

Press Releases: Previewing Secretary Pompeo's Remarks on Iran at the Ronald Reagan Presidential Library

Special Briefing
Senior State Department Official
Via Teleconference
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MODERATOR: Thank you, and good afternoon, everyone. Thank you for joining today's call. We're pleased to have a senior State Department official here today to preview Secretary Pompeo's remarks on Iran at the Reagan – Ronald Reagan Presidential Library this Sunday. For your reference purposes only and not for reporting, we are pleased to welcome [Senior State Department Official]. From this point on, he will be referred to as a senior State Department official. He will have some brief remarks at the top, and then we'll be happy to take some questions. Just as a reminder, this call is embargoed until the conclusion of the call.

So with that, let's get started. And I'll turn it over to our senior State Department official.

SENIOR STATE DEPARTMENT OFFICIAL: Hi. Thanks very much for joining the call. The Secretary will be giving a speech at the Reagan Library on July 22nd, titled – the remarks are titled "Supporting Iranian Voices." He will be joined at the event by some members of Congress, including the House Foreign Affairs Committee Chairman Ed Royce and Senator Tom Cotton. They'll be – plus there'll be some other members of Congress who will be joining.

The Secretary in his speech in May, on May 22nd, where he unveiled the administration's new Iran strategy, made a number of remarks addressed to the Iranian people. And he now is continuing that conversation by now addressing Iranian – the Iranian diaspora in the United States. Southern California is home to around 250,000 Iranian Americans.

And in his remarks – I'll just highlight a couple of things – he will be reflecting on that we are approaching the 40th anniversary of the Islamic Revolution. The Iranian regime is the last revolutionary regime on Earth, and it exports its revolution around the Middle East. And he will talk about – survey the last 40 years of stealing from the Iranian people, the terrorism they have committed around the region, the brutal repression at home. He will be exposing some of the corruption of the regime. He'll be highlighting religious persecution.

As you know, the State Department's hosting the first-ever ministerial on religious freedom, and he'll be talking about the persecution of religious groups in Iran. He'll be supporting the legitimate demands of the Iranian people, especially their economic demands for a better life. He will be talking about – giving an update on our campaign of maximum economic pressure and diplomatic isolation. In terms of the Iranian diaspora, the Secretary very much wants the Iranian people to enjoy the same quality of life that Iranians in America enjoy.

And so those are some of the highlights of his remarks, and I'm happy to take some questions.

MODERATOR: All right. Thank you very much. We'll now go to our first question.

OPERATOR: (Inaudible) the line of Barbara Usher of BBC. Your line is open.

QUESTION: Hi, [Senior State Department Official]. I have two questions. The first one's a bit brief. Is MEK invited to the speech?

SENIOR STATE DEPARTMENT OFFICIAL: I'm not – I don't know the answer to that. I don't believe that they are.

MODERATOR: Okay. We'll go to the next question.

OPERATOR: We have Robin Wright of *The New Yorker*. Your line is open.

QUESTION: Hi, [Senior State Department Official], thank you for doing this. Two things. First of all, when you talk about the United States supporting protest, does this mean that the U.S. is supporting regime change – a question that keeps coming up? The administration keeps saying no, it's just changing behavior, but the type of demands being made are so sweeping that it could be easily translated as regime change.

And secondly, can you talk a little bit about Helsinki and what happened on the issue of Iran when it comes to Syria, what kind of agreement or discussion President Trump had with President Putin about ensuring that Iran is not near Israel's border, that it's being contained? And did you get anything tangible out of it?

SENIOR STATE DEPARTMENT OFFICIAL: Thanks for the question – the two questions. On the first one, if you look at the list of 12 demands that Secretary Pompeo laid out in his speech in May, these list of 12 demands were the global consensus prior to the Iran nuclear deal, and nobody at the time thought that those 12 demands were a proxy for regime change. The length of the list of the 12 – these are very basic requirements that we would ask any normal country to follow, and the length of the list is simply a scope of the malign behavior of Iran.

This has not – this list of 12 is not a list that we created. It's a list that Iran created. We are responding to this. Just because we are sort of properly tallying the inventory, the broad inventory of Iran's threats – which is nuclear, it's terrorism, it's missiles, it's human rights abuses,

it's the detention of foreigners arbitrarily – the simple inventory of them and demanding that Iran behave like a normal regime is not a proxy for regime change. We think these are all – if you look at them one by one on the 12, and I encourage everybody to do that, these are all very basic requirements that should be expected of a nation. And so we are seeking a change in the regime's behavior.

In terms of Helsinki, the only thing there to say is that we – the United States is still committed to denying Iran influence in Syria, to deepening its penetration in Syria. We cannot see – we cannot allow the Lebanonization of Syria to take place. And so our policy is to push back on Iran and to deny them that kind of influence.

OPERATOR: Next we'll go to the line of Nick Wadhams of Bloomberg. Your line is open.

QUESTION: Hi, [Senior State Department Official]. Thanks very much.

SENIOR STATE DEPARTMENT OFFICIAL: Hey, Nick.

QUESTION: Why is the Secretary doing this specifically about Iran? I mean, there are many countries, for example, where – whose people don't enjoy economic freedom or religious freedom or where the U.S. disagrees with those governments, yet the Secretary is going out of his way in this particular case to focus on Iran. Why is that?

And can you say whether there's any indication that the administration would consider lifting the travel ban on Iran, an issue that's obviously been protested quite vehemently by many Iranian Americans? Thanks.

SENIOR STATE DEPARTMENT OFFICIAL: Well, I think on the first question we have just a very large and active Iranian diaspora in the United States. They've been here – many of them have been here since the time of the Islamic Revolution. There is an enormous disparity in the kind of life they live here and then, if you look at Iran, the kind of just brutal, brutal violence and repression that the citizens of Iran have been on the receiving end of for so many decades now.

And I've seen this across many administrations trying to reach out to the Iranian diaspora and to – many Iranian Americans very much want a better way of life for Iranians in Iran. And so this is something which I've seen across administrations, and it's important for us to stay connected not only to the diaspora here in the United States, but I think the Secretary will continue meeting with and giving speeches to the Iranian diaspora in different regions of the world.

On the second question, which I think was about the travel ban, our support for the Iranian people and their ability to exercise their rights to free speech and peaceful protest is a fundamentally separate issue from implementing 9645. As you know, it imposes visa restrictions on nationals from Iran and six other countries. Iran regularly fails to cooperate with the United States in identifying security risks. It's the source of significant

terror threats, a state sponsor of terrorism. They don't – they fail to receive its nationals subject to final orders of removal from the United States.

And so the visa restrictions that we put in place were a result of the Iranian Government's failure to comply with the kind of information-sharing criteria that we look for and also the national security and the public safety risk factors. I will point out that the travel restrictions don't apply to student visas.

The Iranian people – you've seen the protests. They are protesting against inflation, unemployment, the deep corruption of the state, the government's support for terrorism. We support their desire to have their voices heard, and we very much look forward to the day when the Iranian regime can comply with national security and public safety criteria. And at that time, we'll be able to reassess this restriction and look for ways to support legitimate travel to the United States.

And I think that was made clear in Secretary Pompeo's speech back in May, that this is not – this strategy is not all sticks. We have presented a very positive vision for the future of U.S.-Iranian relations, and this is something – it's a choice that the regime needs to make. But we have put on the table the possibility of a treaty relationship with the United States if Iran decides to change its behavior and to start behaving like a normal country.

MODERATOR: Thank you. We'll go on to the next question now.

OPERATOR: We have Carol Morello with *The Washington Post*. Your line is open.

QUESTION: Thank you. Hi, [Senior State Department Official].

SENIOR STATE DEPARTMENT OFFICIAL: Hi, Carol.

QUESTION: You mentioned that the Secretary would be exposing the corruption of the regime. That verb seems to suggest that you have some new material that has not been made public. I was hoping you could talk about that. And also, do you expect the Secretary to talk about all – at all about the documents that the Mossad got out of Iran and go into them in any detail? And at this point, how much credence do you put in them?

SENIOR STATE DEPARTMENT OFFICIAL: How much credence do we put into the documents from the atomic archive that the Israelis took out?

QUESTION: Yeah, mm-hmm.

SENIOR STATE DEPARTMENT OFFICIAL: Well, on the first question, we know ourselves and we know from what we hear from the people protesting in Iran is that the regime has prioritized its ideological agenda over the welfare of the Iranian people. That has put Iran into an economic tailspin. You look at how during the time of the JCPOA their increased oil revenues could have gone to improving the lives of the Iranian people, and instead they went to terrorists and dictators and proxy militias around the Middle East. And what

we see in Iran – this is a country that has enormous wealth and the Iranian regime lines its own pockets while its citizens are demanding better jobs and economic reforms and more opportunity. And so the Secretary will be highlighting specific examples of regime elites who – and to call out their corruption. And I don't want to say much more beyond that since he will be doing it himself.

On the second question, we believe that the documents that were obtained by the Israelis in their – when they were able to locate and secure and take out of the country this vast atomic archive, which I believe is about a half a ton of documents, are authentic, and those continue to be studied.

MODERATOR: Thank you very much. We'll go to the next question now, please.

OPERATOR: Francesco Fontemaggi of AFP. Your line is open.

QUESTION: Hi, [Senior State Department Official]. Thanks for doing this. President Trump stated several times in recent days that Iran is a different place since he withdrew from the JCPOA, that it's no longer looking at the Mediterranean and the Middle East. Can you say on what grounds he says that? What explains what he's saying? And also, he said that Iran is in turmoil. Can you tell us what is the U.S. assessment of the internal domestic situation in Iran? Do you think that those protests can go further and maybe top the regime at some point?

SENIOR STATE DEPARTMENT OFFICIAL: Can you just give me that first question one more time? I got the second one. I didn't understand your first one.

QUESTION: Yeah. The President said that Iran is no longer – the regime is no longer looking as much as before at the Mediterranean and at the rest of the Middle East. Can you say on what ground the President says that, why he assessed that the regime changed its behavior in the Middle East?

SENIOR STATE DEPARTMENT OFFICIAL: I don't have in front of me exactly what the President said and I don't want to go beyond what he said. I'm happy to take another look at it and – but we can follow up with you directly.

On the second question about the economic indicators, as I said earlier, the Iranian regime has plundered the Iranian economy to fund its – to finance terrorism and to fund its foreign wars around the Middle East, and all of the economic trend lines for Iran are negative. We have seen a gradual, steady decline of foreign direct investment. The Iranian rial hit a record low of 90,000 to the dollar in the unofficial market in late June. We see the stock exchange, the Tehran Stock Exchange, slip from an all-time high and has been declining. When you look at the economic forecasts and the – in terms of the economic forecasts of foreign direct investment and capital flight through 2022, along with projections about decline in oil revenues, these are all in the wrong direction for Iran. But as I said, that's simply a function of Iran mismanaging its economy.

Their banking system – they're facing a liquidity crisis. They don't follow international banking standards, and there's a reason they don't follow them,

because the economy is designed to be opaque. It is designed to fool foreign direct investors so that they don't know whether they are funding commerce or funding terrorism, and Iran has – is very skilled at using front companies. And that revenue is then used to finance Iran's terrorism and its foreign wars.

So when you look at the exchange rate for the dollar, you look at consumer prices, the stock exchange, foreign direct investment, capital flight, all of these macroeconomic indicators are heading in the wrong direction, and it is simply a function of a kleptocratic regime.

MODERATOR: Okay. We'll take the next question now, please.

OPERATOR: Go to the line of Warren Strobel of Reuters. Your line is open.

QUESTION: Thank you. I wanted to go back to the question of the overall policy goal here. In the Secretary's – Pompeo's May speech, he said, quote, "after our sanctions come into force, Iran will be battling to keep its economy alive," close quote. Countries that are battling to keep their economy alive tend to be either unstable or in the process of collapsing. And the question is whether the administration has thought through potential unintended consequences of the economic squeeze on Iran.

SENIOR STATE DEPARTMENT OFFICIAL: We look at this simply through this sort of lens: We know that Iran uses its economic revenues to finance terrorism. They are – there is no country in the world that sponsors more terrorism, supports more terrorism than Iran, and so when – our maximum economic pressure campaign is designed simply to deny Iran the financial resources that it uses to facilitate terrorism. One of the other things, though, is that so much of the money that is not spent on terrorism and foreign wars goes to the regime elite and to increase individual wealth. And so it's – it isn't any broader than that in terms of a weak economy means a government that doesn't have the revenues that it needs to finance terrorism.

And if you look – I'll just throw out a few numbers here – Iran has spent over \$16 billion supporting Assad and its proxies in Iraq and in Yemen, and it has also – gives \$700 million a year to Lebanese Hizballah. It has given, I believe, \$4 billion in lines of credit to the Assad regime. And so these are – this is all – revenue is the sinews of war, and Iran spends billions and billions of dollars in these – in other countries and it destabilizes these important countries in the Middle East, as I said, whether it's Syria or Lebanon or Iraq or Yemen, and that has second and third-order consequences.

The money that it used to support the Assad regime obviously contributed to the refugee crisis, which is the worst since World War II. And so when you connect the dots around the Middle East to all of the violence and the bloodshed and the turmoil, so much of it is driven by Iran. And that's why we are trying to deny them the revenues to execute their – their sort of revolutionary and ideological ambitions.

MR GREENAN: All right. Thank you, everyone. I think that's all the time we're

going to have today to discuss the Secretary's speech on Sunday. I thank our speaker, [Senior State Department Official]. The – as a reminder, this call was on background and our speaker is referred to as a senior State Department official. The embargo for this portion of the call has now lifted, and as a reminder to others, if you'd like to remain on the line, in a few moments we'll begin a second background call to discuss the Secretary's participation in the 2018 Australia-U.S. Ministerial Consultations in Palo Alto.

So with that, I'll conclude. I thank our speaker today, and thank you all for joining us.

SENIOR STATE DEPARTMENT OFFICIAL: Thanks very much.

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