



United States Senate
Committee on Banking, Housing, and Urban Affairs

Christopher J. Dodd (D-CT), Chairman

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Contact: Kirstin Brost/Justine Sessions, 202-224-7391

REMARKS OF CHAIRMAN CHRISTOPHER J. DODD
U.S. SENATE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS
MINIMIZING POTENTIAL THREATS FROM IRAN: ASSESSING ECONOMIC
SANCTIONS AND OTHER US POLICY OPTIONS
JULY 30, 2009

As prepared for delivery:

It has been almost a year since this Committee approved, by a vote of 19-2, a comprehensive bill on Iran sanctions that Senator Shelby and I worked on together.

It was designed to be a tough, comprehensive approach to dealing with Iran.

It would have strengthened sanctions; enabled states, local governments and pension funds to divest from firms active in the Iranian energy sector, and clamped down on the black market in sensitive US technologies that find their way to Iran. Regrettably, an irresponsible few blocked that bill from coming to the floor.

Since that time, problems posed by a defiant Iranian government have only grown.

This regime has continued to pursue its nuclear ambitions.

This regime has continued to fund terrorist activities throughout the Middle East.

And this regime continues to repress the Iranian people, as we all saw so vividly in the wake of this summer's illegitimate elections, as brave and peaceful protestors were violently attacked.

Make no mistake: The actions of this Iranian regime pose a threat to peace and security in the Middle East, and threaten our close ally Israel. They are an affront to democratic values and human rights. And they must stop.

The new Obama Administration has undertaken an aggressive dual-track approach—offering high-level engagement with Tehran and sustained pressure through economic sanctions -- while warning that Iran, as Secretary Gates said this week, “won’t be allowed to run out the clock.”

Multilateral efforts to pressure Iran and bring them to the table continue. While the offer for talks by the five permanent UN Security Council members and Germany is still open, the Administration has made clear they expect Iran’s answer by the fall meetings of the G-20 and the UN General Assembly.

Secretary of State Clinton and French President Sarkozy have suggested that, although all parties prefer resolution through negotiation, a refusal to negotiate could result in “crippling sanctions.” Meanwhile, the government of Israel has made clear their patience is at an end.

Now it is our job to arm our President with a comprehensive set of tough sanctions designed to ratchet up pressure on the Iranian regime.

I am working closely with the Administration as it develops its Iran policy, and I plan to hold a hearing with State, Treasury, and Commerce officials this fall before marking up additional legislation.

As my colleagues know, current sanctions on Iran under the purview of this Committee include:

- a sweeping trade and investment ban administered by the Treasury Department;
- targeted financial measures, including freezing individuals’ assets and denying Iranian banks’ access to the global financial system to finance proliferation activities; and
- penalties against foreign companies that invest substantially in Iran’s energy sector.

Tough sanctions provide critical leverage within a comprehensive diplomatic and political strategy to push Iran to stop nuclear and other activities that undermine regional peace and stability.

The strong international reaction against election abuses; the renewed willingness of our allies to join us; the tensions within the Iranian regime now breaking into the open – all offer some reason for hope.

But there are plenty of barriers in our way and we must ensure we give our President every tool he needs to ensure success.

I welcome my friend and colleague from Connecticut, Joe Lieberman. Senator Lieberman has worked passionately and tirelessly on these issues for quite some time. We are honored to have him testify here today.

And I look forward to working with the Administration to develop a more varied and muscular mix of tools to achieve our shared goals on Iran.

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