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ANALYSIS

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# BETWEEN DEFIANCE AND DÉTENTE: IRAN'S 2009 PRESIDENTIAL ELECTION AND ITS IMPACT ON FOREIGN POLICY

## EXECUTIVE SUMMARY

*In Iran's 2009 presidential election President Mahmoud Ahmadinejad faces challenges from two reformist candidates, but also from within his own conservative camp in the regime. Incumbency provides him with a number of advantages, he still enjoys a solid base of popular support and can point to Iran's successful resistance to international pressure over its nuclear program. But the President also faces serious discontent over the way he is seen to have mismanaged Iran's economy and unnecessarily aggravated the country's international isolation. A change of president is a serious possibility, the impact of which could be felt in significant ways in Iran's foreign policy, including with respect to relations with the United States. Such a change would not, however, on its own be enough to facilitate either US-Iranian rapprochement or a breakthrough on the nuclear question.*

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**BETWEEN DEFIANCE AND DÉTENTE: IRAN'S 2009 PRESIDENTIAL ELECTION AND ITS IMPACT ON FOREIGN POLICY****Iran's presidential election**

On 12 June Iranians will go to the polls in the presidential election. Notwithstanding the limits that the regime places on elections, the presidential poll offers factions within the regime, and Iranian society at large, an opportunity to debate the contentious issues facing Iran in a relatively open environment. The country's economic problems such as high inflation and high unemployment, political demands for citizenship rights, and the rights of religious and ethnic minorities, foreign policy issues, including relations with the United States and the tensions surrounding Iran's nuclear program, are all up for debate and scrutiny.

The state structure in Iran is a heterogeneous one, with its constituent elements representing different, and at times conflicting, interests. Broadly the regime can be seen to divide into conservative and reformist factions, but nuances within each faction are often as important as the differences between the two. As an Iranian political activist, Saeed Fattapour, suggests, given the crucial role of the state in the allocation of national resources, and particularly oil income, large numbers of people are affected by the state's economic policies and hence try to influence them.<sup>1</sup> This is why the Iranian elections are being taken so seriously by many Iranians despite the resentment of dissidents who argue that they make a mockery of democracy. The victory of one political tendency over another could mean significant benefits for certain groups in Iranian society and considerable losses for others. In this respect, while Iranian elections may not be fully democratic, they are certainly competitive.

The 12 June election has offered internal critics of incumbent President Mahmoud Ahmadinejad an opportunity to sharpen their attacks on him. Since Ahmadinejad became president in 2005, he has antagonised powerful segments of the regime. His constant attacks on the previous administrations of Akbar Hashemi-Rafsanjani and Mohammad Khatami, and accusations of corruption levelled by him against former and current officials, have alarmed significant parts of the political establishment. Meanwhile, Ahmadinejad's messianic ideas and gestures (e.g. his veiled claims of contact with the Concealed Imam) have infuriated some senior clerics, who see in such gestures at best ignorance and superstition, and at worst political charlatanism. Critics also charge that Ahmadinejad has provoked unnecessary hostility toward the regime, both domestically, by his efforts to enforce a strict moral policing of society, and on the world stage, through his provocative rhetoric on issues such as the Holocaust.

The purpose of this analysis is to provide an overview of the election, the candidates running and their prospects of winning.

Whatever the result, the election outcome will have significant implications for Iran's external affairs. At a time when the US Administration is attempting to adopt a new course in its relations with Iran and with continuing international pressure on Iran over its nuclear program, the next Iranian president is likely to play an important role in charting the course of the country's foreign relations.

With that in mind, the second part of this analysis will assess the implications of the

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elections for Iran's foreign relations, in particular for the prospects of US-Iranian rapprochement. The analysis should not, however, be read as a comprehensive assessment of the possibility of such an improvement in relations. Myriad factors will influence such an outcome, not least the way the United States approaches Iran over coming months. At best what is provided here is an analysis of how the election outcome may play into this equation.

**The incumbent: Ahmadinejad**

Out of 475 candidates who enrolled to run for president on 12 June, only four have been qualified by the election watchdog, the Guardian Council (GC): incumbent President Mahmoud Ahmadinejad, the former prime minister Mir-Hossein Musavi, the former Majlis Speaker Mehdi Karrubi and the former Revolutionary Guards commander Mohsen Rezaei.<sup>2</sup>

Ahmadinejad represents the conservative or so-called *principlist* political camp in the regime. Incumbency provides him with significant advantages, not least the ability to use the full financial resources of the state in support of his re-election and control over the interior ministry which runs the election itself. The supporters of Ahmadinejad go out of their way to portray the president as the Supreme Leader's favourite – a significant factor that will be telling, particularly with conservative voters. And the president maintains a solid base of grassroots support gained by tapping into nationalist sentiment over the nuclear issue and by populist economic policies pursued in poorer and rural areas of Iran.

Ahmadinejad's support comes from a variety of sources. One key constituency are poorer Iranians that have benefitted from his social welfare policies, such as the introduction of the so-called 'justice shares', which provided lower-income groups with shares of state-owned enterprises at no charge. Among his other populist policies have been a housing initiative for low-income families and an offer of interest-free loans to young couples. He is also trying to pass a bill through the parliament that would allow him to cut subsidies on petrol in exchange for monthly cash payments to low-income groups. Many of Ahmadinejad's supporters from the 2005 presidential elections still sympathise with him, believing that he is genuinely determined in his fight against institutional corruption, but that he is up against great odds. As such, they perceive that he deserves support in his re-election bid in order to have more time to bring his anti-corruption campaign to a satisfactory conclusion.

Ahmadinejad's intransigence vis-à-vis the West over Iran's nuclear program, as well as his attention to scientific and technological progress, have also, hitherto, been seen by many Iranians as admirable achievements for the nation. In this regard he has made effective use of his tours of provincial Iran as a platform to build popular support, emphasising Iran's technological advancements (nuclear technology, space technology, nanotechnology, etc.) despite Western sanctions. He focuses in his speeches on the ability of the Iranian nation to overcome the hardships imposed by the Western powers, and eventually emerge as a global superpower relying on its religious faith and national pride.

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Another key constituency for Ahmadinejad is the powerful Islamic Revolutionary Guards Corps (IRGC) and its paramilitary adjunct, the Basij (Mobilisation) Force. It is estimated that in the 2005 elections, the Basij mustered several million votes for Ahmadinejad. Some even accuse it of fixing the 2005 elections in the interest of Ahmadinejad. All indications are that the Basij is determined to take an organised part in the 12 June elections in favour of the incumbent, offering Ahmadinejad a large bloc of votes.

One reformist journalist, Morteza Kazemian, has characterised the Basij as the institutional representation of what has been called the Iranian neo-conservative class, with forms of collective discipline combined with dogmatic religious views and totalitarian tendencies. In this view, Iranian neo-conservatives have been entrenching and expanding their authority in society since the early 2000s, and trying to establish a disciplined social order through strict enforcement of religious codes.<sup>3</sup> The Basij made its first organised foray into politics when it helped the neo-conservative forces win the local council election of 2003. It was this election that first brought Ahmadinejad to political prominence by making him the mayor of the capital, Tehran.

Under Ahmadinejad, the IRGC and the Basij have enjoyed increasing political, social and economic influence. The annual budgets of the Ahmadinejad administration have been marked by huge rises in allocations for these two institutions. The IRGC has also emerged as a fully-fledged military-industrial machine. In a major restructuring, the Basij paramilitary force has been put under the military command of

the IRGC, with huge allocations for new recruitment and training programs.

Significantly, the IRGC and Basij have become major players in the economy. They have bid successfully for multi-billion dollar state projects in the oil and gas industry, and in infrastructure. Having a key ally as president has undoubtedly helped in this regard. The increasing economic role of these two military institutions has, in turn, enhanced their political and social profile. The increasing number of former IRGC members in the parliament and the cabinet is one indication of this. Meanwhile, the Basij has increased its public profile by diversifying its activities. It has effectively set out to dominate the public sphere by offering social services and performing various civilian activities.

Finally, as already noted, Ahmadinejad appears to have the support of the Supreme Leader. Consistent with the tradition of the Supreme Leader remaining above the political fray, Ayatollah Khamenei has refrained from naming Ahmadinejad as his favourite. But he has made it known in many ways that he considers Ahmadinejad to be a close ideological and political ally. Defending Ahmadinejad against critics, the Leader has frequently praised the president for his 'service to the people'. In a speech delivered at a provincial tour in May, only four weeks before the June election, the Leader even repeated the rhetoric developed by Ahmadinejad that refers to Iran's agreement under President Khatami to a temporary suspension of uranium enrichment as a 'shameful act of surrender'. Ayatollah Khamenei called on the people not to vote for those who would want 'to surrender to the enemy' and 'disgrace the nation'. Apart from

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his ideological affinity with Ahmadinejad, the Leader's support for him is also dictated by his concern that criticism of the government in the context of the election campaign might become a vehicle for criticism of the ruling system as a whole, of which Khamenei is the leader. It is against this background that the Leader's warning during the election campaign to reformist candidates not to make 'destructive comments' about the state of the economy under Ahmadinejad in their campaigns should perhaps be seen.

Yet the Leader's support for Ahmadinejad has its limits. The relationship between the Supreme Leader and the president is one of competition and cooperation. The peculiar state structure in Iran compels the Leader to rein in even the most favourite of presidents when they happen to encroach upon the domain of the authority of the Shiite clerical establishment. The recent friction between Ayatollah Khamenei and President Ahmadinejad over the attempt of the government to wield control of the Hajj Pilgrimage revenues from the clerical establishment was a testimony to the limits of the Supreme Leader's support. His criticism of Ahmadinejad's performance in the final rancorous election debate between the President and his main rival, Musavi, may also suggest that the Leader senses that the public mood is shifting against the incumbent.

Indeed, Ahmadinejad faces some significant challenges in his efforts to be re-elected. On the international front, the conciliatory approach of the Obama Administration has somewhat softened the US' image in Iran's domestic politics. The attraction of radicalism has diminished, manifested in unfavourable public

reactions to Ahmadinejad's remarks at the UN Conference on Racism in Geneva in April. The attempt of his aides to attract a large number of supporters to organise a so-called 'spontaneous' popular welcome ceremony for the president upon his return from Geneva failed miserably. His reformist challengers even openly questioned the sanity of his participation in the forum. While Musavi reprimanded Ahmadinejad for causing disrespect to Iran, Karrubi went as far as accusing him of unwittingly 'serving the interests of the Zionists'. Critics have since stepped up their comments about his unnecessary radicalism in foreign policy.

On the domestic front too, the sharp drop in oil prices and the success of Ahmadinejad's critics in holding his spending spree responsible for runaway inflation have limited his ability to access public funds. The conservative-dominated parliament on several occasions voted down his requests for further withdrawals from the Oil Stabilisation Fund. Even his plan to cut subsidies in exchange for cash payments to lower-income groups as part of his annual budget was blocked by the parliament. This has, in turn, reduced Ahmadinejad's capacity to deliver promised benefits to his social constituency. Even worse, public accusations about plundering of public funds and the failure of his government to account for billions of dollars have seriously damaged the image of Ahmadinejad even among some of his former supporters. Critical reports issued by conservative state institutions such as the State Inspectorate General and the Supreme Audit Court have provided the ammunition for attacks against the president and his supporters in this regard.

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Growing criticism of Ahmadinejad from within his own conservative camp, particularly amongst more pragmatic conservatives, has materialised into an electoral challenge. In the months leading up to the election four putative challengers were most often mentioned: Tehran mayor Mohammad-Baqer Qalibaf, Majlis Speaker Ali Larijani, former foreign minister and Leader's adviser Ali-Akbar Velayati, and the former Revolutionary Guards commander Mohsen Rezai. Of these only the last has turned into a real candidate, possibly as a result of an agreement between the four. Reports indicate that such an agreement anticipated the formation of a coalition government in which power would be shared between the conservative forces on a broader scale than has been the case under Ahmadinejad.

The 55-year-old Rezai's chances of attracting the support of the conservative rank and file are low, and he enjoys support from only a few prominent conservative figures and factions. Yet his candidacy is damaging to the president because it indicates that he does not enjoy the wholehearted support of regime conservatives. In fact, just before Rezai announced his nomination, he paid a well-publicised visit to a number of senior clerics in the shrine city of Qom, soliciting their prayers for his decision to run for president. He portrayed his candidacy as a religious duty, and the favourable comments of the senior clerics, although they stopped short of providing a positive endorsement, offered a measure of legitimacy to Rezai's bid.

Rezai is a widely known figure. He was the commander of the IRGC during the war with

Iraq, and has been serving as the secretary of the Expediency Council for many years. But the defection of his son to the United States some ten years ago still casts a shadow over his political fortunes. Rezai is hoping to prove that Ahmadinejad is not the only face of the so-called *principlist* faction, claiming to represent a wiser, more pragmatic, conservative tendency. Due to his connections with the IRGC, he may even hope to cause some defections in the IRGC ranks in his own favour. Ultimately, however, even with the backing of some influential conservative figures he lacks Ahmadinejad's grassroots popularity. Opinion polls, often conducted by news websites close to conservative circles, put him far behind Ahmadinejad in the presidential race

**The reformists: Musavi or Karrubi, but no Khatami**

The second, and more serious, challenge to Ahmadinejad comes from the reformist camp. Weeks ago few gave the reformists much of a chance. Their camp was divided and their ability to attract disillusioned reformist voters back to the polls was seriously in question. The latter in particular was seen as critical to the incumbent's chances of re-election. In 2005, some 20 million eligible voters simply sat out the election either due to their opposition to the regime, or because of a lack of trust in the fairness of the elections. Reformists have consistently claimed that in 2005 Ahmadinejad won by default. He may still be able to count on the support of a solid constituency, but as the former President Khatami rightly notes, 'Ahmadinejad's votes have a ceiling.'

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It is estimated that Ahmadinejad may still be able to hold on to the votes of around 10-12 million voters, but over the past four years, he has made little, if any, inroads into the votes of the discontented people who would not bother to vote because they do not believe that their vote would matter. Approximately 46 million Iranians are believed to be eligible to vote on 12 June. An Iranian journalist, Mashallah Shamsolvaezin, believes that if more than 30 million of those voters turn out on election day, there is a chance that a reformist may emerge the winner. An opportunity therefore exists, principally for the reformist factions in the regime, to persuade voters who abstained in the last elections to turn up on 12 June. One campaign message argues: 'Not voting is not a protest, it is retreating.'

In a bid to reach what Iranian journalist Golnaz Esfandiari has called the 'silent voters', reformist campaigners are using everything from TV and newspaper ads, to provincial tours and public speeches, to phone calls and text messages, to e-mails and video clips. Reformist campaigners hope that through social networking they can mobilise those who boycotted the 2005 elections in support of their candidates.

Indeed at the time of writing their efforts appear to have been working, with polling indicating that an exceptionally high turnout is conceivable. This seems to be occurring despite the fact that the reformists have gone into the election divided.

Initially, an intense effort was made to persuade former President Mohammed Khatami to run for office again, with Khatami seen as the only candidate capable of uniting

the reformist camp. The 66-year-old Khatami was reluctant to be a candidate, encouraging other reformist figures to run, especially Musavi. When it seemed that Musavi would not run he relented to pressure, announcing his candidature last February. His decision was reversed, however, only one month later, when Musavi finally decided to nominate himself.

Khatami's entry and exit from the campaign underlined the conundrum facing the reformists. On the one hand, his short candidacy energised the reformist campaign with the former president demonstrating that he could still attract thousands of supporters to his rallies. On the other hand, Khatami was still viewed with scepticism by more radical reformers who recalled his failure to pursue the reformist agenda aggressively during his previous terms as president. Many, particularly amongst Iran's younger generation and urban middle class, who had once supported Khatami have become disillusioned with electoral politics altogether. These would only return to the former president if he was prepared to turn the challenge against Ahmadinejad into a challenge against the authoritarian ruling structure as a whole, and it was clear that Khatami was not prepared to go that far.

One result of this is that one part of the reformist camp has settled on a candidate that may be able to motivate those who boycotted the previous election to participate in the next election, but who also has the capacity to appeal to disaffected conservative voters – namely Mir-Hossein Musavi. Of the three challengers he currently offers the best prospect of unseating Ahmadinejad.



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The 69-year-old announced his candidacy in early March during a speech at Tehran University, Iran's oldest and most prestigious academic institution. While beginning his campaign on a reformist agenda, however, Musavi carefully avoided being closely associated with the broad reformist movement. He has praised Khatami and made it clear that he and Khatami follow the same line of thinking. His election campaign is effectively run by fervent Khatami supporters. Yet he is keen not to let his links to Khatami overshadow his political platform, which he promotes as 'principled reformism.'

Musavi was associated with many conservative figures when he was prime minister during the eight-year Iran-Iraq war in the 1980s (prior to the post being abolished). Musavi declares himself a 'principled reformist', stressing his intention to combine 'reforms' with 'principles'. His essential argument is that commitment to religious and revolutionary principles is by no means concomitant with repression of the constitutional freedoms and civil rights of the nation. In his inaugural speech, Musavi said:

*'People like their religious beliefs to be respected. At the same time, they are not happy when a book or a newspaper is banned or shut down on some minor or unacceptable excuse. People can accommodate these two concepts (i.e. principles and reforms) within themselves without any problems... Our society sees no relationship between respect for beliefs and harshness on the media...'*

Musavi, a painter and an architect turned politician, has been away from politics since the

late 1980s. He is remembered as an architect of the nationalisation drive when he was prime minister, but he has made privatisation a centrepiece of his economic platform in the run-up to the 2009 presidential elections. He sees the private sector as the engine of employment, and hence a panacea for Iran's perennial unemployment problem. Sceptics argue that the former prime minister, known for his pseudo-socialist economic policies, is unlikely to have reinvented himself as a liberal. But many of the staunch reformists of today were revolutionaries of the 1980s.

Musavi himself has made it clear that Iran's 'terrible' situation (including high unemployment, runaway inflation, and international isolation) has left him feeling that he has a responsibility 'to try and save the country.' As one observer has put it, many Iranians who might support Musavi's candidacy view it as an exercise in 'damage control' and their best hope to 'stop' Ahmadinejad. Most reformist leaders suggest that Musavi is capable of uniting certain rational tendencies in the conservative camp with the moderate reformists and thus create a new bloc in the elections. Musavi is also likely to tap into the crucial votes of women through his marriage to a well-known Muslim feminist Zahra Rahnavard.

Musavi's criticism of Ahmadinejad is focused on the latter's deviations from what Musavi calls 'the original aspirations of the revolution' and his tendency to undermine what Musavi calls 'the rational institutional structures of decision-making.' Musavi does not promise to weaken the Islamic regime; on the contrary, his challenge to Ahmadinejad is meant to lead to the strengthening of this regime by reviving its

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original values, and by rebuilding the institutions of the Islamic state. In this campaign, Musavi has particularly focused his criticism against Ahmadinejad's move to weaken or dissolve such institutions as the Central Bank, the Management and Planning Organisation, the Supreme Economic Council, and the Board of Trustees of the Oil Stabilisation Fund, which he believes would check the autocratic tendencies of government. Musavi accuses the Ahmadinejad government of opening the way for economic mismanagement, misappropriation and fraud by undermining or destroying the state's supervisory institutions.

Musavi tends to reduce democratic rights to 'right to privacy', and he has promised to lessen the state's intrusion into peoples' private lives. But he stops short of advocating a fully fledged democracy. As a result he has yet to motivate the student movement to vote for him *en masse*, as they did for Khatami in 1997. His twenty-year absence from political life means that millions of young voters do not even know him, and he seems unlikely to be able to reach all his targeted audiences in a short period of official campaigning.

Moreover, Musavi's political and economic agenda does not address the more far-reaching demands of the student movement, notably the democracy activists, which seeks fundamental changes in the state structure. Hence, while many former reformist officials and Khatami enthusiasts have pledged support for Musavi, reformist intellectuals and democracy activists, and particularly the main dissident student organisation, the Office for Fostering Unity, have sided with the other key reformist candidate Karrubi.

Karrubi, the 72-year-old reformist cleric, defeated by Ahmadinejad in the 2005 elections, is adamant that he is far better equipped than Musavi to bring the incumbent president down and the reformists back to power. He has the support of prominent reformist intellectuals and activists like Abdolkarim Soroush and Abbas Abdi. Karrubi was a disciple of the founder of the Islamic Republic, Ayatollah Ruhollah Khomeini, a fact that he often recalls as a means to boost his revolutionary credentials. He was also chairman of the Martyr Foundation (Bonyad-e Shahid), which provided for the welfare of families of those killed in revolutionary struggles and in the Iran-Iraq war of the 1980s.

Karrubi was speaker of the Iranian parliament for two terms before he failed to be re-elected in the 2004 Majlis elections. Karrubi attributes his failure to reach the second round of the presidential elections in 2005 to the rigging of the votes in favour of Ahmadinejad by the Basij, to which he sarcastically refers as 'secret forces'. He has appealed to the incumbent on numerous occasions to rein in the 'secret forces' and let a fair election take place. As a reform-minded cleric, Karrubi has advocated democratic reform as a means to strengthen the Islamic state and serve the Iranian nation, accusing the conservative clerics of backwardness and obscurantism, which he sees as elements endangering national security.

Karrubi is capable of attracting the support of a considerable number of prominent reformist intellectuals, activists, journalists and even students. He has significant organisational strength in the form of his National Trust Party, which he formed after his defeat in the 2005 elections, and its newspaper of the same

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name. While Musavi has shown a better capacity to attract the votes of the Khatami supporters and some moderate conservative forces, Karrubi is seen as a candidate with the capacity to represent the moderate reformists as well as create new alliances with other discontented groups of more radical persuasions. Indeed, by pushing the red lines of the ruling establishment in his campaign, Karrubi has often forced Musavi to catch up.

Coming from a tribal background himself, Karrubi has promised to elevate the position of the ethnic minorities and Iranian tribes in the national polity. He has also pledged to protect citizenship rights and the rights of religious minorities, and has advocated Iran's subscription to international conventions that fight to remove all forms of discrimination against women, thus addressing a main demand of most women's groups. He has also promised to make the state budget independent of oil income, thus ending the perennial problem of the oil-based economy. He has promised to then transfer the ownership of the oil wealth directly to the members of the nation.

Karrubi has already promised constitutional changes to abolish the approbatory powers of the Guardian Council, and hence make elections more free and fair. With his demands for constitutional change, Karrubi is seen as capable of encouraging the alienated voters to participate in the political process. Karrubi's success in registering the support of the student movement would mean that he will have a chance to tap into millions of votes. The student population can offer a solid electoral base for any candidate, just as it did for Khatami in 1997, potentially countering the effect of the Basij vote for Ahmadinejad.

One reformist strategist, Abbas Abdi, has suggested that the reformists need to use the opportunity presented by the 12 June election to rebuild public trust in the reformist camp as a whole.<sup>4</sup> Another reformist activist, Taqi Rahmani, suggests that Musavi and Karrubi can combine forces in a neat division of labour to accomplish this task.<sup>5</sup>

Indeed, all indications are that the combination of two reformist candidates that appeal to different constituencies is creating a political momentum against Ahmadinejad among those who abstained from elections in 2005. The reformist strategy revolves around mobilising voters around the slogan of 'change', confident that a majority of those voting against Ahmadinejad would vote for either Musavi or Karrubi. This would mean an overall increase in the number of reformist vote. Opinion polls indicate that Musavi is making the largest gains overall leading Karrubi by a substantial margin, but that Karrubi has been gaining votes on a faster rate than Musavi in the past two weeks.

Such has been the late surge in support for the reformists, in particular for Musavi, that some observers have suggested that Ahmadinejad could even lose in the first round. But even if this does not occur, the dual reformist candidates may be able to force the election into a second. Here the Rezai candidacy plays a critical role because with four strong candidates it is less likely that any can achieve a simple majority in the first round. Karrubi has already promised to support Musavi if he goes through to the second round of voting in a head-to-head clash with Ahmadinejad. In this scenario Musavi could potentially pick up votes from both disgruntled conservatives and from reformist supporters of Karrubi.

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Picking the results in Iranian elections is notoriously difficult. Opinion polling is unreliable and vote rigging remains a real possibility. Nevertheless, at the time of writing indications were that Ahmadinejad faces a major battle to be re-elected and the election is likely to be close.

It would be a remarkable turn-around for Ahmadinejad to lose – all three of his predecessors won a second term. But with what now appears to be a real prospect of this occurring, there are fears of a manipulation of the vote, or even violence. The growing mobilisation of Ahmadinejad's supporters on the streets of big cities, particularly after he issued open accusations of corruption and treason against his opponents in a live televised debate with Musavi, has moved the latter to issue a communiqué warning his supporters against engaging in tit for tat violence. Musavi has warned about the attempts of militants on the opposite side to cause 'insecurity' and 'turmoil' in order 'to derail the election from its natural course.'

### The making of Iranian foreign policy

The Iranian presidential election occurs in the midst of a debate within the country on the way the Islamic state should respond to the Obama Administration's recent conciliatory rhetoric towards Iran. Indeed, foreign policy has already been a significant feature of the election campaign and its outcome will have an impact on the course of Iranian international relations over the next four years. But in assessing the ultimate impact of the presidential election's outcome on Iranian foreign policy it is important to make three general points.

First, the Iranian president is not the key decision-maker when it comes to Iranian foreign policy. Supreme Leader Ayatollah Khamenei remains the single most critical actor in this regard. Consistent with this, on the US issue the Supreme Leader has, by and large, taken the lead in responding to the Obama Administration's conciliatory public overtures. As one Iranian scholar, Farideh Farhi, has suggested, the Iranian Leader has effectively set out Iran's conditions for any rapprochement. In a recent speech, he noted:

*'They say come and talk, come and establish relations. They speak of change. Well, where is this change? Clarify this for us; what has changed? Have you unfrozen the assets of the Iranian people; have you lifted the oppressive sanctions? We do not have any experience with the new American government and president; we will look and judge. You change, and we will also change our behaviour too.'*

In other words, so far the position has been that Iran will not be rushed into an embrace of the United States without seeing tangible signs of a new approach by Washington to Iran. This will define the parameters within which any new Iranian president will need to operate.

The second point to make, however, is that more or less across the political spectrum the regime has decided that, despite any reservations, it needs to respond in a positive way to Obama's overtures. This reflects an acceptance even in the conservative establishment of the need to address the new shifts in international politics in the wake of the change of the US Administration. A key

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difference, however, lies in what motivates particular factions in the regime in this regard. This, in turn, defines the extent to which each faction believes Iran's response to Obama should be substantive or just rhetorical.

The reformist camp have long been advocating a substantive normalisation of relations with the United States, but have typically been in a weak position to influence the regime on this issue. Significantly, however, some pragmatic conservatives argue that Iran should try to use the opportunity at hand as a means to start a serious dialogue with the United States, with the view to using its progress in nuclear technology and its regional influence as leverage to obtain as many concessions as possible (e.g. security guarantees, lifting of sanctions, and promise of enhanced economic relations). Iran's difficult economic circumstances also weigh heavily on their minds in their desire to see Iran's relations with the outside world improve.

By contrast, conservative hardliners still do not trust that the Americans are yet ready to make a fundamental change in their strategy of regime change vis-à-vis the Islamic state. They believe that the more conciliatory line being followed by the Obama Administration is only dictated by its need for Iran's help on various fronts, including in Iraq and Afghanistan, and that Iran should continue with current policies. Nevertheless, there is a view even within these circles that Iran should use the new opportunity for dialogue to buy time for more progress in its strategic plans (i.e. advancement of its nuclear capabilities and expansion of its regional influence). The hardliners believe that America's power is in decline anyway, and that

Iran should take advantage of the emerging power vacuum.

The third, related point to make is that the regime operates more or less by consensus. Thus, it will be important what position key individuals and institutions take on foreign policy, including on relations with the United States. But as important, especially on a critical decision such as this, will be the existence of a consensus or even balance in favour of substantive engagement. Various power centres and social groups stand to lose or gain from the resumption of relations with the United States, depending on how the process of rapprochement is shaped. The power elite, including the Supreme Leader, the Supreme Council for National Security, the Expediency Council, the Guardian Council, the Consultative Assembly, the Cabinet of Government, the Revolutionary Guards and the Basij, and even the vigilante groups on the streets can at various junctures create obstacles and unpredictable hiccups on the path of normalisation of relations. In this regard, even if there is significant support for rapprochement with the United States within the regime, it may not be enough.

Against this background, the outcome of the presidential election will impact on prospects for rapprochement in two key ways.

### **Improving the atmosphere**

As the head of the executive branch of government, which includes Iran's foreign ministry, the president can, through his statements, set the tone and shape the atmosphere in which Iran's foreign relations are

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conducted, including with the United States. Certainly Ahmadinejad's hardline image and provocative statements have had a negative impact on Iran's relations with the outside world. By contrast, the more reformist image and conciliatory rhetoric of his predecessor Khatami undoubtedly improved Iran's relations with most of its neighbours and the broader international community, including with the United States.

In this regard, a return of the incumbent as president is less likely to improve the atmosphere in US-Iranian relations, although it would not preclude this altogether. Ahmadinejad has shown in the past that he can restrain himself from more provocative interventions when the regime requires it. In 2008 he sent positive signals about the prospect of the opening of an American interest section in Iran. More recently, he made an intervention with the judiciary to secure the release of the Iranian-American journalist Roxana Saberi who had been accused of espionage and sentenced to imprisonment, a move which was widely seen as an attempt not to complicate the possibility of rapprochement with the United States ahead of the Iranian election.

Nevertheless, the current president is more likely to return to provocative statements. In part it is because they genuinely represent his views and that of a faction within the regime that for thirty years has consistently opposed any change in Iran's relations with the United States. His provocative outbursts have, however, also served a number of domestic political purposes. As already noted, his ability to trumpet Iran's achievements in the face of 'Western aggression' has been a factor in garnering some degree of popular support. In

the past, too, his confrontations with the United States and the West more generally have kept his opponents within the regime, particularly more pragmatic conservatives, off balance. Finally, while as noted above there may be tactical advantages in stringing out some process of engagement with the United States, ultimately key elements of his constituency would probably fear the impact of a less isolated Iran. An international opening could, for example, make it harder for hardliners to maintain social and religious restrictions. It would also introduce foreign competition to the IRGC in its increasingly important role in the economy.

By contrast, a victory by any of the three current challengers would probably improve the atmosphere surrounding Iran's relations with the outside world, including the United States – though obviously to varying degrees. All three candidates have been critical of what they have termed Ahmadinejad's confrontational approach. Rezai argues Ahmadinejad's bluntness has destroyed many opportunities to make significant gains for Iran in its relations with the outside world. Musavi has attacked Ahmadinejad's radicalism in foreign policy, arguing that he is against 'unnecessarily inciting the international community.' Karrubi has openly criticised Ahmadinejad's 'adventurous' foreign policy and his 'provocative' rhetoric, particularly his derogatory remarks about the Holocaust.

Of course, as Khatami's term as president demonstrated, an improvement in the atmosphere would not, on its own, reflect changes in substantive policies by the regime on issues such as the nuclear program or on relations with the United States. Nevertheless,

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at the very least, it would avoid the real obstacles that Ahmadinejad's provocative rhetoric has created. Arguably, this did not matter in the past given the fact that for the most part the Bush Administration was not interested in a serious dialogue with Tehran. In the current climate, however, with an Administration that seems both seriously interested, but also subject to criticism and scepticism for being so, avoiding a confrontational atmosphere will be important.

**The regime balance**

A second key way that the outcome of the presidential election will impact on the way that Iran will respond to American overtures is with regard to the role that the president plays in the foreign policy decision-making process. We have already noted that the president is not the key figure in this regard, but this does not mean that he is unimportant. As head of the executive he has control over the foreign ministry and more importantly, he is Chairman of the Supreme Council for National Security. Even the Supreme Leader needs the support of the regime establishment on foreign policy and other matters to reach a decision that is binding. Given the differences in opinion and interest within the regime, hammering out a decision of strategic significance depends, therefore, on the cooperation, rather than competition, of the Supreme Leader and the president.

Given that the conservative forces – whether pragmatic or hardline – control almost all apparatus of power in Iran, in theory a conservative victory in the 12 June presidential election would continue a more monolithic

power structure and hence produce a more decisive environment for decision-making on Iran-US relations. But as already noted, for this to have a positive impact on the prospects of rapprochement with the United States, Ahmadinejad and other hardliners would need to be convinced of the value in a substantive, and not just tactical, change in relations between the two countries. This is, at best, unclear and more likely they would oppose any real changes in Iranian policy.

At the other end of the spectrum, a victory by the most reformist of the candidates, Karrubi, would mean a greater willingness to pursue rapprochement, but a limited ability to actually pursue it, given the reformists' lack of power in other key regime institutions. Indeed, even more pragmatic conservatives would probably block a rapprochement process that potentially delivered great political benefits for regime reformers.

Against this background, a Musavi or Rezai victory offers the most positive prospect in terms of its impact on US ties. Rezai purports to represent the conservative forces that would best be able to form a uniform government capable of capitalising on the new international developments to make a deal with the United States in which both sides can come out as winners. But as opinion polls indicate, Rezai seems to have next to no chance in the race, although even a small show of support for him could drain critical votes away from Ahmadinejad.<sup>6</sup>

Musavi, while still harbouring strong sentimental attachments to the early 'anti-imperialist' aspirations of the revolution, is also capable of forging alliances with pragmatic

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conservatives to push the idea of rapprochement forward. Combined with the fact that the opinion polls indicate a majority of Iranians favour rapprochement, this would offer the best possible circumstances, at least on the Iranian side, for pushing a deal forward.

Nevertheless, even a Musavi victory is unlikely to make a negotiated solution on Iran's nuclear program significantly easier to reach. There is a consensus amongst all four candidates in favour of what Iran portrays as an effort to develop a self-reliant civil nuclear capability. Uranium enrichment on Iranian soil – the aspect of the Iranian nuclear effort that most concerns the US and others in the international community because of its potential dual-purpose nature – is a red line that not even the most pragmatic amongst them is likely to cross.

What may distinguish the candidates, however, is their willingness to contemplate monitoring and other safeguards that would reassure the outside world that Iran was not using its civil nuclear program for weapons purposes. This would also, obviously, depend on what Iran would be offered in return for implementing such measures.

Ultimately, like a change in the atmosphere, any shift in the political balance within the regime as a result of the presidential elections will not, on its own, resolve the nuclear question or be enough to guarantee a change in the largely hostile relations between the United States and Iran. As has already been pointed out, there are other factors, from the approach the Obama Administration takes, to the considerable opportunities that exist within the Iranian system for opponents of any deal to block it. Nevertheless, a less confrontational

atmosphere and a balance of power within the regime open to substantive negotiations would, at least, provide a more positive starting-point than has existed in many years.

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**NOTES**

<sup>1</sup> Fattapour, Mehdi, Entekhabate Iran: Payane Dorahiye Tahrir/hemayat (Iranian election: the end of boycott/support dilemma), Asre Nou on-line magazine, May 2009.

<sup>2</sup> Among those disqualified were three former members of parliament. One of these three was an independent conservative woman, Raffat Bayat, who had at times issued soft criticism of hardline conservatives. The other two were independent reformist men, Akbar Alami and Qasem Sholeh-Sa'adi, who have been harsh critics of the conservative establishment. Alami was barred from standing for election for his effort to impeach Ahmadinejad as a member of parliament. Sholeh-Sa'adi was barred, however, because he wrote a critical open letter to the Supreme Leader.

<sup>3</sup> Kazemian, Morteza, Dar Barabare Tabaqeye Jadid (Against the New Class). Rooz on-line magazine; May 2009.

<sup>4</sup> Abdi, Abbas, Comments on 12 June election, Abbas Abdi weblog, April 2009.

<sup>5</sup> Rahmani, Taqi, Democracy va Jame'eye Madani (Democracy and Civil Society), Rooz on-line magazine, May 2009.

<sup>6</sup> Esfandiari, Golnaz, An analysis of Iranian election, Radio Free Europe, May 2009 (Esfandiari, May 2009).



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