

Testimony of Walter Russell Mead
Distinguished Scholar in American Strategy, the Hudson Institute
and Chace Professor Of Foreign Affairs, Bard College
United States Senate Committee on Armed Services
August 5, 2015

Mr. Chairman, Ranking Member Reed, and members of the committee:

It's a great honor to be invited to testify before this august committee and its distinguished members. That is especially true at a moment like this, when the Committee is called on to advise the Senate on a matter of great national importance. I am not presumptuous enough to tell the members of this committee how to vote on the JCPOA; to make that decision you must look at many factors. My testimony does not concern the technical specifications of the agreement, the strength of the inspections regime, or the verifiability of key provisions. My job is to offer the Committee some thoughts about the impact of the agreement on regional politics and to present some concerns that can inform your thinking as you proceed.

Mr. Chairman, no agreement stands alone. Ultimately, the JCPOA will be not be judged as a standalone agreement; it will be judged as part of a policy aimed at securing American interests in a vital region at the lowest feasible risk and cost. It would be a mistake to think of this agreement simply in the context of nuclear weapons. It also needs to be examined in the light of important non-nuclear policy issues in a region of vital importance to the United States. At a time when the Middle East is in its most volatile, unsettled state in a century, and when a sectarian conflict between Shi'a and Sunni Muslims is spreading, this agreement affects the balance of power, relations with our existing allies and perceptions of America's role in the sectarian conflict. To reach an appropriate decision about this agreement, Mr. Chairman, the United States Senate needs to consider the agreement's likely impact on important American interests and relationships across the Middle East, and to a lesser extent, elsewhere.

To assist your analysis I will cover three topics this morning, reviewing the key interests of the United States in the region, the current situation in the region, and the likely impact of the JCPOA on those interests. I will conclude by offering some suggestions to the Committee about the questions you should be asking as you continue to review this matter with your colleagues, with scholars and practitioners in the field and with officials in the executive branch.

When asked to identify America's principal interests in the Middle East, most people will agree with President Obama's summary: oil and the security of Israel¹. Israel is a valuable American ally and partner, an outpost of democracy, and, as the national state of the Jewish people, both a refuge from persecution and a shining example of

¹ <http://www.defense.gov/news/newsarticle.aspx?id=120847>

what a free people can accomplish. With roots that date back to the 19th century and even earlier, the bipartisan American commitment to the establishment of a secure homeland for the Jewish people is one of the oldest and most durable elements of our foreign policy. Every president since Woodrow Wilson endorsed this position, and ever since the Lodge-Fish joint resolution of 1922 endorsed the Balfour Declaration, bipartisan majorities in both Houses of the United States Congress have been steadfast in their support.

Oil has played a role in American policy for almost as long. Access to Middle Eastern oil was an important military concern during and after World War Two, and the success of the Marshall Plan depended in part on increased Middle Eastern production in the early years of the Cold War. In recent decades, growing American demand for oil made the United States itself at least partially dependent on imported oil from the Middle East. The revolution in shale oil and gas has changed that picture, and many experts now believe that North America as a whole will be an energy exporting region for the foreseeable future.

Some have argued that energy independence will relegate Middle Eastern oil to a second tier of American interests and that an energy independent America will be less concerned about the security and stability of the Middle East. Perhaps unfortunately, this is not the case. If the Middle East is no longer necessary for America's own energy needs, oil from this region remains vital to our friends, allies and economic partners around the world. If war in the Middle East, or the actions of a powerful regional hegemon seeking to blackmail the world should cut the flow of oil from the Middle East to Europe, India, China and/or Japan, the economic consequences to the United States would be enormous. American manufacturing companies operate globally and their overseas operations and supply chains would be seriously affected by a disruption in energy supplies. The profits of American corporations depend on a healthy global economy; these companies would see their sales and profits drop as the consequences of the oil supply disruption rippled across the world. Stock markets globally would be severely affected, including in the United States. Worst of all, the world's interdependent financial system would suffer severe shocks, and the health and solvency of American banks would come under severe pressure.

The United States may not be dependent on the Middle East for our domestic energy supply, but the American economy remains profoundly and permanently entangled in the global economy. Prosperity will not endure here if the global economy suffers massive disruption, and interruptions or severe constrictions in the flow of oil and gas from the Middle East will remain capable of causing this kind of unacceptable disruption for the foreseeable future.

Some might argue that, given the importance of Middle Eastern oil to the rest of the world, the United States could reduce our involvement in the Middle East with the assurance that other countries would step in to fill the vacuum. Why, some ask,

should the United States assume the costs and risks of ensuring the flow of oil to other rich and powerful states around the world?

The answers to this question go to the heart of American grand strategy for the last 100 years. As the bloodshed and destruction of warfare has increased, Americans have sought above all else to prevent wars between great powers from breaking out. While all war is destructive and horrifying, wars in which great powers, with their enormous technological and economic capabilities, turn their full strength against one another, have the potential to destroy civilization or human life itself. To make such wars less likely, the United States has worked to create an interdependent global system in which all countries depend so heavily on global flows of trade and investment that no country can contemplate cutting itself off from this system through starting wars. At the same time, the United States has worked to ensure the safe and secure passage of commerce across the world's oceans, taking questions like energy out of the realm of geopolitical competition.

In the Middle East, these policies have meant that since World War Two the United States has acted to prevent any power or combination of powers either inside or outside the region from gaining the ability to blackmail the world by threatening to interrupt the flow of oil to the great markets of Asia and Europe. Whether the danger came from external powers like the Soviet Union (which occupied part of Iran and threatened Turkey in the early years of the Cold War) or from ambitious leaders within the region (like Saddam Hussein when he invaded Kuwait), the United States has acted to ensure the security and political independence of the oil producing states of the region.

These policies have helped create the longest era of great power peace in modern times. They have also reduced the cost of America's military commitments. Because other countries do not feel the need to maintain large forces with an intercontinental capacity to protect their global trade, the United States has been able to maintain a global presence at a far lower cost than would be feasible if the world's major economic powers were engaged in competitive military build ups. A strong American presence in the Middle East and on the high seas has the effect of suppressing security competition worldwide, enabling America's most important interests to be secured with much less cost than would otherwise be possible.

Should the United States withdraw from this role, the world would likely see increased competition among other powers. China, for example, would see a greater need to protect its oil security, accelerating the build up of its armed forces. Japan and India would both likely see this build up as a threat to their own energy and maritime security and would accelerate build ups of their own. Trust among these powers, already weak, would erode, and the dynamics of a zero-sum competition for security and access to resources would drive them towards greater hostility and more dangerous policies. Under those circumstances, American prosperity and security would be much harder to defend than they are now, and the risks of great power conflict would intensify. America's Middle East policy is not just about the

Middle East; it is about America's global interest in a peaceful and prosperous world.

The starting point for any American strategy in the Middle East today must be the basic approach that has served us well since the presidency of Franklin Roosevelt. America's vital interests require us to look to the safety and the security of the Middle Eastern oil producing states, ensuring that no power, either external or regional, gains the power to interfere with the smooth and stable supply of oil and gas to the great economic and industrial centers of the world.

As we look at the region today, these vital American interests are not as well secured as one would wish. Today's Middle East is threatened by conflicts that could lead to immense humanitarian disasters against which the horror of the Libyan and Syrian civil conflicts would appear small scale. Whether considered from the humanitarian standpoint or from the perspective of vital American interests, the dangers facing us in the Middle East today are immense, and it is against this background that the value of the JCPOA or indeed of any major policy step involving the region needs to be understood.

One danger is presented by the rise of Iran and the consequences of its efforts to increase its power in Iraq, Syria, Lebanon, and beyond. Iran is the one country at the moment that appears to believe that it has both the capacity and the will to establish a hegemonic position in the region. Iran could challenge vital American interests in two ways. It could come close to success in this regional strategy, presenting the United States with the choice of accepting Iranian hegemony or engaging in conflict. Alternatively, an Iranian bid for control, while ultimately falling short, could create such chaos and upheaval in the region that normal governance would break down and some oil exporting countries could be paralyzed by international or civil conflict.

Another danger comes from the surge in fanaticism among some Sunni groups, in part because of the fear inspired by what many see as an Iranian-backed surge of Shi'a power across the region. Under the wrong circumstances fanatical movements like ISIS could either conquer or make ungovernable wide stretches of the Middle East, including important oil producing provinces and countries. The successful establishment of a 'caliphate' or some other form of radical and revolutionary governance across strategically important areas could present the United States with the choice between military intervention or accepting the establishment of a hegemonic regional power. Short of that, insurrections or guerilla conflicts involving fanatical groups could destabilize key countries. Additionally, groups based in territory controlled by these forces and accessing financial and other resources under their control could plan and carry out major attacks against western targets as Al Qaeda did from Taliban controlled territory in 2001.

Beyond the danger of Sunni radicalism, there is the danger that the sectarian conflict between Sunni radicals and Shi'a radicals aligned with Iran now taking shape would

so seriously destabilize the region and important countries in it that the oil supply could not be secured. In this scenario, even if neither side in the sectarian war achieved anything like dominance, the social upheavals, economic distress and surge in violence and hate fueled by an escalating religious conflict could lead to conditions in which the oil industry could no longer function in a stable and orderly way.

The JCPOA and the Regional Crisis

In evaluating the JCPOA, the Senate needs to apply two tests. The first, which is where most of the attention so far has been concentrated, is the question of whether the agreement offers a path to resolve the question of Iran's drive for nuclear weapons. The second test is of equal importance when it comes to determining the prudence and desirability of Congressional support for the existing agreement. That second question is whether the JCPOA will advance or hinder America's vital interests in the region other than our interest in preventing the emergence of a nuclear Iran. Does the JCPOA make it more or less likely that any of the three dangers referenced above – of an Iranian drive for hegemony, of a similar movement by fanatical Sunni-based groups, or of an intensifying and escalating sectarian war that destabilizes the region – will come to pass?

For the JCPOA to serve the American interest in the Middle East it needs to pass both tests; the agreement must block Iran's path to nuclear weapons, and it must help (or at the very least, not hinder) America's broader regional agenda. My purpose in appearing before the Committee today, Mr. Chairman, is to offer some suggestions about how the Members of this Committee and their colleagues in the Senate can determine whether the JCPOA advances, hinders or leaves unchanged America's pursuit of its vital interests in a combustible region at a critical time.

This is a complex problem; the question of the effects of the JCPOA on Iran's nuclear program is more technical than political, depending more on the nature of the limits and the verification protocols, though questions remain about whether the United States and the other signatories will have the political will to enforce it. The effect of the JCPOA on the regional situation depends much more on perception and policy. How will Iran, our allies and other forces in the region view the agreement? How does the agreement weaken or strengthen Iran on the ground? What policies will the United States and Iran pursue in the region and toward each other should the agreement come into full force?

One thing seems clear: if the JCPOA fails to contain Iran's nuclear program, and Iran gets a nuclear weapon, the agreement will be a disaster in regional politics as well. Iran's drive toward regional hegemony will receive a powerful boost, the strength of fanatical movements in the Sunni world will be boosted by a sense of apocalyptic fear and rage, and the sectarian conflict will intensify in ways that are both unpredictable and, probably, very dangerous for American interests.

But what if the JCPOA is successful on the nuclear front, even temporarily, and is seen to have stopped or slowed Iran's drive for the bomb? Or, perhaps more probably, suppose there is a period of time in which the success or failure of the JCPOA on the nuclear issue is unclear? During this uncertain interval, one that could last for some time, how will the JCPOA affect the regional balance of forces?

Here, the news is bad. Whatever the JCPOA does in terms of the nuclear program, when it comes to the conventional balance in the region the JCPOA appears to strengthen Iran. The end of sanctions does not just result in a "windfall" gain to Iran as frozen assets are released; it also adds substantial and growing amounts to Iran's national income as normal trade relations resume, as Iranian oil production expands, and as access to markets for new technology and spare parts increases the productivity of Iranian society. In the short term this means that Iran will have more money with which to support regional allies like the Assad regime in Damascus; in the medium term as conventional weapons restrictions are lifted Iran will have the opportunity to strengthen both defensive and offensive arms capabilities; in the medium to long term Iran's greater economic clout will substantially increase its political weight both in the region and in world affairs, giving it new allies and making a return to sanctions and isolation increasingly unlikely.

These worries loom larger because Iran, under sanctions and suffering serious economic privation, has nevertheless been able to operate effectively in regional politics, scoring gains against Sunni adversaries that have seriously alarmed some of its neighbors. If an isolated and economically challenged Iran could achieve such results, one must ask what it can achieve under the more favorable conditions that will follow the implementation of the JCPOA.

It is worth noting in this context that many of Iran's neighbors do not share the Obama Administration's view that the greatest danger from Iran flows from its nuclear program. Rather, the fear is that Iran's large population, sectarian fervor and powerful security institutions make it potentially the most powerful state in the region and a threat to the security of its neighbors. For many Saudis in particular, whose close ties to Pakistan's security establishment give them confidence that an Iranian nuclear weapon could be offset by the existence of the Pakistani arsenal, the nuclear program in Iran is much less threatening than Iran's apparent ability and willingness to support militias, rebels and Iran-aligned governments across the region.

Although Gulf governments have issued pro forma statements in support of the JCPOA, their fear and distrust of Iran, and their lack of comfort with American regional policy have led to dramatic shifts in their policy as they seek to offset the perceived negative consequences of the JCPOA on the regional balance. The most spectacular (and alarming) changes have been seen in the foreign policy of Saudi Arabia. The Kingdom has departed from a long history of quiet and cautious policy and initiated a series of high risk, high profile steps that testify to a deep sense of

distress and unease with American policy and its consequences for the regional balance.

The inevitable increase in Iranian conventional resources and capabilities that follows the JCPOA can damage American interests in three ways. First, if Iran devotes even some of its gains from the agreements to its regional allies and hegemonic goals, it could create a major crisis in the region that would require massive American intervention to avoid the danger of having one country dominate the oil wealth of the entire Gulf. Some countries would be endangered directly by subversion or conflict; others, increasingly surrounded by Iranian clients and allies, would feel the need to align their foreign policy and their oil production and pricing strategies with Iran. The United States could be faced with a triumphalist Iranian regime that would be able to manipulate world oil prices and supplies. It would be extremely difficult for future presidents to create effective coalitions to limit or balance Iran under these circumstances.

Second, fear of Iran can drive American allies and other actors in the region to actions that destabilize the region or run counter to American interests. Concerns about potential proliferation among other regional countries who want to balance the Iranian nuclear program are one example of the potential 'blowback' from the JCPOA. But there are others. Saudi Arabia and other oil producing Gulf states could for example 'circle the wagons' among Sunni states, tightening their links with military and intelligence services in countries like Egypt and Pakistan in ways that undercut important American goals. Many Gulf countries will see the expansion of Pakistan's nuclear capacity and growth in the quality and quantity of its arsenal of delivery systems as an important deterrent and counter to Iran. This could only intensify the arms race in South Asia and increase the chances of conflict between India and Pakistan. It will also likely lead to more resources and power going to figures in the military and nuclear establishment who share radical ideologies uncomfortably close to those of Al Qaeda and other dangerous groups. Bringing Pakistan more fully into Middle East politics would be a natural and obvious move for oil rich Sunni states alarmed by a rising Iran.

More broadly, fear of a rising Iran increases the incentives for rich individuals and states to deepen their links with fanatical organizations and fighters. Fanatical anti-Shi'a fighters may, from an American standpoint, be terrorists who are as anti-western as they are anti-Iran. If Iran's regional power is seen as rising, however, many in the Sunni world will be tempted to support these organizations as indispensable allies in the fight against Iran.

Finally, the perception, plausible to some however incorrect, that Iran now has tacit American support in its quest for regional hegemony will act as a powerful recruiting incentive for radical pro-Sunni jihadi groups throughout the Sunni world. Sectarian conflicts feed on apocalyptic fears; the perception that Shi'a 'heretics' are threatening the Islamic heartland and holy cities in the Arabian Peninsula will make

it significantly easier for radicals to recruit new fighters – and to raise the money to employ, train and arm them.

Evaluating JCPOA

Elected officials charged with determining whether JCPOA strengthens or weakens the American position will need to balance a number of factors in determining whether or not the agreement merits Congressional support. This must necessarily be a judgment call; officials will have to weigh probabilities and balance the strengths and weaknesses of the agreement. For example, if the agreement is found to have a very strong ability to stop the progress of Iran's nuclear program, those gains might be worth some regional difficulties. On the other hand, it is quite possible that the regional consequences of the agreement would be so severe that even a relatively effective nuclear agreement could be a net negative for American interests in the region.

Judgments about the regional impact of the JCPOA must take one other factor into account: Administration policy in the region could substantially limit or seriously exacerbate the impact of the agreement on the regional situation. To reach useful conclusions on the likely consequences of this agreement, Mr. Chairman, you and your colleagues will need to consult with the Administration to determine as far as possible what the future course of American policy toward the Middle East and Iran will be.

There are two possible courses the United States can take. One would be to see the JCPOA as the first step in a policy of accommodating Iran looking to détente or an even closer relationship. Alternatively, the JCPOA could be seen as an effort to facilitate a tougher policy of regional containment by taking the dangers of nuclear proliferation off the table. Much depends on which course the Administration chooses.

A policy of accommodation will maximize 'blowback' from the JCPOA, throwing the region and America's key alliances into deep disarray. The more credible the perception is that the United States is prepared to accept and perhaps facilitate a large regional role for Iran, the more the United States will be seen as having taken the anti-Sunni side in a widening sectarian war. Gulf states who have long considered the United States a reliable protector will see American policy as a threat to their security and will explore new policy options with potentially very dangerous consequences for stability and American interests. The gap between radical and fanatical fighting groups and militias on the one hand and governing elites in the Sunni world will compress; alignments that are unthinkable today could become quite likely if key Sunni states come to believe that the United States has chosen Iran and the Shi'a in the sectarian war. Such a course of action is also more likely to empower hardliners in Iran, as they will be able to make a plausible case that Iran has a historic opportunity to vault into the ranks of leading global powers by consolidating its power in the critical Gulf area.

American allies in the Middle East are well aware of this dynamic. This is why they have been seeking more arms and stronger political commitments from the United States as they brace for the impact of a stronger and richer Iran in the wake of this agreement. Fueling a conventional arms race in the region and making additional commitments to protect threatened states are among the consequences of this agreement; the Congress should take care to inform itself about the nature of these new commitments and engagements that the JCPOA has made necessary.

A robust policy of regional containment combined with other pressures on Iran could significantly reduce the negative consequences of the agreement on American interests. This would almost certainly involve a much more active American role in Syria, where the struggle between a variety of Sunni groups and the Iran-aligned Assad regime has transfixed the region and led to the worst and most dangerous outbreak of Middle Eastern violence since the Iran-Iraq War. For many countries in the region, including close historical allies of the United States, a strong American military commitment to the overthrow of the Assad government would serve as an acid test for American seriousness against Iran. Certainly any line of American policy that fails to lead to the emergence of a Syrian government in Damascus that satisfies Sunni opinion will be seen throughout the region as ratifying Iran's regional dominance.

A similar logic applies to Iraq. If American aid to anti-ISIS forces in Iraq goes primarily to Shi'a militias and regime forces seen as aligned with Iran, many Sunnis in Iraq and beyond will conclude that the United States is pro-Iran and anti-Sunni. The JCPOA increases the pressure on the United States to deepen its involvement in Iraq even as it makes the politics of that involvement more complex.

Many of those supporting the JCPOA argue that the alternative to the agreement is an American war with Iran. Ironically, in order to balance the regional consequences of the agreement, the United States may well need to assume an increased risk of war in Syria and other frontline states.

One of the reasons that the period leading up to the JCPOA has been so volatile in the Middle East is that many regional observers have concluded that American policy in the region is based on an American acceptance of Iranian hegemony on the ground. For the conspiracy minded, and their number is legion, this goes back to the Bush administration's decision to invade Iraq in 2003 and then to turn the country over to its Shi'a majority. From an American point of view, whatever one thought of the war itself, the establishment of majority rule represented the triumph of our beliefs in democracy; many in the Middle East viewed it as a deliberate choice by the United States to promote Iran and to check Sunni power. Suspicion intensified when the United States then, despite talk about 'red lines' and statements that Assad 'must go' remained inactive in Syria as casualties and the refugee toll mounted. Where the majority is Shi'a, many said, the United States supports majority rule. Where the majority is Sunni, the United States does nothing.

That perception has become destabilizing in a region where escalating sectarian conflict between Sunni and Shi'a increasingly dominates the agenda; endorsing the JCPOA without also making major changes in American regional policy would confirm that perception and further drive the region in the direction of radical polarization, religious war, and transnational conflict.

Conclusion

As the Congress deliberates over whether or not to endorse the JCPOA, it must pay close attention to the entire mix of American policies in the region of which the JCPOA will be one part. The JCPOA on its own strengthens Iran's hand in the region by reducing its isolation and adding significantly to its economic resources. Unless this effect is offset by a much more robust policy of containing Iran, centered on a focused drive for regime change in Damascus, the JCPOA will make the Middle East as a whole less secure, and increase the prospect that the United States will be forced to choose between war and strategic setbacks that gravely undermine America's global strategy and our peace and prosperity at home.