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# IRAN: DOMESTIC CRISIS AND OPTIONS FOR THE WEST

The domestic crisis that arose in the wake of the presidential elections of 12 June 2009 constitutes a fundamental challenge to Iran's political system, which is based largely on religious legitimacy. Opposition protesters and regime loyalists are facing off in an increasingly intractable confrontation. At the same time, the conflicts within Iran's ruling elite are intensifying. While the ultimate outcome of the domestic struggle remains uncertain, it seems unlikely that there will be positive effects on the nuclear issue, with the West being confronted with a severe dilema as to how to proceed.



Confident of victory: Mahmoud Ahmadinejad, after casting his ballot at the 2009 presidential elections, Tehran, 12 June 2009. Reuters / Ahmed Jadallah

The controversial presidential elections on 12 June 2009 and the subsequent wave of protests have precipitated the most serious crisis in the history of the Islamic Republic of Iran. The demonstrations and violent clashes in Tehran and some provincial cities, as well as the increasingly obvious fault lines within the ruling Iranian elite, have developed a dynamic that could give rise to a fundamental change in the country's political order. Since the 1978/79 revolution, domestic debates have been shaped mainly by matters related to the role of religion in politics. In the wake of the recent events surrounding the re-election of the incumbent, President Mahmoud Ahmadinejad, the contrast between authoritarian rule on the one hand and constitutional and democratic aspirations on the other - a recurring feature of modern Iranian history -

has come to the fore again. This traditional dualism is increasingly overshadowing questions concerning the role of religion in politics as well as the antagonism between conservatives and reformers that has shaped the more recent past.

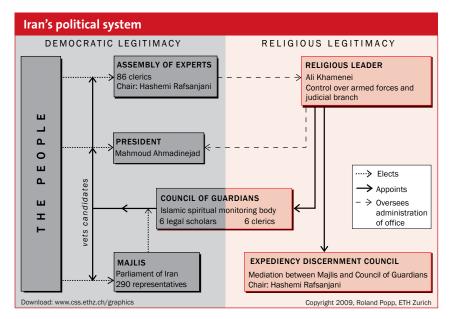
In view of the fundamental challenge that these events pose to the authority of the religiously legitimized ruling system, the survival of the latter in its current form is uncertain, at least in the long term. The further trajectory of this domestic power struggle may affect the outcome of the nuclear dispute between Iran and the West.

### The 12 June elections

Only very few observers of political affairs in Iran anticipated the crisis arising from

the presidential elections on 12 June 2009. In the run-up to the ballot, the Council of Guardians had only admitted four out of nearly 500 candidates. Despite the unimpressive achievements of the government over the past five years, the re-election of Ahmadinejad seemed to be a foregone conclusion. Never before had an incumbent president failed to win a second term in office. This precedent was compounded by the open support of spiritual leader Ali Khamenei for Ahmadinejad as well as by the perceived weakness of the other candidates after the best-known reformer, former president Mohammad Khatami (1997–2005), had abstained from making a second bid for the job.

The election campaign, however, saw the unfolding of a dynamic hitherto unknown in Iranian politics. It was fuelled by widespread dissatisfaction with increasing repression and the curtailment of civil rights, as well as by the precarious overall economic situation, with massive inflation and high unemployment. Another important factor was the decision of the Ahmadinejad government, prompted by overconfidence in its own victory, to relax state control of the opposition. This measure, aimed at creating quasi-democratic legitimacy for Ahmadinejad's second term in office, produced a political boomerang effect. His rival, Mir-Hossein Moussavi, who had been regarded as bland before the poll, managed to win over large parts of the population in addition to the reformists' traditional constituency of urban voters. Due to the mass rallies of the Moussavi campaign,



their success in using the internet for organization and mobilization to an extent previously unknown in Iran, and the incumbent's mishandling of the first-ever televised broadcasts of the presidential candidates' debates, the outcome of the elections unexpectedly appeared to be completely open.

The official results, which were announced on the very night of the election, were all the more surprising. According to these figures, slightly more than 62 per cent of the almost 40 million-strong electorate had already cast their vote for Ahmadinejad in the first ballot. While the president had managed to capture a similar share of votes in the run-off poll of 2005, there are a number of indicators that make this outcome highly suspicious. In particular, the results reported in the provinces, some of which were predicated on the president gaining a six- or sevenfold increase of popularity among ethnic minorities, are not credible. The actions of the regime on the day of the election - the rapid vote count, the concentration of strong security forces in the cities, and the disruption of web-based social networking sites and of the mobile telephone network - also make the charge of election fraud appear plausible.

Within a few days, the protests that sprung to life immediately after the announcement of the results had taken on the traits of a popular movement. The extent and social composition of the protests as well as the insistence of the protesters in the face of repressive measures were unprecedented in Iran. Violent countermeasures, and in particular the

deployment of the regime's Basij militia, and the accompanying waves of arrests were successful in ending the initial mass demonstrations. However, despite the violent crackdown, the protests are being continued on a smaller scale. For example, there were renewed protests ahead of Ahmadinejad's inauguration at the beginning of August. The increasing repression, the charges of torture leveled against the security forces, and the show trials of opposition members (which were counterproductive in terms of their effects on public opinion) are instead aggravating the conflicts within the conservative camp itself. The cohesion of Iran's ruling elite, which is indispensable for the preservation of the regime, is in danger of breaking down.

#### Inherent contradictions

The contradictions that are so characteristic both for the conception and for the reality of the Islamic Republic have contributed decisively to the genesis of this state of crisis. Iran's political system is the product of a unique historical trajectory. The country's domestic conditions and its governmental system are shaped, on the one hand, by the nationalist-constitutionalist movement that emerged in the late 19th century and was guided by the ideas of Western enlightenment. The traditional antagonism between the monarchic autocracy of the shah and constitutionaldemocratic movements was further refracted during the Islamic revolution of 1978/79 through the alternative model of a rule based on religious legitimacy. Thus, the constitution of the Islamic Republic reflects Western republican notions of popular sovereignty and separation of powers, but simultaneously implements the ideas of revolutionary leader Ayatollah Khomeini on the so-called "rule of the (Islamic) clerics".

These older controversies have re-emerged in the controversy over the outcome of the elections. They are increasingly superimposed upon the fissures that dominated the past decade between reformers, pragmatic conservatives, and the "principled" ultraconservatives, who are often labeled "neoconservatives". Having gained access to the corridors of power mainly through the support of the spiritual leader, Ahmadinejad's neoconservatives fundamentally question the (partially) republican nature of the Iranian state and exhibit a disproportionate preference for a religious legitimation of power. Consequently, the conflict between reformers and conservatives has played a less significant role in the domestic conflicts of the past years, which were instead characterized by an increasing division between advocates and opponents of these neoconservative concepts within the traditional conservative camp. These antagonisms were further aggravated by divergent socio-economic interests on the part of these factions and not least by personal animosity, particularly between Ahmadinejad and former president (1989-1997) Ali Akbar Hashemi Rafsanjani, who is frequently counted among the pragmatists.

#### Managed pluralism, out of control

Despite the bitter disagreements between the opposing conservative camps, it should not be overlooked that all of these groups are fundamentally interested in the continuation of Iran's religiously legitimated rule. The possibility should not be excluded that the conservative rivals may set aside their disputes at least superficially, if only to ensure the preservation of the regime. The radicalization of the protesters in the street, who have gone from calling for the annulment of the official election results to demanding a fundamental transformation of the system into a liberal and republican or even secular order, may turn out to be instrumental in creating a willingness among the conservative elites to arrive at a compromise among themselves.

However, among conservatives, discontent with the president is palpable. Ahmadinejad's populism, his erratic economic policies, and not least his attempt to treat the election as mere acclamation for his administration are blamed for the systemic crisis. In protest, key conservative figures refused to attend his inauguration ceremony. Already, conservative resistance, especially by the parliament, to his initial cabinet choices shows that Ahmadinejad can expect much more institutional resistance against his policies during his coming second term in office.

Despite this discontent among the clerical elites, a replacement of Ahmadinejad – Tehran's mayor Mohammad Ghalibaf is frequently cited as a substitute candidate – is rather unlikely in the short term. The stance adopted by religious leader Khamenei will be decisive; he has already publicly sided with the embattled president. In view of Khamenei's crucial role under the constitution, it is unlikely that the Revolutionary Guards close to Ahmadinejad will attempt a coup, though some observers regard this as a possible scenario.

Most likely, then, Ahmadinejad will remain in office, though with considerably less leeway and in a weakened position. The continuing protests do, however, give the pro-regime elite reason for alarm. Everyone remembers the historic course of the 1978/79 revolution, when demonstrations that flared up intermittently over 12 months brought about the gradual downfall of the Pahlavi dictatorship. However, repression on a massive scale would be required to shut down the cur-

rent protests once and for all. Such an approach not only carries the risk of further escalation; it would

also bring about a lasting change in the political culture of the Islamic Republic. A violent enforcement of the controversial election results would reduce the pseudo- or semi-democratic elements of the political order to a mere sham in the public perception. The system of managed pluralism could no longer serve its function as a safety valve. The fact that the modern-day demonstrators are taking recourse to forms of protest that harken back to the Islamic Revolution is evidence of the continuing fundamental legitimacy of the order that emerged from the events of 1978/79. Thus, the regime is confronted with a dilemma: The elites can either jeopardize what legitimacy they still have by cracking down violently on the protests, or they must risk a development in which an increasingly well organized and determined protest movement continues to undermine the political order through grassroots pressure.

#### Iran's weakened regime: Dilemma for the West

The domestic fault lines perforce also have an effect on Tehran's negotiations with the West in the conflict over nuclear technology (cf. CSS Analysis No. 43 ☑). Despite the regime's apparent domestic weakness, and although the administration of US President Barack Obama has prepared the way for the first bilateral talks over the nuclear issue ever, the position of the Iranian side is unlikely to shift. From the point of view of Khamenei and Ahmadinejad, any accommodation of the West in the question of uranium enrichment under the current circumstances would constitute an admission of weakness. Also, the economic opening towards the West that would accompany any compromise on the nuclear issue would strengthen those forces that are seen as being responsible for the emergence of the protest movement. The latest show trials in particular were designed to frame the opposition movement as an instrument in the hands of the West to destroy the achievements of the Islamic revolution. The propagandistic exploitation of the protests, but also the Iranian leadership's genuine fears of a "velvet revolution" make rapprochement with the West unlikely in the im-

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mediate future. From the point of view of the besieged regime, on the other hand, an uncompromising

stance and new rhetorical provocations towards Western states and Israel would appear to be suitable means of deflecting attention from domestic tensions and to mobilize its own support base.

Therefore, negotiations with Tehran over the nuclear issue are unlikely to become easier. The West is confronted with a dilemma here, since the positions of the Western governments in the nuclear dispute will indubitably have effects on the domestic situation in Iran. There are indications that despite the unrest in Iran, the US and its European partners will adhere to their agreed negotiation strategy. Thus, Iran still has time until autumn of this year to take up the Obama administration on its offer of talks. Should Iran fail to come up with a constructive and meaningful response, the Western powers will likely renew their pressure for harsher sanctions. Unlike on previous occasions, when the measures imposed were rather moderate, this time, targeted sanctions against Iran's energy sector are being considered.

The usefulness of enhanced sanctions at this point is contested. The advocates of such an approach hope that it would force the internally destabilized regime to give in and terminate its uranium enrichment. The critics argue that the sanctions being considered would mainly affect the broader population and would ultimately only have the unintended effect of creating solidarity with the regime. They warn that, should heavy external pressure be brought to bear, the protest movement would hardly retain its ability to mobilize the strongly nationalist population of Iran against its own government. They therefore counsel a "strategic pause", with Western governments refraining from threats of aggravated sanctions in order to prevent the nuclear issue from being instrumentalized in Iran's domestic disputes, which would ultimately be disadvantageous to all sides involved.

However, such a moratorium on negotiations carries the risk that Tehran might exploit it in order to continue or even accelerate its nuclear program. Thus, upon resuming talks, Western negotiators might be confronted with an Iran that has de facto advanced to nuclear threshold status. Whether or not the West is prepared to accept such a risk will, most likely, ultimately depend on an assessment as to the anticipated future course of the Iranian crisis. It will also depend on whether the Western governments believe that a transformation of the regime in Iran would also bring with it the prospect of a fundamental change in the Iranian position in the deadlocked nuclear dispute.

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