

**Testimony before the Senate Foreign Relations Committee**  
**Hearing on**  
**U.S. Policy in the Middle East after a Nuclear Deal with Iran**

June 3, 2015

by

Martin Indyk

Executive Vice President, the Brookings Institution

In the coming months, Congress is likely to have to make a choice: either to endorse an agreement that removes sanctions on Iran but should ensure that it remains nuclear weapons-free for at least ten-to-fifteen years; or to reject the agreement, which would leave Iran three months from a nuclear weapon under eroding sanctions. In making that choice, Congress will need to take account, among other things, of the regional implications of the deal and what would need to be done to ameliorate the negative fallout. That is what I have endeavored to address in this written testimony.

In the end, each Senator will have to make a judgement based on the credibility of the deal itself and on its likely implications for American interests in the Middle East and for the broader global issues that will be impacted. In my view, if the arrangements currently being negotiated for inspection and monitoring, together with the mechanism for the “snap-back” of sanctions, are robust enough to deter and detect Iranian cheating, the deal will be worth upholding. In other words, the likely regional implications of the deal are not sufficiently negative to justify opposing it. Indeed, given the state of turmoil engulfing the Middle East, ensuring a nuclear weapons-free Iran for at least a decade will help remove a primary source of tension and may foster greater cohesion in dealing with the other sources of conflict and instability there.

The completion of the Iran nuclear deal and its endorsement by the Congress would represent a major development for U.S.-Iranian relations and would likely have profound ripple effects across the troubled Middle East region. It will impact the security of our allies from

Egypt, to Israel, Jordan, the Gulf Arab states, and Turkey at a time of heightened insecurity because of the collapse of state institutions and the rise of jihadist forces on all their borders. It might trigger a regional nuclear arms race or a preemptive Israeli strike. And it could give a turbo-boost to Iran's conventional military capabilities and its destabilizing activities in the region.

If these potential consequences are so great, why haven't they been addressed in the nuclear deal itself? There are good reasons. The Iranians were keen to include regional issues in the negotiations because they believed it would be advantageous to them to offer the United States a "grand bargain," exchanging regional cooperation in Syria and Iraq, for example, in return for lowering American requirements for curbs on their nuclear program. The American negotiators wisely rejected this attempt at linkage. In addition, our Gulf Arab allies feared that their regional interests would be sacrificed on the altar of a U.S.-Iran nuclear deal and insisted that the United States had no business discussing regional issues with their strategic adversary when they were not represented in the negotiations. Consequently, there is nothing in the agreement itself that constrains Iran's regional behavior. But by the same token there is nothing in the agreement that constrains the United States and its regional allies from taking steps to contain and roll-back Iran's hegemonic regional ambitions and counter its nefarious activities there. Ten-to-fifteen years of an Iran under intense scrutiny and constrained from acquiring nuclear weapons provides a significant breathing space for its regional opponents, backed by the United States, to build an effective counterweight.

Will our regional allies choose to use that time to build their own nuclear programs, thereby fueling a nuclear arms race that the agreement with Iran was supposed to prevent? To be sure, Prince Turki al-Faisal, the former Saudi Ambassador to Washington and former intelligence chief, has declared, "Whatever comes out of these talks, we will want the same." But it seems unlikely that Saudi Arabia will actually embark on building an enrichment capability, one that would require them to establish or acquire a significant scientific establishment that they currently lack. For thirty years, while Iran developed its ambitious nuclear program unconstrained, its Saudi arch-rival did not feel any need to do the same. Why would it do so now when serious constraints will be placed on Iran's nuclear program?

Moreover, “wanting the same” actually means that Saudi Arabia – and any other regional state that seeks to match Iran’s capabilities – would have to accept the same intrusive inspections and monitoring that the Iranians are in the process of accepting. Some suggest that Saudi Arabia would simply acquire a bomb off the Pakistani shelf. But if this option is a real one – and Pakistan’s refusal to join Saudi Arabia’s war in Yemen raises significant doubts – it has existed for decades and does not in itself fuel a nuclear arms race as long as the bomb stays on the Pakistani shelf.

While Egypt is building a nuclear power plant and Jordan is talking about establishing an enrichment capacity, they are both signatories to the Non-Proliferation Treaty and will have to submit to the NPT’s Additional Protocol of intrusive inspections that Iran has accepted if they are to get the nuclear cooperation they will need. The UAE has signed the 123 agreement, which prevents it from ever acquiring enrichment capacity and requires it to sign the Additional Protocol. In any case, these countries have made clear in their statements and behavior that they are far more concerned by Iran’s unconstrained efforts to promote sectarian strife in their neighborhoods than they are about what will become a heavily constrained Iranian nuclear program.

Meanwhile Turkey, as a NATO ally, already enjoys the cover of an American nuclear umbrella under Article Five of the Treaty and therefore has little reason to head down the costly nuclear weapons road itself.

What about Israel? Its leadership is alarmed by the deal-in-the-making; Prime Minister Netanyahu has declared that it represents an existential threat to the Jewish state. Certainly, Israel has good reason to be concerned about the intentions of the Iranian regime since its leaders declare at regular intervals that their objective is to wipe Israel off the map. Israel’s leaders have the duty to take those threats seriously and they have invested a vast fortune, with the considerable assistance of the United States, in ensuring that Israel’s Defense Forces have the ability to deter Iran or, if necessary, preempt it from acquiring nuclear weapons. But since this agreement will turn back the clock on Iran’s nuclear program, placing it at least one year away from a breakout capability for the next ten-to-fifteen years, Israel has no reason to preempt for the time being. If it did, it could only hope to set back Iran’s nuclear program by some two years – far less than provided for in the nuclear deal. And it would in the process free Iran of all its

obligations under the agreement and earn Israel the opprobrium of the other powers that support the deal.

Israel's concern is greatest when it comes to what happens at the end of the fifteen-year period when Iran will have a full-fledged nuclear program rendered legitimate by its compliance with this agreement and therefore not subject to sanctions. But we will also by then have much greater visibility into Iran's nuclear program, much greater ability to detect any attempt to switch from a civil to a military nuclear program, and an American president will have all the current military capabilities and much more by then to deal with an Iranian breakout should they attempt one. Indeed, time is not neutral in this situation. The United States, Israel and Iran's Arab adversaries can do much during this long interval both to encourage Iran to abandon its destabilizing and threatening regional activities, and to contain and deter it if it refuses to do so.

Taking up that challenge will be essential because of the potential impact of sanctions-relief on Iran's regional behavior. Once sanctions are removed, Iran will be the beneficiary of the unfreezing of some \$120 billion of assets; its oil revenues are likely to increase by some \$20-24 billion annually. It is reasonable to assume that a good part of that windfall will be used to rehabilitate Iran's struggling economy and fulfill the expectations of Iran's people for a better life. But it is an equally safe bet that the Iranian Revolutionary Guard Corps (IRGC), the Ministry of Intelligence (MOIS), and the Iranian Armed Forces will be beneficiaries too. It's true that punishing sanctions have not prevented these extensions of the Iranian revolution from exploiting the upheavals in the region and the collapse of state institutions to build positions of considerable influence across the Sunni Arab world from Lebanon to Syria to Iraq and now Yemen. Nevertheless, Iran's hegemonic ambitions are likely to be boosted by the availability of more resources. For example, the Assad regime in Syria is struggling to survive economically at the same time as it is losing control of more territory to opposition forces; a timely infusion of cash and arms might help it cling to power. Similarly, Iraq's Shia militias, which are armed and trained by Iran, could be boosted at a time when the United States is struggling under Iraqi government constraints to arm and train Sunni militias and Kurdish forces.

Iran will also have money to procure weapons systems for its armed forces, using the extensive Western arms sales to its Arab adversaries as justification. Iran will still be subject to curbs on its ability to acquire some types of sophisticated military equipment, but with money to

spend it will probably find a way around those sanctions. Russia's high profile announcement that it would proceed with the sale of S-300 long-range surface-to-air missile systems, even before the nuclear deal is signed, represents the harbinger of future sales of sophisticated weapons. Indeed, rather than focusing on a nuclear arms race in the region, we should be more concerned about a conventional arms race.

The nuclear agreement with Iran was never intended to deal with these likely consequences of the sanctions-relief that is the quid-pro-quo for Iran's acceptance of meaningful and extensive curbs on its nuclear program. That puts a particular burden on the United States to develop a regional security strategy to complement the nuclear deal, one that is designed to counter and neutralize these unintended consequences. In doing so, the United States will need to send a clear and consistent message to Iran that if it chooses to abandon its nefarious regional activities and become a responsible partner to the United States and its allies, it will be welcomed into the community of nations in good standing. But if it decides to take advantage of its newly available resources to wreak further regional havoc, the United States will lead a concerted effort to oppose it.

President Obama has already taken the first step in this effort through the Camp David summit he hosted with our Gulf Arab allies last month. That was an important first step in providing them with the necessary strategic reassurance in the face of the uncertain consequences of the nuclear deal on Iran's behavior in their neighborhood. In the joint communiqué, the President reiterated a U.S. "unequivocal" commitment to "deter and confront external aggression against our allies and partners in the Gulf." The two sides also agreed on a new strategic partnership that would "fast-track" arms transfers, enhance cooperation on counter-terrorism, maritime security, cybersecurity, and ballistic missile defense, and develop rapid response capabilities to regional threats. The communiqué and its annex provide all the understandings necessary for laying the foundations of an effective regional security architecture. However, those words will need to be translated into concrete actions at a time when the regional turmoil is generating competing priorities and interests. The GCC states are not united in their approach to the region's problems and they will continue to fear an American-Iranian rapprochement at their expense no matter how reassuring the President's words. Nevertheless, the combination of the nuclear deal, a potentially more potent Iranian adversary, and rising

instability on their borders, should concentrate their minds and therefore could create the necessary conditions for an effective strategic partnership with the United States that was called forth at Camp David. If they are willing to get their acts together, we should certainly be willing to respond with a determined effort.

Providing strategic reassurance to our Gulf Arab allies is but the first step. The United States will also need to build more effective strategic partnerships with Israel, Egypt, and Turkey, our other traditional regional allies who wield much greater capabilities and influence than most of the GCC states. For a variety of justifiable reasons, the Obama Administration is at loggerheads with each one of these regional powers: with the government of Israel because of its unwillingness seriously to pursue the two state solution or freeze settlement activity; with the Egyptian regime because of the treatment of its own people; and with the Turkish president because of his unwillingness to cooperate with the United States against ISIS. But at this sensitive moment, reassuring each one of them is essential if they are to be enlisted in the effort to lay the groundwork for a regional security framework that begins to reestablish order in this troubled region and prevents Iran from further exploitation of the chaos.

Just having the conversation with Prime Minister Netanyahu is proving exceedingly difficult since he is so determined to scuttle the Iran nuclear deal that he does not want to give any hint that he might be prepared to compromise on his opposition for the sake of strategic reassurances from the United States. Nevertheless, if the deal goes through, it will be important for the United States in the immediate aftermath to take a series of steps to strengthen Israel's ability to defend itself from, and therefore deter, any potential Iranian nuclear threat. Such measures could include completing the negotiations on a new 10-year agreement to provide military assistance to Israel at an increased level (this is something that Congress could initiate in coordination with the Administration). The funding could be used to cover the purchase of additional F-35s and the development and deployment of the full array of air defense systems from Iron Dome to Arrow III to protect Israeli civilians from Hezbollah and Hamas rockets all the way up to Iranian ballistic missiles. Additional funding could also be used to strengthen Israel's deterrent capabilities, including the purchase of additional submarines.

Finally, to take care of the likely increasing nervousness among our regional allies as the nuclear agreement approaches its expiration date ten-to-fifteen years from now, the United States

needs to begin to lay the groundwork for establishing a nuclear umbrella over all of them. This form of extended deterrence will be an important element in an American-sponsored regional security framework. Neither Israel nor our GCC allies are prepared to consider that at the moment, nor is it likely that Congress would approve such a commitment for any regional ally in the Middle East except Israel (ironically, Turkey already has such a commitment through NATO). But if the policy of strategic reassurance is pursued consistently by this president and his successors, it is possible that all sides may come to see the virtue of a nuclear and conventional security guarantee that will effectively deter Iran, render an Israeli preemptive strike unnecessary, and remove any incentive for the Arab states to pursue their own nuclear weapons programs.

Mr. Chairman, a credible nuclear agreement will provide an extended breathing space for the United States and our regional allies free from the threat of a nuclear Iran that should last beyond the next administration and probably the one after that. It will nevertheless raise many concerns in the Middle East about Iran's destabilizing behavior and hegemonic ambitions that the United States cannot address in the agreement itself but will have to address outside the agreement. In my view, that is not a justification for opposing the agreement. It is rather a reason for complementing the agreement with a robust effort to promote a regional security strategy that takes advantage of the respite to begin to rebuild a more stable order in this chaotic but still vital region.