Dick Lugar U.S. Senator for Indiana

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Opening Statement for Hearing on Iran

U.S. Senate Foreign Relations Committee Ranking Member Dick Lugar made the following statement at today's hearing.

I thank the Chairman for holding this important hearing on U.S. policy towards Iran. Today, our examination occurs against the backdrop of several significant developments. First, the UN Security Council adoption of Resolution 1929 on June 9 added incrementally to three previous rounds of UN sanctions against Iran. This was followed on July 17 by the European Union's announcement of new sanctions, most notably a ban on investment by companies in Iran's oil and gas industry.

In addition, June 12 marked the one-year anniversary of Iran's disputed Presidential elections and the brutal repression of the protests that ensued. The anniversary serves as a reminder of the values we Americans hold dear and to which Iranian citizens aspire: freedom of expression, freedom of assembly, and the freedom to choose our government through transparent, fair elections. As we debate how most effectively to constrain Iran's nuclear ambitions, it is important to keep in mind those who continue to pay a personal cost for expressing their opposition to the Iranian regime.

Iran represents a direct threat to U.S. national security, as well as to the security of Israel and that of our other friends in the region. It has long provided material and financial support to terrorist organizations, such as Hizballah in Lebanon and Hamas in the Gaza Strip. Concerns about this activity were augmented earlier this year by reports of Iran's transfer of long-range rockets to Hezbollah via Syria.

The exact status of Iran's nuclear program and the degree of progress it has made toward a potential nuclear weapon continue to be debated. But Tehran clearly is not complying with the international non-proliferation regime. The latest report of the Director General of the International Atomic Energy Agency pointed to "Iran's continued failure to comply with its international obligations" and noted its "sustained lack of cooperation with the IAEA." The revelation last year of Iran's clandestine enrichment facility was but one case in point.

Restraining Iran's nuclear program requires significant cooperation with allies and partners, most of whom have commercial interests with Iran and independent views about the Tehran regime. The progress this month toward broader international sanctions was welcome, but a sanctions strategy is likely to require much more work. For example, as additional countries in Europe, Asia, and elsewhere expand sanctions, what efforts are being made to persuade other nations – particularly China – to forego the opportunity to substitute their own investment and trade for that which is being withdrawn? Greater international unity is vital, not only to materially inhibit Iran's nuclear weapons ambitions and raise the costs of Iran's non-compliance, but also to demonstrate international resolve that can help deter other states from violating NPT commitments and pursuing nuclear weapons.

While the Administration was engaged in negotiations over international sanctions, Congress has deliberated on legislation that would expand unilateral U.S. sanctions toward Iran. Although we are grateful for briefings on this matter by Administration officials, including Undersecretary Bill Burns, it is past time for the Administration to weigh in with a concrete response to this legislation. What provisions are supported or opposed by the Administration, and what changes does it recommend? How would additional U.S. unilateral

sanctions affect the ongoing campaign to construct a more comprehensive system of international sanctions? The Administration is conducting a review of existing U.S. sanctions on Iran. What lessons from this review can be applied to the new measures? I have my own reservations about certain provisions of this legislation, but I look forward to hearing from our witnesses today on Administration views.

Beyond sanctions, I am hopeful that the witnesses will shed light on the Administration's broader strategy. At what point will President Obama's offer of engagement reach the end of its shelf-life? What will become of the P5-Plus 1 track? Is the Administration considering steps to further isolate the regime in Tehran? To what extent has the need to isolate Iran been elevated on the bilateral agenda with countries that remain friendly with Tehran?

I look forward to hearing our witnesses' views. To the extent that some of these discussions would be more appropriately held in a classified setting, I would also welcome that opportunity at a future date.

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