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Dilemmas of Western Policies towards Iran

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In a recent article, Robert Kagan has argued that the various disagreements which have surfaced between Washington and Europe do not stem from a mere squabble between the ideological fixations of the Bush administration and the supposedly forward-looking globalism of Western Europe. The transatlantic divide, he writes, is rooted in a basic divergence of perceptions between a Europe whose leaders "believe they are moving beyond power into a self-contained worlds of laws and rules and transnational negotiation", and a United States whose leaders remain "mired in history, exercising power in the anarchic Hobbesian world...where security and the promotion of a liberal order still depend on...military might". Yet this gap may not be quite as existential as it appears. As Kagan notes in an echo of German Foreign Minister Joschka Fischer and other European leaders, "even today, Europe's rejection of power politics ultimately depends on America's willingness to use force around the world against those who still do believe in power politics".¹ In short, a division of labour, more pragmatic than philosophical, seems to be at work.

This divide is amply displayed by America's relations with Iran. Many

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¹ R. Kagan, "Power and Weakness" <<http://www.policyreview.org/JUN02/kagan.html>>.

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Europeans believe that the US remains caught in a web of resentments whose roots can be traced to the humiliations of the 1979-80 American Embassy hostage crisis. Others argue that Washington's hostility to Tehran is fuelled by the pro-Israeli lobby. The maintenance of the sanctions,² which has harmed American firms without compelling a change in Iranian foreign policy, is said to reveal the irrational nature of Washington's approach. Similarly, some Europeans argue that a policy of confrontation and threats – as reflected in Bush's 29 January 2002 "Axis of Evil" speech – has isolated Iran's reformists and thus undermined prospects for rapprochement. Thus, it is said, dialogue, negotiation, and most of all, a policy of quiet diplomacy, would be far more effective than lumping Iran into the same demonic basket with North Korea and Iraq (Iran's long time enemy).

It is not the purpose of this article to defend the Bush administration. But there does seem to be reluctance in some European circles to confront the security challenges that emanate from Iran. Given Europe's hesitation to back a more confrontationist policy, Washington's role is to play "bad cop" to Europe's "good cop". It does this by insisting that so long as Iran pursues the means to create or deliver nuclear weapons, supports Palestinian and Lebanese groups that oppose a two-state solution (and use terrorism to back this policy), and advances policies directed at undercutting American influence and political stability in a post-Taliban Afghanistan, then Tehran will pay an economic, political and quite possibly military price.

Still, while there are reasons for Washington to take a tough line on Tehran, it is far from clear whether the administration has played the role of both bad and smart cop. Many of Tehran's most dangerous policies have been advanced by a hardline faction that is determined to block the reformists' efforts to democratise at home and engage abroad. Iranian foreign policymaking is not a fully coherent or rational process. Instead, many of its policies are shaped by the same political and ideological divisions that have animated the country's fractious domestic politics. Thus the dilemma facing Washington is this: while it cannot allow Tehran to use internal divisions as an alibi for ignoring the negative dimensions of Iran's foreign policy, and while it must hold Tehran's government accountable for its words and deeds, Washington must also find an effective way to deal with a foreign policy apparatus that is subject to centrifugal pressures. This requires matching every measure of Realpolitik with an equal measure of sober political realism.

One can debate whether the Bush administration's hard line has struck this careful balance. In recent months, American policy has been captured

² Iran-Libya Sanctions Act, 5 August 1996.

by a hardline, neo-conservative faction whose peculiar blend of aggressive Wilsonianism and political cynicism is sidelining Realpolitik pragmatists such as Secretary of State Powell. Thus the Bush administration's foreign policy apparatus is split by a divide that pits the radical vision of hardline ideologues against the prudent instincts of professional diplomats and soldiers. The hardliners believe that Iran's reformers are irrelevant, and that only a policy of American-led "regime change" that begins with Baghdad and then sweeps north to Tehran will make the Middle East both safe and democratic. Whether Western European leaders can help coax American policy back towards a Realpolitik approach is a question that will be addressed in the conclusion.

Europe, the US and Iran: two approaches

In the wake of Bush's 29 January "Axis of Evil" speech, European leaders were quick to distance themselves from the administration's tough rhetoric. As European Commission chief Romano Prodi told a leading Iranian newspaper, while European leaders share many of the "serious concerns expressed by President Bush", they do not "think it is possible to lump [Iran, Iraq and North Korea] together...where there are vastly different problems".³ One of the basic assumptions guiding Europe's approach has been that despite many obstacles, Iran's reformists have enhanced the prospects for political change at home and a more constructive foreign policy abroad. From this premise flows the idea of an official "dialogue" whose goal is to strengthen the leverage of Iranian reformists and, by so doing, encourage Iran to play a more positive role in the Middle East. European leaders have tried to bolster this engagement strategy by promoting closer economic relations between Iran and Western Europe. While they have talked frequently about tying such relations to Iran's human rights record, European policymakers have not insisted on an iron-clad link between trade ties and political reform in Iran. Any such linkage, they argue, would undermine the reformists while failing to elicit a change in policy from the hardliners. Thus, it is assumed, the long-term use of the carrot is far more effective than the short-term use of the stick.⁴

This approach involves more than a mere "nuance" – as Javier Solana put it – of "difference" with the United States. Even under former President

³ "Europe Expects Iran's Green Light," Hamshari, 29 April 2002, vol. 10, no. 207, page 5. Interview translated in <<http://www.netiran.com/Htdocs/weeklyjournal/politics/wj00857.html>>.

⁴ See R.Wielaard, "Europe to Seek Trade Pact with Iran", The Guardian, 18 June 2002, in <<http://www.guardian.co.uk/print/0,3858,4435671,00.html>>.

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Clinton, American policy was guided by the belief that Washington should focus on making Iran's hardliners pay an economic and political cost for backing terrorism and their pursuit of nuclear technology, two issues that have remained at the heart of US-Iranian tensions. It has never been assumed, by either the previous administration or certainly the present one, that by itself Europe's dialogue with Iran can yield positive results. Hence Europe and the US have pursued different paths in the hope that they will complement rather than conflict with one another. As Solana puts it, "The United States knows our approach, our dialogue with Iran, our planned cooperation agreement, and our commitment towards reformist groups, who have asked us to help them and who consider us very important partners."⁵

Foreign policymaking in Tehran: consensus and division

While reformists and conservatives are not ideologically coherent blocks when it comes to foreign policy, there are areas of basic consensus that unite the two, as well as sharp divisions that divide them. High consensus policies include the following: First, the development of a nuclear capacity designed to expand Iran's domestic energy supplies while implicitly reinforcing its strategic position in the Gulf. Iranian foreign policymakers insist that the ongoing construction of a nuclear reactor is designed for peaceful purposes, but acknowledge the strategic benefits, particularly as regards Iraq, that derive from this project. Second, support for Lebanon's Hezbollah as an organisation that defends Lebanon's territorial integrity. Note that this position does not translate into support for Hezbollah's occasional targeting (or threat to target) Israel's civilian population along the Lebanese-Israeli border, or most of all, support for Hezbollah's support of Palestinian extremist groups such as Hamas. Third, there is broad consensus that Iran must protect its east and southeast flank with Afghanistan and Pakistan. Iran has long feared the creation of a Pashtun alliance between the two countries that would give Pakistan the means to destabilise its Eastern borders. Fears of such "encirclement" were manifest in Tehran's somewhat ambiguous reaction to the creation of a post-Taliban government in Kabul. Iran was pleased to see the Taliban crushed, but both reformists and conservatives worried that an American-supported Pashtun government in Afghanistan might eventually create new problems for Iran.

As for those foreign policy issues around which there is little or no consensus, it should be noted that these differences are articulated by competing centres of foreign policymaking. They include the professional

⁵ "EU Defends 'differences' with US Over Iran", Iran Mania, Tuesday, 30 July 2002, from <<http://www.iranmania.com/news/articleview/default.asp?Newscode=11360&Newsking>>.

military, a body that has remained aloof from politics, the Revolutionary Guard Corps (*pasdaran*), the intelligence services (Ministry of Information), the Foreign Ministry, the Office of the Supreme Leader, the semi-official and notoriously unsupervised charitable foundations (*ponyad*), the *Majlis* (parliament) and its different committees, as well as conservative clerical organisations such as the Council of Guardians and the Expediency Council. While the Supreme Council of National Security – a body chaired by the President that includes Supreme Leader Khamenei as well as ministers of defence, intelligence, and foreign affairs – is supposed to bridge the competing professional and political perspectives of these institutions, since Khatami's election in 1997, the Council has rarely enforced consensus. Moreover, because most of these institutions speak for, or are linked to, the conservative clerics,⁶ Iran's hardliners not only operate under few constraints; they have been well positioned to undermine the influence and initiatives of the reformists.

The fragmentation of foreign policy is evident in three domains: the Palestinian-Israeli conflict, the controversial question of rapprochement with the US and, last but certainly not least, Iran's policies towards post-Taliban Afghanistan. In all three cases, there has been sharp divergence between political elites who favour a pragmatic approach and those who espouse the old party line of both verbal and active hostility towards Israel and the United States. Let us briefly consider Tehran's policy towards both countries and then examine the question of Afghanistan in more detail.

Most reformists support a two-state solution to the Palestinian-Israeli conflict. Many have also quietly called for a normalisation of relations with Israel once an independent Palestinian state is created. Indeed, Khatami himself hinted at such a solution.⁷ As noted above, reformers do not believe that Iran's support for Hezbollah contradicts this policy since Hezbollah has directed most of its armed activities at forcing Israeli soldiers out of southern Lebanon. But most reformists oppose providing military or financial backing to Islamic Jihad and Hamas because they use violence against civilians. Hardliners, by contrast, reject any two-state solution to the Palestinian-Israeli conflict. Echoing Ayatollah Khomeini's irredentist position, they hold that the very existence of a Jewish state is a crime against all Muslims that cannot be tolerated under any circumstances. Because this conviction is integral to their overall ruling ideology, they are loath to relinquish it. Armed with this conviction, in late 1992, and partly as a result of Yitzhak

⁶ The Office of the President, the Revolutionary Guard, the Council of Guardians and the Expediency Council all speak for or defend the interests of the conservative clergy.

⁷ E. Sciolino, "Iran chief rejects Bin Laden message", *New York Times*, 10 November 2001, p. 1.

Rabin's decision to expel Hamas and Islamic Jihad terrorists to southern Lebanon, Iran began supporting these two groups via Hezbollah. When the latter compelled Israel to withdraw from Lebanon in May 2000, cooperation between Iranian hardliners and Palestinian Islamists increased dramatically, particularly in the context of the second, Al-Aqsa Intifadah.⁸

Concerning normalising relations with the U.S, reformists and conservatives have diametrically opposed views on this issue. Most reformists, even from the old "Islamic Left" wing, support normalisation providing that Iran and the US negotiate a fair compromise about a host of outstanding issues left unresolved since the 1979 Revolution. Hardliners, and certainly the vast majority of the ruling clerical establishment, oppose normalisation under any circumstances. Thus in the wake of the Bush administration's campaign against the Taliban, Khamenei and his allies drew a clear red line beyond which the reformists were not allowed to go: all talk of normalisation of relations was simply ruled out.

It is easier for Washington to tackle those foreign policy issues around which there is high consensus than those that occasion profound divisions. The former concern pragmatic matters such as the acquisition of nuclear technology or even the role of Hezbollah, a very sensitive issue but one that could probably be addressed in the framework of a wider Arab-Israeli peace process. By contrast, low or no-consensus issues not only reflect a philosophical or even existential divide about Iran's role in the world, but more importantly, about the very definition of an "Islamic Republic". Knowing that the reformists' support of normalisation is organically linked to their quest for freedom and democracy, hardliners are determined to ensure their ultimate control over the debate on US-Iranian relations. This deadly linking of domestic and foreign policy battles has created a minefield of dilemmas for the United States, the most obvious of which is finding ways to confront and deter hardliners without undermining the reformists. How has the Bush administration managed this tricky balancing act? The case of Afghanistan is instructive.

The case of Afghanistan

Prior to 9/11, Iran and the United States had been engaging in discussions directed at finding a means to confront the Taliban and Al Qaeda. Given the shared interest on this issue, and the desire of the Bush administration to prepare the groundwork for a possible attack against Iraq, there was some reason to hope for rapprochement. Coincidentally, in the months preceding

⁸ See A W. Samii, "Tehran, Washington and Terror: No Agreement to Differ," MERIA, vol. 6, no. 3, September 2002 <<http://meria.idc.ac.il>>

9/11, the State Department Policy's Policy and Planning Bureau, whose director, Richard Haass, had long advocated US-Iranian reconciliation, was undertaking a major review of US relations with Tehran. Thus in the wake of 9/11, hopes for progress soared. The early indications from Iran's Foreign Ministry, from President Mohammad Khatami, and from reformists in the Majlis, was that the administration's war against the Taliban provided Tehran with an opportunity to kill two birds with one stone: that is, to get rid of the Taliban and to begin re-establishing relations with the US. Even Supreme Leader Ayatollah Ali Khamenei at first chose not to take an overly obstructionist position.

But in December, and in the wake of the US' relatively successful campaign in Afghanistan, there were indications that Iranian hardliners not only viewed Washington's victory with alarm, but were prepared to take measures to undermine the stability of post-Taliban Afghanistan. Reports of Al Qaeda terrorists receiving sanctuary in Afghanistan, and Israel's seizing of the Karine-A ship in early January 2002, undermined those voices in Washington who supported taking a more conciliatory approach to Tehran. Indeed, the Karine-A affair seems to have been the proverbial straw that broke the camel's back. While it is generally agreed that Iranian hardliners organized the shipment of arms to elements within Yasser Arafat's Fatah movement, Tehran's denial of any culpability reinforced Washington's own hardliners. In the wake of these events, the administration chose to adopt a more confrontational approach to Tehran, as Bush's 29 January State of the Union Address clearly demonstrated.⁹

During the first few weeks following the speech, the reformists were isolated by the hardliners' predictable call to confront the "Great Satan". But within several weeks the tide seemed to turn. After recovering from the shock of Bush's speech, the reformists regrouped. Warning that an "isolated, ostracised Iran is vulnerable to US attack", they tried to turn the tables on the hardliners by arguing that Tehran should find ways to address Washington's concerns rather than dismiss them. Moreover, and most critically, the reformists tried to link the debate over Iran's actions in Afghanistan with their push for greater political openness at home:

The reformist majority [in the Majlis] was quick to take advantage of President Bush's accusation, as 172 out of 290 deputies signed a petition in February denouncing the hardliners' "repressive measures

⁹ This analysis is detailed in D. Brumberg, "End of a Brief Affairs? The United States and Iran", Policy Brief no. 14, March, 2002, Carnegie Endowment for International Peace, Washington DC.

against journalistic circles, political activists and students...". As far as the reformists were concerned, Iran's dogmatic clerics were providing Washington with a "pretext" for US threats and denunciations.¹⁰

Having set out this position, the reformists then turned the hardliners' call for "unity" against the US against them by arguing that the "wishes of the populace" – rather than the dictates of the clerical establishment – should serve as the basis for "national unity". This clever approach strengthened the leverage of both regime softliners and opposition moderates, who in the previous months had been searching for a measure of common ground to break the cycle of confrontation and repression that had marked regime-opposition relations. Hoist by their own ideological petard, prominent conservatives such as Amir Mohebian, member of the editorial board of *Resalat*, a leading conservative newspaper, shifted ground. "Those who have been considered oppositionists," he wrote, "must now be given the opportunity to be politically active." His ensuing call for a new "national accord" including "all active forces in the political arena" was echoed by moderate oppositionists who had long been hoping for a political pact.¹¹

Had the Bush administration's approach "scared Iran straight" as some have argued?¹² Tehran's decision in spring 2002 to expel Afghan warlord Gulbuddin Hekmatyar from its territory, as well as Tehran's acknowledgement that some Al Qaeda operatives had in fact fled into eastern Iran, seemed to back the argument that "going public" would not only compel Iran to back away from its more obstructionist policies in Afghanistan, but that it might also produce domestic dividends for the reformists. By holding Tehran's government responsible for the efforts of hardline factions to undermine Kabul's new coalition government (efforts that were clearly aimed at undercutting those voices in Iran which supported rapprochement with the United States), Washington had apparently won what many predicted would be a lose/lose game.

The reality was not so simple. Despite or perhaps because of the efforts

¹⁰ R. Takeyh, "Iran: Scared Straight?" Policy Watch, no. 622, 3 May 2002, The Washington Institute for Near East Policy, Washington DC.

¹¹ Ibid. The reformists hopes were reflected in the comments of several leading reformists during a 15 June 2002 conference held at the Woodrow Wilson Center for International Scholars, Washington DC.

¹² This is not to argue that the "Axis of Evil" speech was intended to produce the above results. The administration's object was to influence Iran's foreign policies rather than its domestic politics. Yet however unintended, the efforts of the reformists to embarrass the hardliners belie the simplistic notion that Bush's speech irrevocably undermined the reformists.

of regime softliners and opposition moderates to forge a consensus on domestic and foreign policy, Iran's hardline clerics soon quashed all discussions of reconciliation with the United States. As *Le Monde* reported:

Dimanche 26 mai, la justice iranienne a mis une fin brutale au débat public...sur l'ouverture d'un dialogue avec les Etats-Unis..Les autorités judiciaires ont en effet annoncé que le fait de soutenir par voie de presse le principe d'un tel dialogue sera désormais considéré comme un délit parce que "contraire aux intérêts" du pays et aux instructions du Guide de la République islamique, l'ayatollah Ali Khamenei.¹³

Did this conservative backlash indicate that those who had assailed the Bush administration's confrontational approach were right after all? The answer to this question is not obvious. This was not the first time that hardliners had tried to prevent reformists from using a foreign policy crisis to strengthen their domestic position. Indeed this is precisely what happened in October 2001. Then, in the wake of the public efforts of a group of Majlis deputies to use the Afghanistan crisis to push for an opening to the US, Supreme Leader Khamenei, with the backing of the Justice Ministry, intervened with a sharp warning against any efforts to renew relations with the US. Note that all of this happened two months before Bush's 29 January speech and some time before Iran's hardliners began their efforts to undercut America's position in Afghanistan.

This chain of events provides a potent reminder that the chief obstacles to advancing US-Iranian relations remains in Tehran, and in a clerical establishment for whom any opening to the US is merely a slippery slope to secularism and popular sovereignty. This hardliners' position does not obviate taking some small steps towards improving relations with Washington, so long as these steps do not cross a red line whose ideological contours are ultimately defined by the Supreme Leader and his allies. As soon as it appears that this line is about to be crossed, the latter can be countered upon to take obstructive action in the foreign policy arena aimed at thwarting the reformists.

The reformists understand the rules of the game. Their decision to pull

¹³ M. Naim, "Vouloir dialoguer avec Washington devient un délit en Iran", *Le Monde*, 27 May 2002. "Sunday, 26 May, Iranian justice has brought to a brutal end the public debate ... on opening up to dialogue with the United States. The Iranian judicial authorities basically announced that supporting the principle of such a dialogue through the press would be considered a crime as it is 'against the interests' of the country and the instructions of the Guide of the Islamic Republic, Ayatollah Khamenei."

back in November and December 2001 was a tactical retreat. Moreover, given the cooperation, and the financial and political backing that the Iranian government gave the new government in Kabul, the reformists probably expected that time was on their side. Bush's "Axis of Evil" speech hit many of them like a bolt of lightning. They invariably acknowledged that the administration's accusations regarding the hardliners' support of Al Qaeda fugitives were probably justified. But, they argued, in as much as the hardliners' actions were meant to undermine the reformists, would the United States not have been better served to raise the issue quietly rather than go public with provocative talk of an "Axis of Evil"?¹⁴ Perhaps so. But as noted, the reformists soon regrouped and did their best to use the administration's position to their advantage. From Washington's vantage point, its tough rhetoric had gotten the hardliners' attention without dealing the reformists the fatal blow that many critics had predicted.

"Regime change" in Iraq and Iran: from realism to utopianism?

Indeed, by early July 2002, all signs pointed to a greater readiness within the reformist camp to challenge the conservatives. The resignation of Ayatollah Jalaeddin Taheri, a prominent reformist cleric who, in a clear allusion to the hardliners, had lambasted the "unruly camel of power...galloping wildly in the political arena", galvanised the reformists.¹⁵ When several thousands students marched in support of Taheri, even Supreme Leader Khamenei was compelled to publicly, if obliquely, acknowledge the legitimacy of some of his criticisms. But these developments did not convince the administration that the reformists had the means to push for further liberalisation. On the contrary, Bush's 12 July statement in which he asserted that the "voices" of the Iranian people "are not being listened to by the unelected...rulers of Iran", indicated that the administration had written off the reformers.¹⁶ As one official candidly put it, "we have made a conscious decision to associate with the aspirations of the Iranian people. We will not play ... the factional politics of reform versus hardline."¹⁷

The decision to stop playing "factional politics" came at a crucial juncture in the administration's internal political disputes. By late summer 2002, a

¹⁴ Personal discussions with reformists, April 2002.

¹⁵ "Bush Support for Reformers Backfires in Iran", K. Vick, *The Washington Post*, 3 August 2002, p. A12.

¹⁶ <<http://www.whitehouse.gov/news/releases/2002/07/20020712?9.html>>

¹⁷ G. Kessler, "US Halts Overtures to Iran's Khatami", *The Washington Post*, 23 July 2002, p. A01.

hardline group of strategists who come from an array of neo-conservative think tanks had taken control of American Middle East policy.¹⁸ This group is not only determined to bring about "regime change" in Iraq through an American-led military campaign, many of its members argue that if democracy is established in Iraq, "Iraq's majority Shi'ite population, who will inevitably lead their country in a democratic state, will start to talk to their Shi'ite brethren over the Iran-Iraq border And if history repeats itself – as goes Iran, so will the Muslim world."¹⁹

This is a dubious assumption. Indeed, it takes a misinformed if not wild imagination to confidently predict that if the US topples Saddam Hussein, the leadership of Iraq's down-trodden Shi'ite masses will embrace liberal democracy. While Realpolitik might favour a temporary alliance with the Supreme Council of the Islamic Resistance in Iraq (SCIRI), the notion that this Iran-funded fundamentalist organisation will shepherd Iraq's religiously and ethnically fractious population into the Promised Land of democracy is unduly optimistic. On the contrary, if victorious, the Council would probably push for some kind of Islamic state, one whose establishment would probably reinforce the power of Iran's mullahs. Alternatively, if the US created a pluralistic, semi-democratic power-sharing government in Baghdad that contained the hegemonic aspirations of Islamists (as it is trying to do in Afghanistan), so long as Washington also insisted that this government was a prelude to "regime change" in Iran, this approach would prolong the power struggle in Iran rather than end it in favour of the democrats.

There is, of course, a huge ideological chasm between the regime and the people.²⁰ But the former's control over a host of powerful institutions and networks, combined with its access to substantial oil revenues in a tight oil market, has left the fractious and disorganised opposition with little choice but to push for small rather than dramatic changes of the political system. As Ray Takeyh has suggested, the analogy that some administration hawks have made between post-totalitarian Eastern Europe and present-day Iran is simply wrong. However discredited its ideology, the odds that the Islamic

¹⁸ B. Whitaker, "Playing Kittles With Saddam", *The Guardian*, 3 September 2002.

¹⁹ R. M. Gerecht, "Regime Change In Iran? Applying George W. Bush's 'Liberation Theology' to the Mullahs," *The Weekly Standard*, 5 August 2002, pp. 30-33. For a similar argument, see M. Ledeen, "Iran and Afghanistan and Us: We'll Have to Deal with the Mullocracy, Sooner or later", *National Review Online*, 9 September 2002 <<http://www.nationalreview.com/script/printpage.asp?ref=/leden/leden/090902.asp>>.

²⁰ W. Mason, "Iran's Simmering Discontent", *World Policy Journal*, Spring 2002, pp. 71-80. Also see D. Brumberg, *Reinventing Khomeini, The Struggle for Reform in Iran* (Chicago: University of Chicago Press, 2001).

Republic of Iran will implode into the Secular Republic of Iran are small. And since whatever political reforms that do occur are likely to come through rather than against Iran's eclectic array of ruling institutions, "the Bush administration would be wise to abandon the rhetoric of the early Reagan years and policies of earlier Cold War warriors".²¹

What are the chances of this? There is little doubt that those in the administration who favour pragmatic realism over real utopianism are in the minority. Yet even the hawks must know that America's own strategic aims in Iraq may be better served by not telling the Iranian government that it will always remain America's enemy and thus "second on the list". Deputy Secretary of State Richard Armitage's recent assertion that the US has not ruled out political dialogue with Tehran reflects the faint yet still audible influence of these pragmatists, and thus the extant potential for a return to a policy of Realpolitik.²² Aware of this possibility, the author of the above-cited call for regime change in Iran warns that the "possible contradiction in the president's actions" may yet lead "the Bush administration" to "waste what it has achieved".²³ Yet this warning bell, sounded in early August, now sounds alarmist. With the neo-conservatives in control, a return any time soon to the good old days of playing bad but clever cop seems unlikely.

Conclusion: time for bad cop Europe?

However misguided the administration's policy may be, the course of US-Iranian relations over the last year suggests that ideologically charged analyses provide a poor predictor of how Washington's hardline approach will affect the power struggle in Tehran. Recent events are instructive. The gathering momentum in the reformist camp was surely disrupted by Bush's 12 July speech which, in the context of other comments by Washington officials, seemed to mock the reformists. But the latter have come out slugging. To the surprise of many, President Khatami has proposed a bill to strengthen his presidential powers, while the reformists have submitted another bill that would limit the capacity of the Council of Guardians to disqualify candidates in the 2004 parliamentary elections.²⁴ Reformists are also threatening to hold a national referendum if the clerics veto the bill, which they probably will do. But it will then go to the Expediency Council,

²¹ R. Takeyh, "Re-imagining US-Iranian relations", *Survival*, vol. 44, no. 3, Autumn 2002, p. 35.

²² "Iranian diplomacy at its 'most crucial stage'", BBC Monitoring Service - United Kingdom; 10 Sept. 2002

²³ Gerecht, "Regime Change in Iran", pp. 31 and 32.

²⁴ See "Khatami Complains of Limited Power", *Iran Today*, no. 1502, 29 August 2002 <www.Iran-daily.com>.

a body controlled by former President Hashemi Rafsanjani. He may support the Guardian Council, or if Khamenei backs him, lobby for a negotiated solution that will fall far short of what the reformists seek but avoid a head-on collision. Either of these two outcomes, but particularly the second, would be in keeping with a painfully protracted "transition" process, one that in time may liberalise a system whose overall contours will still remain autocratic. From the perspective of Europe and the US, a liberalising autocracy in Tehran may be unsatisfactory, but it is in keeping with the hybrid nature of many Middle East regimes – some of which are close allies of the US.²⁵

If the administration adheres to its decision to abandon the reformists, what can Western European leaders do to assist them, as their efforts will surely be complicated – although not fatally – by this hardline policy? Moreover, what can Europe do to help Secretary Powell and other pragmatists in Washington deal with their own hardliners? The answer is for Europe to start acting like a tougher cop. As long as Tehran assumes that the "good cop/bad cop" tack will prevail, hardliners will exploit this division of labour to advance their position. If, on the other hand, European leaders make it clear that they are prepared to use the diplomatic and economic stick if Tehran continues to pursue policies that are at odds with the West, the fortunes of Iran's reformists may improve. While such a shift might seem initially to favour Washington's own hardliners, by boosting Khatami and his allies, a tougher line from Europe might eventually serve to discredit neo-conservatives and thus bolster the fortunes of Secretary of State Powell and his allies.

Western European leaders have recently sent signals that they may be ready to move in this direction. Thus they have not only suggested that trade relations will now be more firmly linked to questions of political and economic reform in Iran; they have also insisted that unless Iran formally accepts Israel's right to exist alongside an independent Palestinian state, European-Iranian economic relations will be adversely affected.²⁶ If Europe sticks to its guns, neo-conservatives will surely claim that America's allies have finally seen the light. Yet by taking a tougher stance, our Western European friends might very well help to revive a policy of Realpolitik that is rooted in political realism rather than utopian dreams.

²⁵ See D. Brumberg, "The Trap of Liberalized Autocracy", *Journal of Democracy*, vol. 13, no. 4, 2002.

²⁶ "EU ahead of talks urges Iran to accept existence of Israel", *Iran Mania*, 11 September 2002, <http://www.iranmania.com/news/ArticleView/Default.asp?NewsCode=12017&NewsKind>.

