

**Statement of
U.S. Senator Sam Brownback (R-KS)
before the
Committee on Banking, Housing and Urban Affairs
United States Senate
October 6, 2009**

Thank you, Senator Dodd, and Senator Shelby. I am grateful for the opportunity to testify today before this distinguished Committee regarding the grave threats we face from the regime in Tehran, and how Congress can, and must, confront these threats.

This Committee plays a critical role in shaping our nation's Iran policy, and I thank the Chairman and Ranking Member for holding this hearing and for being willing to move forward with legislation that would impose meaningful sanctions on the Iranian regime.

Iran is the leading state sponsor of terrorism worldwide, the foremost exporter of extremist ideology, and the primary source of instability in the Middle East. The regime's leaders have brutally oppressed their own citizens, and have threatened to commit genocide against the State of Israel, the region's only full-fledged liberal democracy. The regime's radicalism and brutality not only harms our interests and threatens our national security, but also challenges our moral obligations.

It simply would be unconscionable to allow the mullahs to acquire nuclear weapons. Were they to achieve this goal, they would possess a trump card to ensure the continuation, and augmentation, of all of these dangerous and destabilizing actions.

We must do everything in our legislative power to prevent this from occurring.

This means crafting robust and effective sanctions that pull the plug on the regime's ability to pursue nuclear enrichment, support international terrorism, and oppress the Iranian people. Our goal must be to make it so that pursuing these hostile actions would be existentially threatening to the regime itself.

To that end, divestment can play a key role in any sanctions proposal that this Committee will consider. Divestment is part of a broad political and economic strategy to force the Iranian regime to reevaluate its dangerous and oppressive policies.

But the benefits of divestment extend beyond its effect on the targeted regime. Divestment also is a wise financial decision. As a major study last year indicated, companies with links to regimes that violate human rights make poor investments. Not only that, but divestment serves as a way of fulfilling our minimum moral obligation towards the victims of oppression from brutal regimes, like that in Tehran.

Divestment is not the sharpest diplomatic tool, but nor is it ineffective. Indeed, as we know from the successful movement against apartheid in South Africa, divestment can play a key role in a government's decision making, especially if that government depends on large amounts of foreign investment for economic stability.

Less than two years ago, this Committee passed Sudan divestment legislation that was ultimately signed into law by President Bush. In that divestment model, the federal government authorized states and local governments to divest their pension funds from companies that were effectively subsidizing the genocide in Darfur.

Following that lead, several states have already passed divestment laws targeting Iran. But in doing so without explicit federal authority, these legislatures have opened up their divestment laws to potential constitutional challenges under the doctrine of federal preemption on matters of foreign

affairs. Moreover, the fund managers that seek to carry out divestment could be subject to legal action, reducing the incentive and efficacy of the measure.

It is for these reasons that earlier this year Senator Casey and I introduced the Iran Sanctions Enabling Act, S.1065, which authorizes states and local governments to divest from companies that invest in Iran's energy sector, and provides safe harbor for fund managers that divest according to the bill's guidelines. At this time, S.1065 has 32 bipartisan cosponsors, and a companion bill has already passed through committee in the House. And lest any of my colleagues worry about where our President stands on this, you can rest easy. In the last Congress, then-Senator Obama and I introduced almost this very same bill. At that time, Senator Obama said this:

“The Iranian government uses the billions of dollars it earns from its oil and gas industry to build its nuclear program and to fund terrorist groups that export its militaristic and radical ideology to Iraq and throughout the Middle East. Pressuring companies to cut their financial ties with Iran is critical to ensuring that sanctions have their intended result. All Americans can play a role in pressuring companies to cut their ties with the Iranian regime, a state sponsor of terror that is a threat to our allies in the region and international security, as a means of convincing Iran to fundamentally change its policies.”

Senator Barack Obama, May 15, 2007

I could not have said it better than the President. In that spirit, and in the context of the Chairman and Ranking Member's intention to markup comprehensive Iran sanctions legislation, I urge this committee to include the Brownback-Casey divestment bill in the final package.

One final word on sanctions: enforcing sanctions is as important as legislating them. American products often end up in Iran in spite of our sanctions, often because we are not able to deter third parties from re-exporting U.S. origin items to Iranian companies.

I hope that we can provide a small increase to the budget for export enforcement during this week's floor consideration of the FY10 Commerce Justice Science appropriations bill. And, I look forward to working with the administration and my Senate colleagues to ensure that we have the means to enforce both existing sanctions and any additional sanctions that may emerge from this panel and ultimately be signed into law.

I wish to make one other point today about our duty and ability to confront the threats from Iran, and that is that we must not view sanctions as the only tool at our disposal. We cannot ignore the power of promoting liberty and confronting the violation of human rights, wherever it occurs.

When it comes to foreign policy in general, I believe that human rights should be the first of our concerns and the last of our concessions, not the other way around. My belief stems from a recognition of the inextricable link between a regime's domestic repression and its aggression abroad.

We must make human rights the cornerstone of our Iran policy. For too many years, the suffering of the Iranian people—the executions, the arbitrary imprisonments, the religious repression, and the suffocating censorship—has taken a backseat to everything else. The Iranian people are our natural ally, and we have let them get crushed under the weight of the mullahs' theocracy.

Instead of perpetuating this shortsighted policy, we should broaden our scope and raise the profile of Iranian human rights in every statement, every diplomatic meeting, and at every international forum, both public and private.

The message should be simple and clear: We cannot continue to look the other way as the Iranian people are starved of their basic human rights and freedoms.

This approach makes good policy sense. Leaders of oppressive regimes disdain criticism because it pushes back against the fiction of success they peddle to the masses. As the fiction crumbles, their grip on power dissolves. Like in the Polish Solidarity movement, the defiance of the people eventually cracked the defiance of the government.

In previous sessions of Congress, I have introduced legislation requiring the President to appoint a special envoy for human rights in Iran, and I would hope that the members of this distinguished Committee would join me in introducing a similar measure in the near future.

We must also focus our efforts on promoting the freedom of information, specifically Internet freedom.

In the past few months, one of the key battles inside Iran has taken place on the Internet—on blogs, on Facebook, and on Twitter—as Iranians struggle to tell their story while the regime fights back with the instruments of censorship.

One thing is clear: while physical brutality will always be the tool of oppressors, twenty-first century authoritarianism has already been defined by the lengths to which autocrats will go to limit online access to information.

The Iranian dictatorship, like the Chinese Communist Party, the Burmese junta, and the Castro regime, derives a large share of its power through media suppression and rigorous Internet censorship.

These dictators not only shield their populations from their own brutality, but also block information about the basic freedoms enjoyed by millions worldwide.

As individual information exchanges become effortless through wireless communication, authoritarian regimes must devote ever more resources to maintain their electronic wall.

We must ensure that Iranians, and all closed society residents for that matter, have free and open access to the Internet. This is the surest, and most cost-effective, way to jumpstart liberty. To that end, I would urge the members of this panel to support funding in the State and Foreign Operations Appropriations bill that would go towards technology that allows residents of closed societies to break through the stifling firewalls and access open information.

We must also ensure that Radio Farda remains a key source of information for the Iranian people by supporting additional reporters and transmission capacity, and providing Farda with the technical means to overcome the regime's jamming efforts. The surrogate broadcasts provided through Radio Farda worked very well even when the regime tried to block the free flow of information during the street demonstrations earlier this year.

Indeed, the more Iranians understand the nature of their regime, the more effective will be the sanctions this Committee prepares, and the more power Iranians will have to determine their own future.

And this, in turn, will transform Iran from one of the lead sources of global instability to a prosperous nation once more, in the great Persian tradition of innovation, justice and magnanimity.

I thank you again for giving me the opportunity to testify at this important hearing.