

U.S. Iran Policy Unchanged Despite Iranian Involvement in 10/7

Zac Schildcrout Policy Analyst

JINSA intern Alex Weinberg contributed to research for this brief

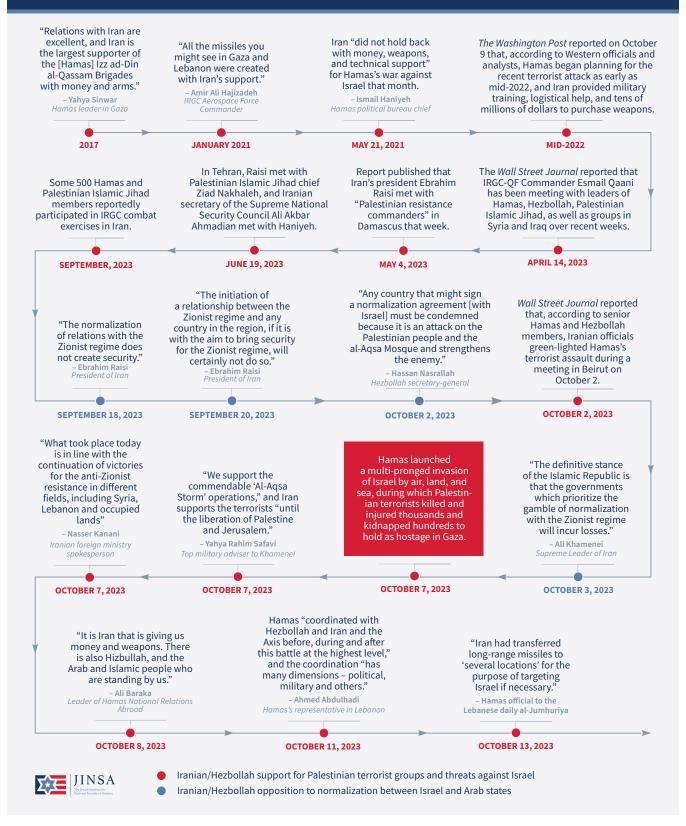
Since Hamas's horrific October 7 massacre of some 1,200 people in Israel, mostly civilians, the Biden administration has acknowledged Iran's broad complicity in the attacks because of its support for Hamas. The administration has also acknowledged Iranian proxies' willingness to continue attacks against U.S. personnel and interests in the Middle East. Despite this, the administration's accommodationist policy toward Iran remains unchanged, as most recently demonstrated by its extension of a sanctions waiver to allow Iraq to pay Iran for electricity using a previously frozen \$10 billion account. U.S. Iran policy needs to catch up to the reality that the current Gaza war, and escalating violence around the region, would not have been possible without Iranian funding and arming of its proxy network around the Middle East—as evidenced by the public declarations of Iran, Hezbollah, and Hamas as well as reporting about Iran's role in the attack detailed in the below infographic.

The Biden administration should replace its accommodation of the Tehran regime with confrontation, including: augmenting deterrence against Iran and its proxies; holding the regime accountable for proxy attacks by consistently expressing willingness to strike Iranian military targets if necessary; deploying KC-46A refueling tankers and air defense batteries to Israel; further bolstering military assets in the region; enforcing existing and imposing greater sanctions on Iran; rejecting further negotiations over Iran's nuclear program; and supporting the Iranian peoples' demands for a new government.

What Happened?

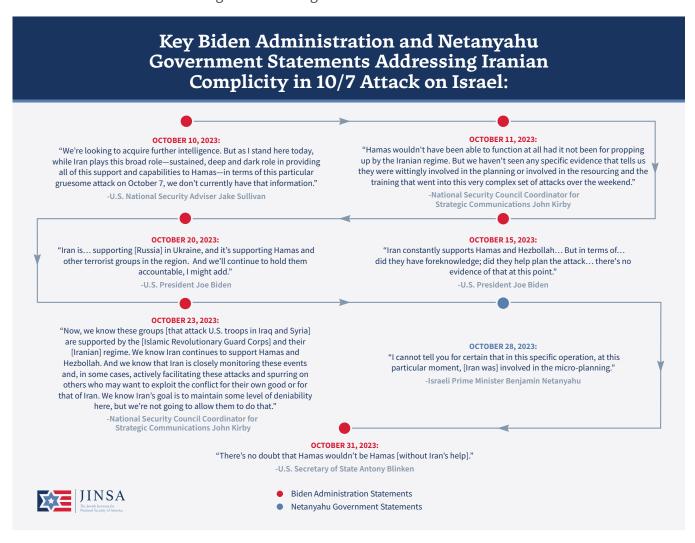
- Iran and its proxies have made multiple public declarations pointing to their involvement in the 10/7 attack. Reporting further points to evidence of Iranian involvement. These Iranian ties to Hamas's attack are detailed in JINSA's new infographic below.
- On November 14, U.S. Secretary of State Antony Blinken signed and submitted to Congress a waiver that extends sanctions relief for Iran implemented in July.
 - » The waiver allows Iraq to pay Iran for electricity using a previously frozen \$10 billion account. Iran will supposedly be limited to using the funds solely for humanitarian goods.
- On November 16, U.S. Secretary of Defense Lloyd J. Austin III said to the press in Jakarta, Indonesia, that "there have been incidents... of Iranian proxies or Houthis launching weapons or munitions... at various times, but I wouldn't describe that as... a wider regional conflict. They're—they're incidents certainly that—that we continue to see and you'll probably—you'll probably see them going forward, but I don't think that's reached the threshold of a... wider regional conflict at this point, so."

Key Statements and Events Highlighting Iranian Involvement in 10/7 Attack on Israel



Why Is It Important?

- Although the Biden administration and Netanyahu government have acknowledged the Iranian regime's broad complicity in the October 7 attack, and although the administration admits that Iranian proxies are likely to continue their aggression, the recent extension of a sanctions waiver to allow Iran access to \$10 billion of previously frozen Iraqi electricity payments is the latest example underscoring that U.S. policy toward Iran has not discernably changed in important respects since Hamas's attack.
 - » While the Biden administration has commendably <u>deployed several</u> military assets to the Middle East, articulated staunch support for Israel, condemned the evil of Hamas's atrocity, and warned "any country, any organization, anyone thinking of taking advantage of this situation" not to do so, the administration continues to project a fear of confronting Iran that increases the likelihood of the very conflagration it seeks to avoid while failing to hold the regime to account.



While the United States and Israel have not revealed that their intelligence indicates that the Iranian regime planned the attack, media reports have indicated such planning, and the Iranian regime has a history of supporting Palestinian terrorist organizations. Iranian officials have also expressed their clear opposition to Israeli-Saudi normalization, which Hamas's attack on October 7 may have sought to disrupt. See the above timeline for more details.

- » An October 8 Wall Street Journal report alleged that Iranian officials helped plan and approved Hamas's October 7 terrorist attack, according to high-ranking Hamas and Hezbollah members. Islamic Revolutionary Guard Corps (IRGC) officers allegedly planned the details during several Beirut-based meetings with members of Hamas, Hezbollah, and other groups.
 - The outlet also reported on October 25 that approximately 500 Hamas and Palestinian Islamic Jihad members underwent combat training in Iran in September, according to anonymous sources reportedly familiar with the intelligence.
- » Iran is Hamas's chief benefactor, as Iranian officials regularly admit. For example, in January 2021, IRGC Aerospace Force Commander Amir Ali Hajizadeh said, "all the missiles you might see in Gaza and Lebanon were created with Iran's support." Recent reports indicate that Iran provides Hamas roughly \$350 million in military funding annually.
- » Recent Iranian regime rhetoric suggests that if it helped plan and approved Hamas's attack, it may have done so to disrupt U.S.-led negotiations to normalize relations between Israel and Saudi Arabia. On October 3, just four days before the massacre, Supreme Leader of Iran Ali Khamenei said, "the definitive stance of the Islamic Republic is that the governments which prioritize the gamble of normalization with the Zionist regime will incur losses."
- Despite the October 7 attack, as JINSA President and CEO Michael Makovsky recently <u>argued</u>, the Biden administration "hasn't altered [its] accommodationist policy toward Iran," which includes inadequate U.S. sanctions enforcement against Iran's oil exports, unfreezing Iranian funds, and failing to retaliate for Iranian plots and attempts to kill Americans abroad and on U.S. soil.
 - » In August 2023, some estimates indicated that Iranian oil exports reached more than 2 million barrels of oil per day that month—its highest level in at least five years. The resultant financial windfall helps the regime fund terrorist organizations such as Hamas.
 - There is no indication that the administration has ramped up sanctions enforcement vis-à-vis Iranian oil exports since October 7, though the U.S. House of Representatives passed a bill—the Stop Harboring Iranian Petroleum (SHIP) bill—on November 3 that would penalize foreign ports and refiners that run afoul of U.S. sanctions by importing and processing Iranian petroleum.
 - » The Biden administration's recent extension of sanctions relief that allows Iran to access \$10 billion of Iraq-based Iranian funds suggests an unwillingness to intensify efforts to impede the Tehran regime's finances. Although the funds are ostensibly earmarked for non-sanctioned uses, money is fungible, and the policy will help Iran allocate additional funds to its malign activities.
 - Also in August, the Biden administration announced that it would release five Iranian prisoners and unfreeze \$6 billion of Iranian funds for transfer from South Korean banks to a Qatari fund in exchange for five American hostages. Because money is fungible, this also helps Iran increase its budget for malign activities despite policies that restrict use of the funds to purchases of humanitarian goods.
 - » Since 2021, the Biden administration has eschewed retaliating militarily against Iran for plots it likely devised to assassinate Americans including activist Masih Alinejad and former U.S. national security adviser John Bolton.

- » The United States has launched only eight rounds of airstrikes against Iran-backed groups that attack U.S. personnel in Iraq and Syria despite more than 110 such attacks since 2021. Between 2021 and the October 7 attack, Iranian proxies launched roughly ninety attacks, and the U.S. responded with military force just four times.
 - Although the United States struck two Islamic Revolutionary Guard Corps (IRGC) facilities in eastern Syria on October 26, another IRGC facility on November 8, two additional Iran-linked facilities on November 12, and perpetrators of an attack against the Ain al-Asad base in Iraq on November 21, U.S. troops have faced attack at least forty-five times since the October 26 airstrike. In total, there have been at least sixty-four attacks, a similar number of American injuries, and one related casualty since October 17.
 - This demonstrates that the United States has yet to restore deterrence against Iran's proxies as Tehran seeks to gauge U.S. willingness to respond, which Secretary Austin implicitly acknowledged when he admitted on November 16 in Jakarta that attacks by the Houthis and other Iranian proxies are likely to continue.
 - The Iranian regime's willingness to target U.S. personnel stems from the Biden administration's only launching "narrowly tailored strikes in self-defense," likely because of its stated goal to "prevent the conflict from spreading," and its view that the Iran-backed attacks are "separate and distinct from the ongoing conflict between Israel and Hamas."
- Effective deterrence requires that the United States exhibits greater willingness to use its unparalleled military capabilities, including against Iranian troops, if necessary, to hold the regime accountable for the current regional upheaval.

What Should the United States Do Next?

- As JINSA argued in its report "Rebuilding U.S. Deterrence to Counter Iran-led Escalation," the Biden administration should "adopt clear and consistent messaging that it holds Tehran directly responsible by name for any further escalation, or any threats of escalation" and warn that U.S. troops deployed to the Middle East are ready to strike Iranian targets if necessary.
- The United States should pair this deterrent messaging with guided-missile destroyer port visits to Haifa, deployment of KC-46A aerial refueling tankers and U.S. Patriot air defense systems to Israel, and giving Israel bunker buster munitions for use, if necessary, against Iranian and Hezbollah military targets.
 - » U.S. Central Command (CENTCOM) should further send naval vessels through the Strait of Hormuz on freedom of navigation missions, deploy strategic bombers to conduct regional overflights, and station Massive Ordnance Penetrators (MOP) in Diego Garcia in the Indian Ocean.
- As JINSA President and CEO Michael Makovsky has recommended, the Biden administration should make regime collapse in Iran its strategic aim by pressuring the regime "on all fronts to heighten [its] internal stress and hasten the Iranian people overthrowing it," thus neutralizing the threat from a dangerous regime while avoiding a devastating ground war involving U.S. troops.
 - » Makovsky outlined in March 2020 that this strategy should involve "comprehensive pressure" that entails economic sanctions, diplomatic isolation, political warfare that highlights the regime's governance failures and offers support for political dissidents, and credible military threats.