Remarks to the Hudson Institute July 28, 2015

It's a pleasure to be here at the Hudson Institute. The work of your scholars has long formed the basis for important legislation and policymaking in Washington. And on the topic we're discussing today—Iran—I can tell you that the Hudson Institute has been a valuable resource for me and many of my colleagues.

This is a peculiar and momentous time in U.S. foreign policy. We are on Day 9 of a 60-day period in which the lone superpower on earth will decide whether to accept a nuclear deal with Iran, a mortal and unrepentant enemy.

51 days to decide whether we abandon the framework of international sanctions on Iran that has taken over a decade of careful diplomacy to construct.

51 days to decide whether we continue to isolate, challenge, and pressure the ayatollahs of Iran, or empower them in ways that will forever change the balance of power in the Middle East, with grave implications for our friends and allies.

51 days to decide whether it is wise to join hands with a regime that, for a generation, has targeted and killed our troops, held our citizens hostage, and sought our nation's destruction.

This is a weighty decision. But it is not a hard one: the United States should reject this deal.

No deal, whatever its details, should leave the ayatollahs grinning. Iran is the world's worst state sponsor of terrorism. It is led by an anti-American, anti-Semitic, jihadist regime that's destabilizing the Middle East and has shed the blood of hundreds of Americans. We do not share interests, and we do not share values with this regime. Any agreement that advances our interests must by necessity compromise Iran's—doubly so since they are a third-rate power, far from an equal to the United States. The ayatollahs shouldn't be *happy* with any deal; they should've felt compelled to accept a deal of our choosing lest they face economic devastation and military destruction of their nuclear infrastructure. That Iran welcomes this agreement is both troubling and telling.

Of course, it's not hard to understand why the ayatollahs are smiling. The United States and the United Nations goal had been to halt Iran's nuclear program and deprive it of nuclear-weapons capability. This agreement abandons that goal.

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In its place, the deal *gives* Iran nuclear-weapons capability, laying out an R&D roadmap for it to become a nuclear-threshold state in barley a decade. At the same time, it unfreezes over \$100 billion in blocked assets to the regime, reintegrates Iran back into the global economy, and lifts embargos on conventional arms and ballistic-missile technology.

Today, the world has its hands full with an Iran weighed down by a faltering economy and a weak military, and which does not enjoy a nuclear deterrent. But when this deal begins to sunset, Iran will be nuclear-capable, armed with ballistic-missile delivery systems, all protected by a stronger and modernized conventional military. And it will have a stronger, more resilient economy to finance even more terror abroad and ruthless oppression at home.

And that is if Iran merely *follows* the terms of the deal. But, I hate to break it to you, Iran isn't known for its scrupulous adherence to international obligations, anymore than its little brother, Syria, upheld by its commitment to turn over all its chemical weapons. On the contrary, Iran has made clandestine advances in its nuclear program in the past; President Hassan Rouhani himself boasted of his deceit as Iran's lead negotiator in 2003 and 2004, which allowed Iran to master a key stage in the uranium-enrichment process.

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Unfortunately, this deal will provide Rouhani and gang ample opportunity for more duplicity, and thus plenty of opportunity to obtain nuclearweapons capability well before the deal expires.

As an initial matter, it appears Iran won't be required to disclose the past military dimensions of its nuclear program. As William Tobey, the former Deputy Administrator at the National Nuclear Security Administration, has explained, knowing who in Iran conducted past weaponization work, where they did so, and with what equipment and materials is vital to an effective inspection program. Only by tracking those people, sites, and materials can inspectors ensure that Iran is not hiding other weaponization work.

But, incredibly, the deal barely mentions past weaponization work. Instead, Iran's obligations are contained in secret side agreements concluded between the IAEA's Secretariat and Iran. I had to personally travel to Vienna last weekend just to discover this shocking fact. The administration now admits that the side deals exist, but asserts that Congress cannot know their contents, despite the clear demands of U.S. law and the unprecedented stakes.

Nor can the administration dismiss the secret side deals as mere "technical" arrangements, because weaponization lies at the heart of our dispute with Iran. That the administration would blindly accept secret side agreements on this core issue—and ask the Congress to do the same—is astounding especially if published reports are true that Iran will be able to provide its own samples and provide results to the IAEA. The American people and their representatives should not and must not accept a deal with the ayatollahs based on such blind faith.

But past weaponization work isn't the only loophole in the verification scheme. The administration abandoned its past position of "anytime, anywhere" inspections. That's because the agreement permits at least 24 days—and probably several times longer—in which Iran may object to a request to inspect a suspected nuclear site. The administration contends that three weeks is an acceptable time frame because it is impossible to clean up traces of major nuclear research in that span. Perhaps that's true, perhaps it's not. But 24 days is certainly long enough for Iran to muddy the waters, creating doubt that it can use to manipulate pliant international opinion.

Furthermore, some nuclear work *can* be hidden within 24 days. Olli Heinonen, the former deputy director of the IAEA, has explained that important nuclear work—such as manufacturing uranium components for a nuclear weapon or testing weapon design—can be done on a small scale that wouldn't be detectable after a 24-day cleanup.

And we shouldn't ignore the risk the 24-day process poses to our intelligence-gathering capabilities. During the period, the IAEA must disclose its reasons to suspect an undeclared site, which could compromise intelligence sources and methods. That could not only endanger Western sources, but also enable Iran to better hide their clandestine nuclear work going forward.

But let's not abandon hope yet: assume that inspectors overcome all the loopholes, delays, and international bureaucracy, find incontrovertible proof that Iran has cheated, and the P5+1 agree. What, exactly, are we going to do about it?

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The only enforcement mechanism is so-called "snapback" of sanctions. The administration makes much of this "snapback" provision as both a deterrent and a punishment for Iran. But after a brief examination and some practical knowledge of how politicians and diplomats think, it's clear that it's not Iran who will be deterred and punished by snapback sanctions. It'll be the United States.

When snapback sanctions are the only enforcement measure, it's like the death penalty being the only sentence for all crimes, from jaywalking to murder. In the same way a judge or jury would be unlikely to convict for most crimes in such a system, the United States will almost certainly refuse to cry foul when Iran, for instance, blocks an inspection, enriches slightly beyond a certain level, or fails to disconnect a few centrifuges. We can expect Iran to probe its freedom of action fully and gradually chip away at its restrictions with impunity.

Besides, even if we do snapback sanctions, it won't clawback the signing bonus worth billions of dollars Iran is about to get. Nor will it apply to contracts

concluded before the snapback, which are grandfathered under the deal. Plus, sanctions will snapback against a healthier, stronger economy and a better military.

Worst, while we have sanctions snapback, Iran has nuclear snapback because they're entitled to shed their obligations under the deal should sanctions be snapped back. In other words, Iran can pocket all the economic, political, and military benefits of the deal, then still walk away with near impunity at a time of its choosing.

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These points aren't disputable, which is why advocates for the deal try to avoid them. Instead, we hear happy talk about centrifuge numbers and enrichment levels. But don't get lost in the weeds.

A reduction from 22,000 to 6,000 centrifuges may sound impressive. Yet, most centrifuges won't be destroyed, but merely disconnected or stored. And, as former CIA Deputy Director Michael Morrell has noted, 6,000 is the just the number of centrifuges you'd want for a nuclear-weapons program. Think about that: we've give Iran just enough centrifuge capacity for a bomb, but far less than would be required for peaceful power generation.

The 3.67-percent enrichment figure is likewise misleading. The administration likes to highlight the gap between 3.67 percent and the 90-percent enrichment level needed for weapons-grade uranium. It sounds big and impressive. But as Harvard professor Matt Bunn has explained, moving from raw uranium to 3.67 percent accounts for more than two-thirds of the work necessary to get to weapons-grade uranium. The remaining work is fairly modest, particularly once Iran is able to construct advanced centrifuges under the deal.

Apart from these misleading technical arguments, proponents of the deal make what's almost an argument of despair. They lament that the current sanctions regime is crumbling, leaving this deal as the only option.

If it's true that the sanctions regime was crumbling, where was the evidence of it? In fact, it was the *tightening* of sanctions that brought Iran to the table. Any weakening of sanctions came about by lack of U.S. leadership and unnecessary concessions to Iran. After all, the administration actually fought Congress's efforts to impose sanctions on Iran's Central Bank, and we shouldn't forget that it was Canada, France, and the United Kingdom—not the United States—that lead first on Central Bank sanctions. If the administration believes sanctions are crumbling, it's within our power—together with our allies—to rebuild them. Does anyone really think foreign countries and companies would risk losing economic ties with the U.S. economy to do business with Iran, whose economy is slightly larger than Maryland's?

And that points to a better alternative to this deal. If Congress rejects this deal, the administration cannot simply throw up its hands. It is only through full-spectrum pressure that the United States can move the ayatollahs toward a deal that advances our interests and protects our national security. To that end, the president should work with Congress, with our allies, and with the United Nations to reimpose suspended sanctions and add new ones, isolate Iran on all fronts, support internal democratic dissent in Iran, and restore credibility to the military option.

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These are truly momentous times. 51 days will make the difference between the preservation of the international non-proliferation consensus or a nuclearized Middle East. 51 days will determine whether we isolate or elevate Iran. And after 51 days, we'll know whether we will continue to oppose an Iranian nuclear capability or choose to legitimize it—and all its attendant ills—after an all too—brief furlough.

For the sake of the American people, of the world, and of future generations, I hope we choose wisely.