

## Iran: Background and U.S. Policy

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#### **SUMMARY**

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## Iran: Background and U.S. Policy

Dynamics between the United States and the Islamic Republic of Iran have shifted in the past year: after Iran faced significant military and strategic setbacks in 2024, largely at the hands of Israel and the United States, U.S. and Iranian diplomats are now engaged in the first diplomatic talks in years over Iran's nuclear program. U.S. partners and adversaries are likely to consider the outcomes of that engagement in making future assumptions and policy decisions. Congress, which has overseen and shaped U.S. policy toward longtime adversary Iran, may use legislative policy tools to influence U.S.-Iran discussions and respond to their results.

Successive U.S. Administrations have identified several Iranian policies as challenges to U.S. interests, including the Iranian government's support for terrorist groups and other partners across the Middle East region (sometimes referred to as the 'axis of resistance'); Iran's missile and nuclear programs; its human rights violations; and its deepening ties with Russia and the People's Republic of China. Congress has played a major role in shaping U.S. policy toward Iran, including by authorizing extensive U.S. sanctions, reviewing past diplomatic agreements with Iran, and funding support to U.S. partners facing Iranian threats. Iran and the United States do not have formal diplomatic relations and have largely acted antagonistically since the Iranian Revolution of 1979 but have periodically participated in bilateral or multilateral negotiations. Opposition to the United States and its regional influence has been a defining feature of the Islamic Republic's identity and ideology since its establishment.

Iran-backed groups began a parallel campaign of attacks on Israeli, U.S., and other targets across the Middle East in the aftermath of the October 2023 attack on Israel led by Hamas (a longtime recipient of Iranian support) and the onset of the Israel-Hamas war. The United States and various U.S. partners sought to deter and respond to these attacks, including via military action. Iran directly attacked Israel on two occasions, and the United States and other U.S. partners contributed to Israel's defense. In 2024, Iran's regional position weakened significantly, raising questions about the future viability of the "axis of resistance": Israel severely degraded Hezbollah in Lebanon and Hamas in Gaza, and regime change in Syria removed a longtime Iranian ally. These setbacks, as well as the reportedly underwhelming performance and uncertain future of Iran's once-vaunted ballistic missile program, suggest that Iran's leaders may no longer be able to rely as much on these traditional asymmetric methods of Iranian power projection. The apparent degradation of some of Iran's regional allies, and the failure of these groups and Iran's own capabilities to deter direct Israeli military action against Iran and its allies, have sparked debate among Iranian policymakers about the future of Iran's strategic calculus, including its nuclear program.

Weeks after retaking office, President Donald Trump directed the imposition of 'maximum pressure' on the Iranian regime via sanctions, legal action, and other means to "end its nuclear threat" and abandon its support for terrorist groups. President Trump has threatened U.S. military action against Iran (and has increased the U.S. force posture in the region) while expressing his preference for a deal that ensures Iran cannot obtain a nuclear weapon. In April 2025, U.S. and Iranian officials began diplomatic talks around such a deal. President Trump in 2018 ceased U.S. participation in a prior multilateral accord, the 2015 Joint Comprehensive Plan of Action (JCPOA), which imposed restraints on Iran's nuclear activities in exchange for relief from most U.S. and international sanctions. The U.S. intelligence community continues to assess that Iran is not currently undertaking nuclear weapons-related activities, but that Iran could enrich enough uranium for more than a dozen nuclear weapons within weeks if it chose to do so. Iran's enrichment capabilities appear central to ongoing talks.

As of May 2025, President Trump has said the two sides are "close" to a deal. Depending on whether or not an accord emerges and its possible contours, U.S. and Israeli interests could align or diverge, particularly if Israeli officials (some of whom have reportedly favored military action against Iran) assess that the components of a U.S.-Iran agreement do not meet Israel's national security needs. In early 2025, President Trump reportedly discouraged an Israeli plan to strike Iran's nuclear facilities that may have anticipated U.S. support. Saudi Arabia and some other regional allies have expressed support for U.S.-Iran talks, perhaps a result of their own rapprochement with Iran in recent years.

U.S.-Iran diplomacy and the responses of regional and global actors to U.S. policy may prompt new issues, decisions, and debates for Congress. If talks lead to a formal agreement on Iran's nuclear program, current law requires the Administration to submit the accord for congressional review. Congress could assess a nuclear agreement on its merits and weigh whether or how to engage on other issues of congressional concern such as regional security and human rights. Congress could exercise oversight of executive branch actions (including the content and conduct of negotiations) and could consider measures supporting, opposing, or placing conditions on the relaxation or removal of U.S. sanctions on Iran. Were talks not to result in an agreement or to end acrimoniously, Congress could take action with respect to the authorization, costs, and possible outcomes of U.S. military action against Iran and questions related to U.S. support to Israel or other U.S. partners potentially threatened by Iran.

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## **Overview and Issues for Congress**

The Islamic Republic of Iran, the second-largest country in the Middle East by size (after Saudi Arabia) and population (after Egypt), has for decades played an assertive, and by many accounts destabilizing, role in the region and beyond. Iran also derives influence from its oil reserves (the world's fourth largest) and its status as the world's most populous Shia Muslim country.



Figure I. Iran at a Glance

Geography	Total Area: 1,648,195 sq km (636,372 sq. miles), 2.5 times the size of Texas
People	Population: 88,386,937 (17th largest in the world)
	% of Population 14 or Younger: 23.3%
	Religion: Muslim 98.5% (90-95% Shia, 5-10% Sunni), other (Christina, Baha'i, Zoroastrian, Jewish) 1.5% (2020)
	Literacy: 88.7% (male 92.4%, female 88.7%) (2021)
Economy	GDP Per Capita (at purchasing power parity): \$21,220 (2024, 78th in the world)
	Real GDP Growth: 3.3%
	Year-on-year Inflation: 37.5%
	Unemployment: 8% (2024 forecast)
	Major Export Partners: China (36%), Turkey (20%), Kuwait (6%), Pakistan (5%)
	Major Import Partners: China (28%), UAE (19%), Brazil (13%), Turkey (9%)

**Source:** Graphic created by CRS. Fact information (2024 estimates unless otherwise specified) from Economist Intelligence Unit, International Monetary Fund, and Central Intelligence Agency, *The World Factbook*.

Since the 1979 Iranian Revolution that overthrew the U.S.-backed Shah and ushered in the Islamic Republic, Iran has presented a major foreign policy challenge for the United States, with successive U.S. Administrations identifying Iran and its activities as a threat to the United States and its interests. Of particular concern are the Iranian government's nuclear program, its military capabilities, its support for terrorist groups, and its partnerships with Russia and the People's Republic of China (PRC). The U.S. government has condemned the Iranian government's human rights violations and detention of U.S. citizens and others, and has wrestled with how to support protest movements in Iran. The United States has used a range of policy tools intended to reduce the threat posed by Iran, including sanctions, limited military action, and diplomatic engagement.

Congress has played a key role in shaping U.S. policy toward Iran, authorizing extensive U.S. sanctions, providing aid and authorizing arms sales for partners threatened by Iran, seeking to influence negotiations over Iran's nuclear program, and enacting legislation that requires congressional review of related agreements (the Iran Nuclear Agreement Review Act of 2015, or INARA, P.L. 114-17). Much of that legislative activity was related to the 2015 Joint Comprehensive Plan of Action (JCPOA), which restricted Iran's nuclear program in return for relief from most U.S. and international sanctions; the Trump Administration ceased U.S. participation in the agreement in 2018 as part of its strategy to deploy "maximum pressure" against Iran. Biden Administration attempts to reestablish mutual compliance with the JCPOA foundered amid other developments, such as nationwide unrest in Iran and Iran's provision of weapons to Russia for use in Ukraine.

The October 2023 attack on Israel led by Hamas, an Iran-backed Palestinian Sunni Islamist group (and U.S. designated Foreign Terrorist Organization, or FTO), and subsequent attacks on U.S. forces and other targets by Iran-supported groups in Lebanon, Iraq, and Yemen, have sharpened congressional attention on Iran's regional activities. Since summer 2024, Iran and the groups it supports have experienced key setbacks, including the killing of multiple Hamas leaders, major losses for Lebanese Hezbollah, the fall of the Asad regime in Syria, U.S. and Israeli strikes against the Iran-backed Houthis in Yemen, and direct military exchanges between Israel and Iran in which Iran appears to have suffered greater harm than it was able to inflict on Israel.

In February 2025, President Donald Trump announced the imposition of "maximum pressure on the Iranian regime to end its nuclear threat, curtail its ballistic missile program, and stop its support for terrorist groups." The next month, he sent a letter to Iranian Supreme Leader Ali Khamenei encouraging negotiations on Iran's nuclear program, reportedly setting a two-month deadline to reach a deal; talks involving U.S. and Iranian diplomats began in April 2025 and continued in May. During his May 2025 visit to the Middle East, President Trump said, "I think we're getting close to maybe doing a deal" but also said "we don't have a lot of time to wait." Changes in the pace and progress of talks could change President Trump's calculations regarding diplomacy and possible military action. Congress has not explicitly authorized the use of military force against Iran. The President has consistently expressed that he prefers diplomacy but is prepared to use force. The United States moved additional military assets into the Middle East region in early 2025.

U.S.-Iran diplomacy and the responses of regional and global actors to U.S. policy may prompt new issues, decisions, and debates for Congress. If talks lead to a formal agreement on Iran's nuclear program, the Administration would be required to submit the accord for congressional review under INARA. Congress could assess a nuclear agreement on its merits and weigh whether or how to engage on other issues of congressional concern such as regional security and human rights. Congress could exercise oversight of executive branch actions (including the content and conduct of negotiations) and could consider measures supporting, opposing, or placing conditions on the relaxation or removal of U.S. sanctions on Iran. Were talks not to result in an agreement or to end acrimoniously, Congress could face decisions about the authorization, costs, and likely outcomes of U.S. military action against Iran and questions related to U.S. support to Israel or other U.S. partners potentially threatened by Iran.

Depending on the contours of any agreement that might materialize, U.S. and Israeli interests could align or diverge, particularly if Israeli officials assess that Iran could reverse some of the setbacks it suffered in military exchanges with Israel last year, or that the components of a U.S.-Iran agreement do not meet Israel's national security needs. In early 2025, President Trump reportedly discouraged an Israeli plan to strike Iran's nuclear facilities that may have anticipated

U.S. support, though U.S.-Israel consultations on a possible strike may intensify given some reports about ongoing Israeli military preparations in anticipation that U.S.-Iran talks might stall.

## Iran's "Axis of Resistance" and Regional Conflict

Iran-backed groups such as Lebanon's Hezbollah, Iraq's armed Shia militias, and Yemen's Ansarallah/Houthis, are distinct in their motives and capabilities, but collaborate and sometimes refer to themselves as the "axis of resistance." At different times and in different contexts over a period of decades, these groups have threatened various U.S. interests. Since 2023, they have engaged militarily against U.S. forces and partners across multiple fronts to a degree not previously seen. Setbacks to Iran and the groups it supports, including military operations in 2024 and 2025 by Israeli and U.S. forces, appear to have altered the balance of power in the Middle East, though Iran-backed groups retain some capabilities and have demonstrated resilience in the past.

#### **Background**

To advance its priorities, such as reducing U.S. regional influence, defending Shia communities in other countries, and projecting power, Iran has pursued a strategy of backing political and armed groups in the Middle East (see **Figure 2**). Support for foreign partners, a pillar of the Iranian government's foreign policy since the 1979 founding of the Islamic Republic, has carried strategic benefits and risks for Iran. Iranian leaders might have seen supporting armed groups as a cost-effective way to project power, given that Iran lacks some key conventional military capabilities (such as modern fighter jets). Iran-backed groups often have been both relatively decentralized and "deeply embedded in the socio-political fabric" of the countries in which they have operated.<sup>1</sup>

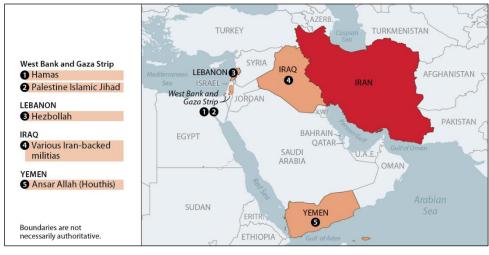


Figure 2. Selected Iran-Backed Groups

**Source:** Created by CRS, based on U.S. Department of State, *Country Reports on Terrorism* and other open sources.

<sup>&</sup>lt;sup>1</sup> Andreas Krief, "Network model shows resilience as Iran-Israel clash expands," *Amwaj.media*, July 15, 2024; Renad Mansour et al., "The shape-shifting 'axis of resistance': How Iran and its networks adapt to external pressures," Chatham House, March 2025.

The sometimes-opaque nature of Iranian support for these groups may also allow Iran to attempt to deny responsibility for its beneficiaries' actions. Nonetheless, the United States and others may still seek to hold Iran accountable, including for actions that Iran may not have specifically directed or approved in advance. For example, in March 2025, President Trump stated that attacks from the Houthis would be regarded as attacks from Iran and that Iran "will be held responsible, and suffer the consequences" of Houthi attacks.

U.S. government statements have catalogued Iranian support to various armed groups, including the "funding, training, weapons, and equipment" that Iran has provided to them.<sup>4</sup> Experts debate the nature of Iranian influence over these groups and their activities. Some contend that the groups are "mere appendages" of Iran that directly follow Tehran's orders.<sup>5</sup> Others assert that these groups have their own origins and grievances, "varying degrees of autonomy," and "symbiotic" relationships with Tehran, and sometimes take actions independent of those of the Iranian government.<sup>6</sup> The Intelligence Community's 2025 *Annual Threat Assessment* describes the axis of resistance as "a loose consortium of like-minded terrorist and militant actors."

The Iranian government's support for regional groups is coordinated by Iran's **Islamic Revolutionary Guard Corps (IRGC)**. The IRGC is a parallel military institution to Iran's regular armed forces, plays a major unofficial role in Iran's economy, and is responsible for regime security. The **IRGC-Qods Force (IRGC-QF)** is the IRGC component "responsible for conducting covert lethal activities outside of Iran, including asymmetric and terrorist operations." Both the IRGC and the IRGC-QF are designated for U.S. sanctions under terrorism-related authorities, as are many of the Iran-supported regional armed groups below.

#### Attacks and Setbacks Since October 2023

In the aftermath of the October 2023 Hamas-led attack on Israel, a number of Iran-backed groups began attacking Israeli, U.S., and other targets in unprecedented coordination. <sup>10</sup> The United States, Israel, and various other U.S. partners have sought to deter and respond to these attacks, including via military action. Since summer 2024, this Iranian strategy has faced multiple setbacks, raising questions about the future viability of the "axis of resistance" and Iran's support for and relations with each group comprising it.

<sup>&</sup>lt;sup>2</sup> Nakissa Jahanbani et al., "How Iranian-backed militias do political signaling," *Lawfare*, December 18, 2023.

<sup>&</sup>lt;sup>3</sup> Idrees Ali et al., "Trump vows to hold Iran responsible for Houthi attacks," Reuters, March 18, 2025.

<sup>&</sup>lt;sup>4</sup> State Department, Country Reports on Terrorism 2023.

<sup>&</sup>lt;sup>5</sup> Patrick Wintour, "As Middle East Crisis Grows, Does Iran have Control of its Proxy Forces?" *Guardian*, January 6, 2024.

<sup>&</sup>lt;sup>6</sup> Sara Harmouch and Nakissa Jahanbani, "How much influence does Iran have over its proxies?" *Defense One*, January 23, 2024.

<sup>&</sup>lt;sup>7</sup> Office of the Director of National Intelligence (ODNI), *Annual Threat Assessment of the U.S. Intelligence Community*, March 25, 2025. See also Erin Banco, "US Intelligence Officials Estimate Tehran Does Not have Full Control of its Proxy Groups," *Politico*, February 1, 2024.

<sup>&</sup>lt;sup>8</sup> National Counterterrorism Center (NCTC), "Foreign Terrorist Organizations: Islamic Revolutionary Guard Corps," March 2022.

<sup>&</sup>lt;sup>9</sup> NCTC, "FTOs: IRGC." Executive Order 13224 of September 23, 2001, "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism," 66 *Federal Register* 49079, as amended.

<sup>&</sup>lt;sup>10</sup> Amir Hossein Vazirian, "Iran's unification of the arenas campaign against Israel: Foundations and prospects," Middle East Institute, September 26, 2023; Raz Zimmt, "'Unification of the arenas' might turn from an opportunity for Iran into a threat," Atlantic Council, March 22, 2024.

- In the Gaza Strip and West Bank,<sup>11</sup> the Iranian government has supported Hamas for decades, going back nearly to the group's inception in the late 1980s.<sup>12</sup> Iranian officials expressed enthusiastic support for the October 2023 Hamas-led attack on Israel, but "did not orchestrate nor had foreknowledge of" the attack, per the Intelligence Community's 2024 Annual Threat Assessment.<sup>13</sup> In July 2024, Israel killed Hamas political leader Ismail Haniyeh in Tehran, when he visited to attend the inauguration of Iranian President Masoud Pezeshkian. While Israeli officials and outside observers continue to debate the achievability of Israel's stated war aim of destroying Hamas's military and political capacities in Gaza, then-Defense Minister Yoav Gallant said in October 2024 that Iran could no longer effectively use Hamas in Gaza against Israel.<sup>14</sup> In light of Hamas setbacks in Gaza, Iran has reportedly shifted some of its focus to supporting Palestinian militants in the West Bank.<sup>15</sup>
- In **Lebanon**, Hezbollah, backed by Iran since the group's founding in the 1980s and once seen as the "crown jewel" of Iranian foreign policy, began firing into Israel in support of Hamas on October 8, 2023. In September 2024 Israel killed longtime Hezbollah leader Hassan Nasrallah in an airstrike in Beirut, an attack that also killed an Iranian Islamic Revolutionary Guard Corps (IRGC) general. Israel also launched ground operations against the group in southern Lebanon. After two months of fighting and the loss of significant manpower and parts of its arsenal, Hezbollah acceded to a U.S.- and French-brokered November 2024 cease-fire with Israel. Even as some Iranian officials hailed the agreement as a Hezbollah victory, Tehran reportedly pushed for the cease-fire to prevent the group's further weakening. Per some media sources, some in Hezbollah criticized Iran and other Iran-backed groups for not having done more to support it.
- In **Iraq and Syria**, Iran-backed groups increased their attacks against U.S. forces after October 2023. <sup>19</sup> Those attacks left dozens of U.S. troops injured and three

<sup>&</sup>lt;sup>11</sup> Some Israelis and U.S. lawmakers refer to the West Bank as "Judea and Samaria," the biblical names for the region. See the proposed Recognizing Judea and Samaria Act (S. 384 and H.R. 902) and Ephrat Livni, "U.S. Evangelicals Press for Annexation of West Bank," *New York Times*, March 10, 2025. The Department of State uses the term "West Bank" under regulations last updated in March 2024. See https://fam.state.gov/FAM/05FAH03/05FAH030410.html.

<sup>&</sup>lt;sup>12</sup> U.S. State Department, *Patterns of Global Terrorism: 1986*, January 1988 and *Patterns of Global Terrorism: 1989*, April 1990; Fabian Hinz, "Iran transfers rockets to Palestinian groups," Wilson Center, May 19, 2021; Adnan Abu Amer, "Report outlines how Iran smuggles arms to Hamas," *Al-Monitor*, April 9, 2021; U.S. State Department, *Outlaw Regime: A Chronicle of Iran's Destructive Activities*, September 2020.

<sup>&</sup>lt;sup>13</sup> ODNI, Annual Threat Assessment of the U.S. Intelligence Community, February 5, 2024.

<sup>&</sup>lt;sup>14</sup> "Israeli defence minister: Hamas, Hezbollah no longer effective proxies for Iran," Reuters, October 27, 2024.

<sup>&</sup>lt;sup>15</sup> Ben Caspit, "Israel sees surge in Iran weapons smuggling to West Bank via Jordan," *Al-Monitor*, January 7, 2025; "Iran struggling to support Hamas in Gaza as war resumes – Israeli intelligence center," *Iran International*, March 23, 2025.

<sup>&</sup>lt;sup>16</sup> Dana Khraiche, "Iran's 'crown jewel' has much to lose from a full-blown war with Israel," *Bloomberg*, November 17, 2023; Jeffrey Feltman and Kevin Huggard, "On Hezbollah, Lebanon, and the risk of escalation," Brookings Institution, November 17, 2023.

<sup>&</sup>lt;sup>17</sup> "Report: US 'side letter' to Israel pledges to share intelligence on Hezbollah activity after ceasefire, cooperate against Iranian threat," *Times of Israel*, November 27, 2024.

<sup>&</sup>lt;sup>18</sup> Susannah George et al., "After setbacks, Iran sees Lebanon cease-fire as chance to regroup," *Washington Post*, November 30, 2024; Giorgio Cafiero, "How Iran views the Hezbollah-Iran ceasefire in Lebanon," *New Arab*, December 3, 2024.

<sup>&</sup>lt;sup>19</sup> CRS Insight IN12309, *Iraq: Attacks and U.S. Strikes Reopen Discussion of U.S. Military Presence*, by Christopher M. Blanchard.

- dead (in Jordan).<sup>20</sup> In response, the U.S. military conducted occasional airstrikes on Iran-linked targets in both Syria and Iraq, including some facilities used by IRGC personnel. Groups in Iraq also targeted Israel.
- In Yemen, the Iran-backed Houthi movement has claimed several drone and missile attacks against Israel, asserting solidarity with Hamas and Palestinians in Gaza. While many have been intercepted by Israeli or U.S. forces, some have struck Israel, leading to retaliatory Israeli airstrikes in Yemen. The Houthis also began attacking vessels in the Red Sea in November 2023, prompting U.S. and allied airstrikes against Houthi positions starting in January 2024. After an expanded campaign of U.S. strikes in Yemen began in March 2025, President Trump posted on social media that "while Iran has lessened its intensity on Military Equipment and General Support to the Houthis, they are still sending large levels of Supplies." In May 2025, the Houthis reportedly agreed to stop targeting U.S. warships (though a Houthi spokesperson said they will continue to target Israel) in return for a halt to U.S. airstrikes, an arrangement possibly encouraged by Iran.
- In December 2024, **then-Syrian President Bashar al Asad** fled the country as his forces collapsed in the face of an offensive by armed opposition groups. Biden Administration officials and many outside observers attributed Asad's downfall at least in part to what they said was the weakening of his main supporters Iran, Hezbollah, and Russia. <sup>25</sup> Iranian officials have said that after Asad's ouster, which Supreme Leader Ali Khamenei blamed on an "American-Zionist plot," no Iranian forces remain in Syria. <sup>26</sup> In January 2025, Syrian authorities reportedly banned Iranians from entering the country.

Iran also engaged in two direct military exchanges with Israel, in April and October 2024. In both cases, the United States and other partners helped counter Iranian missile and drone attacks on Israel. According to various sources, Israel's October strikes substantially degraded Iran's ballistic missile production capabilities and air defenses.<sup>27</sup>

<sup>&</sup>lt;sup>20</sup> Carla Babb, "US forces attacked 151 times in Iraq, Syria during Biden presidency," *VOA*, November 17, 2023.U.S. Department of Defense (DOD), "Pentagon Press Secretary Maj. Gen. Pat Ryder Holds a Press Briefing," January 4, 2024. For a frequently updated collection of claimed attacks, see Michael Knights, Amir al-Kaabi, and Hamdi Malik, "Tracking Anti-U.S. Strikes in Iraq and Syria During the Gaza Crisis," Washington Institute for Near East Policy.

<sup>&</sup>lt;sup>21</sup> CRS Insight IN12391, *Israel and Houthis in Yemen: Attacks Highlight Regional Conflict Risks*, coordinated by Christopher M. Blanchard.

<sup>&</sup>lt;sup>22</sup> For more, see CRS Insight IN12301, *Houthi Attacks in the Red Sea: Issues for Congress*, by Christopher M. Blanchard.

<sup>&</sup>lt;sup>23</sup> Post available at https://truthsocial.com/@realDonaldTrump/posts/114190034933659125.

<sup>&</sup>lt;sup>24</sup> Zolan Kanno-Youngs and Vivian Nereim, "Trump says the U.S. will cease strikes on Houthi militants," *New York Times*, May 6, 2025; "Yemen's Houthis say attacks on Israel not in US ceasefire deal in 'any way,' *Al Jazeera*, May 7, 2025.

<sup>&</sup>lt;sup>25</sup> See, for example, "Remarks by President Biden on the latest developments in Syria," White House, December 10, 2024.

<sup>&</sup>lt;sup>26</sup> Maziar Motamedi, "What is Iran signaling since the fall of Syria's Bashar al-Assad?" *Al Jazeera*, December 10, 2024.

<sup>&</sup>lt;sup>27</sup> In December 2024, the United Kingdom's chief of defense staff said that the Israeli attack "took down nearly the entirety of Iran's air-defense system" and "destroyed Iran's ability to produce ballistic missiles for a year," an assessment echoed by a senior U.S. official the same month. "UK Defense Chief: Israel destroyed Iran's ballistic missile production for a year," *Iran International*, December 5, 2024; "Background press call on the situation in Syria," White House, December 9, 2024.

#### **Assessing Impact**

Together, these setbacks cast doubt on the viability of Iran's strategy of putting pressure on, and deterring direct attacks from, Israel and the United States by supporting regional armed groups. Even before the December 2024 fall of the Asad regime, the apparent attenuation of Hamas and Hezbollah led some to argue that Iran's regional strategy had failed and that the axis "was more or less a propaganda fiction to enhance the prestige of the Islamic Republic." For Iran, Hezbollah's weakening is damaging not just because Iran's most valued and supposedly powerful ally has lost most of its senior leaders, thousands of fighters, and as much as 80% of its oncevaunted drone and missile arsenal to Israeli operations, but also because that ally has failed to prevent or deter direct Israeli attacks, including on Iran itself. As one analyst assessed, events in 2024 showed that "[w]hile Iran will use its partners in defense of itself, the reverse is not true, and it is unlikely to go to war with Israel to save one of those partners." <sup>29</sup>

The fall of the Asad regime in Syria arguably represents an even more critical blow to Iran's regional outlook; one Iranian observer described Syria as "the backbone of our regional presence." In the aftermath of regime change in Syria, some in Iran, including former government officials, have publicly questioned the wisdom of Iran's past support for Asad and called for a new, less confrontational approach to the region. Iran's ability to rebuild Hezbollah is likely to be constrained in the aftermath of Asad's downfall, though much depends on the evolution of governing arrangements in Syria. One observer cautions that "Iranian arms smuggling has historically thrived in collapsed or weak state environments." During Asad's rule, Iran and groups it supports were able to threaten neighboring Israel directly from Syria, where they were often the target of Israeli airstrikes. Syria was also a key territorial link in Iran's provision of weaponry to militants in the West Bank.

#### Iran's Options

Tactically, Iran's regional activities going forward could focus more on partners in Iraq (where after discussions with the Iraqi government, the U.S. government announced in September 2024 that the U.S.-led coalition's military mission would end within a year) and Yemen. However, various factors could limit the effectiveness of these groups as alternatives to Hezbollah for Iran, including the resistance of some Iraqis to greater Iranian influence wielded via Iran-backed Iraqi militias; doctrinal and ideological differences between the Iranian government and the Houthis; and Iraqi and Yemeni groups' evidently smaller arsenals, local political and security constraints, and greater geographic distance from Israel.<sup>34</sup> The Houthis acceded to a May 2025 ceasefire with the United States but a spokesperson said they intend to continue attacks on Israel, while Iran-backed Iraqi groups reportedly debate how to calibrate their activities amid threatened Israeli

<sup>&</sup>lt;sup>28</sup> Ben Hubbard and Alissa Rubin, "Facing a big test, Iran's 'axis of resistance' flails," *New York Times*, September 30, 2024.

<sup>&</sup>lt;sup>29</sup> Dan De Luce, "Is Iran's 'axis of resistance' collapsing under Israeli attacks?" NBC News, September 30, 2024.

<sup>&</sup>lt;sup>30</sup> Farnaz Fassihi, "In the Syrian regime's hour of need, its patron Iran makes an exit," *New York Times*, December 7, 2024.

<sup>&</sup>lt;sup>31</sup> Farnaz Fassihi, "The Syrian upheaval has Iranian leaders reeling, too," New York Times, December 13, 2024.

<sup>&</sup>lt;sup>32</sup> Michael Knights, "Don't assume Iran's supply lines to Hezbollah are cut," Washington Institute for Near East Policy, December 12, 2024.

<sup>&</sup>lt;sup>33</sup> Farnaz Fassihi et al., "Iran smuggles arms to West Bank, officials say, to foment unrest with Israel," *New York Times*, April 4, 2024.

<sup>&</sup>lt;sup>34</sup> Matthew Bey, "Iran grapples with a weakened axis of resistance," Stratfor, October 2, 2024.

strikes in Iraq, U.S.-Iran talks, and Iraq's November 2025 national election. Iran could also increase its efforts to foment instability in the West Bank by supporting militants there.

More fundamentally, the Iranian government continues to face a strategic conundrum: the regime has reportedly assessed that it could lose domestic and international legitimacy by not responding to Israeli attacks, but would be unlikely to prevail in the all-out war with the United States and/or Israel that forceful reprisals could provoke.<sup>35</sup> While Iran and the groups it supports retain some capability to counter or threaten regional rivals, their underwhelming military performance in 2024 has led some observers to predict that Iranian leaders may seek to advance the country's nuclear program as a more effective and reliable means of deterrence (see "Iran's Nuclear Program" below), particularly if U.S. and/or Israeli leaders attempt to press what they see as an advantage over a weakened Iranian regime.<sup>36</sup>

## U.S.-Iran Relations: Background and 2025 Nuclear Talks

U.S.-Iran relations have been mostly adversarial since the 1979 Iranian Revolution, which deposed Shah Mohammad Reza Pahlavi, an authoritarian monarch who was a close U.S. ally, and led to the establishment of the Islamic Republic. The United States and Iran have not had diplomatic relations since 1980, following the U.S. Embassy hostage crisis.<sup>37</sup>

U.S.-Iran tensions continued in the following decade, punctuated by armed confrontations in the Gulf and Iran-backed terrorist attacks (including the 1983 bombings of the U.S. Embassy and Marine barracks in Beirut). U.S. sanctions, first imposed in 1979, continued apace with the U.S. government designating Iran as a state sponsor of acts of international terrorism in 1984, an embargo on U.S. trade with and investment in Iran in 1995, and the first imposition of secondary sanctions (U.S. penalties against foreign firms that invest in Iran's energy sector) in 1996.

Bilateral relations briefly improved during the late 1990s, but tensions rose again in the early 2000s amid reports of heightened Iranian armed support for Palestinian groups and the revelation of previously undisclosed nuclear facilities in Iran.<sup>38</sup> The United Nations Security Council imposed sanctions on Iran's nuclear program in response to concerns that the program could enable Iranian nuclear weapons development. Also during this time frame, Congress enacted major legislation significantly increasing sanctions on Iran, particularly on its oil exports. U.S. officials credited sanctions with bringing Iran to the negotiating table; multilateral talks around Iran's nuclear program culminated in the 2015 nuclear agreement (Joint Comprehensive Plan of Action, JCPOA) that placed limits on Iran's nuclear activities in exchange for relief from most economic sanctions.<sup>39</sup>

President Donald Trump announced on May 8, 2018, that the United States would cease participating in the JCPOA, reinstating all sanctions that the United States had waived or

<sup>&</sup>lt;sup>35</sup> "Iranian politics and strategy complicate response to Haniyeh killing," Soufan Center, August 20, 2024; Janatan Sayeh, "From 'harsh punishment' to 'tactical retreat' – time isn't on Tehran's side," *Long War Journal*, August 21, 2024.

<sup>&</sup>lt;sup>36</sup> Michael Eisenstadt, "If Iran gets the bomb: Weapons, force posture, strategy," Washington Institute for Near East Policy, November 2024; Amos Harel, "As Syria collapses, will Iran go for the nuclear bomb to reclaim regional deterrence?" *Haaretz*, December 8, 2024.

<sup>&</sup>lt;sup>37</sup> For an account of the crisis, see Mark Bowden, Guests of the Ayatollah (Atlantic Monthly Press, 2006).

<sup>&</sup>lt;sup>38</sup> John Ghazvinian, America and Iran: A History, 1720 to the Present (Knopf, 2021).

<sup>&</sup>lt;sup>39</sup> See, for example, U.S. Department of State, "Remarks on nuclear agreement with Iran," September 2, 2015.

terminated in meeting its JCPOA obligations. In articulating a new Iran strategy in May 2018, then-Secretary of State Mike Pompeo said that due to "unprecedented financial pressure" through reimposed U.S. sanctions, U.S. military deterrence, and U.S. advocacy, "we hope, and indeed we expect, that the Iranian regime will come to its senses." He also laid out 12 demands for any future agreement with Iran, including the withdrawal of Iranian support for armed groups throughout the region. Iran's leaders rejected U.S. demands and insisted the United States return to compliance with the JCPOA before engaging on a new or revised accord.

From mid-2019 on, Iran escalated its regional military activities, at times coming into direct military conflict with the United States. Several Iranian attacks against oil tankers in the Persian Gulf and a September 2019 drone attack against Saudi Arabian oil production facilities further increased tensions. Those tensions spiked with the Trump Administration's January 3, 2020, killing of IRGC-Qods Force commander Qasem Soleimani in Baghdad, and Iran's retaliatory ballistic missile strikes against U.S. forces in Iraq and subsequent attacks by Iran-backed forces in Iraq against U.S. targets. <sup>41</sup> Iran also began exceeding JCPOA-mandated limits on its nuclear activities in 2019, per the International Atomic Energy Agency (IAEA). <sup>42</sup>

The Biden Administration initiated indirect talks with Iran over its nuclear program but discussions petered out amid other developments, such as nationwide unrest in Iran (see **text box**, "2022-2023 Protests" below) and Iran's provision of weapons to Russia for use in Ukraine. In September 2023, Iran and the United States concluded a prisoner exchange, in connection with which the United States facilitated the transfer of \$6 billion of Iranian funds from South Korea (where they had been held as payment for pre-2019 exports of Iranian oil to South Korea) to Qatar. In the wake of the October 2023 Hamas-led attack on Israel, the House passed legislation (H.R. 5961) that would have, among other provisions, directed the President to impose sanctions on any foreign financial institution that engages in transactions with the \$6 billion in Iranian funds. In testimony the following month, a State Department official said of the funds, "Not a penny of this money has been spent and these funds will not go anywhere anytime soon." Iranian officials continue to press Qatar to release the funds.

# Developments under the Second Trump Administration: 'Maximum Pressure' and Negotiations

In February 2025, President Trump signed National Security Presidential Memorandum 2 (NSPM-2), which directs U.S. officials to impose "maximum pressure" on Iran to compel it to abandon its nuclear program and support for terrorist groups. <sup>47</sup> NSPM-2 directs the imposition and enforcement of sanctions, issuance of guidance to industry, pursuit of Iran's diplomatic isolation, and legal steps against Iranian activities inside the United States. In signing NSPM-2 in

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<sup>&</sup>lt;sup>40</sup> "After the Deal: A New Iran Strategy," Heritage Foundation, May 21, 2018.

<sup>&</sup>lt;sup>41</sup> For more, see CRS Report R46148, U.S. Killing of Qasem Soleimani: Frequently Asked Questions.

<sup>&</sup>lt;sup>42</sup> See, for example, IAEA Board of Governors, *Verification and monitoring in the Islamic Republic of Iran in light of United Nations Security Council resolution 2231 (2015)*, November 11, 2019.

<sup>&</sup>lt;sup>43</sup> Ishaan Tharoor, "Is the Iran deal worth salvaging?" *Washington Post*, August 26, 2022; Nahal Toosi, "'Everyone thinks we have magic powers': Biden seeks a balance on Iran," *Politico*, October 25, 2022.

<sup>&</sup>lt;sup>44</sup> The Administration issued a waiver permitting banks in several European countries to engage in the transfer of the Iranian funds from South Korea to Qatar. Lee, "The US moves to advance a prisoner swap deal," op. cit.

<sup>&</sup>lt;sup>45</sup> House Financial Services Subcommittee on Oversight and Investigations holds hearing on Iran's financial support of terrorism, *CQ Congressional Transcripts*, December 13, 2023.

<sup>&</sup>lt;sup>46</sup> Jack Dutton, "Why is Iran urging Qatar to release \$6B in frozen oil payments," Al-Monitor, February 20, 2025.

<sup>&</sup>lt;sup>47</sup> White House, "National Security Presidential Memorandum/NSPM-2," February 4, 2025.

February, President Trump said that he was "torn about" it, adding "hopefully, we're not going to have to use it very much" and reiterating his preference for a "deal." President Trump also indicated that month that he would "much prefer a Verified Nuclear Peace Agreement" with Iran over military action, and that "We should start working on it immediately."

At the same time, Trump Administration officials have consistently stated, as did their counterparts in previous Administrations, that "all options are on the table," potentially including direct U.S. military action. In March 2025, President Trump threatened Iran with "bombing the likes of which they have never seen before" if "they don't make a deal." Throughout spring 2025, the United States reportedly dispatched a "record-breaking" amount of U.S. military assets and materiel to bases across the region, including B-2 stealth bombers. 51

In March 2025, President Trump said that he had sent a letter to Supreme Leader Khamenei saying "I hope you're going to negotiate, because if we have to go in militarily, it's going to be a terrible thing for" Iran.<sup>52</sup> According to one media report, the letter included a two-month deadline for Iran to reach a new nuclear agreement.<sup>53</sup> Iranian officials sent mixed public signals regarding negotiations: some expressed openness to talks under certain conditions, while others cast doubt on the viability of negotiating with the United States.<sup>54</sup> In an April 8, 2025, opinion editorial in the *Washington Post*, Iranian Foreign Minister Abbas Araghchi pointed to Iran's affirmation in the JCPOA that "under no circumstances will Iran ever seek, develop or acquire any nuclear weapons," and argued that "the scope for trade and investment in Iran is unparalleled."<sup>55</sup>

On April 12, 2025, U.S. and Iranian diplomats met for the first such reported engagement in nearly three years. The talks were mostly indirect, with the host government of Oman as an intermediary. The meeting also included a reported face-to-face interaction between U.S. Special Envoy to the Middle East Steve Witkoff and Foreign Minister Araghchi—the first such direct meeting between U.S. and Iranian diplomats since 2017. The two sides met again in Rome (with Omani mediation) on April 19 and in Oman on April 26 and May 11.

While both sides criticize, and deny analyses that compare current engagements to, the JCPOA (see **text box** below), talks appear to center on the same issues: Iran agreeing to potential restrictions on its nuclear program in exchange for the United States agreeing to reduce sanctions pressure on Iran.<sup>57</sup> Iran's enrichment capability appears to be a crucial point: Special Envoy Witkoff said in May that "we have one very, very clear red line, and that is enrichment. We cannot allow even 1 percent of an enrichment capability."<sup>58</sup> President Trump in a May 2025

<sup>&</sup>lt;sup>48</sup> CQ Newsmaker Transcripts, "President Trump signs executive orders in the Oval Office," February 4, 2025.

 $<sup>^{49}\</sup> Truth\ Social\ post\ at\ https://truthsocial.com/@realDonaldTrump/posts/113950996936674770.$ 

<sup>&</sup>lt;sup>50</sup> "Trump threatens bombing if Iran does not make nuclear deal," Reuters, March 30, 2025.

<sup>&</sup>lt;sup>51</sup> Avi Scharf, "Record-breaking U.S. deployment in Middle East amid Trump's nuclear ultimatum for Iran," *Haaretz*, April 2, 2025.

<sup>&</sup>lt;sup>52</sup> "Interview: Maria Bartiromo interviews Donald Trump on Fox News Sunday Morning Futures," *Roll Call*, March 9, 2025

<sup>&</sup>lt;sup>53</sup> Barak Ravid, "Scoop: Trump's letter to Iran included 2-month deadline for new nuclear deal," *Axios*, March 19, 2025.

<sup>&</sup>lt;sup>54</sup> "Iran ready for nuclear talks within framework of JCPOA: Deputy foreign minister," Government of the Islamic Republic of Iran, January 8, 2025; "Iran's Khamenei says experience proves talks with US 'not smart,'" Reuters, February 7, 2025.

<sup>&</sup>lt;sup>55</sup> Seyed Abbas Araghchi, "Iran's foreign minister: The ball is in America's court," Washington Post, April 8, 2025.

<sup>&</sup>lt;sup>56</sup> "Iran seeks sanctions relief for nuclear limits in talks with U.S.," Wall Street Journal, April 12, 2025.

<sup>&</sup>lt;sup>57</sup> "Iran seeks sanctions relief for nuclear limits in talks with U.S.," op. cit.

<sup>58 &</sup>quot;This Week' Transcript," ABC News, May 18, 2025.

interview said his goal was "total dismantlement" of Iran's nuclear program but that he'd be "open" to Iran having a "civilian" nuclear program. Members have expressed a range of views, with some expressing support for the elimination of Iran's enrichment capability. In May 14, 2025, letters to President Trump, 52 Senators and 177 Representatives argued against "any deal that allows Iran to retain any enrichment capability. If For his part, the Iranian foreign minister has said "the issue of enrichment is non-negotiable," while a close advisor to Supreme Leader Khamenei said (in comments highlighted on social media by President Trump) Iran could agree to restrictions on its stockpiles of highly enriched uranium and on its enrichment levels as part of an agreement.

As of May 2025, the two sides have reportedly exchanged written proposals, and President Trump said in his visit to the Middle East that month that "I think we're getting close to maybe doing a deal" but also said "we don't have a lot of time to wait."<sup>63</sup> The pace and progress of negotiations could shape the Trump Administration's calculus regarding diplomacy and military action; the President has consistently expressed that he prefers the former but is prepared to carry out the latter. Congress has not explicitly authorized the use of military force against Iran. Negotiations, and the contours of whatever agreement emerges from them (if any), could also have implications for U.S.-Israeli relations, given some Israeli officials' reported preference for a military strike (see "Outlook" below). In May 2025 testimony, Secretary of State Marco Rubio, referencing INARA, said "Congress has a right to weigh in on any deal and could actually reverse any deal."<sup>64</sup>

#### The 2015 Joint Comprehensive Plan of Action (2015)

Many observers assess that U.S. and multilateral sanctions contributed to Iran's 2013 decision to enter into negotiations that concluded in the 2015 Joint Comprehensive Plan of Action (JCPOA) between China, the European Union, France, Germany, Iran, Russia, the United Kingdom, and the United States. <sup>65</sup> The JCPOA imposed restraints on Iran's nuclear program in exchange for relief from most U.S. and UN Security Council economic sanctions. The agreement restricted Iran's enrichment and heavy water reactor programs and provided for enhanced IAEA monitoring to detect Iranian efforts to produce nuclear weapons using either declared or covert facilities. The nuclear-related provisions of the agreement, according to U.S. officials in 2015, extended the nuclear breakout time—the amount of time that Iran would need to produce enough weapons-grade HEU for one nuclear weapon—to a minimum of one year, for a duration of at least 10 years. <sup>66</sup> In addition to the restrictions on activities related to fissile material production, the JCPOA indefinitely prohibited Iranian "activities which could contribute to the design and development of a nuclear explosive device," including research activities. President

<sup>&</sup>lt;sup>59</sup> "Read the full transcript: President Donald Trump interviewed by 'Meet the Press' moderator Kristen Welker," NBC News, May 4, 2025.

<sup>&</sup>lt;sup>60</sup> See, for example, "Congresswoman Tenney leads letter praising President Trump's commitment to countering Iran's nuclear proliferation," April 11, 2025; "Chairman Lawler urges Trump Administration to redline Iranian nuclear enrichment," April 16, 2025.

<sup>&</sup>lt;sup>61</sup> Morgan Phillips, "Republicans urge Trump to follow through on his plan to dismantle Iran's nuclear capabilities," *Fox News*, May 14, 2025.

<sup>&</sup>lt;sup>62</sup> "Iran's FM says uranium enrichment is 'non-negotiable' after US says it cannot continue," *Times of Israel*, April 16, 2025; https://truthsocial.com/@realDonaldTrump/posts/114510779763360004.

<sup>&</sup>lt;sup>63</sup> Barak Ravid, "Scoop: U.S. presented Iran with nuclear deal proposal," Axios, May 15, 2025.

<sup>&</sup>lt;sup>64</sup> "House Foreign Affairs Committee holds hearing on FY 2026 State Department posture," *CQ Congressional Transcripts*, May 21, 2025. For more on the legislative history of INARA and subsequent legislative action pursuant to it, see CRS Report R46796, *Congress and the Middle East*, 2011-2020: Selected Case Studies.

<sup>&</sup>lt;sup>65</sup> Uri Berliner, "Crippled by sanctions, Iran's economy key in nuclear deal," NPR, November 25, 2013; Amir Toumaj, "Iran's economy of resistance: implications for future sanctions," AEI, November 17, 2014.

<sup>&</sup>lt;sup>66</sup> "Background Conference Call by Senior Administration Officials on Iran," July 14, 2015. U.S. Secretary of Energy Ernest Moniz described this timeline as "very, very conservative" in an April 2015 interview (Michael Crowley, "Ernest Moniz: Iran Deal Closes Enrichment Loophole," *Politico*, April 7, 2015). See also CRS In Focus IF12106, *Iran and Nuclear Weapons Production*, by Paul K. Kerr.

Trump announced in 2018 that the United States would "withdraw" from the JCPOA and begin reimposing formerly-lifted U.S. sanctions.<sup>67</sup> The IAEA reports that Iran began to diminish implementation of its JCPOA commitments in May 2019 until Tehran "stopped implementing them altogether" in February 2021.<sup>68</sup>

## Iran's Foreign Policy

Iran's foreign policy appears to reflect overlapping and at times contradictory motivations, including countering perceived threats from the United States and U.S. partners like Israel, with which Iran has seen "itself as locked in an existential struggle"; <sup>69</sup> positioning Iran as the defender of Shia Muslim communities and other groups that the Iranian government characterizes as oppressed, such as the Palestinians; advancing the revolutionary ideology of the Islamic Republic; and pursuing Iran's geopolitical interests. <sup>70</sup>

#### Relations with Middle Eastern States

Iran's relations with many of its Middle Eastern neighbors have often been tense. The Islamic Republic's leaders have perceived these countries' close ties with the United States as threatening; Iran's neighbors have viewed Iran's revolutionary regime warily and at times with hostility, and underlying religious differences have strained ties. Much of this tension has focused on Saudi Arabia, which has long accused Iran of interference in its Shia minority community. In 2016, tensions boiled over, with the Saudi execution of a Shia cleric being followed by an attack on Saudi diplomatic facilities in Iran. The two countries severed relations and backed opposing sides in several civil wars or domestic power struggles, including in Yemen, Syria, and Lebanon.

Iran has since 2021 sought rapprochement with several regional powers, particularly Saudi Arabia. The two countries held talks throughout 2022 that culminated in a 2023 trilateral announcement, with China, that Iran and Saudi Arabia would reestablish ties. The two countries have reopened their respective embassies and have exchanged official visits, including an April 2025 visit to Tehran by Saudi Arabia's defense minister. Saudi Arabia also welcomed the start of U.S.-Iran negotiations that month. Some analysts have attributed a perceived shift in Saudi official thinking since 2016, when the kingdom was reportedly skeptical of and opposed to the JCPOA, to Saudi reconciliation with Iran and concern that conflict involving Iran could disrupt the Saudi government's domestic development initiatives.

<sup>&</sup>lt;sup>67</sup> "Remarks by President Trump on the Joint Comprehensive Plan of Action," White House, May 8, 2018.

<sup>&</sup>lt;sup>68</sup> Verification and Monitoring in the Islamic Republic of Iran in Light of United Nations Security Council Resolution 2231 (2015), GOV/2025/8, February 26, 2025.

<sup>&</sup>lt;sup>69</sup> ODNI, Annual Threat Assessment of the U.S. Intelligence Community, February 6, 2023.

<sup>&</sup>lt;sup>70</sup> For example, Iran has supported Christian-inhabited Armenia, rather than Shia-inhabited Azerbaijan, possibly in part to thwart cross-border Azeri nationalism among Iran's large Azeri minority. Borzou Daraghi, "Nagorno-Karaback: An unexpected conflict that tests and perplexes Iran," Atlantic Council, November 9, 2020; Vali Kaleji, "Iran increasingly uneasy about threats to common border with Armenia," *Eurasia Daily Monitor*, October 14, 2022.

<sup>&</sup>lt;sup>71</sup> See Ministry of Foreign Affairs of the Kingdom of Saudi Arabia (@KSAmofaEN), "Joint Trilateral Statement by the Kingdom of #Saudi Arabia, the Islamic Republic of #Iran, and the People's Republic of #China," X post, March 10, 2023.

<sup>&</sup>lt;sup>72</sup> Vivian Nereim, "Saudi Arabia opposed Obama's deal with Iran. It supports Trump's. Why?" *New York Times*, April 20, 2025.

Meanwhile, Iran has sought rapprochement with other Saudi-aligned Arab states from which Iran has been estranged in recent years, such as Egypt and Bahrain.<sup>73</sup> Iran has normal political and economic relations with other U.S. regional partners, including Qatar, Iraq, Kuwait, and Oman.

#### Relations with Russia and China

Iran has acted to maintain and expand economic and military ties with Moscow and Beijing, reflecting what analysts describe as a "look East" strategy favored by Supreme Leader Khamenei. <sup>74</sup> In 2024, Iran formally joined the BRICS group of emerging economies (Brazil, Russia, India, China, and South Africa). <sup>75</sup> The economic impacts of Iran's BRICS membership are likely to be minimal, at least in the short term, but Iranian leaders have characterized joining the group as a "strategic victory" that will buttress the Iranian government's efforts to resist U.S.-led attempts to isolate and pressure it (including sanctions). <sup>76</sup>

Iran and **Russia** maintain a multifaceted relationship, bolstered by a shared rejection of what they consider a U.S., or Western, led international order. In the words of one analyst, "as long as the West builds on its pressure campaign against Russia and Iran, Moscow and Tehran are likely to pursue further integration as a collective response." Relations between Iran and Russia have grown significantly in the wake of Russia's full-scale invasion of Ukraine in February 2022. Iran's drone program is at the heart of its growing military partnership with Russia: according to news accounts, Iran has transferred "at least 1,000 attack drones" and "dozens of multipurpose" drones to Russia, and the two countries have engaged in a "joint venture" at a factory in southeastern Russia that is producing hundreds of Iranian-designed drones. In return, Iran has sought advanced fighter jets and air defense systems from Russia. Iran-Russia military cooperation has not been accompanied by a commensurate expansion of economic activity, though Russia and Iran have reportedly sought to cooperate on evading U.S. sanctions.

For the past several decades, the **People's Republic of China** (PRC or China) has taken steps to deepen its financial presence in numerous sectors of the Iranian economy, as well as to expand military cooperation. China is Iran's largest trade partner and the largest importer of Iran's crude oil and condensates, despite U.S. sanctions; Chinese imports of Iranian oil reportedly reached new heights in 2024 (see CRS In Focus IF12952, *Iran's Petroleum Exports to China and U.S. Sanctions*). In March 2021, Iran and the PRC signed a 25-year China-Iran Comprehensive Cooperation Plan "to tap the potential for cooperation in areas such as economy and culture and map out prospects for cooperation in the long run." The United States has imposed sanctions on

<sup>&</sup>lt;sup>73</sup> Khalil al-Anani, "Egypt and Iran: A quest for normalized ties amid significant obstacles," Arab Center Washington DC, June 9, 2023; William Roebuck, "Bahrain and Iran aim to restore ties," Arab Gulf States Institute in Washington, July 2, 2024.

<sup>&</sup>lt;sup>74</sup> Javad Heiran-Nia, "How Iran's interpretation of the world order affects its foreign policy," Atlantic Council, May 11, 2022; Pierre Pahlavi, "The origins and foundations of Iran's "Look East" policy," Australian Institute of International Affairs, October 4, 2022.

<sup>&</sup>lt;sup>75</sup> Farnaz Fassihi et al., "What to know about the 6 nations joining BRICS," New York Times, August 23, 2023.

<sup>&</sup>lt;sup>76</sup> "Deep dive: Iran hails invite to join BRICS, but few expect major dividends," *Amwaj.media*, August 25, 2023.

<sup>&</sup>lt;sup>77</sup> Hamidreza Azizi and Hanna Notte, "Russia's Dangerous New Friends," Foreign Affairs, February 14, 2024.

<sup>&</sup>lt;sup>78</sup> Alex Vatanka, "Can the West stop Russian-Iranian convergence?" Middle East Institute, April 3, 2023.

<sup>&</sup>lt;sup>79</sup> Joby Warrick, "Russian weapons help Iran harden defenses against Israeli airstrike," Washington Post, April 15, 2024

<sup>&</sup>lt;sup>80</sup> Matthew Karnitschnig, "Iran teaches Russia its tricks on beating oil sanctions," *Politico*, November 9, 2022; Tom Keatinge, "Developing bad habits: What Russia might learn from Russia's sanctions evasion," RUSI, June 2023.

<sup>&</sup>lt;sup>81</sup> Ministry of Foreign Affairs of the PRC, "Wang Yi Holds Talks with Iranian Foreign Minister Mohammad Javad Zarif," March 28, 2021.

a number of PRC-based entities for supplying Iran's missile, nuclear, and conventional weapons programs.

## Iran's Political System

Iran's Islamic Republic was established in 1979, ending the autocratic monarchy of the Shah, and is a hybrid political system that defies simple characterization. Iran has a parliament, regular elections, and some other features of representative democracy. In practice, though, the government is authoritarian, ranking 154<sup>th</sup> out of 167 countries in the Economist Intelligence Unit's 2024 Democracy Index.<sup>82</sup> Shia Islam is the state religion and the basis for all legislation and jurisprudence, and political contestation is tightly controlled, with ultimate decisionmaking power in the hands of the Supreme Leader. That office has been held by Ayatollah Ali Khamenei since 1989, when he succeeded the Islamic Republic's founding leader, Ayatollah Ruhollah Khomeini. Prospects for leadership succession to Khamenei (born 1939) are unclear. Iran's top directly elected position is the presidency, which, like the directly elected unicameral parliament (the Islamic Consultative Assembly, also known as the *Majles*) and every other organ of Iran's government, is subordinate to the Supreme Leader.

In May 2024, Iranian President Ebrahim Raisi was killed in a helicopter accident, jolting Iran's political scene. Raisi, a hardliner who was closely aligned with (and a potential successor to) Khamenei, had succeeded reformist president Hassan Rouhani by winning the June 2021 presidential election. Turnout in that election, in which several moderate candidates were barred from running, was the lowest in the Islamic Republic's history up to that point; slightly less than half (49%) of eligible Iranians voted. Turnout declined further to 41% in March 2024 parliamentary elections. Raisi's presidency was characterized by a popular protest movement and violent crackdown at home (see **text box**), and regional turmoil and escalating tensions with the United States abroad.

#### **2022-2023 Protests**

Iran has intermittently experienced popular unrest, focused most frequently on economic conditions but also reflecting other grievances with Iran's leadership. The government has often used violence to disperse protests, in which hundreds have been killed by security forces.

The September 2022 death of 22-year-old Mahsa Amini, who was arrested by Iran's Morality Police for allegedly violating Iran's mandatory hijab (head covering) law and died after reportedly having been beaten in custody, sparked another bout of nationwide unrest. In protests throughout the country, demonstrators voiced a broad range of grievances, with some calling for an end to the Islamic Republic and chanting "death to the dictator." In response, the Iranian government deployed security forces who reportedly killed hundreds of protesters and arrested thousands, and shut down internet access. In March 2024, the Independent International Fact-Finding Mission on the Islamic Republic of Iran issued its first report to the United Nations Human Rights Council, assessing that the Iranian government's "violent repression of peaceful protests ... led to serious human rights violations," including extrajudicial killings, enforced disappearances, rape, and gender persecution. The protest movement receded over the course of 2023 but the fundamental grievances that motivated the outbreak of unrest in September 2022 (and in previous years) remain unresolved, so further rounds of popular protests are possible. The protest movement apparently lacked an organized structure, a visible leader, and a shared alternative vision for Iran's future, arguably limiting its capacity to pose an existential risk to the Islamic Republic.

<sup>82</sup> Economist Intelligence Unit, *Democracy Index* 2024, February 2025.

<sup>&</sup>lt;sup>83</sup> CRS Insight IN12365, *Iran's President Dies in Helicopter Crash*, by Clayton Thomas.

<sup>84</sup> Mehrzad Boroujerdi, "Iran's Faustian 2024 elections: Statistics tell the story," Stimson Center, March 4, 2024.

<sup>&</sup>lt;sup>85</sup> United Nations, Office of the High Commissioner for Human Rights, "Iran: Institutional discrimination against women and girls enabled human rights violations and crimes against humanity in the context of recent protests, UN Fact-Finding Mission says," March 8, 2024.

In response to the protests, the Biden Administration announced sanctions designations targeting Iran's Morality Police and dozens of other government entities and officials for their role in the crackdown; issued a general license to counter what officials described as Tehran's move to "cut off access to the Internet for most of its 80 million citizens to prevent the world from watching its violent crackdown on peaceful protestors"; and led a successful effort to remove Iran from the UN Commission on the Status of Women in December 2022.

Raisi's unexpected death triggered a snap election in which several candidates were permitted to run; they included a number of prominent hardline figures as well as Masoud Pezeshkian, who was a relatively unknown member of parliament. Many analysts saw those hardliners as closer to Khamenei's own views, but also speculated that Pezeshkian's lack of a "popular base" or "following within the regime structure" might make him an acceptable option for Khamenei. Rezeshkian ran on a platform that included reengaging with the United States to secure the lifting of U.S. sanctions on Iran. He is thus generally regarded as a moderate, though some argue against describing Pezeshkian, or any participant in the tightly-controlled official politics of the Islamic Republic, as such. Despite his low profile, Pezeshkian was able to consolidate reformist votes and apparently boost voter turnout, advancing to the run-off election and then winning that race, defeating a hardliner 55% to 45%.

Pezeshkian's presidency has been dominated by regional conflict, including the killing of Hamas leader Haniyeh in Tehran just hours after Pezeshkian's inauguration. Moreover, his ability to decisively change the course of U.S.-Iran relations appears limited, given his lack of a political base and the ultimate decisionmaking power of the Supreme Leader.<sup>89</sup>

Though the regime appears to maintain some popular support and has considerable repressive capabilities that it uses often, it has also lost legitimacy in the eyes of many Iranians. <sup>90</sup> Authoritarian regimes can be vulnerable when under stress, and assessing their stability or fragility can be difficult. <sup>91</sup> The question of Supreme Leader succession could be a consequential and perhaps destabilizing moment for the Islamic Republic.

## Iran's Military: Structure and Capabilities

Given the adversarial nature of U.S.-Iran relations and the centrality of various military-related entities in Iranian domestic and foreign policy, Iran's military has been a subject of sustained engagement by Congress and other U.S. policymakers.

<sup>&</sup>lt;sup>86</sup> Shay Khatiri, "There are several Iranian presidential candidates, but only one Khamenei might want," Atlantic Council, June 21, 2024; Anisch Bassiri Tabrizi, "Iran under Masoud Pezeshkian: Aiming for change without rocking the boat," Chatham House, July 8, 2024.

<sup>&</sup>lt;sup>87</sup> Pejman Tavahori, "Pezeshkian vs. Jalili: Women, morality police, culture," *Iran Wire*, July 2, 2024; Farnaz Fassihi, "Facing stark choices, Iranians vote in competitive presidential runoff," *New York Times*, July 5, 2024.

<sup>&</sup>lt;sup>88</sup> Najmeh Bozorgmehr, "Iran's reformist candidate jolts presidential race with nuclear pitch," *Financial Times*, June 20, 2024.

<sup>&</sup>lt;sup>89</sup> Mohammed Salih, "Pezeshkian and Iran's regional policy: Continuity and grappling with structural constraints," Foreign Policy Research Institute, July 26, 2024.

<sup>&</sup>lt;sup>90</sup> Ali Alfoneh, "The regime in Tehran: Neither invulnerable nor on its deathbed," Arab Gulf States Institute in Washington, October 17, 2023; Sanam Vakil, "Iran protests highlight its crisis of legitimacy," Chatham House, September 28, 2022.

<sup>&</sup>lt;sup>91</sup> "Deep dive: Iran elections highlight political rivalries, leadership succession," *amwaj.media*, March 5, 2024; "What America misunderstands about the Islamic Republic of Iran," Foundation for Defense of Democracies, June 7, 2024; Joseph Wright and Daehee Bak, "Measuring autocratic regime stability," *Research and Politics* 3 (1), 2016; Adam Przeworski, "Formal models of authoritarian regimes: a critique," *Perspectives on Politics* 21 (3), 2023.

Iran's traditional military force, the *Artesh*, is a legacy of Iran's Shah-era military force. The *Artesh* exists alongside the IRGC, which Khomeini established in 1979 as a force loyal to the new regime. Rivalries between the two parallel forces (each have their own land, air, and naval force components) stem from their "uneven access to resources, varying levels of influence with the regime, and inherent overlap in missions and responsibilities." While both serve to defend Iran against external threats, the government deploys the *Artesh* primarily along Iran's borders to counter any invading force, while the IRGC has a more ideological character and the more expansive mission of combating internal threats and expanding Iran's influence abroad.

#### Missiles

According to the U.S. intelligence community, "Iran has the largest inventory of ballistic missiles in the region and continues to emphasize improving the accuracy, lethality, and reliability of these systems." Per CENTCOM Commander General Michael E. Kurilla, Iran has aggressively developed its missile capabilities to achieve "an asymmetric advantage against regional militaries." Iran has used its ballistic missiles to target U.S. regional assets directly, including a January 2020 attack (shortly following the U.S. killing of IRGC-QF Commander Soleimani) against Iraqi sites where U.S. military forces were stationed, and provides them to partner groups across the Middle East region.

Iran's medium-range ballistic missiles were assessed by the Defense Intelligence Agency (DIA) in 2019 to have a maximum range of around 2,000 kilometers; General Kurilla repeated that estimate in 2024 testimony. U.S. officials and others have expressed concern that Iran's government could use its nascent space program to develop longer-range missiles, including intercontinental ballistic missiles (ICBMs). According to a congressionally mandated report issued by the Office of the Director of National Intelligence in June 2023, "Iran's work on multiple space-launch vehicles.... probably would shorten the timeline to produce an intercontinental ballistic missile, if it decided to develop one, because the systems use similar technologies"

In 2024, Iran twice used missiles to directly target Israel. In the first attack, Iran launched 36 cruise missiles and around 120 ballistic missiles; U.S. officials reportedly assessed that half of the ballistic missiles failed to reach Israel, and most that did were shot down. 98 In October, Iran reportedly launched around 180 ballistic missiles, of which around 30 impacted in Israel, causing limited damage. 99 In response to the second attack, Israel launched airstrikes on Iran, including some targeting Iran's missile program. Those strikes reportedly destroyed solid fuel production sites that could take up to a year to replace, meaning that "Iran cannot produce missiles," per a U.S. official in late 2024. 100

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<sup>&</sup>lt;sup>92</sup> Defense Intelligence Agency, Iran Military Power: Ensuring Regime Survival and Securing Regional Dominance, 2019.

<sup>&</sup>lt;sup>93</sup> ODNI, Iran's Nuclear Weapons Capability and Terrorism Monitoring Act of 2022, November 2024.

<sup>&</sup>lt;sup>94</sup> Statement for the Record before the Senate Armed Services Committee, March 13, 2023.

<sup>&</sup>lt;sup>95</sup> Iran Military Power, op. cit. 43; "Two visions for the future of the Central Command," March 7, 2024.

<sup>&</sup>lt;sup>96</sup> ODNI, Annual Threat Assessment, 2024.

<sup>&</sup>lt;sup>97</sup> Iran's Nuclear Weapons Capability and Terrorism Monitoring Act of 2022, November 2024.

<sup>98</sup> Laurence Norman, "Iran attack demonstrates ballistic missile capabilities," Wall Street Journal, April 14, 2024.

<sup>&</sup>lt;sup>99</sup> "Remarks by President Biden before an interagency briefing on response to Hurricane Helene," White House, October 1, 2024.

<sup>&</sup>lt;sup>100</sup> Barak Ravid, "Israel strike crippled Iran's military production, sources say," *Axios*, October 26, 2024; "Background press call on the situation in Syria," op. cit.

#### Iran's Missile Program and UN Sanctions "Snapback" 101

In July 2015, the UN Security Council adopted Resolution 2231 (UNSCR 2231), which, in addition to endorsing full implementation of the JCPOA, also contained provisions related to Iran's arms and missile development activities. Specifically, Annex B of the Resolution provides for a ban on the transfer of conventional arms to or from Iran (the conventional weapons ban expired in October 2020), and restricts exports of missile-related items until October 2023. UNSCR 2231 also includes provisions that effectively allow any "JCPOA participant state" to force the reimposition of UN sanctions, including the arms transfer and ballistic missile bans as well as broader asset freezes and travel bans, in a process known as "snapback."

In August 2020, the Trump Administration invoked the snapback provision in an attempt to extend the conventional arms embargo, but most other members of the Security Council asserted that the United States, having ceased implementing its JCPOA commitments in 2018, was not a participant and therefore did not have the standing to trigger the snapback of sanctions, and the conventional arms ban expired in October 2020. 102 The Biden Administration reversed the Trump Administration's position on the snapback provision. On October 18, 2023, UN sanctions related to Iran's missile-related activities also expired; on the day of expiration the United States and 47 other countries issued a statement expressing their commitment to "take all necessary measures to prevent" the transfer of drones and related technology to and from Iran. 103

According to UNSCR 2231's provisions, Termination Day will occur on October 18, 2025. Accordingly, on that day, sanctions imposed pursuant to UNSCR 2231 are terminated and the Security Council "will have concluded its consideration of the Iranian nuclear issue" unless the snapback provision has been invoked. UNSCR 2231 and the snapback mechanism will cease to be operational after Termination Day. 104 The British, French, and German UN representatives wrote in December 2024 of their "determination to use all diplomatic tools to prevent Iran from acquiring a nuclear weapon, including using snapback if necessary." 105

## Iran's Nuclear Program<sup>106</sup>

U.S. policymakers have signaled concern for decades that Tehran might attempt to develop nuclear weapons. Iran's production of enriched uranium using its gas centrifuge uranium enrichment facilities is currently the main source of concern that Tehran is pursuing nuclear weapons. Gas centrifuges can produce both low-enriched uranium (LEU), which can be used in nuclear power reactors, and weapons-grade highly enriched uranium (HEU), which is one of the two types of fissile material used in nuclear weapons. Iranian leaders claim that the country's enriched uranium production is only for Tehran's current and future civil nuclear reactors. According to official U.S. assessments, Tehran had a nuclear weapons program until late 2003. 107

According to IAEA reports, since the United States stopped performing its JCPOA commitments in 2018, some of Iran's nuclear activities, including its enriched uranium stockpile and number of enrichment locations, have exceeded JCPOA-mandated limits. The IAEA has also reported that the agency is unable to perform some JCPOA verification and monitoring activities. According to data reported in a March 3, 2025, statement from IAEA Director General Rafael Mariano Grossi, Iran has increased its stockpile of enriched uranium containing 60% uranium-235 by

<sup>&</sup>lt;sup>101</sup> For more, see CRS In Focus IF11583, Iran's Nuclear Program and U.N. Sanctions Reimposition, by Paul K. Kerr.

<sup>&</sup>lt;sup>102</sup> "UNSC dismisses US demand to impose 'snapback' sanctions on Iran," *Al Jazeera*, August 25, 2020. For more, see CRS In Focus IF11429, *U.N. Ban on Iran Arms Transfers and Sanctions Snapback*.

 $<sup>^{103}</sup>$  U.S. Department of State, "Joint statement on UN Security Council Resolution 2231 Transition Day," October 18, 2023.

<sup>&</sup>lt;sup>104</sup> Danny Citrinowicz, "2025 will be a decisive year for Iran's nuclear program," Atlantic Council, November 20, 2024.

<sup>&</sup>lt;sup>105</sup> Available at https://digitallibrary.un.org/record/4069486.

<sup>&</sup>lt;sup>106</sup> Material in this section is drawn from CRS Report R43333, *Iran Nuclear Agreement and U.S. Exit* and CRS Report R40094, *Iran's Nuclear Program: Tehran's Compliance with International Obligations*, by Paul K. Kerr.

<sup>&</sup>lt;sup>107</sup> See also CRS In Focus IF12106, Iran and Nuclear Weapons Production, by Paul K. Kerr.

approximately 50% since the IAEA's previous report issued in November 2024. Producing weapons-grade HEU (which contains approximately 90% uranium-235) from HEU containing 60% uranium-235 requires relatively little additional effort.

Regarding Iran's "breakout" time, then-Central Intelligence Agency (CIA) Director William Burns stated during an October 7, 2024 event that Iran could produce enough weapons-grade HEU for a nuclear weapon in "a week or a little more." Iran must also complete the other necessary steps for producing a nuclear weapon, which could take as much as a year. Until 2024, the U.S. intelligence community assessed that Iran had not resumed work on its weaponization research. But July and November 2024 reports from the Office of the Director of National Intelligence (ODNI) indicate that Iran may have resumed work on such research.

Strategic setbacks to Iran and its regional partners in 2024 appear to have shifted the discourse in Iran around the possible development of nuclear weapons. In March 2025 congressional testimony, Director of National Intelligence Tulsi Gabbard reiterated the intelligence community's assessment that "Iran is not building a nuclear weapon and Supreme Leader Khamanei has not authorized the nuclear weapons program he suspended in 2003." However, Gabbard added that "[i]n the past year, we have seen an erosion of a decades-long taboo in Iran on discussing nuclear weapons in public, likely emboldening nuclear weapons advocates within Iran's decision-making apparatus." Increasingly public discussion about weaponization could also, per one analysis, be a "theatrical ... warning to outside powers" as part of efforts to compel the United States to enter talks related to a new nuclear agreement. Some observers have suggested that, given the risk that Iran's moves toward nuclear weapons development could prompt U.S. and/or Israeli military action, Iran might take steps to edge closer to weaponization (e.g., withdrawing from the Nuclear Non-Proliferation Treaty) without actually developing nuclear weapons.

#### U.S. Sanctions<sup>115</sup>

Since 1979, U.S. Administrations have imposed economic sanctions in an effort to change Iran's behavior, often at the direction of Congress. U.S. sanctions on Iran are multifaceted and complex, a result of over four decades of legislative, administrative, and law enforcement actions by successive presidential Administrations and Congresses.

U.S. sanctions on Iran were first imposed during the U.S.-Iran hostage crisis of 1979-1981, when President Jimmy Carter issued executive orders blocking nearly all Iranian assets held in the United States. In 1984, Secretary of State George Shultz designated the government of Iran a

<sup>&</sup>lt;sup>108</sup> "IAEA Director General's Introductory Statement to the Board of Governors," March 3, 2025. *Verification and Monitoring in the Islamic Republic of Iran in Light of United Nations Security Council Resolution 2231 (2015)*, GOV/2024/61, November 19, 2024.

<sup>109</sup> James Landale, "Iran's uranium enrichment 'worrisome' - nuclear watchdog," BBC, December 6, 2024.

<sup>&</sup>lt;sup>110</sup> CRS In Focus IF12106, *Iran and Nuclear Weapons Production*, by Paul K. Kerr; "CIA Director Gets Candid about Today's Global Challenges," YouTube video, 34:00, posted by The Cipher Brief, October 8, 2024, https://www.youtube.com/watch?v=gLQishfXtFs.

<sup>&</sup>lt;sup>111</sup> CRS In Focus IF12106, Iran and Nuclear Weapons Production.

<sup>&</sup>lt;sup>112</sup> ODNI, Annual Threat Assessment of the U.S. Intelligence Community, March 25, 2025.

<sup>&</sup>lt;sup>113</sup> "Iran's weakened position and the status of its nuclear option," IISS, December 2024.

<sup>&</sup>lt;sup>114</sup> Hamidreza Azizi, "Iran's shifting discourse on nuclear weaponization: Bargaining tactic or doctrine change?" Middle East Council on Global Affairs, November 6, 2024; Javad Heiran-Nia, "Iranian debate whether it's time to develop nuclear weapons," Stimson Center, November 8, 2024.

<sup>&</sup>lt;sup>115</sup> For more, see CRS In Focus IF12452, U.S. Sanctions on Iran, by Clayton Thomas.

state sponsor of acts of international terrorism (SSOT) following the October 1983 bombing of the U.S. Marine barracks in Lebanon. Iran's status as an SSOT triggers several sanctions including restrictions on licenses for U.S. dual-use exports; a ban on U.S. foreign assistance, arms sales, and support in international financial institutions; and the withholding of U.S. foreign assistance to countries that assist or sell arms to the designee. Later in the 1980s and throughout the 1990s, other U.S. sanctions sought to limit Iran's conventional arsenal and its ability to project power throughout the Middle East.

In the 2000s, as Iran's nuclear program progressed, U.S. sanctions focused largely on trying to pressure Iran to limit its nuclear activities. Most of the U.S. sanctions enacted after 2010 were secondary sanctions on foreign firms that conduct transactions with major sectors of the Iranian economy, including banking, energy, and shipping. Successive Administrations issued Executive Orders under which they designated specific individuals and entities to implement and supplement the provisions of these laws. The United States has also, pursuant to various authorities, imposed sanctions on scores of entities held responsible for human rights violations.

In accordance with the 2015 JCPOA, the United States waived its secondary sanctions, including sanctions on Iran's exportation of oil and on its financial sector; the European Union (EU) lifted its ban on purchases of oil from Iran and Iranian banks were readmitted to the SWIFT financial messaging services system; <sup>116</sup> and the UN Security Council revoked its resolutions that required member states to impose certain restrictions. The JCPOA did not require the lifting of U.S. sanctions on direct U.S.-Iran trade or sanctions levied for Iran's support for terrorist groups, its human rights abuses, or its missile and advanced conventional weapons programs. In 2018, the United States reimposed sanctions that had been waived pursuant to JCPOA implementation.

U.S. sanctions imposed during 2011-2015, and since 2018, have taken a substantial toll on Iran's economy. According to one assessment, economic outcomes in Iran "are determined primarily by the multiple negative consequences of sanctions." Some analysts, while agreeing that sanctions have an impact, also have argued that Iran suffers from "decades of failed economic policies." 118

Sanctions appear to have had a mixed impact on the range of Iranian actions their imposition has been intended to curb. As mentioned above, some experts attribute Iran's decision to enter into multilateral negotiations and agree to limits on its nuclear program under the JCPOA at least in part to sanctions pressure. Other aspects of Iranian policy seen as threatening to U.S. interests, including its regional influence and military capabilities appear to have remained considerable, though are increasingly in question. The reimposition of U.S. sanctions after 2018 may also have contributed to Iran's growing closeness to Russia and China.

As part of its oversight responsibilities and to better inform legislative action, Congress has directed successive Administrations to provide reports on a wide array of Iran-related topics, including U.S. sanctions and their impact (for more, see CRS Report R48282, *Iran: Congressional Reporting Requirements*, by Clayton Thomas). Congress has also held numerous hearings focused primarily or in part on U.S. sanctions on Iran.

<sup>&</sup>lt;sup>116</sup> The Society for Worldwide Interbank Financial Telecommunication (SWIFT), based in Belgium, provides a financial messaging service to facilitate cross-border transactions, including payments involving multiple currencies. International energy-sector trade heavily depends on SWIFT services.

<sup>&</sup>lt;sup>117</sup> Country Forecast: Iran, Economist Intelligence Unit, August 2023.

<sup>&</sup>lt;sup>118</sup> Anthony Cordesman, "The Crisis in Iran: What Now?" Center for Strategic and International Studies, January 11, 2018.

<sup>&</sup>lt;sup>119</sup> See, for example, "New report reveals extent of Iran's growing Middle East influence," *Al Jazeera*, November 7, 2019; Ariane Tabatabai et al., "Iran's Military Interventions: Patterns, Drivers, and Signposts," RAND Corporation, 2021; Philip Loft, "Iran's influence in the Middle East," House of Commons Library (UK Parliament), March 23, 2022.

## Activity in the 118th and 119th Congress

Congressional action in the 118<sup>th</sup> Congress targeted a number of Iranian government actions, including its crackdown on popular protests, its continued oil exports, and its support for terrorist groups across the Middle East. Dozens of measures related to Iran sanctions were introduced in the 118<sup>th</sup> Congress, with the House passing at least 13 of them.<sup>120</sup>

Iran's April 2024 attack against Israel helped spur congressional action on a large emergency supplemental appropriations package (P.L. 118-50) that included a number of Iran sanctions-related measures:

- The Stop Harboring Iranian Petroleum, or SHIP, Act (Division J), which, among other provisions, directs the President to impose sanctions on persons the President determines have engaged in certain transactions related to Iranian petroleum exports.
- The Fight and Combat Rampant Iranian Missile Exports, or Fight CRIME, Act (Division K), which, among other provisions, directs the President to impose sanctions on persons the President determines engage in efforts to transfer missile-related technology to or from Iran.
- The Mahsa Amini Human Rights and Security Accountability, or MAHSA, Act (Division L), which, among other provisions, directs the President to review whether specified Iranian entities meet the criteria for designation under certain existing sanctions authorities.

In the 119<sup>th</sup> Congress, the House has passed one measure related to Iran, H.R. 1800, which would eliminate the sunset clause in the 1996 Iran Sanctions Act. Other legislation related to Iran in the 119<sup>th</sup> Congress includes

- The Enhanced Iran Sanctions Act of 2025 (H.R. 1422/S. 556, the former of which was ordered to be reported by the House Foreign Affairs Committee in April 2025), which would direct the President to impose sanctions on certain individuals related to Iran's oil exports;
- Resolutions affirming "threats to world stability from a nuclear weapons-capable Islamic Republic of Iran" (H.Res. 105/S.Res. 43);
- Resolutions supporting "the Iranian people's desires for a democratic, secular, and nonnuclear Republic of Iran" (H.Res. 166) and the protection of "Iranian political refugees, including female former political prisoners, in Ashraf-3 in Albania" (S.Res. 145); and
- Resolutions calling on France, Germany, and the United Kingdom to invoke snapback sanctions on Iran (see **text box** above) "as soon as possible" (H.Res. 139/S.Res. 81).

Beyond legislation, some Members in the 119<sup>th</sup> Congress have engaged in a number of public events related to Iran, including a February 26, 2025, event with the Iranian Women Congressional Caucus featuring Maryam Rajavi, head of the National Council of Resistance of Iran; an April 1, 2025, House Foreign Affairs Committee hearing entitled "A Return to Maximum

<sup>&</sup>lt;sup>120</sup> See H.R. 589, H.R. 3033, H.R. 3152, H.R. 3774, H.R. 4691, H.R. 5826, H.R. 5921, H.R. 5923, H.R. 5947, H.R. 5961, H.R. 6015, H.R. 6245, and H.R. 6323.

Pressure: Comprehensively Countering the Iranian Regime's Malign Activities;" and a May 8, 2025, event with the nonprofit group United Against Nuclear Iran featuring an Iranian drone. <sup>121</sup>

### Outlook

As of May 2025, U.S. policy toward Iran appears to be at an inflection point: U.S.-Iran talks could result in a diplomatic accord or could fail to do so, perhaps leading to U.S. and/or Israeli military action against Iran. Negotiations could also continue for an extended period, perhaps in connection with a preliminary agreement. In any case, developments will likely have implications for Congress, including formal decision points for legislative action.

If the United States and Iran do reach a formal agreement, the Administration would be required to submit it for congressional review pursuant to the Iran Nuclear Agreement Review Act of 2015 (INARA, P.L. 114-17). INARA directs that "Not later than 5 calendar days after reaching an agreement with Iran relating to the nuclear program of Iran, the President shall submit" the text of the agreement and various certifications; directs congressional committees to hold hearings "as appropriate" to review the agreement; and provides for expedited consideration of a resolution of disapproval (subject to a presidential veto) during a 60-day congressional review period. <sup>122</sup> In evaluating a potential deal regarding Iran's nuclear program and whether it advances U.S. national security interests, Members may consider various factors, including how Iran's nuclear stockpiles, enrichment capabilities, and other aspects of its nuclear program are restricted; the temporal length of those restrictions; the mechanisms to verify Iran's compliance; and the views of U.S. allies and regional partners.

One of the most important regional partners is Israel. Depending on whether or not an accord emerges and its possible contours, U.S. and Israeli interests could align or diverge, particularly if Israeli officials (some of whom have reportedly favored military action against Iran) assess that the "risk of inaction is greater" than the risks associated with military action. <sup>123</sup> Israeli officials might take that view if they assess that Iran could quickly move forward on nuclear weaponization, that Iran could reverse some of the setbacks it suffered in military exchanges with Israel last year (that reportedly destroyed most of Iran's air defense and missile production capabilities), or that the components of a U.S.-Iran agreement do not meet Israel's national security needs. Israeli officials have called for Iran to completely dismantle its nuclear program. However, according to one analyst, they likely do not expect full dismantlement from Iran, and they may hope that their advocacy leads to a stalemate in negotiations that leads the United States to examine "other options."

Iranian leaders, as mentioned above, have publicly rejected giving up Iran's ability to enrich uranium. Still, the Iranian government could assess that recent setbacks leave them little choice but to accede to what they may have previously considered as unacceptable restrictions on their

<sup>&</sup>lt;sup>121</sup> Shahriar Kia, "U.S. congressional caucus holds hearing on Iran: Lawmakers voice support for democratic change," National Council of Resistance of Iran, February 27, 2025; House Foreign Affairs Committee: "A Return to Maximum Pressure: Comprehensively Countering the Iranian Regime's Malign Activities," April 1, 2025; "UANI displays Iranian Shahed-136 drone on Capitol Hill with Speaker Johnson and lawmakers," United Against Nuclear Iran, May 9, 2025.

<sup>&</sup>lt;sup>122</sup> For a legislative history of INARA, and the several votes taken in Congress that demonstrated opposition to the JCPOA but not enough to block its implementation, see CRS Report R46796, *Congress and the Middle East*, 2011-2020: Selected Case Studies, coordinated by Christopher M. Blanchard.

<sup>&</sup>lt;sup>123</sup> Last Best Chance: U.S. Policy for an Israeli Strike on Iran, Jewish Institute for National Security of America, April 9, 2025.

<sup>&</sup>lt;sup>124</sup> Danny Citrinowicz, "Why Israel will resist any US-Iran nuclear deal," Atlantic Council, April 28, 2025.

nuclear program, perhaps akin to Khomeini's acceptance of a 1988 cease-fire with Iraq, which he described as "more deadly than taking poison." While the Iranian government has shown few signs of moderating or otherwise altering its foundational opposition to the United States and Israel, the regime has also at times prioritized self-preservation over ideology. 126

If talks, for whatever reason, break down, the likelihood of U.S. and/or Israeli military action against Iran's nuclear facilities could increase. In early April, President Trump said "Israel will obviously be very much involved" in such a military operation. Later that month, he said that Israel would not drag him into a war, and that "If we don't make a deal [with Iran], I'll be leading the pack." Earlier, according to news accounts, President Trump reportedly discouraged an Israeli plan to strike Iran's nuclear facilities that may have anticipated U.S. support One expert has written that a "preventative attack is unlikely to be a solitary event but rather the opening round of a long campaign," in part because Iran's nuclear infrastructure is widely distributed across the country and some sites are "hardened and buried," meaning that "residual capacity is likely to survive an attack." Media reports in May 2025 indicate that Israeli officials may be preparing to "move fast" with an Israeli military strike if U.S.-Iran talks fall apart, with one report (citing an unnamed U.S. official) questioning whether Israeli Prime Minister Benjamin Netanyahu might act without a "green light" from President Trump.

Iranian leaders have pledged to retaliate against U.S. and/or Israeli military action, which could include Iranian attacks against U.S. military forces in the Gulf and elsewhere, against U.S. allies, or moves to close the Strait of Hormuz. Such moves could have implications for global energy markets and could hamper Iran's already troubled economy and undermine Iran's post-2021 attempts to reconcile and establish productive ties with its Gulf neighbors. Such action of the could be such as a such as a

Congress might consider questions about the authorization of U.S. military force against Iran, other war powers issues, and U.S. support to Israel and other regional partners potentially threatened by Iran. In the 118<sup>th</sup> Congress, Senator Lindsey Graham introduced a joint resolution (S.J.Res. 106) to authorize the use of military force against Iran if the President determines that Iran "is in the process of possessing a nuclear weapon" or "possess uranium enriched to weapons-

<sup>&</sup>lt;sup>125</sup> Robert Pear, "Khomeini accepts 'poison' of ending the war with Iraq; U.S. sending mission," *New York Times*, July 21, 1988.

<sup>&</sup>lt;sup>126</sup> Ali Parchami, "An Iranian worldview: The strategic culture of the Islamic Republic," *Journal of Advanced Military Studies*, 2022; Karim Sadjadpour, "How Iran and Israel are unnatural adversaries," *New York Times*, May 8, 2024; John Raine, "Iran's strategic limbo," IISS, December 4, 2024; Masoud Zamani, "The ideological constraints of the Islamic Republic," Washington Institute for Near East Policy, December 6, 2024.

<sup>&</sup>lt;sup>127</sup> "Trump says Israel would be 'leader' of military strike against Iran if Tehran doesn't give up nuclear program," Associated Press, April 9, 2025.

<sup>128 &</sup>quot;Read the Full Transcript of Donald Trump's '100 Days' Interview With TIME," Time, April 25, 2025.

<sup>&</sup>lt;sup>129</sup> Julian Barnes et al., "Trump waved off Israeli strike after divisions emerged in his administration," *New York Times*, April 17, 2025.

<sup>&</sup>lt;sup>130</sup> Michael Eisenstadt, "Attacking Iran's nuclear program: The complex calculus of preventative action," Washington Institute for Near East Policy, March 2025.

<sup>&</sup>lt;sup>131</sup> "New intelligence suggests Israel is preparing possible strike on Iranian nuclear facilities, US officials say," CNN, May 20, 2025; Barak Ravid, "Israel preparing to strike Iran fast if Trump's nuclear talks break down," *Axios*, May 21, 2025.

<sup>&</sup>lt;sup>132</sup> Ariel Cohen, "Iran threatens to hold global energy hostage," Forbes, October 14, 2024.

<sup>&</sup>lt;sup>133</sup> Samia Nakhoul et al., "Exclusive: Stop Israel from bombing Iran's oil sites, Gulf states urge US," Reuters, October 10, 2024.

grade level."<sup>134</sup> To date, no similar measure has been introduced in the 119<sup>th</sup> Congress. Members have debated the potential advantages and drawbacks of such a resolution. <sup>135</sup>

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<sup>&</sup>lt;sup>134</sup> Doreen Horschig, "Why striking Iranian nuclear facilities is a bad idea," CSIS, October 25, 2024; Michael Eisenstadt, "With its conventional deterrence diminished, will Iran go for the bomb?" Washington Institute for Near East Policy, November 15, 2024.

<sup>&</sup>lt;sup>135</sup> See House Foreign Affairs Committee hearing "A return to maximum pressure: Comprehensively countering the Iranian regime's malign activities," April 1, 2025.