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Statement for the Record
Thursday, October 13, 2011 – 10:00 A.M.

Senate Committee on Banking, Housing, and Urban Affairs
***“Addressing Potential Threats from Iran: Administration Perspectives
on Implementing New Economic Sanctions One Year Later.”***

Thank you, Chairman Johnson and Ranking Member Shelby, for holding this important hearing. I’d also like to acknowledge Senator Menendez and Senator Kirk for the tremendous work they’ve done in this area.

We meet here today – roughly two years after the Banking Committee first passed the Comprehensive Iran Sanctions, Accountability, and Divestment Act (CISADA) and over a year after it became law – to discuss progress made toward successfully sanctioning illicit activities in Iran and stopping Iran’s march toward obtaining a nuclear weapon.

Our goal in passing CISADA was clear: to change Iran’s cost-benefit analysis and compel the country to alter behavior regarding its nuclear weapons program.

Since its passage, CISADA has empowered the Administration to sanction more firms doing business with Iran than any previous one and to crack down on the Ahmadinejad regime; the Islamic Revolutionary

Guard Corps (IRGC); its external arm, the Qods Force; and the Iran Shipping Lines.

CISADA's targeted sanctions on Iran's energy sector have compelled several energy firms to exit the Iranian market, even before sanctions had been levied. As a partial result, Iran oil production has fallen from 4.1 million barrels per day several years ago to about 3.9 million barrels per day. These sanctions have put the squeeze on the Iranian regime and made it nearly impossible for Iran work through any internationally-recognized banking entity. We've pushed the Iranians to the margins of the financial sector, and we must push them out of business.

At the same time, our current sanctions framework has not fully achieved the core goal of preventing Iran from continuing to pursue a nuclear weapon. A recent International Atomic Energy Agency (IAEA) report indicates that Iran continues to increase its holdings of 20 percent enriched uranium and expresses concern about the military applications of its nuclear program.

Even more troubling, however, were revelations this week that Iranian officials and members of the Qods Force were involved in an audacious scheme to assassinate Saudi Arabia's ambassador to the U.S, right here in Washington, D.C. In the face of these unprecedented events, I can't

help but think, what would have happened if they had succeeded?
Where would the U.S. be today, if the Iranian regime had perpetrated
such a brazen attack on U.S. soil?

This week that possibility crystallized, and it is in that context that we
should be discussing future sanctions on Iran. It is in that context that
we should be engaging the international community to prevent Iran-
supported terrorism and the country's progress toward a nuclear weapon.

I look forward to the testimony here today and to answering these
important questions.

Thank you.