same year, Congress passed the Iran-Libya Sanctions Act (ILSA), which imposed penalties on foreign companies that invested more than $20 million in Iran's oil industry.

As U.S. pressure increased in the mid-1990s, several European states tried to foster moderation in Iran through a process known as "critical dialogue." European states—despite having experienced Tehran's terrorism more recently than the United States—did not see Iran as a major threat. Moreover, some European leaders believed that dialogue would reduce Iran's hostility.

Even after the beginning of "critical dialogue," Iran continued to use terrorism in the early and mid-1990s and as a result risked multilateral sanctions. The killing of Iranian dissidents in Europe and the religious decree calling for the murder of British author Salman Rushdie both strained relations with European capitals. U.S. diplomatic pressure on Europe to act against Iran further increased the pressure.

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from America, formerly Iran's major supplier. Washington also provided limited support to Iranian exiles in an attempt to weaken the regime. Such efforts hindered Iran, though the reason for the war's end was primarily the horrendous costs on both sides and mutual exhaustion.

[15] Barbara Slavin, 'Officials: U.S. 'Outed' Iran's Spies in 1997," *USA Today,* March 30, 2004.

The Khobar Towers bombing also increased the risk of a strong U.S. response and gave Washington additional leverage to use with its allies when it pressed them on terrorism.

Over time, however, the cumulative effect of sanctions and isolation—and, more importantly, the risk that additional attacks would lead to increased pressure—led Iran to reduce its direct involvement in terrorism. Fearing that this growing pressure would jeopardize his government's economic program and isolate his regime, Rafsanjani drew back. He put a stop to the assassination of dissidents in Europe and mended fences with the Gulf monarchies. The lesson learned was that Rafsanjani and other Iranian leaders proved particularly sensitive to the risk of a joint U.S.-European front.

U.S. pressure eased somewhat in the late 1990s, as the United States hoped that the new, reformist government of President Khatami elected in 1997 would lead to a rapprochement with Iran. In 1997, the Clinton administration removed Iran from the list of states involved in narcotics trafficking and placed the Mujahedin-e Khalq, a murderous terrorist group that had enjoyed some sympathy in Washington because it was opposed to the clerical regime, on the initial listing of Foreign Terrorist Organizations. In 1998, the Clinton administration issued a waiver to ILSA for the French oil company, Total, allowing it to invest in Iran's oil industry and averting a transatlantic crisis. Secretary Albright also gave a speech that welcomed Khatami's election and called for an improved relationship. One year later, permission was given to export food and medicine to Iran. In 2000, the Secretary of State lifted restrictions on the import of Iranian carpets, caviar, and pistachios. For the most part, these gestures had little impact on Iran's economy but were intended as symbolic gestures of U.S. openness in addition to paving the way for further rapprochement.

Most importantly, however, the Clinton administration decided not to retaliate for the Khobar Towers attack despite considerable evidence of Iranian complicity. Administration officials reasoned that retaliation would strengthen the opponents of reform in Iran. Moreover, limited military strikes in retaliation for terrorist attacks historically have had a poor record of success. Finally, the passage of time since the 1996 attacks and the eventual determination of Iranian culpability made it harder to generate international support for any retaliation.

Though unsuccessful in stopping terrorism, the range of U.S. sanctions did hurt Iran considerably. Financial pressure, in particular Washington's successful efforts to block IMF and World Bank funding to Iran, made Iran's debt crisis more debilitating. Until the 1998 waiver for Total, ILSA also discouraged foreign investment, which along with other sanctions delayed the development of Iran's dilapidated oil infrastructure. Meghan O'Sullivan, however, contends that sanctions are only a small part of the explanation for Iran's economic morass. She notes that the plunge in the price of oil (in the 1980s and 1990s), along with the war with Iraq, and political mismanagement would have led to a crisis in any event.[16]

Although the economic impact of sanctions on Iran was damaging, it did not affect the political orientation of the regime, particularly with regard to terrorism. Iran did shift its terrorism away from Europe and the Gulf and toward Israel, but this shift did not advance, and arguably set back, overall U.S. objectives. Moreover, the sanctions increased Iran's hostility toward the United States, enabling the regime to cite sanctions as "proof" that Washington sought to crush the Islamic revolution.

Iran was able to resist sanctions for several reasons. First and most importantly, the costs were manageable, allowing Iran to offset much of the potential damage. Although the United States was a major market for Iranian products, Tehran diversified its trade partners and worked through third countries to reach the United States. Second, Iran's major export—oil—is in essence a global commodity, and the cutoff of one market to one supplier has no significant impact on a country's ability to gain the maximize price for its exports.

Because Iran's regime depended for legitimacy on Islamic radicalism and Persian nationalism, both of which opposed any perceived kowtowing to Washington, the costs of complying with U.S. pressure were considerable. Iranian leaders risked being branded as puppets of the United States if they gave into U.S. pressure, a particularly heavy charge as the regime came to power in part on a wave of anti-Americanism. The consolidation of conservative power in Iran in recent years, symbolized by the election in June of Mahmoud Ahmadinejad as Iran's new President, will only worsen this problem.

The cost to the United States was also considerable. Sanctions, of course, meant that U.S. companies lost trade and investment opportunities. Indirect sanctions

[16] Meghen O'Sullivan, *Shrewd Sanctions: Statecraft and State Sponsors of Terrorism* (Washington, DC: Brookings, 2003), pp. 61, 67–72.

proved particularly costly. ILSA led to vociferous protests from European and other governments.

Iran and WMD Terrorism

The picture painted above is not pretty, but it is not hopeless either. One bright spot is that Iran's past behavior suggests it is not likely to provide chemical, biological, radiological, or nuclear weapons to a terrorist group. Because these weapons can be devastating—or, at the very least, psychologically terrifying even when the number directly affected is low—they are far more likely to provoke escalation. In addition, these weapons are widely seen as heinous, potentially de-legitimating both the group and its state sponsor. Perhaps not surprisingly, Iran has not transferred chemical or biological weapons or agents to its proxies, despite its capability to do so.

Tehran has also sought at least a degree of deniability in its use of terrorism—a reason it often works through the Lebanese Hizballah to this day when backing terrorists. As Iran expert Kenneth Pollack notes, a chemical or biological attack (to say nothing of a nuclear strike) would lead the victim to respond with full force almost immediately.[17] The use of proxies or cutouts would not shield Iran from retaliation.

An even better indicator of Iran's restraint so far is its unwillingness to transfer more advanced conventional systems—ones that would provoke far less outcry than a transfer of chemical weapons—to even its close proxies such as the Lebanese Hizballah. Hizballah's most infamous weapon, the Katyusha rocket launcher, is based on a 1940s Soviet weapons system. Nor have Iran's proxies used man-portable surface-to-air missiles.

September 11 has also had a limiting effect. The attacks occurred over a year after the Israeli withdrawal from Lebanon. The tremendous worldwide concern about terrorism, and the active U.S. campaign against al-Qa'ida, made Iran's proxies cautious about any attacks that would lead them to be compared to al-Qa'ida.

Nor do Iran's favored proxies actively seek weapons of mass destruction as does al-Qida. They appear to recognize the "red line" drawn by the United States and other powers with regard to terrorist use of these weapons. Moreover, their current tactics and systems enable them to inflict considerable casualties. Indeed, some of the more available types of chemical and biological agents would be difficult for even a skilled terrorist group to use to inflict mass casualties, though the psychological impact would be considerable from even a limited attack with unconventional weapons.

Tehran is not likely to change its behavior on this score except in the most extreme circumstances. Traditional terrorist tactics such as assassinations and truck bombs have proven effective for Tehran. Only in the event of a truly grave threat such as an invasion of Iran would many of Tehran's traditional cautions go out the window.

Recommendations

The United States should consider several steps to ensure Tehran does not provide chemical or biological weapons or other unconventional systems to terrorists and to decrease its support for terrorism in general.

Most obviously, the United States must work to maintain pressure with regard to any transfer of unconventional systems. This is a clear success for U.S. policy. Preventing any transfer of unconventional weapons was a concern that received tremendous attention in the Clinton administration and even more from the Bush administration after 9/11. As a result, states today are more cautious than ever in their support for terrorism and recognize that providing chemical, biological, nuclear, or radiological weapons would cross a U.S. "red line."

In addition to continuing this pressure at a diplomatic level, the link between terrorists and weapons of mass destruction must remain a top intelligence priority. Although it is difficult to inflict mass casualties with many chemical, biological, or radiological agents or weapons, the psychological impact—and thus the effect on the world economy and overall confidence in government—would still be considerable.

A priority must also be given to cutting any ties between Iran and al-Qa'ida. In contrast to Iran's traditional proxies, al-Qa'ida does not recognize the U.S. "red lines" and actively seeks weapons of mass destruction. The United States must make clear to Tehran that it will not tolerate continued harboring of senior al-Qa'ida members or any Iranian ties, even indirect ones, to the terrorist group.

Effective pressure and intelligence efforts cannot be maintained by us alone. The relative failure of pressure on Iran suggests the importance of multilateralism.

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[17] Kenneth Pollack, *The Persian Puzzle* (New York: Random House, 2004), pp. 420–421.

When Iran feared in the mid-1990s that the United States would succeed in getting European states to join in sanctions, it reduced its support for terrorism in Europe. U.S. power alone has proved far less effective.

To decrease Iran's use of terrorism in general, the United States must develop a more nuanced approach to state terrorism. This requires giving the executive branch more flexibility in its implementation of punishments linked to the "state sponsors" list. In particular, the executive branch should be given more power to reward states that are improving their behavior with regard to terrorism, even though they fall short of all the desired criteria.

The converse is that U.S. categories and lists should recognize, and punish, other types of Iranian support for terrorism. In particular, Tehran's inactions should be noted as well as its actions, particularly the Iranian regime's unwillingness to expel senior al-Qa'ida members to countries where they will be brought to justice. The United States should also hold Iran more accountable when it uses proxies such as the Lebanese Hizballah to sponsor Palestinian terrorism.

Finally, policymakers should recognize that U.S. options with regard to Iranian support for terrorism are limited. The United States has other vital concerns with regard to Iran—both its nuclear program and its activities in Iraq—and pressing hard on terrorism may jeopardize any progress, however limited, in these areas. Iran has shown itself able to resist U.S. economic pressure in the past and is likely to do so in the future as well. Limited military strikes would do little to damage Iran's capacity to conduct terrorism and would almost certainly increase its activities, both out of revenge and out of a sense that the United States is irrevocably hostile. The best bet for the United States is to continue to try to shore up allied support to increase pressure on Tehran and otherwise ensure that counterterrorism remains a priority in U.S. policy towards Iran.

Mr. LINDER. They will, without objection. Thank you, Dr. Byman. Dr. Takeyh?

STATEMENT OF RAY TAKEYH, SENIOR FELLOW, MIDDLE EASTERN STUDIES, COUNCIL ON FOREIGN RELATIONS

Mr. TAKEYH. Thank you, Mr. Chairman, for inviting me. Some of my comments will echo what my colleagues have said.

What we do know is that Iran is rapidly developing the necessary infrastructure for construction of nuclear weapons. The question therefore is, would it consider a transfer of these weapons to some of its terrorist allies should it achieve that capability?

Here, what we need to consider first of all is that much of Iranian terrorism today is actually confined to the Israeli–Palestinian arena and much of the most reliable and intimate of its terrorist allies are Hezbollah and to a lesser extent the Palestinian rejectionist groups Hamas and Islamic Jihad. Certainly, even a cursory examination of Iranian rhetoric reveals that they tend to reject Israel as an illegitimate state that is usurping sacred Islamic land and is acting as sort of an agent of American imperial aggrandizement in the Middle East.

But Iran as a regime does not seem inordinately concerned about Israel's nuclear monopoly, nor does it necessarily feel threatened by Israel's formidable armed forces. For the Islamic Republic, Israel may be an ideological affront, but it is not an existential threat mandating provision of nuclear weapons or offering such weapons to its terrorist clients.

Despite Iran's inflammatory conduct in the Palestinian-Israeli arena, it is important to reflect that during the past quarter-century, it has sought to regulate its low-intensity conflict with Israel and has avoided direct military confrontation with Jerusalem.

This is conflict that is largely waged by proxies in a controlled manner. For such a strategy to succeed, Iran does not need to necessarily transfer such weaponry or escalate the conflict. For exam-

ple, as Dan Byman mentioned, Iran has not transferred its chemical and biological weapons to terrorist organizations, nor for that matter its more powerful and sophisticated missile technology.

For Iran it may be important for these groups to persist, to survive, to conduct violence against the Israeli state, but such conflict has to take place within distinct redlines. A policy of restrained hostility best serves Iran's strategic and ideological purposes.

Moreover, the most critical mission for Iran's ruling class is survival of the regime and preservation of Iran's territorial integrity. As such, transferring nuclear arms to a terrorist client that may be difficult to restrain or discipline would certainly expose the regime to an unacceptable degree of danger in terms of Israeli and potential American military retaliation. Any measure that could threaten the clerical leaders' hold on power will be strongly resisted by Iran's relatively risk-adverse rulers.

The mullahs may be hostile to Israel, but they do appreciate that such hostility, should it escape their controlled parameters, could confront them with dangers to their regime's survival. So long as Iran's rulers remain focused on their power, they would recoil from rash measures such as giving nuclear arms to third parties, however reliable and longstanding that relationship with those third parties may be.

Moreover, in the aftermath of September 11, there has been a subtle calculation in Iran's approach to Hezbollah and other terrorist clients. At a time when the United States is waging a global war against terrorism, Iran is becoming a bit more circumspect and cautious in its support for Hezbollah. While Iran sustains its support for such organizations, it has in the past tried to restrain them.

One of the ironies of the current situation is the Iranian leadership that had sought so much to instigate Hezbollah violence, in some cases it is seeking to restrain that organization. The theocratic rules are beginning to discern that tempering their approach to the peace process is a policy that may soon be in their interests.

I conclude my statement by suggesting that Iran becoming the next nuclear-weapons state is not necessarily an inevitability. There is much that the United States and the international community can still do to prevent Iran from crossing the nuclear threshold and therefore avoiding some of the problems such as those we are discussing today.

I will stop there. Thank you.

[The statement of Mr. Takeyh follows:]

PREPARED STATEMENT OF RAY TAKEYH

As the debate lingers regarding vanished Iraqi weapons of mass destruction, yet another proliferation crisis is looming in the Middle East. Washington and much of the international community fears that under the auspices of civilian research program, Iran is gradually accumulating the technology and the expertise necessary for the construction of nuclear weapons. The critical question remains would Iran transfer such weapons to its terrorist allies should it acquire a nuclear capability? The answer to this question requires a better understanding of the interlocking calculations that propel Iran toward the nuclear option in the first place.

WHY DOES IRAN WANT THE BOMB?

Contrary to many Western assumptions, Iran's quest for nuclear weapons does not stem from irrational ideological postulations, but from a judicious attempt to

craft a viable deterrent posture against a range of threats. It is often argued that Iran's dangerous and unpredictable neighborhood grants it ample incentive for acquiring nuclear weapons. However, it is hard to see how persistent volatility on Iran's frontiers can be ameliorated by the possession of such weapons. Instability in Afghanistan and Central Asia may be sources of significant concern for Iran's defense planners, but nuclear weapons can scarcely defuse such crises. A more careful examination reveals that Iran's nuclear program has been conditioned by a narrower but more pronounced set of threats. Historically, the need to negate the American and Iraqi threats has been the primary motivation. In more recent times, the simmering concerns regarding the stability of a nuclear-armed Pakistan have similarly enhanced the value of such weapons to Iran's planners. In the end, for Iran this is a weapon of deterrence not one that is to be given to terrorist organizations or brandished to gain diplomatic leverage in the region.

From the Islamic Republic's perspective, the Gulf is its most important strategic arena, constituting its most reliable access to the international petroleum market. For long, it was Iraq that actuated the theocratic elite toward a search for a nuclear option. Saddam's Iraq not only sought hegemony over the Gulf, and indeed the larger Middle East, but also waged a merciless eight-year war against Iran. It is the developments in the Gulf that will likely condition Iran's defense posture and nuclear ambitions for the foreseeable future.

The impact of the Iran-Iraq war on Tehran's nuclear calculations cannot be underestimated. Iraq's employment of chemical weapons against Iranian civilians and combatants led to an estimated 50,000 casualties and permanently scared Iran's national psyche. Whatever their tactical military utility, in the hands of Saddam chemical weapons were tools of terror, as he hoped that through their indiscriminate use he could frighten and demoralize the Iranian populace. To an extent this strategy proved effective, Iraq's targeting of Iranian cities during the latter stages of the war did much to undermine the national support for the continuation of the conflict. Far from being a historic memory, the war and its legacy are debated daily in the pages of newspapers, in the halls of the universities, and the floor of the parliament. As the newspaper Ya Letharat noted, "One can still see the wounds of our war veterans that were inflicted by poison gas as used by Saddam Hussein that were made in Germany and France." The dramatic memories of the war have led to cries of "never again," uniting a fractious public behind the desire to achieve not just a credible deterrent posture but potentially a convincing retaliatory capability.

Beyond the human toll, the war also changed Iran's strategic doctrine. During the war, Iran persisted with the notion that technological superiority cannot overcome revolutionary zeal and a willingness to offer martyrs. To compensate for its lack of weaponry, Iran launched human wave assaults and used its young population as a tool of an offensive military strategy. The devastation of the war and the loss of "martyrdom" appetite among Iran's youth has invalidated that theory. As Rafsanjani acknowledged, "With regards to chemical, bacteriological and radiological weapons, it was made clear during the war that these weapons are very decisive. We should fully equip ourselves in both offensive and defensive use of these weapons. Moreover, the indifference of the international community to Saddam's crimes also left its mark, leading Iran to reject the notion that international treaties and compacts can ensure its security. As the former commander of the Revolutionary Guards Mohsen Rezai stipulated, "We cannot, generally speaking, argue that our country will derive any benefit from accepting international treaties." Deterrence could no longer be predicated on revolutionary commitment and international opinion, as Iran required a more credible military response.

The overthrow of Saddam's regime has diminished but by no means eliminated the Iraqi challenge. The unpredictable nature of developments in Iraq has intensified Iran's anxieties and further enhanced the utility of the nuclear option. Should Iraq emerge as a close US ally policing the Gulf on the behest of its superpower benefactor, Iran will stand marginalized and isolated. Indeed, the long-standing ambition of successive Iraqi governments to assert predominance in the Gulf may finally be nurtured by a superpower seeking local allies to contain recalcitrant states such as Iran. A revival of the Nixon Doctrine, whereby the US sought to ensure the stability of the Persian Gulf by arming its pliant Iranian ally, with Iraq now assuming that role, would seriously constrain Tehran's options. A presumptive nuclear capability would grant Iran a greater ability to assert its interests and press its claims. At any rate, the unforeseen conduct of the sovereign Iraqi government compels the theocratic leadership to formulate a range of contingencies, and one such option is to sustain a robust nuclear research program.

Iraq is not the only potential problem that Iran faces, as looking east lies a nuclear-armed Pakistan with its own strain of anti-Shiism. Although General Musharaff is routinely celebrated in Washington as reliable ally in the war against

terrorism, Pakistan's past is more checkered and problematic. Throughout the 1990s, Pakistan perceived the demise of the Soviet Union as a unique opportunity to exert its influence in Central Asia and to capture the emerging markets in that critical area. Afghanistan was viewed as an indispensable bridge to Central Asia, and Pakistani intelligence services did much to ensure the triumph of the radical Taliban movement in the ensuing Afghan civil war. The rise of the Taliban and the eventual establishment of the al-Qa'ida camps in Afghanistan had much to do with Pakistan's cynical strategy. Throughout the 1990s, such Pakistani machinations caused considerable tensions with Iran that was uneasy about the emergence of a radical Sunni regime on its borders.

Although since September 11th with Pakistan's final abandonment of the Taliban, its relations with Iran have improved, the specter of instability in Islamabad haunts Iran's leadership. The possibility of the collapse of the current military government and its displacement by a radical Sunni regime with access to nuclear weapons is something Iran must guard against. The detonation of the bomb by Pakistan in 1998 caused considerable anxiety in Tehran with Rafsanjani stressing, "This is a major step toward proliferation of nuclear weapons. This is a truly dangerous matter and we must be concerned." Foreign Minister Kamal Kharrazi also mused, "This was one genie that was much better to have stayed confined in the bottle." Along with Iraq, Pakistan is a potential threat that Iran must take into consideration as it plots its defense strategy.

Although both Iraq and Pakistan constitute long-term sources of concern, today the United States stands as Iran's foremost strategic challenge. US-Iranian relations have become even more strained in recent years. Under the auspices of the Bush Doctrine, the United States has arrogated itself the right to employ preemptive military intervention as a means of disarming radical states. The massive projection of American power on all of Iran's frontiers since September 11th has added credence to the Iranian claim of being encircled by the United States. The conservative newspaper *Jumhuri-ye Islami* captured Tehran's dilemma by noting, "In the contemporary world, it is obvious that having access to advanced weapons shall cause deterrence and therefore security, and will neutralize the evil wishes of great powers to attack other nations and countries." In a rare note of agreement, the leading liberal newspaper, *Aftab-e Yazd* similarly stressed that, given the regional exigencies, "In the future Iran might be thinking about the military aspects of nuclear energy."

The remarkable success of Operation Iraqi Freedom in overthrowing Saddam cannot but have made a formidable impression on Iran's leadership. The fact remains that Iraq's anticipated chemical weapons did not deter Washington from military intervention. As an Iranian official confessed, "the fact that Saddam was toppled in twenty-one days is something that should concern all the countries in the region." Conversely, North Korea offers its own lessons and possibilities. Pyongyang's presumed nuclear capability has not only obviated a preemptive invasion, but actually generated potential security and economic benefits. President Bush may loathe Kim Jong Il, but far from contemplating military action, the United States and its allies are considering an economic relief package and security guarantees to dissuade North Korea from its nuclear path. The contrasting fates of Iraq and North Korea certainly elevate the significance of nuclear weapons in the Iranian clerical cosmology.

Post September 11th developments in the Middle East have had a paradoxical impact on the Islamic Republic. Two of Iran's formidable foes, the Taliban and Saddam Hussein, have been overthrown by the United States. In the meantime, Iran's American nemesis is entangled in an Iraqi quagmire, draining its resources and tempering its ambitions. Nevertheless, the Iranian clerical elite expect a turbulent future, which accentuates their sense of insecurity. Iran remains in America's crosshairs, at a time when the US military presence in the region has never been greater. The influential Iran News emphasized this point in an editorial stressing, "Based on Bush's record after 9/11, one can only conclude that the US has not invaded our two immediate neighbors to the east and the west just to fight al-Qa'ida. Consequently, astute political observers warn that Iran is next on the US list of direct targets." Such anxieties enhance the apparent strategic utility of nuclear weapons to Iran and validate the claim that the Islamic Republic requires such a capability to ensure both regime survival and territorial integrity.

As evident, Iran's nuclear calculations and terrorist activities are distinctly separate. To be sure, any cursory observation reveals that among Iran's most entrenched positions is its sponsorship of terrorism. However, much of Iranian terrorist activities today are limited to the Israeli-Palestinian conflict, as the Islamic Republic remains a generous benefactor of Hezbollah, and to a lesser extent, Hamas and Palestinian Islamic Jihad. Would Iran be tempted to offer its nuclear arsenal to such

forces as they wage their campaigns against Israel? Certainly, since the inception of the Islamic Republic, Iran has defied the laws of international politics by pursuing an irrational policy toward the peace process that has subordinated its practical interest to its ideological imperatives. Iran's nuclear weapons program may have began for reasonable strategic purposes, but would those calculations be overtaken by ideological factors, leading Iran to transfer such arms to its terrorist clients?

The answer to these questions requires a better understanding of the nature of Iranian-Israeli conflict. For a generation of Iranian clerics, Israel remains an illegitimate state, usurping sacred Islamic lands and serving as an instrument of American imperial encroachment of the Middle East. Such an ideological animus has led Iran to offer substantial monetary and moral support to anti-Israeli terrorist organizations. But, Iran's regime does not seem inordinately concerned about Israel's nuclear monopoly, nor does it feel itself necessarily threatened by Israel's formidable armed forces. Ali Khamenei, Iran's Supreme Leader, has stipulated Iran's controlled-rage by stressing, "Palestine issue is not Iran's jihad." The alarmist Iranian rhetoric and the immediacy of the Israeli threat is more an attempt to mobilize domestic and regional constituencies behind an anti-Israeli policy then a genuine reflection of concern. For the Islamic Republic, Israel maybe an ideological affront, but it is not an existential threat mandating provision of nuclear weapons or offering such arms to its terrorist clients.

Despite Iran's inflammatory conduct, the fact is that during the past quarter of a century, it has sought to regulate its low intensity conflict with Israel and has assiduously avoided direct military confrontation with Jerusalem. This is a conflict that is largely waged by proxies in a controlled manner. Such a strategy allows Iran to brandish its Islamic credentials without necessarily exposing itself to inordinate danger and does not call for granting nuclear arms to clients. For example, Iran has not transferred any of its chemical or biological weapons to terrorist organizations nor its more powerful and potent missile technology. For Iran, it may be important for these groups to survive and wage their conflict against Israel, but such conflict has to take place within distinct redlines. A policy of restrained hostility best serves Iran's strategic and ideological purposes.

Moreover, the critical mission for Iran's theocratic oligarchs is survival of their regime and preservation of Iran's territorial integrity. As such, transferring nuclear arms to a terrorist client that may be difficult to restrain or discipline would certainly expose the regime to an unacceptable degree of Israeli or American retaliation. Any measure that could potentially threaten the clerical leaders hold on power will be strongly resisted by Iran's risk-averse rulers. The mullahs maybe perennially hostile to Israel, but they do appreciate that should such hostility escape its controlled parameters, they could find themselves in a confrontation that would indeed threaten the survival of their regime. So long as Iran's rulers remain focus on their power, they would recoil from rash measures such as giving nuclear bombs to third parties, however reliable and long-standing their relationship with those parties maybe.

It is such calculations that in the aftermath of September 11th have somewhat even altered the nature of Iran's relationship with Hezbollah. At a time when the US is waging a global war against terrorism, Iran is becoming more circumspect and cautious in its support for Hezbollah. While Iran's sustained support for rejectionist forces has garnered it much regional acclaim in the past, such conduct today makes it a possible target for US retaliation. In an ironic twist of events, Iranian leaders who previously sought to instigate violence by Hezbollah are increasingly urging it to behave with restraint. The guardians of the theocracy are beginning to discern that tempering their approach to the peace process is a policy that Iran may soon find in its interest.

In sum, the Islamic Republic's search for nuclear weapons stems from a strategic calculation of seeking deterrence against a range of actors. This is not a weapon to be brandish as part of an aggressive diplomacy or granted to Iran's terrorist clients. Nor are Iran's nuclear motivations necessarily immutable, as more imaginative American diplomacy can still prevent Iran from crossing the nuclear threshold, obviating another proliferation crisis in the Middle East.

Mr. LINDER. Thank you, Dr. Takeyh.

I will begin the questioning with Mr. Giles.

We believe there is still a remnant A.Q. Khan network out there. Are there other copycats out there?

Mr. GILES. Mr. Chairman, I would first of all say that the information I have is based strictly on open sources, but what I would

suspect is that this has been an extremely profitable black market for those engaged in it. Where we may have rolled up some of the members, I think that leaves a vacuum that others motivated by greed or ideology would be willing to fill.

Mr. LINDER. Would you anticipate Israel would make a strike on nuclear facilities in Iran, Dr. Byman?

Mr. BYMAN. No, it would not. I would say that is certainly something Israel would consider.

The problem is when you look at the military options, they are quite poor. The Israeli raid on the Iraqi facility succeeded in part because it had never been done before. But as soon as that happened, every country that was pursuing a clandestine weapons program began to disperse its facilities. Often they are co-located with civilian facilities. From even an American military point of view, a military attack is extremely difficult.

So, knowing the political and diplomatic consequences, I am not sure the Israelis believe it would succeed.

Mr. LINDER. Dr. Takeyh, you seem to think that the Iranian rulers are much like American political parties: just trying to keep their power. Would you anticipate that North Korea would have the same response?

Mr. TAKEYH. I am not actually a North Korea expert, but I do tend to believe that all these states that engage in terrorism and engage in proliferation of weapons of mass destruction, they do tend to base their calculation on some from their perspective relatively judicious security calculations.

For the Iranian regime—and I suspect that may actually have some sort of an impact on the North Korean regime—these are essentially weapons of deterrence, deterrence against an entire range of threats, perceived threats even, whether it is the American threat, whether it is the potential Pakistani threat, which is felt rather acutely in Iran.

Mr. LINDER. Excuse me. You don't think Iran would make an offensive effort against Israel if they had the power to do so?

Mr. TAKEYH. The argument that you can make is perhaps Iran's engagement with terrorism would be more intensified because they perceive certain immunities because of the acquisition of nuclear deterrence. But I do not believe that you will begin to see an escalation or intensification of Iran's participation in anti-peace process affairs.

Mr. LINDER. Dr. Byman, you indicated that Iran has not transferred any of its WMD to any other terrorist groups, or I think you said any of its conventional armaments. But wasn't it an Iranian ship that was captured going to the Palestinian Authority?

Mr. BYMAN. I am sorry; I should have clarified that. What I meant to say is the most sophisticated conventional armaments it has, such as missile systems. My judgment would be we would see Iran, if it were trying to escalate, transferring its most sophisticated weapons before it transferred things like unconventional weapons.

So it has provided a wide, wide range of small arms to numerous terrorist groups, but it has not provided its most advanced systems to them.

Mr. LINDER. You talked about the number of nukes in Pakistan. Can you quantify that?

Mr. BYMAN. This is based on unclassified sources. My understanding is that it is actually in the dozens, but there are some questions in terms of both not only the number, but the capabilities.

The Pakistani nuclear tests were successful, but the weapons that were exploded were actually relatively small. It is unclear whether that is because they did not have enough fissile material, or because there was no point in doing a large explosion. The whole point was simply to demonstrate. I do not know the rest of that information.

Mr. LINDER. The instructions in A.Q. Khan network have been passed around everywhere. Would it still take the sophistication of a nation-state to be able to build on those instructions?

Mr. BYMAN. To build on those instructions, yes. The infrastructure required for a nuclear program is considerable, but there are a couple of other options.

Mr. LINDER. Is that the enrichment process?

Mr. BYMAN. Is it partly the enrichment process; it is part the delivery process. From blackboard to delivery, there are a number of steps that are quite extensive. However, you can buy a bomb off the shelf, in theory.

Also, there is the problem of radiological material which is actually not terribly lethal in most cases, but psychologically could be quite effective.

Mr. LINDER. Thank you.

Mr. Langevin?

Mr. LANGEVIN. Thank you.

Dr. Byman, I would just like to probe you on a few of your points, if I could for just a minute.

You said that Iran has not shown a propensity to transfer WMD technology, either overtly or covertly. But isn't it true, though, that the United States in many ways is the only thing that stands between them and a stated goal of theirs to spread radical Islam around the world?

Simply transferring other types of WMD such as chemical weapons would not necessarily achieve the result that a detonation of a nuclear device would achieve if, for example, a device were detonated in Washington and they felt that they could decapitate the United States government. It would clearly be a very different situation than just transferring chemical weapons.

Can you talk about that a little bit?

I do not know that I buy into the argument that just because they have not transferred other types of WMD that they would not covertly, especially if they felt they could get away with it covertly, that they would not consider transferring WMD technology with respect to nuclear weapons.

And also, just one other thing on that point. You also spoke about Pakistan. I agree that we should be concerned about Pakistan of the A.Q. Khan network and the instability that potentially exists in Pakistan. But you mentioned that dedicated Islamic extremists exist within Pakistan.

Wouldn't you also say that dedicated Islamic extremists also are present to a great extent in Iran as well, and that we could very easily see a duplication of an A.Q. Khan-type emerge from Iran if they were to develop nuclear weapons?

So just on those two points, if you could elaborate.

Mr. BYMAN. I would be happy to.

As odd as it sounds, Iran's efforts to spread the revolution have declined precipitously in the last 25 years. If we were having this hearing 20 years ago, we would be talking about Iranian active activities in Europe, the Persian Gulf, Latin America, Asia. Today, as Dr. Takeyh pointed out, Iran's support for terrorism is primarily concentrated against Israel.

However, your point about the decapitation strike on the United States is an interesting one because Iran, of course, has tremendous enmity toward the United States. However, Iran is intensely aware, and Iranian leaders have discussed this, of their military inferiority toward the United States. They believe the United States is waiting to pounce on Iran.

I believe quite strongly that, were there to be any nuclear attack on the United States, the consequences for U.S. foreign policy, the United States would immediately be at war with any of the suspects. I do not think that we would be deliberating for months trying to figure out exactly who was responsible, but anyone who might vaguely be on the list would quickly be under attack.

The Iranians have looked at our response to September 11, where we overthrew two governments and that was in response to a tragic and horrible attack, but it killed 3,000 people—something far less than a nuclear attack. I believe they know that the Islamic Republic would be no more if they did such an attack, even if we could not have the evidence that would hold up in a court of law.

Your point about Pakistan, certainly by any definition Iran has many Islamic extremists. What is a distinction I would like to draw is between the Sunni jihadists who have shown themselves committed to complete annihilation and violence in many cases and who have demonstrated that they actively seek weapons of mass destruction—they have had programs. They have made statements saying it is a duty. The Shia radicals in Iran have been far more cautious in recent years and have not had the same degree of the desire to kill in large numbers that we have seen from the jihadists. That is why I am so concerned about Pakistan, sir.

Mr. LANGEVIN. Thank you.

And to your point, you would agree that the potential exists for an A.Q. Khan-type to emerge from Iran if they were to develop nuclear weapons. There are dedicated Islamic extremists in Iran, just as there are in Pakistan.

I agree that Pakistan is a problem and a concern, but could you elaborate a little more on what your concern would be in Iran?

Mr. BYMAN. I am concerned about any country's control of its nuclear material. The ones on the head of the list would be Pakistan and Russia at the moment. Were Iran to go nuclear, I would also be concerned about control over its nuclear program.

I would add, I think there has been useful fiction on A.Q. Khan, which is that this was done wholly without the knowledge of the Pakistani government. Given the sheer number of people involved,

given the rank of the individuals involved, given the activities involved, it is shocking to me that the Pakistani government could not be largely aware of at least some activities.

To me, to make clear in the future to every government around the world that we will hold them accountable for the activities of their citizens, and the excuse that they simply did not know, that is not acceptable to the United States, especially for something like an illicit nuclear arms network.

Mr. LANGEVIN. Thank you.

I see my time has expired, so I thank you for your testimony, and I yield back.

Mr. LINDER. The gentleman from Washington state is recognized for 5 minutes.

Mr. DICKS. Do we have any evidence of any states providing any weapons of mass destruction assistance to any terrorist groups?

Mr. BYMAN. To my knowledge, there has been no deliberate transfer of chemical, biological and nuclear or radiological material to a terrorist group.

We know that the Taliban was openly tolerating al-Qa'ida when it was openly seeking this in Afghanistan. The Taliban, of course, was too poor and primitive to provide electricity, so I think WMD programs are unlike there, but that is the closest.

Also, the government of Sudan was involved in some murky activities, the details of which I have never been able to uncover, at a time when al-Qa'ida was present there and quite active there.

Mr. DICKS. What are the steps that any of you would suggest we take to ensure that states are not tempted to supply terrorists with weapons of mass destruction or their components?

Mr. TAKEYH. On the specific issue of Iran, as I mention in my testimony, I do not believe there is anything inevitable or necessary about Iran becoming the next member of the nuclear club. I think, should Iran achieve that weaponry, it is a failure of American and international diplomacy.

So one way of preventing Iran from actually transferring such weapons or having this decentralized government being tempted into such activities for ideological, political or strategic reasons, is actually trying to foster a situation where Iran does not cross the nuclear threshold.

I think we are increasingly, in a disturbing way, beginning to move away from the idea of prevention to management, namely preventing Iran from achieving a nuclear status, as opposed to managing it. I am not quite sure we need to be at that level yet.

There is still much the United States and the European allies and the international community can do to obstruct Iran's drive toward nuclear weapons or a nuclear energy or nuclear capability period. I think that is what most of the diplomatic efforts should try to focus on.

Mr. DICKS. What is the basis of the negotiations between the Europeans and Iran?

Mr. TAKEYH. It might take place under three specific baskets.

The first basket has to do with economic and trade cooperation between Iran and the European states and expansion of those commercial relationships should Iran restrain its program.

The second basket has to do with security concerns, namely that the Europeans are trying to enhance Iran's security and therefore to lessen its motivation for nuclear arms.

The final category is technology transfers, namely the Iranian claim that they have a right to peaceful use of nuclear technology and the European acceptance of the fact that should Iran cease its own indigenous activities they could be receiving some degree of nuclear cooperation from the international community.

Mr. DICKS. What are the prospects for these negotiations between Iran and the Europeans?

Mr. TAKEYH. If you look at those three specific baskets, you begin to see that at least two of those, all three of those, it is impossible for these negotiations to succeed without some degree of American participation.

On the issue of trade and cooperation, one of the principal obstacles, certainly not the only one, but one of the obstacles to greater Iranian integration into the international economy is American resistance, sanctions policy and so on. So the technology and cooperation basket that the Europeans are negotiating is unlikely to succeed without the American prohibitions being on the table.

The security basket, I mean, what sort of security assurances are Germany and France going to give to Iran at a time when Iran is surrounded by a substantial amount of American forces? So that basket, in and of itself, is of limited utility.

Finally, transfer of nuclear technology: It is inconceivable to me that the Europeans will transfer such transfer such technology to Iran so long as Iran continues to have its problems with the IAEA in terms of the ambiguity of its nuclear program, and so long as the United States finds that particular practice legitimately objectionable.

So these negotiations are taking place and moving forward because everyone is interested in the process and not everyone is sanguine about the prospects of actually the E.U.-three resolving those very critical matters.

Mr. DICKS. Why has the United States taken the position—what is the administration's policy here?

Mr. TAKEYH. As far as I can decipher it, the United States policy at this particular point is that it refuses to engage in negotiations in a more direct manner with the Iranian regime because it does not want to legitimize that regime.

To me, a regime's legitimacy comes from its own internal democratic processes. By that definition, the Islamic Republic is an legitimate regime. It is not for the president of the United States to ascribe that legitimacy to a government that does not enjoy the approbation of its citizenry, and the president of the United States cannot revoke that legitimacy either.

So the legitimacy argument is a curious one.

Mr. DICKS. You think it would be better for the United States to engage in these talks, right?

Mr. TAKEYH. I think it is getting late, because increasingly we have a government in Iran that may not necessarily be interested in negotiations. So it is late but may not necessarily be too late.

But the time certainly is passing us by. A more robust American diplomacy 2 years ago or 3 years ago would have been more advis-

able. But at this particular stage in time, I think we are getting to a point where diplomacy—there might not be a deal out there, Congressman.

Mr. DICKS. Yes.

Mr. Chairman, could I have another minute?

Mr. LINDER. We will have another round. We will just go another round.

Mr. DICKS. We will just go another round. That is perfect. Thank you.

Mr. LINDER. Are you saying the train has left the station?

Mr. TAKEYH. All the passengers are on board. The conductor is in there. The train is fully fueled and stocked. It is not leaving the station, but if I am approaching the platform, I am saying to myself, "This train is about to leave the station."

Mr. LINDER. Can any of you tell me if there are any internal political divisions in Iran?

Mr. Giles?

Mr. GILES. On the nuclear program in particular, I think what is interesting is to take the historical perspective.

This program has been conducted in secret for the better part of two decades. You have seen basically three different factions ruling Iran during that time. You had the presidency of Ayatollah Khamenei, who is the current supreme leader. You had the presidency of Rafsanjani, and you had most recently the presidency of President Khatami, each representing a different spectrum within Iranian politics, and yet that program has proceeded all along.

I think you can conclude from that, and in addition to their public statements, that there is widespread political support and investment in bringing that nuclear program to fruition.

Mr. LINDER. Dr. Byman, a recent State Department report concluded that Iran has an offensive biological weapons program. Can you comment on that? Would they be inclined to share it with terrorists?

Mr. BYMAN. I think it would be even less likely that Iran would share a biological weapons program than a chemical weapons program. So my judgment is that it is unlikely they would share it with terrorists.

Nevertheless, this program is of grave concern for a number of reasons. I mentioned before the apparatus needed to run a nuclear program and how it is quite considerable. That is not true for a biological program. It is much harder to detect from the outside. It is much harder to target from the outside.

Biological programs are of concern from a military point of view. They are also of grave concern because their effects simply are not known anymore. We fortunately had a world where these programs have not been used for many years. Much of what can be done with modern medicine, modern biochemistry is unclear at this point. I am horrified that some day we will find out.

Mr. LINDER. At a meeting in the back of this very room some months ago with some Swedish scientists, I was informed that some Iranian families had emigrated from Iran to Sweden. All the children had been vaccinated for smallpox.

Why would they do that? We haven't vaccinated anyone in this country since 1980. Any comments, anybody?

Mr. TAKEYH. I do know that is a large and growing Iranian community in the entire of Scandinavia, but I just do not have any informed judgment on that issue.

Mr. LINDER. Any comments?

Mr. BYMAN. To my knowledge, the State Department report was not referring to smallpox as one of the biological weapons.

Mr. LINDER. That is correct, but I was just curious about vaccinating children for smallpox.

Mr. BYMAN. This gets into the issue that Mr. Giles knows so well, which is the risk of the attack versus the other consequences, which every doctor I talk to revolts when I say, "Should we vaccinate against smallpox?" I have discussed it with my own doctor with my own children for this very reason. Their response is the small percentage of individuals who have a negative reaction to the vaccination will be far more suffering than the likelihood of an attack.

We have seen no serious smallpox program, to my knowledge, outside of a very limited handful of countries. But this, to me, should be one of the overwhelming intelligence priorities, because if we see the spreading, the answer may be that vaccination is necessary.

Mr. LINDER. It has been pointed out that the technical assistance in terms of weaponry provided by Iran to Hezbollah has been limited, but in the past several months it has been reported that more sophisticated shaped charged that are effective against armored vehicles, including tanks, have appeared in Iraq linked to Hezbollah.

Doesn't this suggest a higher level of technological assistance?

Mr. BYMAN. Hezbollah is quite good a guerrilla warfare and the tactics involved in guerilla warfare. It has spent 18 years attacking the Israelis and eventually removing them from Lebanon in part by getting better and better with Iranian help; in part by getting better and better on its own. It has a very formidable guerrilla cadre.

The shaped charge is something that is technically a little difficult, but for a large guerrilla army to do, and having, as Hezbollah does, effectively a safe haven in Lebanon from which to operate, it is not a dramatic change. This is more a way of using existing technologies in more effective means. It is deadly, and that is part of the issue with WMD.

I would say that a shaped charge is actually far more deadly in most cases than a chemical weapons attack. Therefore, these groups, for their own purposes, do not need unconventional systems.

Mr. LINDER. Thank you.

Mr. Langevin?

Mr. LANGEVIN. Thank you.

Dr. Takeyh, if I could just ask a few questions on your testimony.

If I understood you right, you stated that Iran is not very concerned or feel threatened by Israel's nuclear capabilities, nor are they threatened by their overwhelming military superiority.

If I understood you correctly in those two statements, then why develop a nuclear weapons program? What do they need it for?

Mr. TAKEYH. If you look at the totality of what Iranian leaders have said about their nuclear program since the mid–1990s, if you kind of examine that, what struck me as rather curious was that

Israel was never invoked in those discussions, or it was invoked I think with few exceptions.

What derives from those commentaries, sermons, media reporting, speeches, the impression that one gets is that they seek such weaponry for, as I said, for deterrence against a variety of threats or perceived threats.

For a long time, it was the potential resurrection of Iraq and the impact of the Iran–Iraq war on Iranian calculations and defense procurement policies is just remarkable, namely that they felt they had to develop an independent deterrent and retaliation capability in the realm of weapons of mass destruction. Eventually that started out with chemical weapons, and escalated into nuclear arms.

In more recent times, there are a range of actors that have motivated Iran's unconventional aspirations: the United States, the strained relationship between these two countries that has become much more strained recently; the potential collapse of Pakistan to a radical Sunni regime with pronounced hostilities to Iran, this sort of a Talibization of Pakistan. That is an important security concern.

Beyond that, the unpredictable nature of the Iraqi state, what type of Iraq will emerge; will there be a Iraq with a close alliance with the United States; will there be an Iraq that will house American forces; will there be an Iraq that will act as an adjunct of American power in the Persian Gulf. Would Iran need to hedge against a potential resurrection of a close Iraqi-American alliance in the Gulf by possession of such weapons?

If you want to do down the threats, potentially Israel is there, but it is not in my view the foremost motivator of Iran's nuclear aspirations today. That may change. When we talk about the nuclear program, we have to talk about it as a dynamic and fluid proposition. It is not static. The list of motivations do change over time. Should there be a more active military confrontation between Israel and Iran, maybe Iranians will feel that they need the possession of this strategic weapon for deterrence of a now-escalated Israeli–Iranian hostility.

For the past 25 years, the two states, Iran and Israel, have largely limited their conflict and have both worked hard to prevent that conflict from escalating into a direct military confrontation. Should that change, then I suspect Iran's strategic calculus will alter as well. But we have to look at this program both in terms of its technological aspects and both in terms of the motivations as a changing, fluid picture that alters from time to time.

Mr. LANGEVIN. You mentioned that you think that diplomacy is still possible, but isn't a very likely reason why they are developing nuclear weapons is, in a sense, Islamic pride, and that it is not only a threat issue, but they see it as a obligation of Islam to develop nuclear weapons. I believe it was Iran who said that they have the obligation within the next 10 years to develop nuclear weapons.

Mr. TAKEYH. I think if you kind of look at this program, you have to differentiate between, at least in Iranian rhetoric, between the nuclear program as sort of a means of modernization of the economy, and the nuclear weapons program. They try to draw those delineations I think in a rather unconvincing way.

In today's Iran, I actually do not believe that the phenomena that we saw in Pakistan and India has happened, namely the nuclear program merges with the sense of national identity and national prestige. This is largely an elite-driven program, not one that the Iranian population has embraced.

For the Iranian population, the nuclear program is the regime's program. It is not a national program. It is the government's program. And to gap between the regime and the society, between the rulers and the ruled, is still wide. The Iranians are so alienated from the regime that they are unwilling to embrace it even when it is on the process of a seeming international confrontation.

Again, we have to look at this program as a dynamic one. That may change. Maybe the nuclear program will become embraced by the population as it develops and it crosses successive technological demarcations.

But the sort of embrace of the nuclear program that you saw in Pakistan and you saw in India, that has not happened as of yet in Iran. If you ask an Iranian, do you think your country should have nuclear weapons? He says, oh yes. If you ask him the second question, do you think it should have nuclear weapons if it provokes international multilateral sanctions, then you get a different sort of an answer.

Again, as I said, this is a changing landscape. So that is why the sooner there can be some sort of an agreement to suspend this program on a more permanent basis, the sooner we can avoid a great deal of problems down the road.

Mr. LINDER. The time of the gentleman has expired.

Mr. Dicks?

Mr. DICKS. What do you think the United States should do about this situation with Pakistan? It appears to me, as you testimony clearly demonstrates, that Pakistan has more serious problems in terms of stability and a much more advanced program, and clearly has nuclear weapons. Should we be reassessing our position regarding Pakistan?

Mr. BYMAN. Sir, I will give you my opinion.

To me, the Bush administration's policy of embracing the Musharaff regime is a correct one in general, but I think it has been a bit too enthusiastic.

There are few good alternatives in Pakistan. I cannot sit here and tell you that there is a great alternative that no one is doing. All the choices are bad. But the problem is that our embrace has weakened many of the sources of opposition to Musharaff that are not Islamist. Musharaff has forged a deal with some of the Islamists in the country. As a result, much of the more secular opposition, much of the more traditional opposition has become very weak.

We need to hedge our bets a bit. Although it is important to maintain ties to this regime in the important day-to-day efforts we have against terrorism, we need to be able to reach out to others. That is, first of all, in case there is a shift in regime, but it is also a way of gaining leverage over the Musharaff regime. So he right now believes that we need him more than he needs us. That limits our influence. For me, having as many points of influence in the country is vital.

Mr. DICKS. Does he have control over the entire situation in his country? There has been some discussion that maybe there are elements within his society, maybe the intelligence arena in one particular area, where he may not have complete control; that they may be operating independently of the government and causing difficulties. Do you think that is an accurate assessment, or is that a possible problem?

Mr. BYMAN. I think that is an accurate assessment. I would say several things about that.

The regime exercises control in most of the urban areas, but it does not exercise control in all the countryside. It relies heavily on local groups, some of which are loyal to the regime; some of which work with it on a fitful basis.

In terms of the military and intelligence, the senior officials are loyal to the regime, but they do not always have control over their forces all the way down. So you may have the border guard commander who actually wants to try to help stop Taliban from going back and forth, but the local border patrolman is sympathetic to the Taliban and lets them go back and forth.

As the more junior officers become promoted, many of them have Islamist sympathies. I am concerned that over time we are going to see a regime that is not al-Qa'ida, is not jihadist, but is much more sympathetic to some of their objectives.

A particular concern I have is much of the effort Pakistan is waging against India and Kashmir involves using jihadist groups as proxies. These jihadist groups overlap in terms of training, recruitment, arms, passports, with groups linked to al-Qa'ida. It is impossible for Pakistan to say it is fighting al-Qa'ida as hard as it can, but not be dismantling the apparatus it uses to wage war in Kashmir.

Mr. DICKS. It is true that some of the people who are involved in the recent bombings in London had been trained or spent time or whatever in Pakistan. Isn't that correct?

Mr. BYMAN. They spent time in Pakistan. What they were doing there at this point, we do not know, or at least I do not know, I should say. But that is, to me, one of the areas to watch. There are camps in Pakistan where people will go for training and the training is generic. It is meant in part to help in Kashmir, but if you learn to build a bomb in Kashmir, the bomb also works in London.

Mr. DICKS. Thank you.

Thank you, Mr. Chairman.

Mr. LINDER. Mr. Langevin has another question.

Mr. LANGEVIN. Just briefly, if I could—and thank you for the extra time, Mr. Chairman.

According to the latest intelligence estimates, Iran is approximately 10 years away from developing a nuclear weapon. There are others who have said that the time is probably sooner. I do not know if any of you have read my colleague's book, Mr. Curt Weldon, "Countdown to Terror." He would suggest that the time is much shorter.

Would you care to speculate?

Mr. TAKEYH. There is another study that came out from the International Institute of Strategic Studies which I think suggests 5 years.

But much of this depends on what type of a program it is. Is it a crash program? Is it an accelerated program? Is the country going to devote its resources to development of a nuclear weapon with the singular focus that Pakistan did, or is it going to move along on its current procurement and funding practices? So I think it is difficult to gauge that particular timeline.

The current efforts that Iran is making and with its continued reliance on international technology to some extent, then we could see that being problematic. But I would actually suggest that the time that Iran develops nuclear weapons is not as significant as the point that they crossed the decision, the sort of point of no return where all political forces are determined to actually construct the bomb.

That, to me, is a more difficult timeframe to gauge than the technological aspect of it because if that happens, if the regime makes a fundamental determination to utilize all national resources behind a crash program to develop a nuclear bomb and a delivery system, then I think that timeframe is going to lessen dramatically.

Mr. LANGEVIN. What data do you have to support, though, that suggested that they have not already made that political decision? It would seem to me, all indications now, especially the fact that the program has been conducted in secret, that they have already made that political decision.

In addition to the fact that the material that they are reprocessing right now, they are attempting to make weapons-grade uranium. It could very easily lead to the creation of a nuclear device. In fact, you mentioned in your testimony that the Europeans are unlikely to help transfer nuclear weapons technology, given the context.

Mr. TAKEYH. Well, nuclear technology, yes.

Mr. LANGEVIN. Nuclear weapons-type technology. But if they were developing weapons-grade uranium, they could simply make a gun-type device and they do not quite frankly need European technology.

Mr. TAKEYH. Here is where we get into a difficult position. Much of the technology that you require to build a civilian nuclear program is quite similar to the technology that you require to build weapons. There is a break-off point at some point.

But at this particular point, the latest IAEA report indicates that there is no evidence that international inspectors have uncovered that Iran has transferred its nuclear technology from military purposes. The activities that are taking place right now in Isfahan, I believe you mentioned, actually take place under the auspices of the inspection and the inspection process.

What the Iranians are suggesting they are doing is developing indigenous uranium enrichment capability, but not at the weapons-grade, but for actually peaceful uses. That is the problem with the ambiguity of technology, because enrichment up to a certain level is suitable for energy purposes. Beyond a certain level, then you can have a weapons capability. This is why the development of Iranian nuclear infrastructure is worrying.

I think the critical timeframe at this particular point, we still believe that Iran requires external assistance for completion of this nuclear program. But increasingly, it will get to a point which you

are suggesting, namely it will have indigenous technological capability to complete the program without any sort of a reliance on external actors.

I do not believe it is there yet in terms of the completion of the centrifuge machines, which they still require technology from abroad. They could get it from the black market. They used to get it from A.Q. Khan network and others. But it is still a program that as far as we know is still to a certain extent reliant on external assistance, whether it is from black markets in Russia or elsewhere.

But that may change. Again, that is going to change over time.

Mr. LANGEVIN. What data are you using to support the conclusion that they have not yet made the political decision to cross that red line yet?

Mr. TAKEYH. I just haven't seen any evidence that suggests it. I would say, based upon my examination, that the Iranian regime is committed to development of a sophisticated nuclear program that may give them the opportunity to weaponize that program should that situation be reached. In a faction-driven Iranian system, I think that is as far as you can go.

I think they have delayed the decision to actually cross the threshold, but they are doing everything they can to build the technological capability that allows them to make that decision at some point in the future.

Mr. LANGEVIN. In timeframe, gentlemen, do you agree that 5 years or 10 years?

Mr. GILES. Congressman, I have been following the public side of this issue for some time. I will just say that these estimates are very fungible and they have changed over the years. Estimates from the Israelis have said they would be there by now. They go up and down. The IAEA had its own estimate. It seemed to fall around the 5-year range.

The latest swing is that they are now pushing the estimates out, according to the press, our own intelligence estimate. The Israelis have fallen in line with those for the most part. It is consistent with the IASS.

I am just concerned that you are seeing conventional wisdom maybe shifting too far in the other direction. There are people who have noted that we are talking about technology from the 1940s, essentially, in trying to fabricate a weapon. So it depends on your assumptions whether or the Iranians have a secret military program in addition to the civilian program.

So I am generally skeptical about all of the estimates that I have seen discussed publicly.

Mr. LINDER. Thank you all. Thank you gentlemen for giving us a couple of hours of your time. I am sorry we were so late getting started. We are grateful for your time. Thanks.

[Whereupon, at 1:06 p.m., the subcommittee was adjourned.]

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