

**Opening Remarks by**  
**Henry J. Hyde, Chairman, Committee on International Relations**  
**Full Committee Hearing on**  
**“United States Policy Toward Iran – Next Steps”**  
**Wednesday, March 8, 2006**

Iran presents perhaps the most difficult national security problem confronting the United States.

Should Iran’s clerical regime acquire nuclear weapons, as is its evident aim, it would be able to foment mischief in its region or beyond without fear of regime-threatening retaliation – other than from another nuclear power. In a suicidal mood, it could well lash out at Israel, Europe, or at American forces in the region. Inevitably, regional powers such as Saudi Arabia will seek nuclear weapons of their own so that they will not have to rely on others to secure their survival.

Were Iran not in such an important location, its behavior might be of marginal concern, even though we would reprove it for its abysmal human rights record and especially its record of religious intolerance.

But Iran produces a significant portion of the world’s petroleum resources. Moreover, it can threaten, from its proximity to the energy fields of the Arab countries of the Gulf and its ability to close the Straits of Hormuz, much of the world’s energy supply. While we are less dependent on Gulf energy than are some of our major allies and trading partners, any disruption in oil supply from the Gulf would, as we have known for decades, present a major economic and national security problem. Given the current lack of non-Gulf excess production capacity, instability in the Gulf will cause world oil prices to spike significantly.

Because of Iran’s economic importance, it has thus far proven to be hard to isolate or pressure successfully. Japan, for example, derives fifteen percent of its energy from Iran and fully ninety percent of its energy from the Middle East. What should a Japanese political leader do if that country is asked to cut itself off from Iranian oil?

Because of Iran’s size and military capacity, it is hard to coerce militarily – and it may prove to be exceedingly difficult to disable its nuclear assets. Any attempt to do so is likely to strengthen the most retrograde political forces there.

Iran’s leaders know all this, which is evidently why they have continued to defy the world, breaking agreements and ignoring international standards of behavior with abandon.

Iran’s internal politics are dominated by a clerical clique that holds power by force but which also enjoys the active support of a strong minority of the Iranian population and the passive support of a larger share. Iranian nationalist sentiment can be stirred up easily. At the

same time, the United States is popular in Iran – not least because we clearly oppose that regime and support the Iranian people’s true aspirations for peace and economic progress. The Administration has begun reaching out even more strongly and proposed a \$75 million public diplomacy program in the Fiscal Year 2006 supplemental budget now under consideration.

The Administration’s approach to Iran in earlier years lacked focus, but, for the past year, it has found its footing and concentrated on a diplomatic strategy that has borne fruit – not in the sense that Iran has been convinced to change its behavior but in the sense that the world community is more united than ever on the proposition that Iran must change. This is a remarkable accomplishment for which the Administration deserves great credit. We got Iran to the Security Council not by bullying or sanctioning the IAEA’s members, but by persistent and skillful diplomacy.

We will move forward the same way. We need to keep that in mind as we craft legislation to deal with Iran, although I think the Administration has sufficient tools and ample motivation right now. The next steps will require cooperation by states which have a lot to lose in the short term by alienating Iran’s regime, so we must be able to show them that it is in their long-term interest to join us in the next, difficult phase of this effort.

I will now yield to my colleague, Mr. Lantos, for any opening comments he may have after which I will ...