H. Andrew Schwartz: Good evening and thank you for coming. Welcome to the Center for Strategic and International Studies. I'm Andrew Schwartz here at CSIS. And thanks for coming out on such a, you know, slow news day.

We want to thank our amazing benefactor or sponsor, the Stavros Niarchos Foundation. They have been with us all the way. They've helped us launch this series, they've helped us all along the way, and we're really, really grateful for their support.

We also want to thank Texas Christian University – TCU, the Horned Frogs, who are the home of the Schieffer College of Communication, a huge part of the Schieffer Series, and we're really, really grateful for their support as well.

We have a lot to talk about tonight with Iran, Saudi Arabia, and a couple of other issues as well, and without further ado, I want to offer the man who needs no introduction at all, the greatest name in news, Bob Schieffer.

Bob Schieffer: You know, when Andrew and I wrote our book last year, “Overload,” we concluded that the age of the Internet had flooded us all – and around the world – with so much news we simply couldn’t process it. It wasn’t making us wiser; it was just drowning us in information, little did we know, and this past week is an example.

Planning this panel is kind of an example. We try to keep these sessions as close as we can to the news, so we thought the big story – and this was a couple of weeks ago – that we really needed to get on was Hong Kong. It now seems like all of that is about two years ago.

After that, along comes the Iranian attack on Saudi Arabia, which is a big story, and that is where we’re going to focus today, and that’s what we decided we would do. But today, look just what has happened just today alone.

And so this news, this cavalcade of chaos that we all find ourselves in right now is – I can never remember a time in America when we’ve been dealing with so many things at one particular time.

So as I say, we’re going to make the main focus of our panel today the Iran-Saudi situation, but already, with all of these other stories overwhelming it, I think we ought to touch a little bit on the – on the events of today. And since we have David Sanger with us here, who knows everything about everything, we’ll be very flexible, and he will be the one that I’ll call on first to bring us up to speed on that.

Our panel: David Sanger, national security correspondent and senior writer at The New York Times, one of my oldest friends here in Washington. He has worked at the Times 36 years, covers a wide range of topics covering diplomatic and national security issues including nuclear proliferation and the rise of cyber conflict among nations.

Seth Jones, right here, is the Harold Brown Chair, is the director of the Transnational Threats Project, and is a senior adviser for the International Security Program here at CSIS. Seth specializes in counterterrorism, counterinsurgency, unconventional warfare, and covert action, including a focus on al Qaeda and ISIS.
And, Jon Alterman, is the senior vice president of the Zbigniew Brzezinski Chair in Global Security and Geostrategy, and the director of the Middle East Program here at CSIS. Jon has lectured in more than 30 countries on five continents on subjects related to the Middle East and U.S. policy toward the region.

Bob Schieffer: All right. And Seth, you did a remarkable study this summer, which almost predicted to the number of drones that took part in the attack on Saudi Arabia. This report told you everything: how vulnerable Saudi Arabia was to those attacks, and what – probably if they were attacked, what would happen. It happened. I mean, it’s one of the most remarkable reports that I’ve ever – that I’ve ever seen.

But before we get to that, I want to get David – David, just bring us up to date on the remarkable things that happened today.

David Sanger: You mean since lunch.

Bob Schieffer: Since lunch, right.

David Sanger: You know, Bob, I remember one day – I can’t remember what was breaking, but – when you were doing Face the Nation, and I remember showing up on the set one Sunday morning, and all kinds of mayhem was breaking loose, and you had a big smile on your face, and you said, nothing really juices a Sunday show like a little bit of news. And that’s sort of where we are now.

So let’s see, since lunch we had the president tweet out that he is actually going to release the transcript of the conversation that he had with President Zelensky of Ukraine back in late July. Shortly after that, we heard from the House Intelligence Committee that the whistleblower who started this whole thing has made it clear through his attorney – or her attorney; we don’t know who the whistleblower was – that they want to testify and that they have now asked the DNI’s office to find a way to make sure that this whistleblower can testify. The acting DNI – because you’re nobody in the Trump administration if you don’t have “acting” before your title – is going up in front of Congress on Thursday, and by that time I suspect we’ll have to have figured out a way to allow the whistleblower to testify because, one way or another, that story is getting out.

Meanwhile, just in other news, the Democrats decided to open an impeachment inquiry and, while they announced their intention to open the inquiry, my guess is everything is going to sort of hang a little while on what that transcript shows. My guess is it will probably be pretty inconclusive. We had already heard that it did not have the explicit threat that the American aid to Ukraine would be – would be withheld if the president did not help along with the Biden investigation. We will learn whether The Wall Street Journal was right with its sources that the president raised the Biden issue eight times in the course of the conversation.

What will that leave unknown? A few things: it wasn’t the only conversation that President Zelensky had with Donald Trump. We also know that Rudy Giuliani had a number of conversations along the way, so my guess is that it will give us a taste of the relationship as they try to figure out who Zelensky is because, remember, they had not really expected that a comedian would win the presidency of Ukraine,
although given the fact of the position that they're in now, they need somebody with a sense of humor, so –

Bob Schieffer: So Jon Alterman, you wrote a piece today about this is the president's third time to go to the U.N., and it's a different time, and it is a perfect way for us to transition into talking about Saudi Arabia and Iran.

Jon B. Alterman: Oh, I – you know, the first time the president went to the U.N., as you recall, he had the remarkable rocket man passage where he said if North Korea attacks U.S. allies, we will have no alternative but to destroy the country. That shook up the U.N. a little bit.

Last year he went to the U.N. and the president talked about how his administration in two years had achieved more than practically any administration in U.S. history, and they laughed at him. They laughed in his face.

This year, I think the president not only didn't want to have the bad news, but in many ways came to understand that the maximum pressure on Iran was not going to be sufficient; that he actually would need international support, and the international support wouldn't come from people who weren't at the U.N., like Benjamin Netanyahu, who has his own election problems, and Xi Jinping and Vladimir Putin. The support would have to come from the allies who came out this morning and said, you know, we actually do think that the Iranians were behind this attack on Saudi Arabia. I think there is almost a broader normalization of the Iran policy going on – not because the president wants to do it, but because all the other options have proven either so difficult, dangerous, or unsatisfying.

Bob Schieffer: So, Seth, that brings us to you, and I'll go back to this report. You really nailed it on what was about to happen there, and it happened. So what happens now?

Seth G. Jones: Well, I think what's important, first of all, is in looking at what the Iranians did. I mean, they – the escalation right now, the tension is, to a great degree between Washington and Tehran. Iran makes a calculation to conduct an attack not directly against the United States, but this is what they are known for – asymmetric, irregular attack – against Saudi Arabia.

So it forces the U.S. into how is it going to respond. Does it respond with offensive cyber operations, which the U.S. did earlier in the summer, which David and others have reported on? Does it strike targets in or around Iran itself – surface-to-air missile sites, command-and-control structures? Does it work with the Saudis so the Saudis respond?

I think the challenge – just to put it very bluntly – is how does the U.S. respond in a way that doesn’t unnecessarily escalate the conflict to outright war but yet send a clear message to Iran to stop this kind of activity. And the second part of that is also how do you find a way out of this tit-for-tat right now.

And I think part of this is negotiations right now which, unfortunately, remain largely, you know, they’re – both sides are talking about possible negotiations. We've got no progress along these lines.

Bob Schieffer: Well, what would the options for the United States be right now?
Seth G. Jones: Well, again, I think we’ve got what I would call indirect – an indirect response. It could be a cyber operation; that could be taking down an unmanned vehicle, something that doesn’t kill anybody on the Iranian side. It could be also using the Saudis to do it because they were the ones that were targeted, or it could be a direct U.S. military response. There are costs and benefits in all of those responses.

I was just in Israel about a week and half ago, and I will tell you, though, that what a range of Middle Eastern leaders that I spoke to said is the longer time goes by without a direct U.S. response, the more it looks – at least in the Middle East – like the U.S. is weak.

Bob Schieffer: So the president started out on this saying we’re "locked and loaded." That no longer seems to be the policy. I mean, I have no idea what the United States’ policy is here and I couldn’t –

David Sanger: And you couldn’t really tell from listening to the president’s speech today. I mean, everybody had expected, Bob, that when the president went in front of the U.N. today, Saudi Arabia, the attack, was going to be front and center, the first item he was going to take on. I mean, after all, his secretary of state, Mike Pompeo, went on your old show on Sunday and declared that this had been an act of war and that the Iranians were behind it. The president did not use the phrase “act of war.” He did not say directly the Iranians were behind it – he implied it, but didn’t sort of say it. He didn’t offer to come out with any evidence for it. He didn’t ask for the United Nations to gather a meeting of the Security Council that would authorize some kind of military or even non-military action. He basically called for continued tightening of sanctions, and said I’m still ready to talk, and some of America’s longtime enemies have become great friends. That’s pretty different than “locked and loaded,” right?

Jon B. Alterman: And very different from “rocket man."

David Sanger: And very different from “rocket man."

He didn’t make a case, as his secretary of state did, that the United States had a strong interest in maintaining the flow of oil, continued operations of the oil refineries, continued shipping. He made none of the basic cases that his secretary of state has made.

Now, there was a mix of sort of two emotions you could sort of sense in the U.N. to this when he gave this this morning. Number one was just relief that it wasn’t “rocket man” all over again, OK, because they weren’t sure which Donald Trump was going to show up, right? But the second was, is this it? What are we supposed to go do? And instead he actually spent most of his talk about the need for countries to maintain their borders, maintain their nationalistic presence. He didn’t talk much about international cooperation. He basically stood up in the organization – the headquarters of the organization that in 1945 was put together to organize international cooperation and didn’t discuss international cooperation.

Bob Schieffer: So, Jon, do you have any sense that he is actually trying to put together any kind of coalition on this? Or is this a go-it-alone kind of situation?
Jon B. Alterman: I don’t get the sense that he’s trying to put together a coalition. It might be that people are saying we’re going to put together a coalition and he said that’s fine. He doesn’t like the multilateral work. And I think what the administration is still working through is the extent to which leaders around the world are hungry for American leadership. As much as they strain against it, as much as the complain about it, the world without American leadership is a much messier place where they have much more difficulty keeping the dogs of war at bay.

And I think that one of the opportunities the president has is there really is a hunger for American leadership. I think the Iran issue is an issue where if he decided to engage multilaterally, if he decided to really work, he would find that countries – partly because they were so eager to encourage him, partly because they knew they can’t fix this problem themselves – I think he’d find countries much more in line than he would expect.

Bob Schieffer: Seth, you – he has talked about sending more Americans into the region. Do you have any idea what numbers they’re talking about? And tell us – because I know in your report you kind of spell this out – we already have a lot of people in that part of the world and equipment.

Seth G. Jones: Well, here’s part of the challenge. A lot of the response that the U.S. has provided – it’s provided – it’s sent additional Patriot missile battery – missile batteries. It’s sent a carrier strike group to the region. The challenge is –

Bob Schieffer: You got B-52s.

Seth G. Jones: – that many of what the U.S. has talked about and has sent over are what you would generally consider conventional military forces. The challenge is where Iran is playing this game is at the asymmetric or irregular level, including using proxy and partner organizations.

Most of the – what most people don’t even understand, I think, is – and we included it in this report – is that at least according to our data between July 2016 and July 2019 there had already been 250 attacks against Saudi critical infrastructure; they were just mostly the Houthis that were – that were conducting the vast majority of the attacks. So the Iranians are on the asymmetric/irregular level. The U.S. is talking about a conventional response. We’re at very different levels or playing fields here, and I’m not entirely convinced the U.S. is prepared to play the game that the Iranians are.

Bob Schieffer: So here we are right now. Is Iran open to any kind of negotiations? Is there any kind of path – and I would just ask all of you this – toward diplomacy that seems worthwhile to pursue?

Jon B. Alterman: So my view is that the Iranians understand that they really don’t have an option except to negotiate at some point. The Iranians come into negotiations, in my view – and they deny it – but in my view they come into the negotiations totally overwhelmed by the disparity between U.S. power and Iranian power. With all of its oil wealth, 80 million people, Iran has a GDP about the size of the state of Maryland. It is not a global power. And I think what the Iranians are trying to do, partly for negotiating reasons and partly for political reasons, trying to come into negotiations where they’re outmatched by getting paid off in exchange for even
entering the negotiations. So the first thing they get is actually before they get in the negotiating room to compensate for the fact they'll have to give things up in the negotiating room.

There are certainly people in Iran who don’t want negotiations, either because they’re deeply convinced that the United States has hostility toward the regime and is trying to build – take down the regime; and there are others, some of the same people, who are busy making money off sanctions-busting and they say the whole system will fall apart if we open up. But my gut is that where President Rouhani is – and he's had this view for 20 years – we accept as a given the U.S. is hostile, but the level of hostility between the U.S. and Iran has grown counterproductive to Iranian national interest. That's what he said under President Ahmadinejad. That’s, I think, his view now. But if you're going to get into those negotiations, get something for going; otherwise, you’ll leave and you won’t even have the shirt on your back.

Seth G. Jones: If I could just jump in for a second, I think the – one of the challenges is if you look at a list of demands that the secretary of state has laid out in –

Jon B. Alterman: The 12.

Seth G. Jones: The 12 demands. A number of them are demands that the Iranians, in my view, will never back down on because it gets to their survival issue. The missile program, especially if you're talking about a unilateral decrease in Iranians – in Iran's missile capabilities without dealing with the Israelis or the Saudis, this is their one protection. Getting them out of Syria and Iraq and Lebanon, I mean, that’s ludicrous. This is their – this is how they expand or keep power. It's through proxy and partner organizations. And this gets us back to probably what is the one area they may negotiate, and that is the nuclear deal, and we’re back to the JCPOA.

David Sanger: So –

Bob Schieffer: Well, does any of – I’m sorry, you go, David.

David Sanger: No, I was just going to say that I agree. There are these 12 goals the secretary has laid out, which basically if the Iranians agreed to Iran would no longer be Iran, OK?

Seth G. Jones: Exist, yeah.

David Sanger: There are only two of those that I think the United States is really serious about, and one of them is making the commitments that Iran has made under the JCPOA permanent, which the Iranians feel like if they do they would be subject to the mercy of anybody turning on and off their economy the way the president’s doing now; and second, the missile issue.

But I was struck up at UNGA earlier this week that the Iranians seem for the first time to be on the defensive. So –

Bob Schieffer: Seem what?

David Sanger: On the defensive. A year ago they came in, they were in pretty good shape. The Europeans were with them, not with the United States. The Russians and the
Chinese were with them, not with the United States. They were trying to put – they were still inside the deal, the Iranians, and they were trying to put together something that would enable them to continue to get revenue even without the U.S. So they were basically saying, you want to be out of the deal? You're the one isolated.

This time I saw Foreign Minister Zarif on Sunday, and he's since made the rounds of NPR and CNN – it's hard not to watch him these days on TV – and it struck me that his tone was different. Spent about an hour with him with a group of reporters on Sunday afternoon. And that they recognized at this point that while they were still denying that they had been responsible for the attack on the Saudi facilities, they were being blamed for it, and it had really changed the dynamic. Suddenly, the Europeans were saying you have to do more than be just inside the JCPOA; you need, actually, to have a missile agreement. They were blaming the Iranians for this. It was a real sense that they had overreached. And I think the president probably played it pretty smart today by being understated and letting the Iranians sort of stew in the reaction to what they'd done.

Bob Schieffer: But you do feel that there's been a shift in –

David Sanger: Definitely.

Bob Schieffer: – sentiment among our traditional allies.

David Sanger: Definitely. I think – I think the –

Seth G. Jones: For now.

Bob Schieffer: For now.

David Sanger: I think the Europeans recognize for now that they can't stay with their old line, which is just go back to the old deal; that now the Iranians have done something bad enough that they're going to have to limit more than just the nuclear program.

Bob Schieffer: Well, do you think – I ask this to all of you, each of you – do you believe that this in any way had anything to do with us withdrawing from the old deal, from the – from the agreement?

Seth G. Jones: I mean, I think what it had to do in part was the U.S. withdrawing from the JCPOA, the nuclear deal, increasing the sanctions. I mean, let's look at the Iranian economy. IMF projects negative-6 percent real GDP this year for Iran. Inflation, depending on which economic figures one looks at, 40 to 50 percent this year growth. The Iranian economy – and Iranian officials have told Jon and I, too, that they are feeling significant economic pain. So with no negotiations, with significant economic pain, I think if you put those two together you get an Iran that feels like it had no other options right now. And I think that's the position it was in.

Jon B. Alterman: And I – and I think, you know, Iran is trying to create a crisis but not create a war, and they see the crisis as the most advantageous way for them to enter into negotiations. The danger is that they're going to stumble into a war. But they sold the nuclear deal to the Iranian public on the premise that it was really going to improve the economy and people's lives, and things would get much better, and
they look like they were taken. So from – just from a political perspective, the U.S. walking away from the nuclear deal has shaped Iranian politics and made Rouhani and others play a real price.

Bob Schieffer: I was talking to Dr. Hamre, the head of CSIS, the other day, and he was saying that he's not so sure that Iran poses the national security threat to this country that many people ascribe to it. What do you think about that, David? And he mentioned, you know, again, an economy the size of Maryland.

David Sanger: Right. So they can’t reach us with their missiles, unlike the North Koreans, who we think can. We don't know how good they are or what their aim would be like, but we think they can make it. They don’t have nuclear weapons, unlike the North Koreans, right? Their economy has been largely in freefall. So they only have one way to get at us, and that’s their increasingly skilled cyber capability.

And just to look at the public indictments of the Iranians by the U.S., they have successfully gone after American banks – not with anything too devastating, but in 2012 the banks were pretty frozen up. They’ve tried to go after a dam in the – in the suburbs of New York. If they had asked me I would have told them I used to play on that dam when I was a little kid and there's no water behind it, but, you know. They were just getting started, right? They’ve shut down Sheldon Adelson's casino in Las Vegas. Can you think, Bob, of a nastier thing to do to Americans than go after their casinos, you know? But they wiped the hard drives on that after Mr. Adelson had suggested that if Iran didn’t give up its nuclear program we should just drop a nuclear weapon in the desert and tell them Tehran was next. And they said, hmm, Adelson, desert, casino; it would be a shame if that didn’t turn on.

So they have shown a capability to come in in minor ways and get at us. And that's the fascinating thing going on behind the scenes in the U.S. right now as the U.S. tries to figure out, is there a cyber solution to sending a message to the Iranians that doesn’t blow back on us.

Bob Schieffer: It’s interesting, isn’t it, under the time marches on banner, the difference of the importance of Saudi Arabia to the United States now as to what it was, say, 10 years ago, where we are now the world’s leading producer of energy. And has that made a difference in our – in our relationship? Will that make a difference in how we deal, eventually, with this situation?

Jon B. Alterman: It must. You know, I was talking to somebody –

Bob Schieffer: I mean, I guess what I’m saying is, is protecting the Saudi oilfields worth risking American lives, sending Americans there?

Jon B. Alterman: You could argue that if 10 years ago somebody took out 50 percent of Saudi oil capability, oil markets would have gone berserk.

Bob Schieffer: And we’d have gas lines in America.

Jon B. Alterman: And there was barely a ripple. I mentioned that to somebody who works closely with the Saudis and he said, well, markets are wrong sometimes. But I think from a Saudi perspective to look at the bipartisan criticism on Capitol Hill, to look at – the former U.S. ambassador to Saudi Arabia, Bob Jordan, had a piece in Politico today,
said Congress is enabling the Saudi recklessness. If you look at the military's lack of response immediately to this, I think you have to consider the possibility that the U.S. has a or is beginning to have a profoundly different attitude toward energy security, toward security of the Kingdom. And you could make an argument – and it would be an argument, but you could make an argument – that Saudi oil supply is becoming less central to the global economy and will continue to be less central to the global economy.

Seth G. Jones: If I could just jump in on the bigger issue which I think you put your finger on. David talked about North Korea. But I think, you know, when you look at U.S. competitors – and I think the administration was correct in many ways in its National Defense Strategy to highlight first and foremost the Chinese, which are a – increasingly a global power, not the Iranians, and the Russians. And I think those are – in many ways, if the U.S. has to be concerned about actors, it's those two countries. The Iranians are a regional power. Their conventional capabilities are extremely weak. I mean, they do have some cyber capabilities. They've got – if you visit the U.S. embassy in Beirut, Lebanon, you do get a reminder of the asymmetric capabilities, including of Hezbollah. And you've got missiles. But Iran is not a global power.

And actually, this goes back to how we started this, which was on the Ukraine issue, which David brought up earlier with the – with the transcript. I mean, one of the underlying questions that I have is anything that removes aid from the Ukrainians benefits, in the long run, the Russians, which have been trying to undermine the regime in the Ukraine for a long time. And that may be another reason why part of this discussion, including Iran, also does miss the broader competitors that the U.S. faces.

David Sanger: I would say, Bob, there are two other factors. I agree with both of these. So we need their oil less, for sure, and we feel right now that we're overextended in the Middle East. The president himself, you can see this tug of war go on in his mind where he says "locked and loaded" and then today at the U.N. he's saying we're past the era of endless wars. So people have a little bit of Mideast war fatigue, and that's understandable and a good thing.

And there's a third element, too, which is it used to be easier for the United States to maintain that the Saudis were our closer ally and, you know, that their violations of human rights were nowhere near what the Iranians were doing. I think post-Khashoggi that's a really hard argument to make. And I think any president, not just Donald Trump, who is going to go out and argue that the United States was going to risk getting into a war to save MBS after he had just cut up an American or his envoys had cut up an American resident who was a Saudi dissident and a Washington Post columnist, I think they're starting to pay the price.

Bob Schieffer: He is.

Jon B. Alterman: Just on this issue of Iran being a global power, we interviewed Wendy Sherman in a podcast that was released today from the Middle East Program, and one of the interesting things that she said was, comparing North Korea to Iran, North Korea really is a hermit kingdom and they're very parochial; the Iranians aren't. The Iranians are cosmopolitan. The Iranians are all over the world. They are not a
global power, but they’re globally integrated. And I think that gives us a possibility of a different future with Iran if we can figure out a way to do it.

Somebody like Javad Zarif has spent 30 years in the United States. He is sophisticated. There are other Iranians who are knowledgeable about the world. I think there’s a certain glimmer that we should have when we deal with Iran that I think we don’t necessarily have when we deal with North Korea.

Bob Schieffer: OK. We’re going to go to questions from you all because I want to leave plenty of time for that. So while you’re thinking of your questions, I’ll just ask one final question of the panel here.

So what are China and Russia doing right now? We really haven’t heard much comment from them. Obviously, they’re watching. How are they taking all of this, do you think, Seth?

Seth G. Jones: Well, I think what the Chinese are doing – I mean, one interesting recent example when I was in Djibouti was they're building a deep-water port, they're building an airfield, and they're building a rail link between Addis and Djibouti. They are actively involved in providing money – leverage – whether it's direct Chinese money to Europeans; buying influence, as we've seen in Australia; setting up technology, whether it's Huawei globally; but it's largely for the most part an economic-focused strategy of influence and power. The Russians, a little bit more abrasive and conducting, in some cases, a little bit more involved offensive operations, including cyber operations, against us in preparation for the – for next year’s election. So I think the Russians will be a little bit more pushing the envelope in the U.S.

Jon B. Alterman: I think the Chinese are of two minds. First, they are the world’s largest oil importer. And they're a little bit worried about that. Their economy can’t take a huge run-up in oil prices. But they love the idea of the United States being distracted in the Gulf. They love the idea of the U.S. parking more carriers in the Gulf. We only have three carriers on station at any given time. If two of them are in the Gulf, that means only one is near China, which they love. They like the idea of the U.S. sort of seeming unilateral and alienating its allies. They love the idea of Iran being an isolated state where the Chinese can strike really advantageous deals because they're the only ones to deal with the Iranians. So I – the Chinese are a little bit concerned with oil prices, but mostly relieved that they think all of these trends draw the United States away from them and create opportunities for them, both in West Asia, in Europe, and also in the Western Pacific.

Bob Schieffer: Very interesting insight.

David?

David Sanger: So six or seven years ago I remember being at the Central Party School outside Beijing, which is sort of where they train the – sort of the closest thing that the Chinese Communist Party has to a think tank. And I was talking to a recently retired air force general who made a point to me that echoes something that Jon just said, which was: You know, when I sat in all these meetings and I listened to what the long-term plans of the United States were, nobody in China ever thought that you guys would get yourselves involved in the Middle East and South Asia that
would completely distract you from paying attention to us while we went and did our thing.

So along comes a new National Security Strategy a year and a half ago that says that Russia and China and the two revisionist states and we have to reorient ourselves toward that. And recently General Dunford, who’s going to retire in just a few weeks – I did an interview with him down the street at the Council on Foreign Relations, just sort of his on the way out interview. And I asked him: Has that message really been absorbed in the Pentagon yet? And his answer was essentially, not fully. Because while our minds have moved to Russia and China, our force structure and everything we’ve been doing emotionally is still stuck in Iraq, Afghanistan, and sorting through those experiences, and still the presence there.

So I think that the Chinese are perfectly happy to have this happen, as long as things don’t blow up so in the Gulf that it gets in the way of their oil. And if they can spend the time wiring Africa, Latin America and parts of Europe with their 5G networks while we’re sitting around trying to figure out how come the Saudi oil fields aren’t defended from the north, that’s a pretty good day at the office.

Bob Schieffer: All right. Well, I’m going to start on this side and just go across. So who has a question over here? Yes, sir. Tell us who you are, and we’d love for it to be a question.

Jason Paladino: Yes. This is Jason Paladino from the Project on Government Oversight.

I would just like to ask the three of you about the Strait of Hormuz, and the threat of a sort of hail Mary Iranian mining of the strait. Which, you know, this number shifts, but the last I heard was 30 percent of the world’s oil flows through this thing every day. Given the U.S. Navy’s basically lack of an ability to clear those mines, do you think that that is something that is being talked about right now? And what do you think the chances are that things could escalate to that point?

Seth G. Jones: I mean, just briefly, the Iranians do have mine laying capabilities. They would be quite destructive, depending on how they did it. I think we’re not there yet, from an escalatory standpoint. And I think the challenge is, if we did get there, they will have – as much as they have been sidelined right now, even today, with the French, the British and others that have supported the U.S. in highlighting that Iran was behind the attacks on Saudi Arabia, mining and the impact that would have on global oil and everything else that goes through the Strait of Hormuz, and the Bab el-Mandeb Strait also would be a vulnerable choke point. I think that would isolate them politically even more. So I see that as a last resort.

Jon B. Alterman: Two other points. First, there are heavy currents in the Strait of Hormuz, so it’s actually harder to mine than a lot of places. They wouldn’t have to completely mine the strait, just the presence of mines would have an inhibitory effect on all the trade because people wouldn’t want to send a tanker through with the possibility it would be mined. The third thing is, you know, they’re sending their oil out through the strait. They don’t have a way to get oil out other than through the strait. So if you’re assuming that the Iranians have an interest in getting oil to China, to India, to other places, that would create a disincentive, except in extremis, to even being to mine the strait in any serious way.
David Sanger: I think you have to leave open the possibility that the Iranians have learned a lesson or two from the North Koreans who they watch very carefully.

Jon B. Alterman: And they talk.

David Sanger: And they talk. They talk. And in fact, they exchange a fair bit of missile technology. We haven't found any evidence yet that they exchange nuclear technology. But I think the lesson from the North Koreans is, if you want to begin to deal with the Americans, particularly the Trump administration, escalate, create a crisis, and then all of a sudden the president's actually going to be willing to go talk. And it worked for Kim Jong-un. By my counts 18 months out they're exchanging beautiful letters back and forth with each other.

Bob Schieffer: But still have nuclear capabilities.

David Sanger: But they have every bit – they actually have more nuclear capability than they did when they were in Singapore, when they all met at the first summit. So if I were the Iranians, I might think there's still an opportunity here.

Bob Schieffer: Here we are, right here. Here, right here.

Dan Greenman: Hi. Dan, I'm a civilian.

Does it strike anyone as odd –

Bob Schieffer: Give us your name again.

Dan Greenman: Dan Greenman, hi. Civilian.

Did it strike anyone as odd those images the Saudis released of the missile parts, they were very, very intact – serial numbers clear, ironically. Did anyone run that license plate? Am I in error here? Those are very intact pieces for delivering, say, 100 kilograms of Semtex or even thermite. They looked really intact to me.

David Sanger: They were intact because they didn't go off. So there were a lot of – there was a fair bit of hardware that they found in the desert. And one of the things we're all sitting around waiting for is whether the guidance systems in some of the better-preserved parts will map us back to where this stuff got launched from.

Bob Schieffer: Next? Yes, you.

Questioner: My question is about Israel. And I know right now they're kind of distracted with their political turmoil, but they're kind of a wildcard in this situation. Would they do something to benefit Saudi Arabia, maybe, like, a prestrike?

Jon B. Alterman: Would they do something to benefit Saudi Arabia?

Questioner: Yeah, I mean, like, to help them out in this situation. Like, maybe, I don't know, Iron Dome or maybe do a strike of their own on the base or on – because I know they do strikes right now into Iraq and Syria, from what I've heard. And so would it be possibility they'd continue more strikes, or more intense strikes, into actual Iranian territory?
Seth G. Jones: Well, I mean, I think on the Israeli side they have made it clear, at least Netanyahu has, that they do not want another nuclear deal. They have also, as you noted, conducted hundreds of strikes. We've put together a data set here at CSIS on the Israeli strikes. What's interesting is at one point they were largely targeting Iranian-linked sites in and around Golan Heights in southwestern Syria. But they've expanded to almost everywhere, north, south, east, west, center in Syria. Iraq recently, deep into Iraq, including around Baghdad, as well as in Lebanon. So I don't – but these are primarily Israeli interests.

So I don't think the Israelis have an interest, per se, in striking Iran for Saudi purposes. But they have interests in keeping an eye and limiting the capabilities that could target them from Syria, and Iraq, and Lebanon. But I think what you're highlighting is the possibility that – you know, the Iranian tension is not just with Saudi Arabia. It's not just with the U.S. There is a regional conflict that's going on right now, and that does have implications.

Jon B. Alterman: And just two other points. One is that as Israel has gone after Iranian targets, Iranians have died. I mean, Iranians haven't responded. It's sort of an interesting set of data points, that Israel has been quite aggressive, and the Iranians have acted like, you know, we got caught and back off. That hasn't created an escalation. The other thing is I think if Israel were to help Saudi Arabia that would be a bridge too far for Saudi politics. You can talk about a commonality of interest, all the intelligence people can talk about the intelligence things, but if you were to talk to the Saudi public there still is a view that Israel is an illegitimate occupying power that dispossesses the Palestinians and occupies the holy sites, and all those kinds of things. So I think while the crown prince may want to show he's moving in that direction, I don't think that's a place he can go right now.


Bruce Guthrie: Hi. Bruce Guthrie, a retired bureaucrat.

Ages ago the U.S. sent troops to Saudi Arabia for the war in Kuwait, and somebody got ticked off and blew up the World Trade Center because of the U.S. troops that were on sacred soil. Is there any risk that sending more troops to Saudi Arabia is going to cause some other thing that we don't – can't anticipate?

Bob Schieffer: It's a good question.

David Sanger: Yeah, hard to know. But the numbers that we've heard with this additional deployment that was announced on Friday sounds pretty small, we're told under a thousand. So, Seth, what's the total number we've got out there now?

Jon B. Alterman: In the Gulf in general?

David Sanger: In the Gulf in general. We got –

Jon B. Alterman: It depends where you put the boundaries. It's 16-18 something like that.

Bob Schieffer: We got a lot of equipment there.
Seth G. Jones: And that is the difference, I think, is we’re talking – I mean, we had divisions deploy with aircraft. We’ve got very small numbers right now.

David Sanger: Yeah, so I – you know, is it possible the somebody’s going to react badly? Yes. But I think that’s the lesser of the risks right now. I think we needed to do something to show the Saudis that we were sort of behind them. But, you know, I think the issue that was mentioned at the very beginning, I think by Jon, is exactly right, that if we do nothing with a significant attack on the Saudi oil facilities, the president’s instinct may be right but may be read by the Iranians as a license to go off and push more. And that’s just the realities of the way the Mideast runs. Now, that’s not necessarily an argument for the United States getting deeply involved, because we’ve gotten ourselves in a lot of trouble in the region by coming up with reasons like that. But let’s not kid ourselves. If the Iranians feel at the end of the day that they did not end up pushing the boundaries with this, they’ll do something more.

Jon B. Alterman: And just on your point about bin Laden, I think the Saudis run a much tighter ship now than they did then, ideologically, in terms of surveillance, I mean, just I think – you know, one of the things Bob Jordan’s piece in Politico talked about today is the Saudis in 2002 were in denial about 9/11. The Saudis are not in denial. They have a totally different way of dealing with internal extremism. And I think it’s hard for that kind of movement to emerge in the same way because, you know, after they started getting attacked in 2006, they got very serious.

Bob Schieffer: Here, some ladies. We have had no women at this point.

Arua Mokdad: Hello. Arua Mokdad. Thank you all for your time today.

I wanted to know, how do you think these recent attacks will impact the war and humanitarian crisis in Yemen? Thank you.

Bob Schieffer: Whoever would like to take it.

Jon B. Alterman: The question was how does the attack affect the war in Yemen? Yeah.

Bob Schieffer: It’s very difficult. By the way, the acoustics in this room are just awful from up here. So if we have to ask you to repeat the question, we just –

Jon B. Alterman: No, I heard it. She asked –

Bob Schieffer: You got it.

Jon B. Alterman: Yeah, the question was how the attack on Abqaiq and Khurais will affect the humanitarian situation in Yemen. You know, I think, frankly, it kicks off precisely the discussion we were having here, precisely the question Bob Jordan was addressing in Politico today. Does the U.S. have a responsibility to move Saudi policy on Yemen? Is acquiescing to the Saudi direction on Yemen in America’s interest? I think from what I’ve seen – and I’m sure you’ve spoken to people as well – this is a debate that has been simmering in Washington for more than a year. It feels, to me, like it’s in a different place. I keep hearing the Saudis are looking for the door on Yemen. Clearly the Emiratis have gone out the door on Yemen.
What that means for Yemen, what it means for the diplomacy on Yemen, all those other things, is different. But it does feel to me like there’s a broader debate, perhaps accentuated by the question: What are we going to do for the Saudis now? Where discomfort with MBS, Khashoggi, the arrests in the Ritz Carlton, with all those other things, I think it’s creating a different debate, added to the urgency about what are we going to do about Abqaiq and Khurais, that will have us, I think, make some decisions.

Again, by time you actually get to poor people in Yemen getting food and medicine, I don’t know how it looks there, I don’t know what the timeframe is. But it feels to me like this is one of a set of ingredients that is really churning in Washington in a way it wasn’t even six months ago.

Seth G. Jones: I’m not sure this is good news for Yemen. And my concern is that as long as there is conflict between the Saudis and the Iranians, Yemen is a battlefield between those two. And so what does that mean, in a sense? Again, at least 250 attacks between July 2016 and July 2019 by the Houthis in Yemen against Saudi critical infrastructure – pipelines, oil facilities. And look at it from an Iranian standpoint. This is cheap. The Saudis are using fixed-wing, multimillion-dollar aircraft to take down backyard drones that are coming across the border. This is a way to use limited amounts of money and some technology to have the Saudis burn through large amounts of cash.


Seth G. Jones: And so I think in this sense, as long as there’s a conflict, Yemen is a key battlefield. And who suffers? It’s the Yemenis that suffer.

Bob Schieffer: Back here, this lady right here.

Jennifer Cannon: Hi. I’m Jennifer Cannon, DOD.

For Iran, what does winning look like to them in this conflict?

Bob Schieffer: What does the winning look like?

Jon B. Alterman: Winning look like.

Jennifer Cannon: What’s a win for them? What’s the end-state desire?

Bob Schieffer: Good question.

David Sanger: So the win for the Iranians at this point – you know, you don’t have a long game if you don’t have a short game, right? And the short game here is get the sanctions lifted, because get the sanctions lifted. The sanctions – you know, for all that one can criticize the Trump administration for how they’ve conducted Iran policy, whether they’ve had a process, whether it was smart to get out of the JCPOA or not, you can say this: The sanctions that they have put in place have been far more effective than I guessed they would be a year ago, and I’m betting that what my colleagues guessed they would be a year ago. They have cut into Iranian revenues far more deeply than I think I anticipated at that time.
And so when they went to the Europeans and basically said: $15 billion of a line of credit. That's just to cover what they think their lost sales would be for three months. And what have they been doing? They've been on a steady escalation up of getting out of the Iran deal. And they've done it bit by bit. But by the time they do the next one, assuming they've been doing these every 60 days, there's not going to be a lot left of the JCPOA. And I think the risk that they're running is that at some point the combination of their aggressiveness with the Saudis, assuming they were responsible for this, and the ratcheting up of the nuclear program, is going to trigger some kind of response. The surprise is that it didn't trigger it today at the U.N.

Seth G. Jones:

The Iranians may have a secondary objective. I think the first one, you're exactly right on the getting sanctions relief. But if they don't see a prospect for sanctions relief, and they can make others, including the Saudis, feel some pain, that may be a secondary objective.

Just one caveat on the sanctions, I'm – my view of the sanctions is a little different. I mean, the sanctions have had an impact on the economy, which we talked about. But I think when you look at their missile program, they still have a robust missile program. I haven't seen much significant impact on the missile program. And with Iran's primary paramilitary actor, the Islamic Revolutionary Guard's Quds Force, it still is very active in Syria, it's very active in Lebanon. Hezbollah is part of the government in Lebanon now. The IRGC Quds Force is active, obviously, in Yemen with the Houthis. And it's active with the Hashd al-Shaabi in Iraq. It's also providing assistance to non-state actors in Afghanistan, Pakistan, Bahrain,

So from my standpoint, the economy's impacted but the Iranians are pretty engaged in a range of activities in ways that look like they're still – those key institutions are still getting funding.

Jon B. Alterman:

That's because they see it as vital for defense.

Look, I think, to answer your question – and I've been thinking about it, because I'm actually drawing up a proposal to actually study this in a really serious way, looking from different perspectives, not just Iranian. But I think their sense of winning, their sense of victory ultimately comes down to survival. They think this is existential – existential. And that means that people behave differently. It's not about profiting, it's not about maximizing, it's existential. And that begins to explain why you're doing the forward strategy, fighting them there so we don't have to fight them here. I think these guys really think it is all about living to see another day.

Bob Schieffer:

All right. One more question. Back there in the back.

Mehdi Haider:

Hi. My name is Mehdi Haider. I'm with the International Center for Religion and Diplomacy.

So going off of what you were just saying, sanctions are – they tend to affect the people more than the regime. And the regime, like you said, in some respects, is still very strong. It's an existential threat. And we saw in Iraq the same thing, that the people suffered but Saddam stayed in power. So my question is, that the root of the problem is that the power dynamics in the region that have changed in the
post-Iraq invasion haven’t been recognized. That the Shias in the region have acquired significantly more power. And today and for the past probably decade, Iran hasn’t had a seat at the table in the region that it deserves, which President Obama tried to do with – I believe with the deal, and obviously Saudi Arabia reacted negatively towards that. How would you see a potential political solution coming about? How do you bring Saudi Arabia to the table, willing to actually make room for Iran? And the other – you know, the GCC or the Emirates, et cetera? Thank you.

Jon B. Alterman: Well, in many ways that was what the Obama administration’s strategy was, that there needs – the region needs to come to its own equilibrium without the U.S. continuing to put its thumb on the scale. I think ultimately the most important ingredient of all of this is time. And there has to be purpose of time. There has to be a process going on. There have to be things that build confidence. And the Iranians have this way of undermining confidence over time. But it seems to me that ultimately there is no perfect deal that would reassure the Saudis, that would reassure the Iranians, that would persuade the – I’m sorry – that would reassure the Israelis and the Saudis and that the Iranians would say, OK, we’ve gotten what we need.

The only way to do that is over time, but it seems to me that the broader principle – which everyone in the region accepts – is Iran is going to be there for a really long time. And the question is, how do you create some rules of the road that really start to seem like rules that people can live with? Whether it’s a nuclear deal that we can live with through successive administrations, whether it’s the Saudis deciding that they actually have limits, where the Iranians decide that they have limits and they’re not going to be so adventurous in the region. I think this is complicated. I am convinced, personally, that Iran is going to be a policy problem for the United States for the rest of my professional career, which is not to say we should stop working on it. Which is not to say it’s not important. But it is to say that we should be modest in our expectations of how much we can get in one year, three years, five years. This, in the best-case scenario, is going to be a multidecade effort.

Bob Schieffer: All right. On that, thank you all for coming, on behalf of CSIS and TCU.

(END)