

spotlight europe

2009/07 – June 2009

Presidential Elections in Iran: Is Cooperation possible?

Christian-Peter Hanelt

Bertelsmann Stiftung, christian.hanelt@bertelsmann-stiftung.de

It is time for a rapprochement between Iran, its neighbours and the West. Concessions will have to be made on all sides. Iran will obtain recognition of its system of government and its role as a regional power. On the other hand, there will be comprehensive and strict controls on the Iranian nuclear programme.

In order to pre-empt another confrontation in the Middle East and further escalation as a result of the Iranian nuclear programme, American-Iranian relations must be put on a sustainable footing after the Iranian presidential elections in a spirit of harmony with Iran's neighbours.

The European Union must give robust support to the American President in his pursuit of rapprochement with Iran, and reinforce the path leading to de-escalation and reintegration with the help of a round table strategy which takes into account all the states and controversial issues in the region.

After 30 years of isolation this is bound to be a difficult task, especially in view of the fact that incumbent president Ahmadinejad is considered to be the favourite to win the forthcoming presidential elections.

Nevertheless it seems essential to embark on serious negotiations with a defined timeframe.

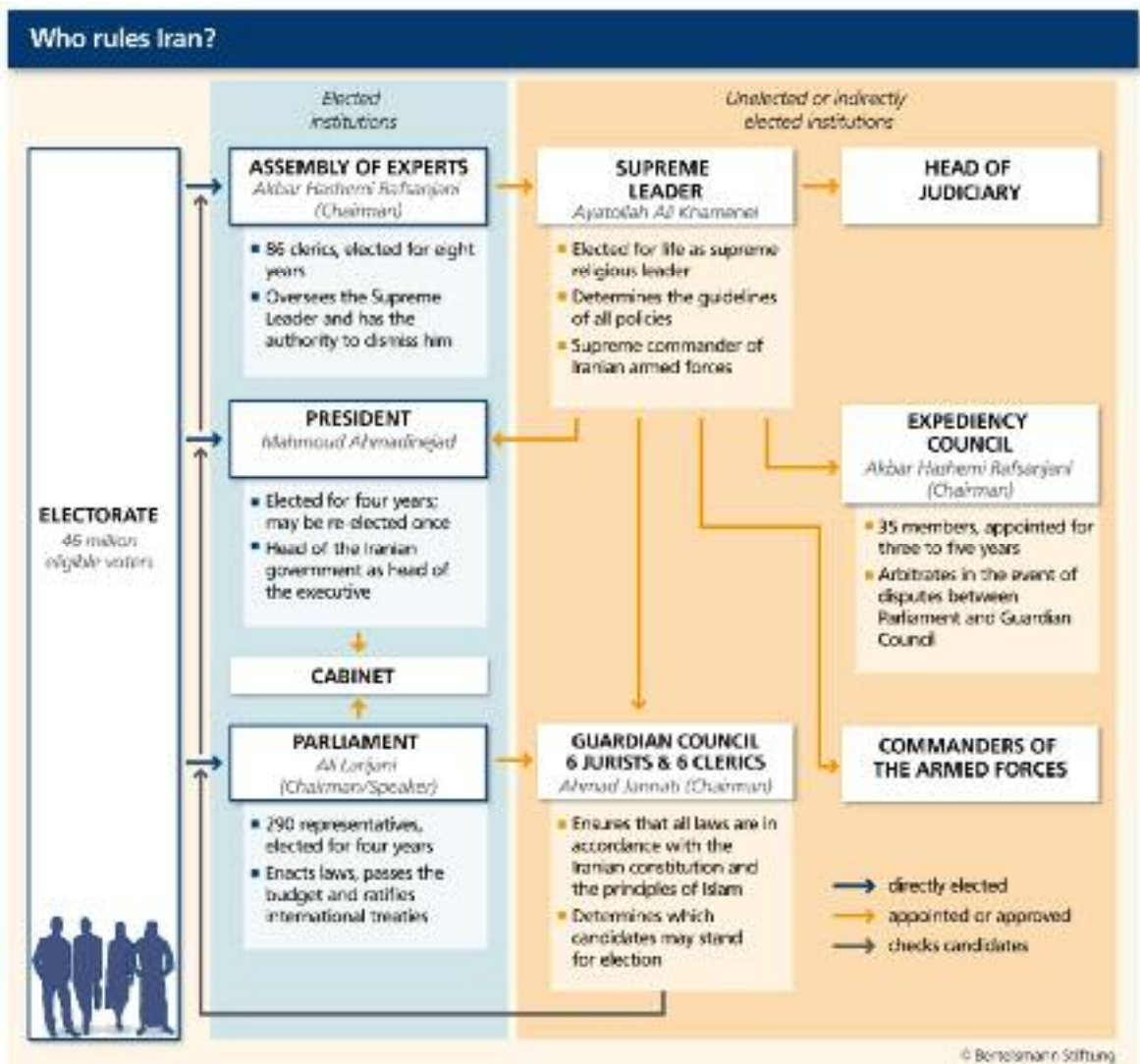
The Distribution of Power in Iran

Iran is large, complex, and in many respects unique. That is the reason why the outside world starts to ask questions whenever it looks at the country. And these can quickly mutate into suspicion and mistrust, for missile tests, the nuclear programme, the persecution of intellectuals and minorities, vitriolic attacks on Israel and interference in the affairs of neighbouring countries continue to paint an increasingly negative picture of Iran. But the question remains: What does this

regional power on the Gulf actually want? To be provocative? To utter threats? To call for help? Does it crave for recognition? Does it want to acquire a predominant position?

Iran is four times the size of Iraq, and, with a population of 72 million, has almost as many inhabitants as a populous state


Iran is the only country in which the Shi-ite branch of Islam forms the basis of a nation-state. That is the reason why it has had a unique political system since the revolution of 1979. The decision-making process is simultaneously in the hands of two types of policymaker, those with religious legitimation, and those who have been elected by popular suffrage. How-



such as Egypt. Iran possesses the second largest reserves of natural gas in the world, and the fourth largest oil reserves. On the other hand it has a high rate of unemployment among young people, inflation running at 25 percent, and an immense national deficit. Revolution, war, isolation, mismanagement and corruption have prevented socio-economic transformation of a fast and positive kind, and have led to the rise of a rentier state.

ever, the influence of the religious establishment predominates. The democratic element is curtailed by the pre-selection of candidates, even though the elections themselves are almost free.

This time four candidates are being permitted to take part in the presidential elections. The former Prime Minister (1980-88) Meir Hussein Mussawi and the former Parliamentary Speaker (1989-92) and



2000-2004) Hojatoleslam Mehdi Karrubi are two moderate pragmatists competing for votes in the reformist camp. Both stand for opening up the country to the outside world. On the other hand there are also two neo-conservative and ideological candidates, Mohsen Rezai, the former Commander-in-Chief of the Revolutionary Guards (1981-97), and Mahmud Ahmadinejad, the current incumbent. Ahmadinejad is the favourite to win the elections, largely because he tries to appear modest, distributes supplementary government money to needy parts of the population, and travels regularly around the provinces. Over the last four years Ahmadinejad has seized control of the state media, has placed restrictions on the pluralist and intellectual parts of society, and appointed his followers to leading positions in the state corporations.

However, the presiding role in the system as a whole is occupied by religious leader Ayatollah Ali Khamenei. He is concerned to legitimize and ensure the survival of the Islamic state both internally and externally. Khamenei determines the basic principles governing regional, foreign and nuclear policy. Only a handful of non-Iranian visitors have tried or have been permitted to talk to him. The head of the International Atomic Energy Agency (IAEA), Mohammed Elbaradei, knows Khamenei: "I was surprised by how well he was informed about even the smallest technical details and the state of the negotiations. But in talking to him I became aware of his profound suspicion of the West in general and the U.S. in particular."



The American-Iranian Relationship

Apart from the Israeli-Arab conflict, the issue of which state has the most power on the Gulf is one of the most tension-laden lines of conflict in the Middle East. Since

the U.S. maintains a military presence in the Gulf and functions as protector of Iraq and the Arab Gulf states, everything hinges on the American-Iranian dispute. Tehran and Washington have inflicted deep wounds on each other. In 1953 the CIA toppled the democratically elected middle-class government of Mossadegh and replaced it with the authoritarian Shah. The Shah was expelled after the Islamic revolution in 1979, in the course of which the American embassy was occupied. The attempt to liberate the hostages was a failure. America and its allies lent support to the Iraqi invasion of Iran between 1980 and 1988. In 1983, 241 US-soldiers died in an attack in Beirut reputedly committed by Hezbollah. In 1988, 290 passengers died when an Iranian aircraft was shot over the Gulf. From 2001 and 2003 onwards Iran profited from the removal of the Taleban in Afghanistan and of Saddam Hussein in Iraq. President Bush included Iran in the "axis of evil." Iran displayed its newly acquired influence while supporting Hamas and Hezbollah in the Israeli-Arab conflict. Iran spelled out its claim to be a leading technological, economic and political power in the Middle East ("20-Year Vision Plan"). This was followed by the nuclear programme, UN resolutions, sanctions, missile tests, military manoeuvres and verbal threats.

"Iran fears regime change."

These events led to profound emotional turmoil and a virtually insurmountable level of suspicion and mistrust. Moreover, then as now it would be true to say that America believes that Tehran is seeking to harm its interests in the Gulf and in the Middle East.

On the other hand the Iranian leadership is afraid of regime change, feels itself politically isolated by the U.S. and its allies, and believes that it is encircled in military terms. These feelings derive nourishment from the experiences of the war against Iraq, when for eight years Iran made

enormous sacrifices in asserting itself unaided in the face of the invasion by its Arab neighbour. Ahmadinejad uses such fears, the national pride of the Iranians, the newly acquired strength after the downfall of Iran's opponents in Afghanistan and Iraq, and popular approval for technological progress in order to press ahead with his missile and nuclear programmes.

Iran's priorities are to have secure and stable neighbouring states; to obtain security guarantees for its territory and its political system from the U.S.; to be accepted in negotiations as an equal partner; to be recognised as a regional power; and to have a say in the resolution of the Israeli-Arab conflict.

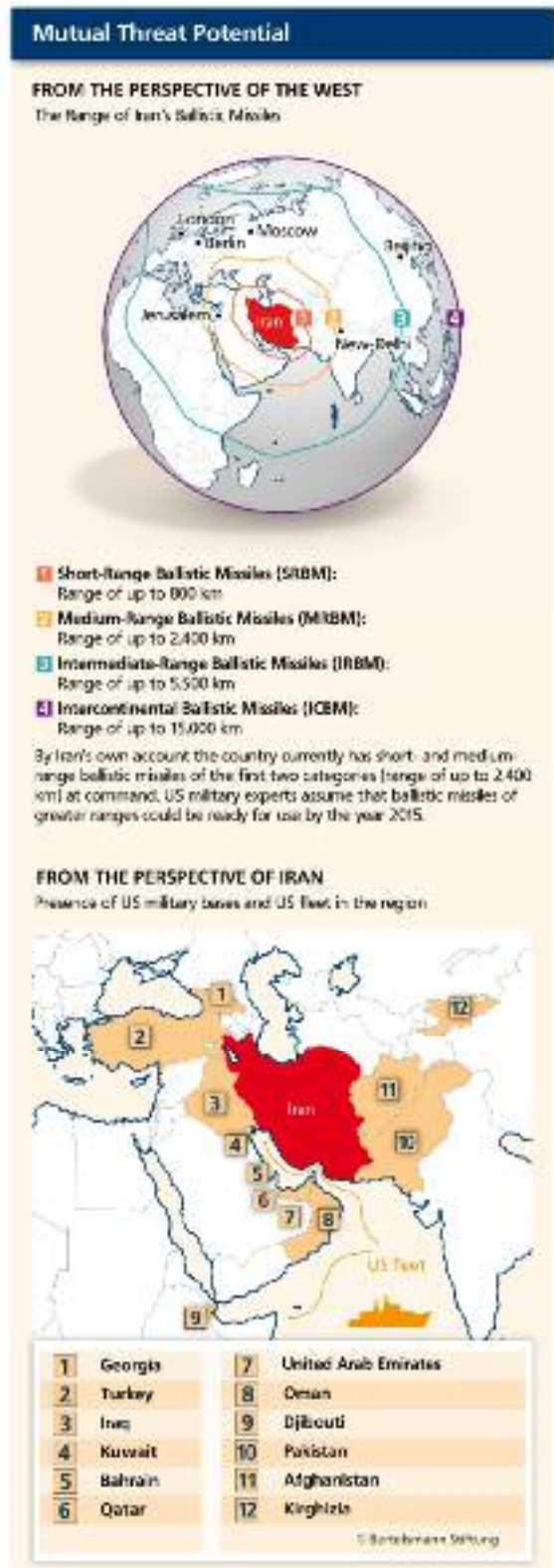
All this can be attained only by means of face-to-face talks with Washington. However, since they have not taken place over the last three decades, Iran demonstrated to the U.S. that it can both harm American interests in the Middle East and the Gulf region, and meanwhile reduce its own vulnerability with a growing missile and nuclear programme. Tehran makes a point of exploiting the unresolved Israeli-Arab conflict and the fragility and ethnic and religious diversity of Arab allies of the U.S. (e.g. Palestinian Authority, Lebanon, Iraq, Yemen and Bahrain). The intention is to make the U.S. clearly aware of the fact that the cost of isolating and encircling Iran is higher than the price of reaching some kind of accommodation.

III

Iran and Its Neighbours

None of Iran's neighbours is in favour of Tehran's direct or indirect intervention in their domestic affairs. They certainly do not want to see a rising military, economic and political predominance of Iran at their expense. All are concerned with Iran's nuclear aspirations. The Arab League and Turkey have called strongly for a nuclear-free zone in the Middle East. Jordan, Iraq

and the states of the Gulf Cooperation Council have warned that they would suffer if the nuclear standoff between Israel and Iran were to escalate even further. The Arab Gulf states are also afraid of the contamination of their environment and the



vitaly important waters of the Gulf in the event of a nuclear accident, since the Iranian reactors are not far from their borders.

Sunni Arab regimes are suspicious of Iranian support for Islamist or Shiite opposition groups in their countries. They also believe that Ahmadinejad is using the unresolved Palestinian issue in order to mobilize the so-called "Arab street" against their governments with the help of anti-Israeli rhetoric. Furthermore, there is scepticism about whether or not Iran does in fact have an interest in exporting its form of Islamic government.

Israel even feels that its very existence is being threatened. The mixture of anti-Jewish and anti-Israeli rhetoric coupled with the missile and nuclear programmes and support for Hamas and Hezbollah merely exacerbates these fears. Israeli security experts take it for granted that Tehran's civilian nuclear programme will very soon be in a position to be used in a military capacity.

China and Russia also play an important role in this convoluted conflict, and not only in the UN Security Council. They are the second-rank great powers on the Gulf and do not have an interest in Iran becoming a military nuclear power or in further conflict in the oil-rich Gulf. At the same time they do not like the U.S. predominance in the region. The Western boycott has forced Iran to turn towards the east. For China Iran is an important supplier of natural resources, and for Russia it is a customer interested in nuclear and military technology.

Influence is also wielded by the countries which derive profit from Iran's oil and gas exports: India, Pakistan, Indonesia, Japan and South Korea.

On the other hand the West and Iran are also pursuing identical interests. For example, both wish to stabilize Afghanistan and Iraq. Iran supported Qatar's efforts to end the internal political stalemate in Lebanon. And Iran is contributing to the

battle against piracy around the Horn of Africa.

IV

Facilitating Mutual Understanding

Since entering office, President Obama has embarked on steps to pursue his new initiative to renew US-Iranian relations: (1) He repeated the promise that his administration will engage in direct, bilateral talks with Tehran. (2) He sent video greetings speaking directly to the Iranian people for Nowruz, the Iranian New Year. (3) In Prague he outlined the goal of a nuclear-free world, and his UN ambassador referred to Israel as a military nuclear power in the Middle East next to Pakistan and India. (4) In Cairo he announced a new beginning in American relations with the Islamic world and said with reference to Iran, "And any nation—including Iran—should have the right to access peaceful nuclear power if it complies with its responsibilities under the Nuclear Non-proliferation Treaty."

Since Tehran's elites are in disagreement about the shape of the relationship with the U.S., and since a change in this relationship would lead to shifts in power within the structure of the elite, Obama's advances have led to a mixture of delight, disarray and reticence. After the elections Obama is expected to take some specific steps.

Recent surveys in Iran and the U.S. reveal that the majority of the inhabitants of the two countries are in favour of dialogue and negotiations. This positive momentum should now be utilized in order to bring about a comprehensive U.S.-Iran rapprochement. A resumption of diplomatic relations should be followed by an overall agreement that includes the following points: recognition of the Iranian system of government and acceptance of Iran's role as regional power (though without

domination over its neighbours), an end to sanctions, comprehensive cooperation in the economic and scientific fields, a positive role for Iran in the Arab-Israeli conflict, a rejection of nuclear weapons, security guarantees, a minimum of comprehensive and strict controls by the International Atomic Energy Agency (IAEA), and possibly the familiar proposal to place uranium enrichment under international control.

Yet hardliners and sceptics on both sides can use their influence to slow everything down. Those in Tehran believe that Washington will merely be submitting a fictitious proposal which will be followed by further sanctions and isolation. Those in Washington believe that Tehran will engage only in fictitious negotiations and will continue to develop nuclear weapons at the same time. America's allies in the region fear that a U.S.-Iran deal will be concluded at their expense.

The following needs to be pointed out to all those who harbour doubts and reservations. What the Americans have to offer at the negotiations must be credible and serious, for otherwise it will be unable to dispel Iranian fears of "regime change through the back door." At the same time the negotiations must have a clearly defined time frame (success parameters can help in working out what is appropriate), so that the familiar Iranian delaying tactics cannot come into play. When it comes to implementing a treaty, it might make sense to have a step-by-step plan complete with benchmarks. The talks could start with issues on which there is already a large measure of agreement with regard to Iranian and American interests, that is, with Afghanistan and Iraq. There is a great deal of international concern, especially with regard to Afghanistan.

The negotiations should be transparent in order to reduce the anxieties of Iran's neighbours (in particular the countries of the Gulf Cooperation Council (GCC), Iraq, Turkey and Israel). These negotiations and a re-integration of Iran into the region will

impinge on various Middle East conflict levels which are closely interlinked. For this reason it would simultaneously make sense to employ a round table strategy to incorporate fairly all the disparate interests, to turn all Middle East topics into the subject of a dialogue and make them negotiable. Such a dialogue forum could act as a hinge to the American-Iranian negotiations. It is not about increasing the number of mediators, but of creating a mechanism which is capable of providing effective support for the Iranian-American negotiations in the regional context. A broad coalition of stakeholder states would also be needed to enforce effective sanctions in the event that the U.S.-Iran negotiations turned out to be a failure. (However, in this case China, Russia, India, Pakistan, Indonesia, Japan and South Korea would also play a role since they maintain intensive economic relations with Iran.)

"Serious Negotiations must be limited in time."

In this framework the regional actors themselves can take important steps designed to reduce the tension in the region as a whole. Israel could hand over to the UN the small occupied area of the Shebaa Farms, thereby depriving Hezbollah of its last argument that it is acting as a "liberator" on Israel's northern border. Similarly, Israel could stop the construction and expansion of settlements in the Palestinian territories. Turkey could attempt to bring about a resumption of the Syrian-Israeli talks. The Arab Gulf states could make use of their ability to achieve a consensus by initiating a dialogue between Sunnis and Shiites in the framework of the Arab League and / or the Organization of Islamic States. In the event that the American-Iranian negotiations collapse, these measures will help to minimize Iran's ability to stir up trouble.

All the actors can help in the U.S. and in Iran to encourage the supporters of Iranian-American negotiations, and to calm the sceptics. Finally, at the United Nations

the new Iranian government might perhaps be offered a task with which Iran could accept regional or international responsibility. Giving Iran the benefit of the doubt and then taking it at its word – that would be the right strategy to pursue. For example, Iran could be put in charge of a water pollution control project in the Gulf. Responsible tasks might also be envisaged in the context of Afghanistan.

V

What the EU can do

Since the beginning of the 1990s, the European Union and its member states have attempted with the help of a variety of initiatives to establish relations (beyond diplomatic ties) with Tehran. The results of various non-exclusive strategies ranging from “critical dialogue” via “constructive dialogue” to the EU3+Solana format were rather meagre—especially because the EU could not and cannot give Iran what only the U.S. can give: security guarantees for the territory of Iran and recognition of its political system. For this reason Europe can now achieve more if it simply provides robust support for the U.S. administration in its forthcoming rapprochement with Tehran. The following points could be on the to-do lists of EU politicians.

(1) Strengthen the supporters and calm the sceptics in Washington so that Obama’s forthcoming proposals to Tehran will be seen as honest and credible.

(2) If help is needed in getting direct Iranian-American talks off the ground, and in view of the fact that Afghanistan has the greatest potential for early constructive cooperation, Europe could hark back to the format of the Petersberg dialogue and revive this conference framework for Afghanistan.

(3) Ensure together with Washington that the regional stakeholders remain part of the process by means of a round table strategy.

(4) Since the EU is considered by many people to be a model of intergovernmental cooperation, it is a credible purveyor of ideas on the formation of a sub-regional system of security and cooperation in the Gulf region. This system would in essence incorporate the three competing regional powers Iran, Iraq and Saudi Arabia. To introduce such an initiative will be absolutely essential at a certain stage of the U.S.-Iran negotiations because it can provide the best framework within which to define Iran’s regional role in such a way that its neighbours do not consider it to be domination.

(5) The EU and the GCC states could contribute to the stabilization of Iraq. Ensuring the quality of police training and the establishment of an accountable Ministry of the Interior are important tasks.

(6) Take Obama at his word. In Washington demand a strengthening of the IAEA and develop proposals on how global nuclear disarmament can be implemented in specific steps.

VI

An Opportunity for a Limited Period of Time

If the international community wishes to prevent Iran from becoming a military nuclear power, it must act quickly to integrate the Persian Gulf state into the region with the help of an American-Iranian accord.

So that this can happen in harmony with all of its neighbours, a round table strategy may make it possible to negotiate all the various Middle East issues in a transparent manner. On the other hand – and this should on no account be construed as a viable alternative – there is already a threat of other countries in the Middle East also acquiring nuclear weapons. This might lead to another military conflict.

For Further Reading:

Johannes Reissner: Iran, in: Guido Steinberg (Hrsg.): Deutsche Nah-, Mittelost- und Nordafrikapolitik - Interessen, Strategien, Handlungsoptionen, SWP-Studie, Mai 2009, S. 51-58

Flynt Leverett/Hillary Mann Leverett: Have we already lost Iran, The New York Times, 24. Mai 2009

Spiegel-Interview with Mohamed ElBaradei: "Versagt haben andere", Der Spiegel 21/2009, p. 102

Alvin Richman/David Nolle/Elaine El Assal: Iran Public Is Not Monolithic: Iranians Divide Over Their Government But Unite On Foregoing Nuclear Weapons, 18. Mai 2009

Mark Fitzpatrick: The Iranian Nuclear Crisis – Avoiding worst-case outcomes, International Institute for Strategic Studies, Adelphi Paper 398

Karim Sadjadpour: Iran - Is Productive Engagement Possible?, Carnegie Endowment for International Peace, Policy Brief, October 2008

International Crisis Group: U.S.-Iranian Engagement: The View from Tehran, Middle East Briefing No. 28, 2. Juni 2009

Reza Molavi (Hrsg.): Iranian Presidential Elections June 2009, Centre for Iranian Studies, Durham University, Policy Brief No. 7, Juni 2009

Walter Posch: Prospects for Iran's 2009 Presidential Elections, The Middle East Institute, Policy Brief No. 24, Juni 2009

David Menashri: Les programmes nucléaires iranien et israélien: obsession sans grand intérêt ou véritable préoccupation?, Revue internationale et stratégique 2008/2, No. 70, p. 187-194

Responsible

Bertelsmann Stiftung
Carl Bertelsmann Straße 256
D-33311 Gütersloh
www.bertelsmann-stiftung.de

Dr. Dominik Hierlemann
dominik.hierlemann@bertelsmann-stiftung.de
Telefon +49 5241 81 81537

Joachim Fritz-Vannahme
joachim.vannahme@bertelsmann-stiftung.de
Telefon +49 5241 81 81421

Latest editions:

spotlight europe # 2009/06
EU Eastern Partnership: Fine, but what about Russia?
Cornelius Ochmann

spotlight europe # 2009/05
It's hip to be a euro-critic
Isabell Hoffmann, Franziska Brantner

spotlight europe # 2009/04
Europe's Bold new Story
Joachim Fritz-Vannahme

All editions of the spotlight europe can be downloaded from: www.bertelsmann-stiftung.de/spotlight