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**Responding to Iran's Nuclear Ambitions**

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As the cycle of negotiations and United Nations conclaves begins, Iran's nuclear ambitions seem to be surging without restraint—no longer subject to easy diplomatic mediation or coercive resolution. A unique confluence of events ensures that Iran will sustain a nuclear program increasingly perceived as a national imperative. Today, Iran's internal political alignments and a changing regional landscape have produced an Islamic Republic that is confident, assertive and empowered.

**Iran and its Factions**

Since the presidential election of 2005, the United States confronts a fundamentally different Iranian leadership. The complexion of the Islamic Republic is changing, as the clerical oligarchs who ushered in the revolution are gradually receding from the scene, replaced by a younger cadre. The debates are no longer between the pragmatists such as Ayatollah Hashemi Rafsanjani and the more austere reactionary clerics, and Iran no longer views its international relations through the prism of its economic and strategic weakness. Rising oil prices and America's entanglement in Iraq have led the new generation of leaders to perceive unique opportunities for their country's ascendance. Iran views itself as the indispensable nation in the Middle East, with its claims of hegemony and dominance.

It is tempting to presume that Iran's new hard-line leaders are a united clique of ideologues, driven by the same impulses and objectives. As with most political movements in modern Iran, however, the New Right features its own factions and power-centers. The current divide in the theocratic regime is between those who press for a revolutionary foreign policy and more tempered realists emphasizing Persian nationalism. This delineation is best exemplified by examining the worldviews of Ahmadinejad and the current head of the Supreme National Security Council, Ali Larijani.

*Ideologues:* A combination of bitter experience and Islamist ideology animates Iran's new president. A persistent theme of Ahmadinejad's speeches is the notion that Iran's Islamic polity is a worthy model of emulation for the region. However, beyond such Islamist aspirations, it is Iran's own war with Iraq that continues to condition Ahmadinejad and his allies' strategic assumptions. A pronounced suspicion of the United States and the international community that tolerated Saddam Hussein's war crimes against Iran characterizes the perspective of those who fought in the frontlines. The lessons that the veterans drew from the war was that Iran's independence and territorial integrity cannot be safeguarded by international legal compacts and Western benevolence.

After decades of tensions with America, Iran's reactionaries perceive that conflict with the United States is inevitable and that the only manner by which America can be deterred is the

possession of the “strategic weapon.” However, it is too facile to suggest that the fear of America is driving this faction toward the acquisition of the bomb. As with many in the theocratic regime, Ahmadinejad and his allies perceive that a nuclear weapons capability is critical for the consolidation of Iranian hegemony in the Gulf. It is only through the attainment of the bomb that Iran can negate nefarious American plots to undermine its stature and power.

Beyond such perceptions, the American demands that Iran relinquish its fuel cycle rights granted to it by the Nuclear Non-Proliferation Treaty has aroused the leadership’s nationalistic impulses. As a country that has historically been subject of foreign intervention and imposition of various capitulation treaties, Iran is inordinately sensitive of its national prerogatives and sovereign rights. For the new rulers of Iran, they are being challenged not because of their provocations and previous treaty violations, but because of superpower bullying. In a peculiar manner, the nuclear program and Iran’s national identity have become fused in the imagination of the hardliners. To stand against an impudent America is to validate one’s revolutionary ardor and sense of nationalism. Thus, the notion of compromise and acquiescence has limited utility to Iran’s aggrieved nationalists.

Despite their bitterness and cynicism, the theocratic hardliners are eternal optimists when it comes to the international community’s reception of Iran’s nuclear breakout. Many influential conservative voices insist that Iran would follow the model of India and Pakistan, namely the initial international outcry would soon be followed by acceptance of Iran’s new status. Thus, Tehran would regain its commercial contracts and keep its nuclear weapons. The former Iranian Foreign Minister Akbar Velayati noted this theme when stressing, “Whenever we stand firm and defend our righteous stands resolutely, they are forced to retreat and have no alternatives.” The notion of Iran’s mischievous past and its tense relations with the United States militating against the acceptance of its nuclear status by the international community is rejected by the right. However, should their anticipations fail, and Iran become subject of sanctions, it is a price that the hardliners are willing to pay for an important national prerogative. Ahmadinejad has pointedly noted that even sanctions were to be imposed, “The Iranian nation would still have its rights.” In a similar vein, Ayatollah Jannati, the head of the Guardian Council, has noted, “We do not welcome sanctions, but if we are threatened by sanctions, we will not give in.” The notion of the need to sacrifice and struggle on behalf of the revolution and resist imperious international demands is an essential tent of the hardliners’ ideological perspective.

*Realists:* President Ahmadinejad’s rhetorical fulminations and presence on the international stage should not obscure the fact that he is not in complete command of Iran’s foreign relations. One of the most important actors in Iran today is the powerful Secretary of the Supreme National Security Council, Ali Larijani. As the leader of a new generation of realists that evolved in the intelligence community in the 1990s, this cohort’s has predominant influence over the direction of Iran’s international relations. Through their presence in key institutions, links with traditional clerical community and intimate ties to the Supreme Leader, the realists chart the course of Iran’s foreign policy.

For the realists, the Islamic Republic is offered a rare opportunity to establish its sphere of influence in the Persian Gulf. For centuries, Iran’s monarchs and mullahs perceived that given their country’s history, civilizational achievements and geographic location, it should emerged as the preeminent state of the region. However, those ambitions were unjustly thwarted by global empires and local hegemonic powers. Today, as Iran’s leaders gaze across the Middle East, they see a crestfallen American imperium eager for an exit strategy out of its Arab predicament, an Iraq preoccupied with its simmering sectarian conflicts and a Gulf princely class eager to accommodate rather than confront Iranian power. A judicious and reasonable Iran can go a long

way toward achieving its long cherished aspiration of dominating the critical waterways of the Middle East. It is important to stress that the Larijani camp is driven not so much by Islamist imperatives, but Persia's historic aspirations.

A careful examination of Larijani's speeches reveals an insistence on India as a model for aspiring regional powers. India's détente with America has allowed it to both maintain its nuclear arsenal and dominate its immediate neighborhood. In contrast, a Russian Federation that at times finds itself at odds with America has seen its ability to influence its "near abroad" checked by a skeptical Washington. Although the U.S. presence is bound to diminish in the Middle East, for Iran's realists, American power can still present a barrier to Tehran's resurgence. For this cohort a less contentious relationship with the United States may ease America's distrust, paving the way for the projection of Iran's influence in the Gulf.

For the realists, the nuclear program has to be viewed in the larger context of Iran's international relations. Once more, Larijani points to the example of India, namely a country that improves relations with the United States may obtain American approbation of its nuclear ambitions. Thus, they don't necessarily seek to dismantle the program, but offer confidence building measures and improved relations with the U.S. as a means of alleviating international concerns.

Hovering over this debate, once more, stands the Supreme Leader Ali Khamenei. Khamenei's instincts would be to support the reactionary elements in their call for defiance and pursuit of the nuclear option. However, in his role as the guardian of the state, he must consider the nuclear program in the context of Iran's overall policies. Thus far, despite his ideological compunctions, Khamenei has pressed the state toward restraint. The fact that Iran continues to call for negotiations and has even expressed a willingness to suspend critical components of its program for a brief duration should meaningful discussions resume, reflects his willingness to subordinate ideology to pragmatism. Indeed, President Ahmadinejad's acceptance of the negotiations, despite his campaign rhetoric, denotes his willingness to accede to the direction set out by Khamenei.

Such internal changes cannot by themselves explain Iran's new found confidence. A careful look at two regional hotspots—Iraq and Lebanon—reflects the Islamic Republic's deepening influence in the Middle East.

#### Sources of Iran's Power: Iraq

On September 12, a momentous event took place in Tehran. Iraq's new premier, Nouri al-Maliki arrived in Iran eager to mend ties with the Islamic Republic. The atmospherics of the trip reflected the changed relationship, as Iranian and Iraqi officials easily intermingled, signing various cooperative and trade agreements and pledging a new dawn in their relations. It must seem as cold comfort to the hawkish Bush administration with its well-honed antagonism toward the Islamic Republic that it was its own conduct that finally alleviated one of Iran's most pressing strategic quandaries. In essence, the American invasion of Iraq has made the resolution of Iran's nuclear issue even more difficult.

Iran's model of ensuring its influence in Iraq is drawn from its experiences in Lebanon, another multi-confessional society with a Shiite population that was traditionally left out of the spoils of power. Iran's strategy in Lebanon was to dispatch economic and financial assistance to win Shiite hearts and minds, while making certain that its Shiite allies had sufficient military hardware for a potential clash with their rivals. As such, Iran's presence was more subtle and

indirect, and sought to avoid a confrontation with the United States. Not unlike its approach to Lebanon, Iran today is seeking to mobilize and organize the diverse Shiite forces in Iraq, while not necessarily getting entangled in an altercation with the more powerful United States.

Although Iraq's Shiite political society is hardly homogeneous, the two parties that have emerged as the best organized and most competitive in the electoral process are the Supreme Council of the Islamic Revolution in Iraq (SCIRI) and the Dawa Party. Both parties have intimate relations with Tehran and allied themselves with the Islamic Republic during the Iran-Iraq war. SCIRI was essentially created by Iran, and its militia, the Badr Brigade, was trained and equipped by the Revolutionary Guards. For its part, Dawa is Iraq's longest surviving Shiite political party, with a courageous record of resisting Saddam's repression. Under tremendous pressure, Dawa did take refuge in Iran, but it also established a presence in Syria, Lebanon and eventually Britain. However, despite their long-lasting ties with the Islamic Republic, both parties appreciate that in order to remain influential actors in the post-Saddam Iraq they must place some distance between themselves and Tehran. The members of SCIRI and Dawa insist that they have no interest in emulating Iran's theocratic model, and that Iraq's divisions and fragmentations mandate a different governing structure. Former Prime Minister Ibrahim al-Jafari, the head of the Dawa Party, insisted, "Not all the Shiites are Islamists and not all Islamists believe in velayat-e faqhi. Cloning any experience is inconsistent with the human rights of that country." In a similar vein, Adel Abdul Mahdi, the leading figure within SCIRI, emphasized, "We don't want either a Shiite government or an Islamic government." Their persistent electoral triumphs reflect not just superior organization, but a successful assertion of their own identity. Still, Dawa and SCIRI do retain close bonds with Iran, and have defended the Islamic Republic against American charges of interference and infiltration. In the end, although both parties have no inclination to act as Iran's surrogates, they are likely to provide Tehran with a sympathetic audience, and even an alliance that, like all such arrangements, will not be free of tension and difficulty.

Although less well-publicized by Tehran, it does appear that Iran has established tacit ties with Moqtada al-Sadr and has even supplied his Mahdi army. In a sense, unlike their relations with SCIRI and Dawa, Iran's ties to Sadr are more opportunistic, as they find his sporadic Arab nationalist rhetoric and erratic behavior problematic. Nonetheless, given his emerging power-base, strident opposition to the American occupation and his well-organized militia group, Tehran has found it advantageous to at least maintain some links with Sadr. Among the characteristic of Iran's foreign policy is to leave as many options open as possible. At a time when Sadr is being granted an audience by the Arab leaders and dignitaries across the region, it would be astonishing if Iran did not seek some kind of a relationship with the Shiite firebrand.

Finally, there is Iran's relation with Iraq's most esteemed and influential Shiite cleric, Grand Ayatollah Ali al-Sistani. The Grand Ayatollah stands with traditional Shiite mullahs in rejecting Ayatollah Ruhollah Khomeini's notion that proper Islamic governance mandates direct clerical assumption of power. As we have noted, Khomeini's innovation contravened normative Shiite political traditions, making its export problematic, if not impossible. Thus far, both parties have been courteous and deferential to one another, with Sistani refusing to criticize Iran, while Tehran has been generous with crediting him for the Shiite populace's increasing empowerment. The powerful former president, Hashemi Rafsanjani made a point of emphasizing Sistani's role after the elections of the interim government, noting, "The fact that the people of Iraq have gone to the ballot box to decide their own fate is the result of efforts by the Iraqi clergy and sources of emulation, led by Ayatollah Ali al-Sistani." For his part, Sistani maintains close ties to Iran's clerical community and routinely meets with visiting Iranian officials—a privilege not yet granted to U.S. representatives. Moreover, even though Sistani has not pressed for a theocracy, he still insists that religion must inform political and social arrangements. Once more, Iran's reigning

clerics have forged correct relations with the Grand Ayatollah, and do not harbor illusions that he would serve as an agent for imposition of their theocratic template on Iraq.

Today, the essential estrangement of the Iraqi Shiites from the larger Arab world, and the Sunni dynasties unease with their empowerment makes the community more attractive to Iran. The ascendance of the Shiites maybe acceptable to the Bush administration with its democratic imperatives, but the Sunni monarchs of Saudi Arabia and Jordan and the presidential dictatorships of Egypt and Syria are extremely anxious about the emergence of a new “arch of Shiism.” At a time when the leading pan-Arab newspapers routinely decry the invasion of Iraq as an U.S.-Iranian plot to undermine the cohesion of the Sunni bloc, the prospects of an elected Shiite government in Iraq being warmly embraced by the Arab world seems remote. Iraq’s new Shiite parties, conservative or moderate, are drawn to Iran, as they look for natural allies. It is unlikely that this will change, as the political alignments of the Middle East are increasingly being defined by sectarian identities.

Given Iran’s interest in the stability and success of a Shiite-dominated Iraq, how does one account for the credible reports indicating that Tehran has been infiltrating men and supplies into Iraq? To be sure, since the removal of Saddam, the Islamic Republic has been busy establishing an infrastructure of influence next door that includes funding political parties and dispatching arms to Shiite militias. For the United States, with its perennial suspicions of Iran, such activism necessarily implies a propensity toward mischief and terror. Iran’s presence in Iraq, however, can best be seen within the context of its tense relations with the United States, if not the larger international community. Such influence and presence provides Iran with important leverage in dealing with the Western powers. The fact that America and its allies may believe that Iran will retaliate in Iraq for any military strikes against its nuclear facilities implicitly strengthens Tehran’s deterrence against such a move. At a time when Iran’s nuclear ambitions are at issue, it is not in the theocracy’s interest to unduly disabuse the United States of that impression.

Should the Islamic Republic’s implied deterrence fail, and the United States does strike its nuclear installations, then Iran’s extensive presence in Iraq will give it a credible retaliatory capacity. Yahya Rahim-Safavi, the commander of the Revolutionary Guards, has plainly outlined Iran’s options, stressing, “The Americans know well that their military centers in Afghanistan, the Gulf of Oman, the Persian Gulf and Iraq will come under threat and they may be vulnerable because they are in Iran’s neighborhood.” The fact remains that Iran’s network in Iraq is not necessarily designed for attacks against America, but it does offer the theocracy a variety of choices should its relations with the United States significantly deteriorate.

The Islamic Republic of Iran today stands as one of the few beneficiaries of American invasion of Iraq. As America becomes mired in its ever-deepening quagmire in Iraq, its ability to confront Iran has diminished. In the meantime, given Iran’s assets in Iraq, its close ties to the reigning Shiite political actors and its ability to inflame the sectarian conflict, it possesses ample leverage in tempering American designs. The United States and its allies that may seek to confront Iran over its nuclear ambitions must wrestle with the reality of Tehran’s power and its capacity to destabilize Iraq and the international petroleum market.

#### Sources of Iran’s Power: Hezbollah

The hapless country of Lebanon has always been the hotbed of conflict between sectarian forces, culminating in a bitter civil war in the 1970s and 1980s. Following the Israeli invasion of 1982 to evict the Palestinians, who were using Lebanon as a sanctuary to launch terror attacks, Iran became more directly involved in Lebanese affairs. In conjunction with its Syrian ally, Iran

began to mobilize the Shiite community, offering financial and military assistance to its militant allies. The Shiites constituted the largest communal group in Lebanon but were traditionally excluded from positions of political and economic power. Iran's Revolutionary Guards and diplomats energetically organized the various fledgling Shiite organizations and essentially created Hezbollah. Through provision of social services, an impressive fundraising capability and an increasingly sophisticated paramilitary apparatus, Hezbollah gradually spread its influence subsuming many of the remaining Shiite associations and assuming a commanding position in Lebanon's politics.

Hezbollah first came into the American consciousness when its suicide bombers attacked the Marine barracks in Beirut in 1983, killing 241 U.S. soldiers. At Iran's behest, Hezbollah went on a string of kidnappings and hostage taking, some of whom were eventually bartered away for U.S. arms during the Iran-Contra affair. In the 1990s, Hezbollah's operatives were also implicated in the killing of Iranian dissidents in Europe and an attack against a Jewish community center in Argentina. A grim record of suicide bombings, assassinations and kidnappings soon made Hezbollah a terrorist organization with an impressive global reach. Even before the rise of al-Qaeda, Hezbollah had assumed a prominent place in the world of fundamentalism, as it not only introduced new tactics to Islamist resistance such as suicide bombings, but also ingeniously utilized religion to justify its use of indiscriminate violence.

Despite its multiplicity of attacks around the globe, Israel has been Hezbollah's favorite target. Hezbollah's forces waged a long and costly guerrilla war against Israel, eventually compelling its withdrawal from southern Lebanon in 2000. Israel's departure has not lessened Hezbollah's animosity; the Lebanese group trained Hamas activists and periodically shelled Israeli settlements across the border. In the July 2006, Hezbollah took the defiant step of abducting and killing Israeli soldiers, provoking the massive Israeli invasion that nearly destroyed Lebanon. Nevertheless, the Hezbollah paradigm of confronting superior power with suicide bombings and a low-intensity guerrilla campaign has now been embraced by the region's militants as their preferred model of waging war. The case of Iraq demonstrates that even its Sunni insurgents are willing to learn from their Shiite counterparts, as U.S. troops are now subject to the same deadly tactics that Hezbollah has long employed against the Jewish state.

Iran's motivations for supporting Hezbollah thus stem from an interlocking set of ideological and strategic calculations. The Islamic Republic had always stressed its determination to refashion regional norms and spread its message throughout the Middle East. In practice, Iran's appeal proved limited to beleaguered Shiite minorities in states such as Saudi Arabia, Bahrain and Lebanon. The fact that most of these Shiite communities eventually traded in Iranian support for accommodation with the ruling elite limited the Islamic Republic's reach to perennially fractious Lebanon. Prior to rise its Shiite allies to positions of power in Iraq, Hezbollah remained the only palpable success of Iran's largely self-defeating attempt to export its revolution. On the strategic front, Hezbollah allowed Iran to project its influence to the Arab world at minimal cost

The recent conflict between Israel and Hezbollah only reinforces its ideological and strategic value for the Islamic Republic. After weeks of battling Israeli armor, Hezbollah's mere survival constituted a political victory that had eluded larger Arab armies confronting the Jewish state. As Hezbollah captures the imagination of the Arab street, its Iranian patron is bound to derive political benefits. Nor was Hezbollah's war without strategic advantage for Tehran. At a time when Iran's nuclear portfolio is subject to international scrutiny, the conflagration in Lebanon is a pointed reminder to European states of the cost of confrontation in the Middle East. As Iraq and the Levant continue to burn, the Europeans and the larger international community must consider whether they really want yet another conflict in the region.

### What is to be done?

Despite its incendiary rhetoric and flamboyant claims, Iran is not Nazi Germany, an ideological regime with a limitless appetite. The Islamic Republic is seeking to emulate China and India, regional powers whose interests and claims have to be taken into consideration in their immediate neighborhood. A successful model of engagement has to appreciate that Iran is a rising power and the purpose of the talks is to craft a framework for regulation of its influence. In essence, this model of engagement does not seek reconciliation between the two antagonists, but a means of channeling Iran's power in the right direction.

The proposed engagement strategy appreciates Iran's resurgence and seeks to create a framework for limiting the expressions of its power. The purpose of engagement is not to resolve all outstanding issues or usher in an alliance with the Islamic Republic, but to craft an arrangement whereby Iran adheres to basic norms of international relations. In essence, America accepts Iran as a regional power with legitimate interests. In this context, the negotiations are designed to alter the structure of US-Iran relations as opposed to merely addressing specific areas of disagreement, such as Iran's nuclear program. For Iran's realists, America finally offers an opportunity to press their state in a manner consistent with their nationalistic aspirations. As such engagement becomes a subtle and a more effective means of containment.

The practical operational aspect of such diplomacy should envision three separate negotiating tracks, whereby all issues of concern are examined by both sides. However, dispensing with linkage, progress on any one track should not be necessarily contingent on the others. For instance, if the United States and Iran are making important strides on the nuclear issue, negotiations should not be discontinued for lack of progress on terrorism or Iraq. Having stipulated the essential autonomy of each individual track, it is important to stress that in actual practice progress on any one of these issues is bound to have positive reverberations for others. An Iran that finds its relations with America to its advantage is bound to be a country open to tempering its radical tendencies regarding terrorism.