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**Iran & Israel: Asymmetric Warfare  
and Regional Strategy**

**Dr Babak Ganji**

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## **Key Points**

\* Since the advent of the Ahmadinezhad government Holocaust denial has emerged as the official policy of Iran.

\* The policy, supported by Iran's supreme leader Ayatollah Khamene'i, seems to be aimed at radicalizing the region and preventing Israel and conservative Arab states forming an alliance against Iran.

\* It also seems to be based on the assumption that it is only a matter of time before the US and/or Israel take military action against the Iranian nuclear programme. The policy aims to provoke Israel to react viscerally while radicalizing the region to limit the scope and fall-out of such an attack.

\* At the same time, Iran has been trying unsuccessfully to move from a policy of deterrence through punishment via asymmetric warfare to deterrence through denial.

\* The Iranian regime has also used its relationship with Hezbollah to compel the US and the EU to make concessions to it in the nuclear negotiations. There are, however, major differences in the highest echelons over the policy of provoking Israel, if only because senior Iranian officials' threat perceptions and risk assessments are vastly different.

\* Since the Lebanese war, Hezbollah has indicated that it does not see the US as a target and that it will mainly concentrate its attacks on Israel. If this remains Hezbollah policy, it will be difficult for Iran to use Hezbollah against the US. Thus Iran will have to rely on its allies among Iraqi Shi'i groups and states such as Venezuela and North Korea to open additional fronts for their own reasons, over-stretching the US and making it difficult for it to move against Iran. Venezuela has been increasing its role in Middle Eastern politics in recent months.

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# **Iran & Israel: Asymmetric Warfare and Regional Strategy**

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## **The Choice of Strategy**

Since the advent of the Ahmadinezhad government, Iranian nuclear policy has changed drastically, despite the fact that during the interregnum between Khatami and Ahmadinezhad presidencies Iranian officials had emphasized that the policy would not change. However, from the very beginning there were differences between President Ahmadinezhad and the secretary of the Supreme National Security Council Ali Larijani over the choice of strategy. The Ahmadinezhad government was essentially a coalition between his own Islamic Iran Developers Coalition and the Islamic Coalition Party. Without the Party's support Ahmadinezhad would not be able to govern, because the party had an extensive network of supporters in the country's economic and political institutions. Ahmadinezhad's failure to get his first three nominees appointed as oil minister demonstrated that the legislature was determined to prevent him from stamping his authority on the country's economic institutions. Moreover, shortly after the presidential elections, the Party had indicated that it would not automatically support Ahmadinezhad on every issue. There were indeed major differences over foreign policy between the president and Larijani on strategic issues such as relations with the US and the country's nuclear posture. Ahmadinezhad seemed to increasingly favour the Non-Proliferation Treaty (NPT) withdrawal option, which had repeatedly been articulated by his supporters in the press such as the managing-editor of Kayhan newspaper, Hoseyn Shari'atmadari. The evidence suggests that from the autumn of 2005 onwards, the president began to think in terms of provoking Israel as a means of creating a casus belli for Iran's withdrawal from the NPT. However, in his public statements, Ahmadinezhad merely continued to refer to Iran's "natural rights". At the same time, his statements on Israel and the Arab-Israeli conflict were inflaming the situation further and undermining his claims that the Iranian nuclear programme was merely a civilian one.

## **The Iraqi Theatre: Deterrence Through Punishment to Achieve Deterrence Through Denial**

Iran had become increasingly concerned about the Israeli threat to Iran's nuclear installations long before the advent of the Ahmadinezhad government. Moreover, there had always been a close connection between the nuclear programme and Iran's search for escalation dominance in asymmetric conflicts. Since the fall of Saddam Husayn, the Iranian regime had seen the conflict in Iraq as a source of danger as well as an opportunity. If Iraq fell under US influence, it might serve as the anchor of US power in the Persian Gulf and southwest Asia and even undermine Iran's role in OPEC through its oil production policy. Iranian officials were particularly worried about Israel's relations with Iraqi Kurds, with whom Israel had historical ties, and the hard-liners on the nuclear issue were concerned about

the use of Iraqi Kurdistan as a platform for attacking Iran or conducting covert operations inside Iran.

So concerned were Iranian officials about an Israeli attack that in late 2004 the deputy commander of the Islamic Revolution Guards Corps (IRGC), Mohammad Baqer Zolqadr, now a close Ahmadinezhad ally, threatened that Iran would attack Dimona nuclear reactor in the event of an Israeli attack against Iran. The then Iranian Defence Minister Vice-Admiral Ali Shamkhani made similar threats. The Ahmadinezhad government certainly saw a close link between the Iranian nuclear programme and Iran's asymmetric options in regional conflicts. Indeed, as far as the issue of Iraq was concerned, the entire regime saw Iraq as a useful theatre of operations to undermine US-Israeli policies towards Iran.

From the summer of 2005 onwards Iran's allies in the Supreme Council for Islamic Revolution in Iraq (SCIRI) began to encourage the formation of a Shi'i federal zone in Iraq. This policy gained tacit Iranian support: it would undoubtedly provide Iran with a relatively safe haven for operations against UK and US interests in Iraq. At the same time, Iran continued to call for the withdrawal of the coalition's forces from Iraq. All of these policies were aimed at denying the coalition, particularly the US, the opportunity to use Iraqi territory to attack Iran. Thus one can argue that the Iranian regime was seeking to use its deterrence through punishment capability in the Iraqi theatre to achieve deterrence through denial. The use of the Iraqi theatre was of potentially far greater importance to Israel, because of the likely technical difficulties that it would encounter in the event of a decision to launch a unilateral attack on Iranian nuclear installations. It is not clear whether the Shi'i negotiations with the Kurds on the issue of federalism would also entail some sort of arrangement regarding Kurdish policy towards Israel. What is clear, however, is that the efforts to create a Shi'i enclave in southern Iraq and the pressure on the Iraqi government to call for the withdrawal of the coalition from that country were designed to achieve deterrence through denial.

By late 2005 it was becoming increasingly clear that the Iranian regime's efforts to achieve deterrence through denial had failed. However, this was not enunciated until the summer of 2006 when a semi-official announcement was made by Iranian Defence Minister Mohammad Mostafa Najjar, saying that Iran's supreme leader Ayatollah Ali Khamene'i had instructed the military to concentrate on asymmetric options.

The evidence suggests that between autumn 2005 and summer 2006, the Ahmadinezhad wing, strongly supported by Khamene'i at key junctures, sought to gain deterrence through denial vis-à-vis the US by threatening area-wide punishment against Israel or, in the event of the failure of that policy, to minimize the damage caused by such an attack by making it politically suicidal. The policy that the Iranian president chose for this purpose was his policy of Holocaust denial, which called into question Israel's very existence. The policy was undoubtedly designed to appeal to radical Islamist organizations in the Middle East and the rest of the world.

In order to implement this policy, the president sought to provoke Israel while simultaneously increasing the political costs of an Israeli or US attack on Iran's nuclear installations. Meanwhile, Larijani sought to move Iran closer to Russia and to play Russia off against the EU-3 and the US in the hopes of gaining major concessions on the nuclear issue. Ahmadinezhad, however, was operating on the assumption that a confrontation with Israel or the US was inevitable and that the best way of resolving the issue would be to maximize regional instability in the run-up to such a confrontation. The president's opponents, led by former president

Rafsanjani, challenged him head-on in an effort to cause a leadership crisis and gain influence over nuclear policy. Moreover, Rafsanjani tried to do so by bringing the clerical establishment into the dispute in an effort to cause a crisis of authority in Iran, to force the supreme leader to either intervene on the side of the president's opponents or be reduced to a figurehead. The dispute has not been resolved at the time of writing.

### **Holocaust Denial and the International Response**

The vote against Iran at the IAEA and the decision to open up Iran's military sites for inspections following the threat of the extradition of former Russian Atomic Energy Minister Yevgeni Adamov to the US brought the debate over the choice of strategy to a head.<sup>1</sup> Until then there had been tactical agreement between Ahmadinezhad and Larijani over the necessity of "looking to the east" to gain policy leverage vis-à-vis the EU and the US. Moreover, both men agreed that India and Pakistan could be persuaded to support Iranian nuclear policy in return for economic incentives and energy supplies on favourable terms. The Indian vote against Iran at the IAEA demonstrated that Iran was not in a position to manipulate the non-aligned movement to change the Russian offer regarding the limited enrichment of uranium on Iranian territory. Moreover, the dispute over Adamov's extradition indicated that Russia was vulnerable to diplomatic pressure because of Adamov's activities, which suggested that some Russian officials at least had foreknowledge of Iranian activities and had indeed assisted Iran in its efforts.

Both Ahmadinezhad and Larijani have sought to establish Iran as a nuclear and regional power. Larijani has threatened that Iran would carry out industrial-scale uranium enrichment, work with nuclear threshold states and pursue a policy of looking to Russia and China for regional support as well as seeking to form a Tehran-Baghdad axis as the centrepiece of a new constellation of regional forces. President Ahmadinezhad, however, has been pursuing a free-hand strategy, relying upon his supporters among the leaders of the IRGC and the Intelligence Ministry to silence his opponents. More importantly, President Ahmadinezhad has taken advantage of the rivalry between Ayatollah Khamene'i and the head of the Expediency Council Rafsanjani to offer Khamene'i whole-hearted support in return for a change in Iranian strategy to nuclear opacity. From October onwards, the Iranian president began to place much great emphasis on the Israeli threat to the region. The third strategy within the Iranian state apparatus, selective cooperation with the US on Iraq and Afghanistan as a means of gaining concessions from the US on the nuclear issue is now mainly supported by former presidents Khatami and Rafsanjani. Only the third strategy might be partially compatible with some sort of accommodation between Iran and Israel. However, even Rafsanjani has indicated in the past that he does not have any compunction about issuing nuclear threats against Israel.

Ahmadinezhad's statements on the Holocaust have brought international opprobrium upon the Iranian regime and destroyed the achievements of his predecessor Mohammad Khatami's "dialogue of civilizations" policy. It is important to note that Iranian policy shifted from anti-Zionism to anti-Semitism during the Khatami presidency. Indeed, a number of Holocaust revisionists managed to find shelter in Iran. Holocaust revisionist Fredrick Toben was invited to address the International Conference on the Palestinian Intifada in August 19-21 2003. He called into question the Holocaust and condemned Israeli and US "aggression" in the Middle East.<sup>2</sup> The policy was articulated by Ayatollah Khamene'i, who had expressed support for those who denied the Holocaust when he received French

author Roger Garaudy. In a speech on 24 April 2001, Khamene'i said: "There are documents showing close collaboration of the Zionists with Nazi Germany, and exaggerated numbers relating to the Jewish Holocaust were fabricated to solicit the sympathy of world public opinion, lay the ground for the occupation of Palestine, and to justify the atrocities of the Zionists."<sup>3</sup> Ahmadinezhad's main rival, Rafsanjani, had also praised Garaudy. Speaking in a Friday-prayers sermon on 27 October 2000, Rafsanjani described Garaudy as a source on "Israeli violations of UN resolutions".<sup>4</sup> However, since neither Khamene'i nor Rafsanjani were heads of state, Khatami could pursue his policy of "dialogue". Ahmadinezhad's statements on the Holocaust, however, could not be ignored by the international community because, as chief executive, he is the official head of state.

On 26 October 2005, Ahmadinezhad paraphrased a speech made by Ayatollah Khomeyni, describing Israel as a "disgraceful blot" that should be "wiped off the map". A number of countries sharply criticized Ahmadinezhad and on 28 October the United Nations Security Council officially condemned the remarks.<sup>5</sup> The Iranian Foreign Ministry and other officials tried to "clarify" the president's statement. Foreign Minister Mottaki tried to link the president's statement to the regime's anti-Zionist policy since its inception, thereby suggesting that it was not Iran, but others, particularly the Europeans, who had changed their policy.<sup>6</sup>

Ahmadinezhad was also strongly supported by Ayatollah Khamene'i and the Commander-in-chief of the IRGC, Major-General Yahya Rahim-Safavi. Speaking at Quds Day rallies on 28 October, during which effigies of Prime Minister Ariel Sharon and President George W. Bush were set on fire, Ahmadinezhad declared: "My word is the same as that of the Iranian nation".<sup>7</sup> Also speaking on 28 October, Rahim-Safavi declared: "The president talked on behalf of the Iranian nation and in fact, his words were the same as the nation's".<sup>8</sup> However, Rahim-Safavi ruled out the use of force in support of such political objectives, saying: "It means that all Islamic nations should unite and campaign economically, politically, and culturally against Israel for the deliverance of the Palestinian nation."<sup>9</sup>

Ayatollah Khamene'i vociferously supported Ahmadinezhad. Commenting on reactions to the president's remarks about Israel, Khamene'i declared: "All the hue and cry you are seeing against Iran is due to its power." Arguing that this was not the first time that his country was being sharply criticized, he lambasted Western leaders, declaring that they should feel "ashamed before mankind for being under the influence of Zionists so much".<sup>10</sup> Given such strong high level support, it is not at all surprising that the Iranian president should have continued his campaign to provoke Israel. Addressing government officials on 30 October, Ahmadinezhad described Israel as "a usurping, illegitimate, and occupying government in the Palestinian land, which should be replaced by a popular and democratic government".<sup>11</sup> He called for elections to determine the future of Palestinians, declaring: "The final and definite solution to the Palestinian problem is to allow the Palestinians who live in the occupied lands and elsewhere, as well as others who have become refugees because of the aggression of the Zionists, to hold a free election and decide about their desired government".<sup>12</sup>

Moreover, in the run-up to the anniversary of the occupation of the US embassy, the IRGC issued a statement strongly supporting Ahmadinezhad's call for the destruction of Israel. Commenting on the overwhelmingly negative reaction to Ahmadinezhad's remarks, the statement declared: "In the face of the bestial behaviour of the regime occupying Quds [Jerusalem], and for its infinite oppression of the Palestinians, the wrath of the hard-done-by Palestinian nation and intifada will undoubtedly wipe Israel off the map and soon we will witness a world without

the illegal regime of Israel.” The statement also made clear that Iran would “remain resolute” and “stand up” to the US.<sup>13</sup>

After Ahmadinezhad’s comments the Foreign Ministry found itself in a difficult position. Prior to Ahmadinezhad’s first speech on the subject of the Holocaust, the UN had passed a resolution supported by Israel and the US on the Holocaust. The Iranian representative to the UN had been present at the meeting. When asked about the Iranian representative’s presence at the meeting, Foreign Ministry spokesman Hamid Reza Asefi declared: “The dispute was not about whether the Holocaust took place, but about its dimensions”.<sup>14</sup> However, despite Khamene’i’s and Safavi’s support for Ahmadinezhad a number of political figures, including former presidents Khatami and Rafsanjani criticized Ahmadinezhad for his remarks.<sup>15</sup>

The Israeli ambassador to the UN, Dan Gillerman, said on 28 October that his country welcomed the Security Council’s condemnation of Ahmadinezhad’s remarks, adding that the Iranian president’s statement were “not only alarming and dangerous, but have actually unmasked what extremism, fundamentalism, and madness is actually part of that world-threatening regime”.<sup>16</sup> Moreover, Israel called for Iran’s expulsion from the UN.<sup>17</sup> On 1 December Israeli Prime Minister Ariel Sharon said that Israel would not tolerate a nuclear-armed Iran.<sup>18</sup> On 5 December, former Israeli Prime Minister Binyamin Netanyahu said that Israel should consider pre-emptive strikes against Iran’s nuclear installations.<sup>19</sup> On 2 December, Israel had launched an Arrow missile that successfully intercepted a mock-up of Iran’s Shahab-3 missile. The test was aimed at increasing the range of Arrow missiles to enable them to fly at a higher altitude and to examine the interface between the Arrow and the American-improved Patriot missile system which was designed to be activated in the event the Arrow failed to destroy its target.<sup>20</sup> Israeli officials repeatedly said that Iran would soon pass the point of no return and that serious measures must be taken to prevent Iran from acquiring a nuclear capability. Israeli officials called on the international community to take action against Iran before it was too late.

The dispute in the Iranian leadership was over how to respond to the threat. Ali Larijani dismissed the Israeli threats in public, calling on the Iranian media “not to take these matters very seriously”. Larijani contended that “Iran is a strong country and a difficult target, and few countries can confront a country with this level of forces”.<sup>21</sup>

President Ahmadinezhad’s response was the opposite of that of Larijani: he took measures which were likely to sharply increase the Israeli threat to Iran. Ahmadinezhad sought to bring the issue to a head at the Third Extraordinary Summit of the heads-of-state of the Organization of the Islamic Conference (OIC) held in Mecca. The most immediate strategic reason for the president’s decision was the possibility of the formation of a de facto alliance between Israel, the US and the Gulf Cooperation Council states on the issue of the Iranian nuclear programme. In December 2005 the GCC states held a session behind closed doors on “the international tensions” generated as a result of the Iranian nuclear programme. The GCC states were particularly worried about the confrontation between the West and Iran over the issue. They feared that the Iranian nuclear programme was aimed at establishing Iran “as a regional superpower”.<sup>22</sup>

The OIC heads of state were invited to Saudi Arabia in December by King Abdullah and, according to Saudi Foreign Minister Sa’ud al-Faysal, the main purpose of the summit was to improve the image of Islamic countries which had been damaged as

a result of “terrorist attacks carried out in the name of this righteous religion”.<sup>23</sup> Speaking before his departure, Ahmadinezhad declared that the summit would address “the challenges facing the Islamic world”, such as “foreign aggression and intervention in Islamic countries” and “internal discord” in some countries. The Iranian president warned that “any decision made in the Islamic world can have effects on the entire world”.<sup>24</sup>

Ahmadinezhad’s remarks at the summit indicated that he was determined to undermine Saudi efforts to effect a rapprochement with Israel and to provoke Israel into a reaction. In a speech at the summit on 7 December, Ahmadinezhad declared that “the usurping state in Palestine” had caused problems which required a “wise solution”. The “solution” was to ensure the return of Palestinian refugees and hold a referendum on the nature of the government for “all people of Palestinian origin”. Referring to Israel, he said that there was “no rational or reasonable way to recognize this artificial government”. Ahmadinezhad declared that the “great powers” were issuing threats against “certain Islamic states” and that unless Muslims took action, those powers “will recognize no limits to their violations”.<sup>25</sup>

The next day, Ahmadinezhad went even further and called into question the Holocaust. Declaring that Palestinian “men and women are being attacked in their homes” by Israelis who had “no roots in Palestine” and who had “driven the natives out”, the Iranian president said that “we do not accept the claim” made by “some European countries” that “Hitler killed millions of innocent Jews in incinerators”. He then said, “supposing it were true”, that this was not the reason to support the “regime occupying Quds [Jerusalem]”.<sup>26</sup> He said that such European countries as Austria and Germany had to “let the Zionists set up their state in Europe...you give them a bit of Europe, and we will support it”. He also drew a sharp distinction between “the Jews” and “the Zionists”, declaring that “the world’s Jews support Palestine”. He then called for a referendum for the “native people of Palestine” regardless of their religion.<sup>27</sup> Ahmadinezhad’s call for a referendum was basically the same as that of Ayatollah Khamene’i and it is highly unlikely that the Iranian president did not consult the supreme leader on such matters of policy at their meeting prior to his departure for Mecca.

Ahmadinezhad’s remarks in Mecca provoked an international outcry and the UN Security Council once again condemned him. The UN Secretary-General also sharply criticized Ahmadinezhad.<sup>28</sup> US ambassador to the UN John Bolton contended that Ahmadinezhad’s statement that Israel should cease to exist and his denial of the Holocaust had demonstrated the threat posed by a nuclear Iran. He added that it was useless to wait for moderates to emerge in Iran.<sup>29</sup>

However most Iranian “fundamentalists” strongly supported the president. This probably encouraged him to continue his campaign against Israel. Iranian government officials such as Majlis Speaker Gholamali Haddad-Adel defended the president. Haddad-Adel declared: “If hypothetically it is true that the Jews were oppressed in Germany, why should Islamic nations pay the price of the oppression which was committed in another continent by another country?”<sup>30</sup>

During a visit to Iran in December 2005 by Hamas leader Khalid Mish’al, it became clear that the Iranian president also reflected the views of Iran’s supreme leader. At a meeting with Ahmadinezhad on 12 December, Mish’al said that Hamas supported Iran’s policy towards Israel, particularly Ahmadinezhad’s “insistence on the illegitimate nature of Israel”.<sup>31</sup> Interior Minister Mostafa Purmohammadi told Mish’al that the issue of Palestine was the Iranian government’s main priority.<sup>32</sup> At his meeting with Mish’al, Ayatollah Khamene’i said: “Continuation of the resistance is the only way that guarantees the liberation of Palestine.” Khamene’i ruled out

negotiations with Israel, declaring: “Compromise with the Zionist occupiers and negotiations with them will not improve the situation”, adding: “On the contrary, any compromise will increase the pressure. We therefore conclude that victory will be achieved through resistance only.”<sup>33</sup>

Speaking in the city of Zahedan in Sistan and Baluchestan Province on 14 December, Ahmadinezhad returned to the issue of Israel and, this time around, he went even further and talked of removing Israel to America and Alaska. He also described the Holocaust as “a myth”.<sup>34</sup>

If someone were to deny the existence of God in their country and deny the existence of prophets and religion, they would not bother him. However, if someone were to deny the myth of the massacre of the Jews, all the Zionist mouthpieces and the governments subservient to the Zionists will tear their larynxes and scream against the person involved as much as they can.<sup>35</sup>

Addressing Western nations, Ahmadinezhad said:

Everyday, fighter jets and helicopters attack innocent people. The first question is where have these people, who are ruling Palestine today and allowing themselves to do whatever they want to and murdering, imprisoning local people and making them homeless, come from? Where are they from? Where are their fathers and forefathers from? Where were they living until one or two thousand years ago? Why are they allowed to impose their rule and have the right to determine fates, whilst the people who have been living there for hundreds and even thousands of years don't have the right to determine their fate? The Islamic Republic of Iran's solution is very clear. The Iranian nation is saying that the only fundamental way to resolve the Palestinian issue is for all the indigenous residents to take part in a referendum and express their views about their government and the future of Palestine.<sup>36</sup>

On 15 December, Hamas leader Khalid Mish'al declared that Hamas would never recognize Israel. He thanked Iranian leaders, “in particular the eminent leader and the president of Iran, for their statements”. He said that Iranian statements had annoyed the West, but that Hamas saw them as “courageous and right”. Mish'al said that Iran had always expressed the “sentiments” of other nations, “particularly when it comes down to the Palestinian issue”.<sup>37</sup> More importantly, Mish'al said that Iran and Hamas would continue their “cooperation and interaction”, adding that the cease-fire with Israel would end. He declared that Hamas would continue its activities “until the legitimate rights of the Palestinian people are recognized, and the Israeli occupation is destroyed, because we want to take back Al-Quds and the Palestinian lands”.<sup>38</sup> Mish'al's statements should have left little doubt that both Khamene'i and Ahmadinezhad strongly supported a flare-up of violence in the Arab-Israeli arena.

Some Arabs supported Ahmadinezhad for his decision to confront Israel and the US. Some Palestinians believed that Ahmadinezhad would not be able to help Iran let alone the Palestinians in the event of a confrontation with Israel. Some Arabs felt that the Iranian president would either be unable to help them or, worse still from their point of view, damage Arab interests. In countries such as Kuwait there was concern that the Iranian nuclear programme was aimed at enabling Iran to attack Sunni Arab states which might oppose Iran on regional issues.<sup>39</sup>

## Internal Support and Criticism

A number of Iranian Friday-prayer leaders expressed support for President Ahmadinezhad's remarks about the Holocaust, suggesting that they were well aware of Ayatollah Khamene'i's views on the issue and that they knew that the policy had been approved at the highest level. Most significantly, referring to Ahmadinezhad's remarks at the OIC summit in Saudi Arabia, Ayatollah Meshkini, Qom Friday-prayer leader and the secretary of the Assembly of Experts, which is responsible for electing Iran's supreme leader, declared: "The words of President Ahmadinezhad about the Holocaust at the summit were quite rational and they were the heartfelt words of the people of Iran".<sup>40</sup> Meshkini also denied the Holocaust, saying: "After the Second World War, Jews and Zionists, in order to portray themselves as the oppressed people and bring about a favourable situation for themselves, wrongfully spread a rumour that over six million Jews were burnt in incinerators by Hitler, Germany and Austria."<sup>41</sup>

Mashhad Friday-prayer leader Seyyed Ahmad Alamolhoda also praised Ahmadinezhad for his remarks at the OIC summit, contending that the remarks had "thwarted many conspiracies" and had focused the attention of the people of the world on Israel. Alamolhoda criticized Arab states which sought to normalize relations with Israel and declare: "The state of Israel should be set up in Europe and it should not be in the heart of an Islamic country at the expense of the oppressed Palestinian people."<sup>42</sup>

There was also strong opposition to the Iranian president on the issue. As far as many reformists were concerned, the policy of Holocaust denial had done nothing but bring international opprobrium upon Iran. The "reformists" began to criticize Ahmadinezhad and warned that his remarks had led to "a propaganda campaign" against Iran. The general-secretary of the Iran Freedom Movement, Ebrahim Yazdi, wrote an article describing the issue of "moving Israel as an old debate which will not lead to anything". Yazdi, basically, advised Iranian officials to refrain from engaging in such debates.<sup>43</sup>

Iranian "reformists" also began to engage in what one reformist daily, Sharq, described as "soft criticism" of Ahmadinezhad. However, government officials continued to defend the president.<sup>44</sup> Ahmadinezhad's office also issued a media statement in a question and answer format. "Within Europe there are two points of view, one official and the other unofficial. However, there has never been a free scientific debate about them."<sup>45</sup> Ahmadinezhad also stated: "The lives of human beings are precious, regardless of their ethnic origin, race or religion. No-one has the right to engage in ethnic, racial or religious cleansing." However, Ahmadinezhad returned to his argument that Europe will have to pay, declaring: "Even if the historical account has not been exaggerated. Even if that many Jews were really killed, then why are they exacting revenge on Muslims? Why should Europe, which perpetrated this crime, not incur the costs?"<sup>46</sup> Ahmadinezhad suggested that the establishment of Israel was the continuation of anti-Semitism in Europe, asking: "Do you not think that one of the important objectives of creating the pseudo-regime which is occupying Quds [Jerusalem] and forcing European Jews to migrate there was to continue anti-Semitism, namely that their aim was to expel the Jews from Europe and engage in ethnic and religious cleansing?"<sup>47</sup>

The web site of Iran's most prominent vigilante group, Ansar-e Hezbollah, quoted President Ahmadinezhad as saying "Zionism is a western and monopolistic" ideology established in the region. The head of the Iranian Jewish Society, Haroun

Yashayaei, sharply criticized Ahmadinezhad for his comments. In a letter to Ahmadinezhad, Yashayaei described the Holocaust as “one of the most obvious and saddest events of the 20<sup>th</sup> century”, saying: “How is it possible to ignore all the undeniable evidence existing for the killing and exile of the Jews in Europe during World War II?” Yashayaei also criticized the holding of “different Holocaust denial seminars”, arguing that such actions would do nothing for Iranians or Palestinians or Muslims. He said that such behaviour “just soothes the complexes of racists”.<sup>48</sup> Yashayaei argued that one could not deny that other atrocities such as the massacre of the Kurds in Halabja with chemical weapons in 1988 and the killing of Palestinians in Sabra and Shatila refugee camps had also occurred. He said that none of those events was “a myth”.<sup>49</sup> Yashayaei’s criticism of Ahmadinezhad was particularly significant because this was the first time that an Iranian Jewish leader had criticized the Iranian president.

Ahmadinezhad's policy of engaging in Holocaust denial has been controversial in Iran. Iranian officials, reformists, conservative and radical alike, believed that Ahmadinezhad really believed his own statements. However, they interpreted his remarks differently. Former President Mohammad Khatami explicitly stated: “Certain officials must not present the enemy with a pretext through their remarks.”<sup>50</sup> Radical and conservative commentators, however, supported Ahmadinezhad, arguing that his policy would ensure that “Iran would be a pioneer among Islamic countries in terms of the struggle against imperialism”.<sup>51</sup>

Other Iranian officials have only criticized Ahmadinezhad on realpolitik grounds and refrained from morally condemning him. Significantly, those who criticized him on such grounds were among the hard-liners on the nuclear issue, Larijani’s key allies who saw Ahmadinezhad’s efforts to provoke Israel as a major set-back for their policy of modifying the Russian nuclear proposal. After Ahmadinezhad’s statements on the Holocaust, a group of Iranian MPs presented a motion to the National Security and Foreign Policy Committee of the Islamic Consultative Assembly and asked to meet the president. Their request was approved and the Iranian president was asked to appear before the Committee to explain his comments on the Holocaust and their “impact on the country’s interests and national security”.<sup>52</sup>

During the session, which lasted three hours, the chairman of the Committee, Ala’eddin Borujerdi, as well as a number of other members of the committee, said that Ahmadinezhad’s remarks “had legal consequences for the country and that they might directly affect the country’s national interest”.<sup>53</sup> They told Ahmadinezhad that “when discussing diplomatic positions, one should take account of the country’s overall policies to ensure that the country would not be involved in peripheral matters unnecessarily”.<sup>54</sup> According to one report on the proceedings by Sharq, which has been highly critical of Ahmadinezhad’s policies: “During the session, members of the National Security Committee were absolutely frank in their remarks and they reported to the president on the issues which had arisen recently for the country in the foreign policy arena and their impact on economic, social and national security fields.”<sup>55</sup>

A member of the committee, Ali Ahmadi, said that some MPs believed that “the policy of the state regarding the issue of Palestine might have changed and that if such changes have indeed taken place, then why have the Majlis and the National Security Committee not been informed of them?”<sup>56</sup> Ahmadinezhad, however, “stressed that his policies were as those of the state on the issue of Palestine and the holding of a referendum”.<sup>57</sup> This was a thinly veiled reference to the statement of Ayatollah Khamene’i that a referendum had to be held to ensure whether Israel

could retain its Jewish identity. Thus Ahmadinezhad was saying, albeit indirectly, that the supreme leader supported his policy on Israel. Ahmadinezhad also accused Iran's state run radio and television of "distorting" his views,<sup>58</sup> a scarcely credible claim given the state media's strong support for the president. The participants in the discussion agreed that Iran had to pursue a "pro-active" rather than a "reactive" foreign policy.<sup>59</sup>

Worse still for Ahmadinezhad, the National Security and Foreign Policy Committee had started investigating those of his advisers who had been giving him information on Israel and the Holocaust. The MPs involved were trying to ensure that "the president's official expression of the country's position would be within the framework of the programmes implemented by former presidents". The investigations indicated that the president had been influenced by "certain institutions" which had conducted research into "Occidentalism" and which had held a seminar on "The world without America" a few years before. While concluding that such institutions had not broken the law, they also concluded that such institutions' conclusions should not be the sole basis upon which policy was formulated.<sup>60</sup>

Ahmadinezhad, however, tried to justify his statements on grounds of realpolitik. He posted a statement on his web site, defending his statements in Mecca. He argued: "Some people inside and outside the country suspected that our remarks were not based on any kind of clearly-defined programme or policy. However, we did have a clearly-defined strategy."<sup>61</sup> He contended:

"The Mecca conference was aimed at gaining official recognition for Israel and introducing a moderate and flexible version of Islam. The ground had already been prepared for normalization by taking measures such as withdrawal from Gaza. This plan was drawn up two years ago. However, ultimately, certain matters were inserted into the text of the communiqué as a result of the pressure exerted by the Islamic Republic. This was unprecedented and only the Islamic Republic benefited from the conference."<sup>62</sup>

The escalation of the crisis with Israel seems to have been the main factor in Larijani's decision to improve relations with Russia. Clearly, Larijani favoured brinkmanship, but he did not want to provoke a confrontation with Israel. Thus in late January, he began to hint that he looked upon the Russian proposal favourably.<sup>63</sup> Following talks with Larijani on 24 January, the secretary of the Russian Security Council, Igor Ivanov, said that "both sides expressed their desire to solve the issue in a diplomatic way within the framework of the International Atomic Energy Agency".<sup>64</sup>

By February Larijani and Foreign Minister Manuchehr Mottaki seemed to have come to the conclusion that President Ahmadinezhad was careering towards war with Israel and the US. They seem to have adopted a common policy of checking Ahmadinezhad's power while saying to the outside world that the Iranian president's statements, particularly on the Holocaust, had been "misunderstood". The first step in the implementation of the Larijani-Mottaki strategy was to abandon Ahmadinezhad on the issue of Holocaust denial while saving face. This was made clear by Mottaki during his appearance before the European parliament. After meeting his Belgian counterpart, Karel De Gucht, in Brussels, Mottaki declared: "We believe confidence-building is a two-way road, not a one-way road. In our relations with Europe, we've always been honest and we've always [met] our commitments." Mottaki then sharply criticized the EU for failing to fulfil its commitments.<sup>65</sup>

While Mottaki was in Brussels, an Iranian delegation led by Ali Hoseyni-Tash, the deputy for strategic affairs at the Supreme National Security Council, was in Moscow for talks. After the visit, Hoseyni-Tash made it clear that the nuclear issue concerned Iran's security and that Iran had to establish itself as a regional power in order to prevent the US from dominating the Middle East.<sup>66</sup> Hoseyni-Tash argued that if Iran wanted to resolve its security problems it had to unify the nation and ensure that everyone, particularly the elite, supported the country's ambitions to attain "strategic status".<sup>67</sup>

The UN Security Council was due to consider the Iranian nuclear issue in mid March after the IAEA concluded that there were questions regarding Iran's peaceful intentions. However, Iranian officials seemed to believe that the UN was not in a position to do much about the Iranian programme because its most powerful member, the US, was engaged in military operations in Iraq and Afghanistan. Addressing the interior minister and the country's governors-general, Ayatollah Khamene'i described Iraq as "the symbol of America's defeat in the Middle East". Khamene'i accused the US of trying to cause instability in Iraq through encouraging sectarian conflict, to demonstrate that "the popularly elected" Islamist government was supported by the sources of religious emulation.<sup>68</sup> He also accused the US of being behind the attack on a Shi'i shrine in Samara, as well as the publication of cartoons of Prophet Muhammad. Khamene'i said that rather than fomenting sectarian conflict such events had actually strengthened relations between Shi'is and Sunnis.<sup>69</sup> US ambassador to Iraq Zalmay Khalilzad declared that the removal of Saddam Hussein had opened a "Pandora's box" of ethnic conflict in Iraq.<sup>70</sup> In fact Iran's main ally in Iraq, SCIRI, would resume its efforts to prepare the ground for the formation of a Shi'i zone in southern Iraq during the Lebanese crisis.

### **Linking Nuclear and Palestinian, Lebanese Issues**

By early 2006 it was clear that the Ahmadinezhad government was taking advantage of Iran's military and nuclear relationship with Russia to modify the Russian proposal in an effort to make it easier for Iran to break out. This alarmed Israeli officials. Israeli Defence Minister Shaul Mofaz warned that Israel would take all the "necessary steps to defend itself from a possible Iranian nuclear attack". He described Iran's negotiations with Russia as "a stalling tactic to give it more time to develop arms".<sup>71</sup> The White House expressed doubts as to whether an Iranian-Russian deal entailing joint uranium enrichment on Russian territory would alleviate the concerns of those countries that feared Iran was pursuing a nuclear weapons programme. There were also reports that the US would provide intelligence on what was described as Iran's possible nuclear weapons programme to the 35 nations on the Board of Governors of the IAEA.<sup>72</sup> President Ahmadinezhad called on both America and Russia to dismantle their nuclear programmes because they posed "a threat to Middle Eastern stability".<sup>73</sup> Nevertheless, the Iranian regime began to brace itself for the possible imposition of economic sanctions.<sup>74</sup> Moreover, Iranian officials had become deeply concerned about the possibility of losing their main regional ally, Syria, which could deprive Iran of its deterrent against Israel, namely the Lebanese Hezbollah, especially if Damascus changed its policy towards that organization.

It was against this background that the Iranian regime took two steps which would ultimately lead to the outbreak of a major Middle Eastern crisis in July. The first step was to consolidate Tehran's relations with Damascus to prevent President Bashar al-Asad from drifting away from Iran. The second step was to increase the political pressure on Israel in the hope of provoking an Israeli reaction which would

presumably lock Asad into a three-front conflict with Israel and prevent him from disassociating his country from Hezbollah. President Ahmadinezhad and his allies began to ratchet up the pressure on Israel. An attempt to provoke Israel was made in the context of a conference on the Palestinian intifadah.

The situation escalated from Iran's point of view in April when UN Secretary-General Kofi Annan called on Iran to help in disarming Hezbollah. This was the first time that Annan had explicitly linked Iran to Hezbollah.<sup>75</sup> Khamene'i, Ahmadinezhad and IRGC in particular believed that the US was taking advantage of the assassination of Rafiq Hariri as a means of imposing sanctions against Syria to compel President Bashar al-Asad to sever his ties with the Iranian regime and possibly acquiesce in the disarming of Hezbollah. Thus Iran offered Syria incentives to dissuade it from realigning its foreign policy, the most significant of which was a military agreement. Iranian strategy was primarily aimed at entrapping Damascus in a three-front conflict with Israel to ensure that Hezbollah would not be disarmed, and that Hamas and other Palestinian radical factions close to Iran would be protected by Syria. Above all, Iran would maintain its capability to threaten northern Israel, thereby maintaining a capability to retaliate against Israeli strikes against Iranian nuclear installations. In that context, the continuation of the conflict in Lebanon, as long as it did not degrade Hezbollah's military capabilities to such an extent that Iran could not resupply Hezbollah, served a useful purpose.

On 11 April, President Ahmadinezhad and the head of Iran's Atomic Energy Organization Gholamreza Aqazadeh announced amid much fanfare that Iran had managed to enrich uranium by 3.5 per cent and that its aim was to operate a 3,000-centrifuge operation by the end of the year.<sup>76</sup> Aqazadeh's deputy Mohammad Javad Sa'idi announced that Iran did not intend to enrich uranium by more than 3.5 to 5 per cent.<sup>77</sup> There were differences among Iranian officials over this issue. Speaking in Damascus on 12 April, Rafsanjani who had been holding consultations with Hezbollah and Islamic Jihad, declared that Iran had used 164 centrifuges to enrich uranium and that many more centrifuges were needed for an industrial-scale effort.<sup>78</sup>

By then the underlying trend in Iranian nuclear policy and regional strategy were clear. Iran was determined to press forward with both the uranium enrichment and plutonium separation programmes and it had abandoned the Larijani policy of modifying the Russian proposal on uranium enrichment to gain break-out capability. Instead it had embarked upon a course of threatening asymmetric warfare against Israeli and US interests in order to compel its interlocutors in the nuclear negotiations to agree to uranium enrichment, as well as the operation of a heavy water reactor on Iranian territory. Indeed the policy was outlined by Ayatollah Khamene'i's representative to the IRGC, Hojjat ol-Eslam Mojtaba Zolnour, who declared: "Iran has a lot of supporters in other countries and once our interests are endangered, the enemy's in other countries will also be endangered."<sup>79</sup>

Iran had welcomed Hamas' victory in the Palestinian legislative elections. However, Israel, the US and the EU refused to provide funds to Hamas until it renounced violence. On 7 April a prominent Hamas figure, Khalil Abu Layla had called on President Ahmadinezhad to "announce clearly and unambiguously" that Iran would be "totally ready to cover all the financial needs of the Palestinian authority".<sup>80</sup> On 11 April, a Hamas delegation went to Iran to secure funding.<sup>81</sup> On 12 April former foreign minister and current foreign affairs adviser to Khamene'i Ali Akbar Velayati called on Muslim states to provide financial assistance to Hamas.<sup>82</sup> On the same day, 195 members of the Iranian Majlis issued a statement of support for the "Palestinian Resistance Movement" and called on all Palestinians to participate in a general referendum<sup>83</sup> - Iran's official policy is to abolish Israel through holding a

referendum. On 13 April, the head of the Expediency Council, Akbar Hashemi-Rafsanjani, met leaders of Hezbollah and Palestinian Islamic Jihad in Damascus and emphasized the importance of unity to ensure the survival of their alliance.<sup>84</sup> The choice of Rafsanjani was particularly important given the fact that by then he was well known as President Ahmadinezhad's main opponent in the policy debate. Thus his visit indicated that as far as the Lebanese and Palestinian arenas were concerned, the Iranian regime spoke with one voice.

Speaking during the intifadah conference held in Tehran on April 14-16, the third such conference held by Iran, the secretary-general of the conference, Ali Akbar Mohtashamipur, who was one of the founders of the Lebanese Hezbollah, declared that Iranian strategy was not motivated solely by ideology or charity, contending that the creation of a Palestinian state would enhance Iranian security because it would reduce external threats to Iran "substantially".<sup>85</sup>

The evidence suggests that the US warning to Iran regarding the importance of responding promptly to the G8's proposal regarding uranium enrichment led the Iranian regime to support Hezbollah's operations against Israel. The first measure that Iran took was to postpone the talks Larijani was due to hold with Javier Solana. Different reasons were given for the decision to postpone the talks. According to Solana's spokeswoman, Cristina Gallach, Iranian officials had complained about the activities of Iranian opposition groups in EU countries.<sup>86</sup> According to Gallach, the EU had informed Iranian diplomats "that the activities of exiled opposition groups ... have nothing to do with our institutions".<sup>87</sup> Indeed, prior to the talks, the most prominent Iranian dissident, Akbar Ganji, had started a tour of European countries and had declared that Iranian dissidents were prepared to go on hunger strike to protest at the violation of human rights in Iran.

However, semi-official Iranian accounts suggested that the decision to postpone the talks had nothing to do with dissident activities. The Islamic Republic News Agency quoted an "informed source" as saying: "Reports of the presence of terrorist squads in Brussels commissioned by Israel and certain European states to assassinate members of the Iranian delegation that was to accompany Larijani to Brussels Wednesday led to the cancellation of the visit".<sup>88</sup>

Since the spring of 2006 the Israeli army's signals intelligence group, known as Unit 8200, had collected intercepts indicating that Syria, Hezbollah and Hamas were increasing their cooperation and that Hamas might resume terrorism. Moreover, Israeli intercepts reportedly indicated that Hezbollah General-Secretary Hasan Nasrallah believed that Prime Minister Olmert and Defence Minister Amir Peretz were "weak" in comparison with former prime minister Ariel Sharon and Ehud Barak.<sup>89</sup> It is unlikely that Nasrallah did not communicate his assessment of the situation to Iranian leaders given the close intelligence cooperation between Iran and Hezbollah.

Iranian preparations for action seem to have started a few days before Hezbollah's kidnapping of two Israeli soldiers. The available evidence suggests, rather strongly, that the Iranian leadership expected Iran to be referred to the UN Security Council and therefore took measures to gain policy leverage vis-à-vis Israel, the US and the EU. On 6 July, it was reported that the Students' Justice Seeking Movement and the Students' Headquarters for the Support of Palestine would be raising funds in Tehran for the destruction of Israel.<sup>90</sup> In Esfahan, for example, fund-raising began at 80 local Basij Resistance Force bases and 92 student Basij bases.<sup>91</sup> On 8 July, President Ahmadinezhad indicated that Iranian policy towards Israel was hardening. Speaking at a meeting of foreign ministers of the countries neighbouring

Iraq in Tehran on 8 July, Ahmadinezhad declared that Israel was a “threat and conspiracy” which was imposed on the region by the “enemies” of the Islamic world. The Iranian president accused Israel of trying to delay the “speedy progress and development” of regional countries, concluding: “There is no logical reason for the continuation of the life of this regime.” He added, “it is necessary for all the regional countries to completely isolate the Zionist regime”.<sup>92</sup>

After the Lebanese crisis, Hezbollah general-secretary Hasan Nasrallah and his deputy Na'im Qasim said that they had not anticipated that the kidnapping would trigger a large-scale Israeli response. However, during the conflict, the secretary of Iran's Supreme National Security Council, Ali Larijani declared that Iran had foreknowledge of the Israeli response. Speaking at the 23<sup>rd</sup> nation-wide gathering of directors of Education and Training bureaus, Larijani declared that “Tehran was informed of the impending Israeli invasion of Lebanon in advance”. “We had reliable information that Israel intended to launch an attack against Lebanon.”<sup>93</sup> Larijani alleged that “Israeli aggression against the Palestinian and Lebanese people” was “a further ring in the chain of activities and measures taken by the US and Zionist regime” in pursuit of creating a Greater Middle East. According to Larijani, the US' most important objectives were “domination and control of the world's oil reserves and guaranteed security of Israel”.<sup>94</sup>

According to one report, the preparation for the kidnapping of the two Israeli soldiers which led to Israeli retaliation was made during a meeting in Damascus between Larijani and Nasrallah. Larijani was accompanied by Iranian ambassador Mohammad Hasan Akhtari, head of the armed forces staff General Hoseyn Firuzabadi, and representatives of the C-in-C of the IRGC, Maj-Gen Yahya Rahim-Safavi. Nasrallah was accompanied by his political and military adviser Hasan Khalil.<sup>95</sup> According to one version of events, Nasrallah was given “orders” to “prepare Hezbollah for operations to kidnap Israeli soldiers and conduct missile launches”.<sup>96</sup> On 5 July, Larijani met the EU's high representative for foreign and security policy Javier Solana, to discuss the Iranian nuclear issue. The talks did not achieve any results, but the two agreed to meet again on 11 July. However, the talks were deadlocked. After the talks Larijani flew to Damascus where he met Syrian Vice-President Faruq al-Shar'a who said that President Bashar al-Asad had approved of the Hezbollah operation. He also held consultations with Hasan Khalil and instructed him to attack an Israeli unit and capture the soldiers.<sup>97</sup> According to one version of events Hezbollah forces were assisted by 250 Iranian army ballistic missile experts and as many as 800 to 1,000 Islamic Revolution Guards were involved in preparing the operation.<sup>98</sup>

There is still some debate about the level of damage Israel inflicted on Hezbollah's infrastructure and military capability during the Lebanese conflict. According to one optimistic account, for example, Israel's main objectives were to force Hezbollah out of southern Lebanon and to weaken it militarily. Reportedly, Israel managed to destroy 70-80 per cent of Hezbollah's “medium and long-range [sic] missiles” and Hezbollah lost hundreds of its best fighters.<sup>99</sup> However, pessimists argue that whatever Israel gained in the mass on mass warfare in Lebanon, it lost at the political and, therefore, the grand strategic level.<sup>100</sup> Indeed, the Israeli assumption that the Lebanese government's fear of damage would lead it to curb Hezbollah's activities proved to be wrong.<sup>101</sup> Not only did Hezbollah manage to continue its activities, but it also gained considerable support throughout the region, thereby enabling its main patron, Iran, to gain the initiative at the level of regional and grand strategy. In that respect, Iranian strategy managed to exploit the power of informal networks in Lebanon to pursue an asymmetric campaign against the US not just in Lebanon, but also at the regional and global level. Some analysts believe that reports that Hezbollah leaders took refuge in the Iranian embassy during the

Lebanese conflict were untrue. However, it is not clear where exactly Hezbollah leaders were during the conflict.<sup>102</sup> Hezbollah's success in the intelligence war against Israel spoke volumes about its capabilities to threaten Israel. Indeed over a period of two years Hezbollah had built a significant counter-signals intelligence capability. Indeed, throughout the conflict, Hezbollah leaders seemed to be able to predict where Israelis would strike. Moreover, Hezbollah had apparently also identified some of Israel's human intelligence assets in Lebanon.<sup>103</sup> According to a prominent Israeli commentator, Ze'ev Schiff, during the conflict Hezbollah also received direct intelligence support from Syria using data collected by listening posts manned jointly by Russian and Syrian personnel.<sup>104</sup>

Hezbollah's deputy general-secretary Na'im Qasim and Nasrallah made statements, admitting that they had not predicted the degree of damage that would be inflicted on Lebanon as a result of the kidnapping of the Israeli soldiers.<sup>105</sup> These statements were made after Iranian government spokesman Gholamhoseyn Elham, a prominent hard-liner, announced that Iran would give Lebanon moral support and Israel had to pay reparations. Moreover, despite the fact that Elham said that Iran would assist the Lebanese people to reconstruct their country's economy and its infrastructure, he made it clear that "no-one could possibly compensate the Lebanese for their losses".<sup>106</sup> Clearly, Hezbollah leaders had expected the Iranians to provide more compensation in return for their losses. Otherwise, Nasrallah would not have pledged to reconstruct Lebanon. Nevertheless, the internal political conflict in Lebanon enabled Hezbollah to take the lead in the reconstruction effort with some Iranian assistance.<sup>107</sup>

Prior to the crisis Hezbollah's General-Secretary Shaykh Hasan Nasrallah was widely perceived to be Iran's client. Therefore, to be regarded as a nationalist was a major achievement for Nasrallah. However, in the medium to long run, Nasrallah will be judged by his performance in assisting the reconstruction of Lebanon. If he fails to deliver, he will be challenged at the extremist end of the political spectrum by emerging Sunni Al-Qa'idah affiliates which will condemn his policies and brand him an Iranian stooge.

An assessment of the military dimension of the Lebanese crisis is beyond the scope of this paper,<sup>108</sup> which focuses on the implications of the Lebanese conflict for rival Iranian strategies. However, post-war Israeli intelligence indicated that Hezbollah had greater access to sophisticated weaponry than originally thought and that such weaponry had been provided by Syria and possibly Russia. Syrian officials neither confirmed nor denied the reports.<sup>109</sup> As late as mid-October 2006 some Israeli reports indicated that weapons smuggling from Syria was still continuing.<sup>110</sup> As far as Russia was concerned, military sources said that the Israeli army had seized 39 Russian anti-tank missiles from Hezbollah outposts in southern Lebanon. Reportedly the missiles included the AT-13 Metis and AT-14 Kornet. Some of the missiles were reportedly still in their original packaging and the Israeli army had also found bills and serial numbers with the missiles. One Israeli source speculated that some of the missiles were ordered by Iran for Hezbollah via Syria.<sup>111</sup> The issue of Iranian and Syrian supply of Russian missiles to Hezbollah was raised during Israeli Prime Minister Ehud Olmert's visit to Moscow in October. Although President Putin was reportedly angered by the evidence, commentators on Russian affairs did not expect Russia to change its policy towards either Iran or Syria.<sup>112</sup>

The Lebanese crisis brought the divergent strategies in Iran to the fore. This was particularly salient regarding the declaration of a cease-fire and the role of Syria and Saudi Arabia. From the very beginning of the crisis, Ayatollah Khamene'i and Ahmadinezhad sought to prevent a cease-fire and to stress the importance of

preventing the disarming of Hezbollah. Indeed, Khamene'i declared that this would not take place, while other Iranian officials declared that Hezbollah had been strengthened. Rafsanjani, however, made efforts to ensure that there would be a cease-fire only a few days after the outbreak of hostilities. Rafsanjani's main aim was to prevent Khamene'i and Ahmadinezhad from exploiting the crisis to consolidate their position at home. Indeed, during the crisis, he would come into conflict with Ahmadinezhad's supporters who hinted that he had betrayed the revolution.

As far as Iranian officials, including President Ahmadinezhad, were concerned, Iran's red line was Syria not Lebanon. After the outbreak of the war, the London-based Al-Hayat newspaper had reported that Israel had presented an ultimatum to Syrian President Bashar al-Asad, saying that if Syria did not stop Hezbollah attacks within 72 hours a regional war would ensue.<sup>113</sup> A Israeli officer told Israeli daily Haaretz that Israel was not planning to target Syria at the time, but he did not confirm or deny the existence of an ultimatum.<sup>114</sup> Speaking in a telephone conversation with President Asad, President Ahmadinezhad said that Israel's "maniacal acts of aggression are indicative of the depth of the weakness and impotence of that phoney regime which is on the brink of downfall and disintegration". The Iranian president said that the OIC would be activated to deal with the crisis. Above all, Ahmadinezhad declared: "Israeli aggression against Syria is tantamount to an act of aggression against the Islamic world and it will meet with a harsh response."<sup>115</sup> Asad said that many "popular forces" had expressed their readiness to rush to Syria's assistance, adding also that any attack would meet with a harsh response.<sup>116</sup>

However, during a conversation with Lebanese President Emile Lahhud, Ahmadinezhad merely "expressed his regret over the fatalities and financial damage suffered by the Lebanese people and said that the Iranian government and nation sympathized with the Lebanese government and nation".<sup>117</sup> The Iranian Foreign Ministry also confined itself to issuing condemnations of Israeli action. However, the Foreign Ministry's language was not as harsh as that of Ahmadinezhad, which was probably designed to provoke rather than stop further Israeli military action. Foreign Ministry spokesman Hamid Reza Asefi merely said: "Unless serious and prompt action is taken to stop the Zionist regime's crimes, there will be a humanitarian catastrophe and tension and instability will increase in the region."<sup>118</sup> The Foreign Ministry also denied that the Israeli soldiers had been moved to Iran.<sup>119</sup> Speculation about the possibility of an Israeli attack on Syria continued in Iran.<sup>120</sup> The day after his conversation with Asad, Ahmadinezhad was asked about the possibility of an Israeli move against Iran and he responded: "The Zionist regime does not dare to cast a look with bad intentions at Iran".<sup>121</sup>

Moreover, Ahmadinezhad and some of his staunchest supporters explicitly linked the crisis to the Iranian nuclear issue. Speaking in Eslamshahr, Hoseyn Allahkaram, the leader of the strongly pro-Ahmadinezhad vigilante group Ansar-e Hezbollah, declared: "The Islamic resistance in Lebanon is dependent upon Iran's resistance in defending and institutionalizing its nuclear power."<sup>122</sup> Allahkaram said that the conflict in Lebanon had exploded "the myth of Israel's invincibility".<sup>123</sup>

Hoseyn Shari'atmadari, the managing-editor of Kayhan and Khamene'i's representative at Kayhan Institute, who is arguably one of the main ideologues of the pro-Ahmadinezhad current in Iranian politics, expressed support for the kidnapping of the Israeli soldiers, arguing that the US had been defeated in the Middle East. He contended that Iran played an important role in the world, particularly in Iraqi and Palestinian arenas. He said that Iran's access to nuclear energy had considerably enhanced its status and contended that great powers were

not in a position to act in unison on the Iranian nuclear issue because every time they threatened to penalize Iran, they had reverted to offering concessions.<sup>124</sup> Shari'atmadari argued that pro-Iranian forces were dominant in Iraq, Palestinian areas and Lebanon. However, he contended that Iran had merely provided Iraqis, Palestinians and Lebanese moral support when no-one was prepared to support them, claiming that Iran's motives were entirely altruistic.<sup>125</sup>

The linkage between the Lebanese and Iranian nuclear crises were also implicit in many of the statements made and actions taken by Ayatollah Khamene'i, Ahmadinezhad and their supporters. At his meeting with Venezuelan President Hugo Chavez, Ayatollah Khamene'i said that the US was trying "to create a Middle East with subservient governments around the axis of the Zionist regime".<sup>126</sup> Khamene'i also praised Hezbollah for its actions, declaring: "The pre-emptive attack by the Lebanese Hezbollah took away the initiative from America, the usurper Zionist regime, and the heroic and amazing resistance of the Lebanese nation and Hezbollah, which is the manifestation of the nation, ensured the failure of the American plan."<sup>127</sup> The linkage between the nuclear and Lebanese crises was also particularly evident during Ahmadinezhad's joint press conference with Chavez during which Ahmadinezhad declared that the war had influenced the way Iran would respond to the nuclear proposal presented to it by the 5+1 countries.<sup>128</sup>

This statement was the clearest indication of an official Iranian policy of linking the Middle East crisis to the Iranian nuclear issue in an attempt to gain concessions. Moreover, Iranian Oil Minister Kazem Vaziri-Hamaneh announced that his country and Venezuela would set up a joint energy committee.<sup>129</sup> It soon became clear that the two countries were intent upon using their energy resources to threaten the US. Speaking after his meeting with Vaziri-Hamaneh, Venezuelan Oil Minister Rafael Ramirez called for unity in the face of American "hostility", declaring: "We have a transparent policy. If America continues its hostile policies towards us, we will stop our oil exports to that country."<sup>130</sup>

Only one day after Ahmadinezhad's statement linking the nuclear issue to the Lebanese crisis, the UN Security Council moved to pass a resolution against Iran. Nevertheless, Khamene'i and Ahmadinezhad continued their policy of brinkmanship. On 17 August, Khamene'i wrote to Hezbollah leader Hasan Nasrallah congratulating him on what he described as a "victory for Islam", adding: "You imposed your military superiority over" Israel and "ridiculed the myth of invincibility and false aura of the Zionist army".<sup>131</sup> Iranian leaders were also hoping that Hezbollah's success in Lebanon would influence other Islamist movements in the Middle East and that they would be able to take advantage of a bandwagon effect to compel the US and the EU to make concessions to Iran in the nuclear negotiations. Indeed one such notable case was Egypt, a key US ally, where a poll indicated that Nasrallah and President Ahmadinezhad were the most popular political figures in the country.<sup>132</sup> Yet another case was Iraq, whose prime minister Nuri al-Maliki refused to condemn Hezbollah's activities during a visit to Washington D.C.<sup>133</sup>

### **Pan-Islamism and Iran's Regional Strategy: Successes and Failures**

After the assassination of Abu Musab al-Zarqawi, there was some speculation in Iran about Al-Qa'idah's future strategy. For example, Rasul Ja'farian, who was close to elements in the IRGC, began to speculate that Al-Qa'idah might change its strategy in Iraq and shift from targeting Shi'is to targeting forces of the coalition.

Ja'farian argued that the Shi'is had to be patient and to seek unity with "non-extremist" Sunni groups to isolate the extremists. He contended that sectarian conflict in Iraq would only strengthen the West's, particularly the US', position, adding that the US might even encourage sectarian conflict in Iraq to consolidate its position in that country. However, Ja'farian also regretted that not much was being done by the Iranian regime to encourage unity and even hinted that measures had been taken to encourage disunity.<sup>134</sup>

At a gathering of prominent scholars in Jordan organized by the World Assembly for Affinity among Islamic Sects, Ayatollah Mohammad Taskhiri lambasted Zarqawi, accusing him of being "no better than a secularist" and acting as an agent of "the Zionists".

Prior to the Lebanese conflict, the Saudis were involved in mediation efforts to preserve President Asad's regime in Syria in return for his tacit agreement to realign his country's foreign policy and distance himself from Iran. The Muslim Brotherhood's decision to form an alliance with his opponent Abd al-Halim Khaddam seemed to have changed his mind and he decided to consolidate his alliance with the Iranians to check the Saudis, the Brotherhood's main backer. As a result, he is now locked into a three-front conflict situation with Israel, Lebanon, the Golan, and the Palestinian areas.

However, the Lebanese crisis did lead some Iranian statesmen to try to provoke Sunni Islamists to join forces with Hezbollah. Basically, these officials' line of argument was that by refraining from siding with Hezbollah Al-Qa'idah and the Taleban had been acting as "agents" of the US and Israel. However, not all Iranian officials believed that a pan-Islamic alliance could be formed. Given the fact that Shi'i constitute a minority of Muslims, it would not be an exaggeration to argue that the radicals in the Iranian regime hoped that Hezbollah's actions would enable them to start a chain reaction which would enable them to free-ride on the outbreak of Sunni militancy. For example, while denying that Iranian forces were operating in Lebanon, the commander of the Basij Resistance Force, Brig-Gen Mohammad Hejazi sharply criticized Al-Qa'idah and the Taleban for not supporting Hezbollah: "Why is it that Islamist Al-Qa'idah and Taleban groups that claim to be fighting the occupiers in Iraq and Afghanistan are playing no part in the events in Palestine and Lebanon? Where are they?"<sup>135</sup>

Hejazi then lambasted Al-Qa'idah and the Taleban for being tools of US policy: "The neglect shown by these Islamic Al-Qa'idah and Taleban groups towards the events in Palestine and Lebanon shows that these groups were created by America and that they are still influenced by Western and Zionist power."<sup>136</sup> If Hejazi's aim was to provoke then he succeeded, for in August Al-Qa'idah's deputy commander, Ayman al-Zawahiri called for supporting the Lebanese against Israel. In Pakistan Muttahida Majlis-i Amal called for the provision of assistance to Hezbollah and Hamas. Both of these events were significant given that both Al-Qa'idah and Muttahida Majlis-i Amal had close links to the Taleban as well as to other radical Islamist organizations. Thus the key issue was whether the split in Al-Qa'idah between advocates of a pan-Islamist approach led by Bin-Ladin and Zawahiri and those who favoured a sectarian strategy, based mainly in Al-Qa'idah's branch in Iraq, would be repaired and whether this would lead to a change in strategy. In the short run this would greatly assist the Khamene'i-Ahmadinezhad tendency in the Iranian leadership which is seeking to formulate a global pan-Islamist alliance around the notion of unity and offering Iranian nuclear technology to those who wish to start their own nuclear programmes. It would also sharply increase the threat to Israel in an effort to maximize support for the policy of recruiting

volunteers for the fight with the US. In that sense Israel is merely a decoy in this strategy, which is ultimately aimed at driving the US out of the region.

Iraq had been perceived as the theatre in which Iran was most likely to gain escalation dominance vis-à-vis the US and the UK. It was also seen as the theatre which had to be denied to Israel to gain deterrence through denial. By spring 2006, however, Iranian officials had become increasingly dubious about the feasibility of deterrence through denial. The Iranian regime also began to see Iraq as the theatre which was most likely to lead to the entrapment of Turkey and Saudi Arabia in regional conflicts, which would make it difficult for them to challenge Iran. Moreover, Turkish or Saudi involvement in Iraq was also likely to lead to a deterioration of those countries' relations with the US, thereby making it difficult for the US to form a regional coalition on the issue of the Iranian nuclear programme.

Since the visit to Ankara by US Assistant Secretary of State for arms control, Robert Joseph, during which the possibility of Turkish assistance in an attack against Iran had reportedly been discussed, the Iranian regime had been trying to improve Iran's relations with Ankara, on the basis of a joint campaign against the PKK. An Iranian offshoot of PKK, Pezhak, has emerged as a particularly violent terrorist organization. The relatively low average age of members of the group, 24, indicates that the regime has not been successful in its efforts to co-opt young people in key provinces.

There can be little doubt that the Iranian regime saw the PKK as a major threat if only because of its close association with Pezhak. At the beginning of the Lebanese crisis there were reportedly clashes between Iranian forces and HPG (People's Defence Forces) in Kelares region, the Iranian-Turkish border line, and Kurdish forces claimed to have shot down a Sikorsky-type military helicopter.<sup>137</sup>

The Lebanese crisis provided Iranian officials with an opportunity to move closer to Ankara and to try to entrap Turkey in a conflict in northern Iraq. Since the summer of 2005, Iran's close ally in Iraq, the leader of SCIRI Abd al-Aziz al-Hakim had been calling for the formation of a Shi'i federal zone in southern Iraq. During the Lebanese crisis and while violence was escalating in Iraq, Shi'is once again called for the formation of a federal Iraq and even raised the issue of partitioning the country. Hakim's call for the partition of Iraq into three federal zones, however, has alienated supporters of Muqtada al-Sadr, such as Ayatollah Ya'qubi. In such a situation, it will be difficult for the Iranian regime to encourage Sadr to launch asymmetric attacks on US forces in the event of an attack on Iran. However, if sectarian clashes in Iraq lead to a full-scale civil war, then it will be difficult for Sadr to distance himself from other Shi'i groups.

In August and September, the Iranian regime made it clear that its main objective was to ensure that it would be able to operate a heavy water plant on its territory. Thus while it announced that it would favour negotiations on the nuclear issue, it rejected the proposal put forward by the 5+1 group. At the same time, Iran sought to engage Arab states in diplomatic efforts to alleviate their concerns about the Iranian nuclear programme. In August, Iran's deputy Foreign Minister Mohammad Reza Baqeri toured Arab states, including Syria and Egypt to brief them on the nuclear negotiations. Baqeri held talks with Egyptian Foreign Minister Ahmad Abul Gheit and Arab League Secretary-General Amr Musa. Baqeri was quoted as saying that he would brief Egyptian, Syrian, Algerian and Arab League officials on Iran's response to the nuclear proposal made in June.<sup>138</sup>

Abul Gheit called for a dialogue to resolve the Iranian nuclear issue.<sup>139</sup> The situation in Egypt was particularly volatile because not only had Ayman al-Zawahiri called for intervention in Lebanon, but the Egyptian Muslim Brotherhood which was considered to be a counterweight to more radical Islamists, such as Zawahiri's group, had started to support Hezbollah. In December 2005, the group had retracted a statement by its leader who had described the Holocaust as "a myth".<sup>140</sup> This posed a particularly difficult problem for President Mubarak, who had sharply criticized Shi'is earlier that year, describing them as pro-Iranian.

Thus one consequence of the Lebanese crisis was that the Iranian nuclear issue became closely intertwined with the domestic politics of conservative Arab states, thereby making it difficult for those states to form a de facto alliance with Israel against Iran. The formation of such an alliance will be further complicated by the resumption of Egypt's nuclear programme. The growing strength of the Egyptian Muslim Brotherhood led some analysts to speculate that the Egyptian nuclear programme would pose a serious threat to Israeli and US interests in the event of a Muslim Brotherhood take-over. However, denying President Mubarak financial or technological assistance for the programme could further undermine his power base. Perhaps that was why Israeli prime Minister Ehud Olmert said: "Israel does not consider Cairo's newly declared nuclear ambitions a military threat".<sup>141</sup> Nevertheless, it is clear that Iranian nuclear brinkmanship has already started a chain of events in the Middle East which could trigger a nuclear arms race. Moreover, the linkage between Iranian nuclear diplomacy and Hezbollah's activities were clear at least to the opponents of Hezbollah. For example, Lebanese Druze leader Walid Jumblatt argued that Hezbollah could not be disarmed unless there were "a dialogue" on the Iranian nuclear issue.<sup>142</sup>

Iran's response to the 5+1 proposal declared that it agreed to taking "simultaneous confidence-building measures" provided that steps were taken to create "a nuclear-weapons free zone in the Middle East", with particular reference to Israel; persuading other regional countries to commit themselves to joining the NPT and implementing the Additional Protocol and giving Iran guarantees that "no hostile measures" would be taken against it, including the imposition of any kind of sanctions, the issuance of any kind of threats or any kind of military aggression.<sup>143</sup> Iran's strong support for Hezbollah and President Ahmadinezhad's statements on the Holocaust would make it impossible for Israel to agree to the dismantling of its nuclear capability or to join the NPT. Thus there can be little doubt that the Iranian government's response was designed to split the ranks of the US and the EU with a view to pressuring Israel into changing its policy.

By September it had become clear that the Iranian regime had failed to turn Hezbollah into a deterrent against the US. In September, deputy general-secretary of Hezbollah, Na'im Qasim, declared that it was not intent upon fighting the US.<sup>144</sup> However, Iranian deterrence was still conceived in terms of deterrence through massive asymmetric punishment. In that context, Hezbollah served as an instrument of Iranian regional strategy and had a major role to play in Iranian nuclear diplomacy.

After the Lebanese war, Israeli analysts became seriously concerned that Hezbollah, Hamas and Islamic Jihad might move closer to one another. For example, estimates by some senior Israeli generals in Israeli military intelligence indicated that over recent years "anywhere from dozens to hundreds of Palestinian militants have been brought to Lebanon and Iran, and sometimes Syria".<sup>145</sup> At the regional level, the key challenge for Israel will be to co-ordinate its regional strategy, which is focused on the Iranian nuclear threat, with that of the Bush administration which appears to see the Iranian nuclear threat as a medium-term threat. The differences in

estimates were best expressed by the director of US National Intelligence John Negroponte. Negroponte said that according to the US estimate, Iran was likely to acquire a nuclear capability some time in the next decade. When asked about the Israeli estimate that it would take Iran two years to do so, Negroponte replied that US and Israel used the same data. However, the Israelis tended to focus on the worst case scenario because for them the Iranian threat was an “existential” one.<sup>146</sup>

Within the framework of Israeli strategy, the international community had to be mobilized against Iran and the best way to do so was judged to be through attacking and disarming Hezbollah, and hoping that the Bush administration would intervene. According to one account of the crisis, the Israeli plan was based on the lessons the Israelis had learned from the Kosovo war and that Israeli officials informed Secretary of State Condoleezza Rice that they could finish the campaign over a period of 35 days.<sup>147</sup> Moreover, according to the same account, President Bush and Vice-President Cheney believed that a successful Israeli bombing of Hezbollah’s underground missile and command and control complexes in Lebanon could also prepare the ground for a pre-emptive US attack against Iran’s nuclear installations. However, the Bush administration was also hoping to form a Sunni Arab coalition made up of Egypt, Jordan and Saudi Arabia to counter Iran and Hezbollah.<sup>148</sup> Israel failed to achieve its main political and military objectives partly because the Israeli military, led by Dan Halutz, provided poor intelligence to Prime Minister Olmert. The decision to hold an internal investigation led to speculation that the prime minister was deliberately misled. Worse still from Israel’s point of view, Sunni Arab states, particularly Saudi Arabia and Egypt, could not be persuaded to support Israel. The fact that the Saudis had to change their public position on the issue after only one day speaks volumes about the weakness of their position.

There is little doubt that Israel’s threat perceptions coincide with those of India, Saudi Arabia, Egypt and Jordan. Israel and Saudi Arabia had also reportedly held secret talks during the Lebanese crisis and discussed the Iranian nuclear issue. When asked about such contacts, Israeli Prime Minister Ehud Olmert replied: “I don’t have to answer every question.” At the same time, Olmert praised Saudi Arabia and King Abdullah, saying that he had been “very impressed with various acts and statements connected with Saudi Arabia, both those that were made publicly and others as well”. When asked whether he would consider positively a Saudi peace initiative, Olmert said: “I am very impressed with King Abdullah’s insight and sense of responsibility”.<sup>149</sup> There were even reports of a meeting between Olmert and King Abdullah. Olmert, however, denied such reports, saying: “I did not meet with the Saudi king and I did not meet with anyone who should cause a sensation in the media.”<sup>150</sup> According to Israeli newspaper Yediot Aharonot, citing unnamed government officials, Olmert met “an unidentified official who is close to the Saudi king”.<sup>151</sup> According to former Israeli official and head of Israel Council on Foreign Relations David Kimche, Israel and Saudi Arabia had shared intelligence, but had not held any public meetings.<sup>152</sup>

Increasingly, both Israel and Saudi Arabia see Iran as a threat and Hezbollah as a terrorist organization with a global reach.<sup>153</sup> However, given the increasing radicalization of the region and Hezbollah's popularity in the aftermath of the Lebanese crisis, it is unlikely that Saudi Arabia will be able to galvanize support for a policy of working with Israel.

In addition, any gains in Israeli-Saudi relations were offset by the deterioration of Israeli-Turkish relations. There were signs that the Israeli-Turkish alliance came under pressure two or three months before the outbreak of the Lebanese crisis.

During the crisis, Iranian supply of materiel to Hezbollah via Turkish airspace led to a dispute between Israel and Turkey and Israel asked Turkey to block arms shipments to Hezbollah.<sup>154</sup> The Iranians, for their part, seemed to be intent upon embroiling the Turks with the Saudis and the Egyptians in northern Iraq over the issue of Kirkuk. It seems that Iranian officials, particularly supporters of President Ahmadinezhad, believe that the Turks will have two choices: they can either negotiate oil concessions with the Kurds, in which case they will be fighting with the Iranians against the Saudis who will be backing the Sunni insurgents fighting the Kurds for control of Kirkuk, or they can side with the Saudis and back the Sunni insurgents fighting the Kurds for control of Kirkuk, in which case they will be joining the Saudis in knocking the props from under US allies in the Middle East. To put it briefly, Iran's policy towards northern Iraq is designed to provoke America's main regional allies, Turkey and Saudi Arabia, to undermine US counter-terrorism policy.

### **The New Threat Cascade**

Hezbollah's role is central to Iranian regional strategy and nuclear diplomacy. The key difference of opinion among Iranian leaders seems to be over the extent to which Iran can escalate without provoking a massive US response. By late September it had also become increasingly clear that the Lebanese crisis had not ended the rift over the choice of strategy in the Iranian leadership. The reformists were still thinking in terms of forming a grand coalition around Khatami and Rafsanjani. This coalition would pursue a policy of seeking a rapprochement with the US, while pursuing selective cooperation with the US on regional issues, presumably as a means of persuading the Bush administration to reduce diplomatic and economic pressure on Iran on the nuclear issue. The situation came to a head during former President Khatami's visit to the US. Ahmadinezhad's allies sharply criticized Khatami for betraying the ideals of the revolution and ignoring Khomeyni's teachings. In a particularly vitriolic article, "Khatami's self-destruction", the weekly *Ya Lesarat al-Hoseyn*, which is closely affiliated with the Ahmadinezhad camp, lambasted Khatami for making statements which were "diametrically opposite to the policies of the Islamic Republic". It sharply criticized Khatami for refraining from calling the US "The Great Satan", for expressing regret over the occupation of the US embassy and seizure of US hostages in 1979 and for "recognizing Israel" despite Ayatollah Khomeyni's call for the destruction of Israel. The weekly attacked Khatami for describing the Holocaust "as a historical fact", declaring that the Holocaust was "a lie".<sup>155</sup>

Such ad hominem attacks were designed to threaten Khatami with the spectre of a purge to silence him. Ahmadinezhad's supporters were also trying to link the issue of the Holocaust to the domestic power struggle in the country, thereby making it difficult for the president's opponents to disagree with his policy of Holocaust denial without being accused of treason. This was combined with the gradual radicalization of Iranian domestic politics and the crackdown on dissidents. Ahmadinezhad's opponents, particularly former presidents Khatami and Rafsanjani, had been trying to take advantage of their de facto relationship with the dissident movement to gain leverage at Ahmadinezhad's expense. The president's supporters responded by accusing them of betraying the revolution and ignoring Khomeyni's instructions. The situation deteriorated considerably for Ahmadinezhad's opponents during the Lebanese crisis. Opposition to the president could be construed as betrayal of the revolution. Indeed, a group of young theology students accused Rafsanjani of such betrayal when he sought to defend himself against accusations that he favoured Khomeyni's replacement by a council of jurisconsults.

President Ahmadinezhad continued to make anti-Israeli statements and he sought to position Iran at the very heart of the emerging anti-globalization alliance. For the Ahmadinezhad government, the movement offers an opportunity to embed Iran's anti-Israeli policy within a larger framework. Indeed this was evident during Hugo Chavez's visit to Iran in July during which both Ahmadinezhad and Chavez made very strong anti-Israeli statements. Chavez is seen not so much as a deterrent against the US in Iran, but as an key political ally against the US in Latin America and the Non-Aligned Movement. For the time being, the Ahmadinezhad government seems to be relying on Chavez as a political deterrent vis-à-vis the US, while engaging in capacity-building for political warfare by engaging Venezuela in economic relationships.

According to one Israeli report, during his reciprocal visit to Venezuela in September, Ahmadinezhad raised the issue of deploying a number of Shahab-3 missiles on Venezuelan territory and then in Cuba to threaten the US. According to the report, Chavez did not respond to Ahmadinezhad's proposal.<sup>156</sup> However, during Ahmadinezhad's visit, Chavez did praise Iran for its revolution and its military independence.<sup>157</sup> Moreover, during the visit the two countries signed a number of agreements, including one on setting up a joint petrochemical company. Ahmadinezhad and Chavez also agreed to contribute one billion dollars to a Strategic Fund for development. Chavez decorated Ahmadinezhad with the Order of the Liberator and the Iranian president thanked the Venezuelan president, describing him as "the champion and leader of the Bolivarian Republic of Venezuela" and "the champion and leader of the anti-imperialist struggle and the symbol of struggle in the entire American continent".<sup>158</sup>

It is highly unlikely that Chavez's Venezuela could emerge as a direct military threat to the US in the near or even the medium term. However, the Ahmadinezhad government will undoubtedly try to exploit his relations with China and the latter's close relationship with North Korea. In that respect, Chavez is increasingly serving as the link between Iran's first and second lines of deterrence through punishment. Some of Ahmadinezhad's staunchest supporters in the country see Venezuela as a useful ally in what they believe is a global competition with the US. For example, commenting on Ahmadinezhad's visit to Venezuela, the strongly pro-Ahmadinezhad daily, *Siyasat-e Ruz*, said that Ahmadinezhad's visit to Latin America was an indication of Iran's expanding relations with Venezuela and Cuba, which the daily contended could lead to the formation of "a strong front against the West and America".<sup>159</sup> A prominent ultra-radical Iranian strategist, Hasan Abbasi, has also contended that Iran can benefit from its relations with Venezuela and Cuba. According to Abbasi, countries such as these are Iran's allies despite their ideological differences with Iran. According to Abbasi, Iran, Palestine, Cuba and Korea "are pioneers of the struggle against imperialism".<sup>160</sup>

Hezbollah is primarily the asymmetric military component of the Iranian regime's strategy. Chavez and North Korea represent the economic and military components of the strategy. It would be wrong-headed to analyse Iranian strategy in terms of a theatre-by-theatre approach. However, the conjunction North Korean missile diplomacy during periods of acute Middle East crisis and Chavez's anti-Israeli policies have demonstrated that members of this de facto alliance have engaged in a fair degree of political warfare to reduce US political, economic and military pressure on their allies.

One of the most significant regional outcomes of the Lebanese war, as far as Iran was concerned, was the possibility of a rapprochement between Israel and Saudi

Arabia. One of the main aims of Ahmadinezhad's policy had been to radicalize the region to prevent a rapprochement between Israel and conservative Arab states. Clearly, given the emerging threat cascades, Israel, India, Egypt, Jordan and Saudi Arabia have an interest in coordinating their efforts to contain an ascendant Iran. However, they will find it difficult to do so because Hezbollah has succeeded in radicalizing the region to the extent that the Saudis can only challenge it at the extremist end of the political spectrum. Ahmadinezhad and his supporters seemed to have calculated that the Saudis will probably respond by supporting the Sunnis fighting Iranian-backed Shi'i militias in Iraq, radical Sunni opponents of Syrian President Bashar al-Asad, such as Jund al-Sham, as well as a host of violent Egyptian, Algerian and Somali groups. Iran and Saudi Arabia already see their competition in terms of a long-term battle for control of the region stretching from the Persian Gulf to the Red Sea.<sup>161</sup> This strategy is also likely to split the House of Saud and it will be closely intertwined with the succession struggle because King Abdullah is reluctant to challenge Iran at the strategic level. Hence Saudi public statements saying that the Iranian nuclear programme is "peaceful".

Saudi Arabia appeared to be trying to galvanize support for a regional effort to challenge Iran and Hezbollah at the regional level. However, it is unlikely that the Saudis will be able to establish anything other than a *modus vivendi* with Israel. Any effort to establish a strategic relationship with Israel will probably lead Al-Qa'idah and other extremist Islamist groups to step up their opposition to the House of Saud. At best, Saudi policy will try to take advantage of the contacts with Israel to compel President Bashar al-Asad of Syria to distance himself from the Iranian regime and it will also seek to broker a settlement between Israel and Hamas. However, the policy is likely to split the House of Saud itself. Israeli officials have always been cautious to say the least in their assessments of Saudi policy and some Israelis, such as Dore Gold, have speculated that the Al-Qa'idah phenomenon is closely intertwined with the dynastic struggle in Saudi Arabia.

However, President Ahmadinezhad and his allies in the IRGC seem to be trying to provoke Saudi Arabia into challenging at the extremist end of the spectrum through their rejection of the Arab-Israeli peace process. The policy seems to be based on the assumption that if the Saudis decide to challenge Hezbollah, then they will have little choice but to extend support to Sunni extremist organizations. This assumption is based on Wahhabi criticism of Shi'i Islam and the increasing opposition of some Sunnis, as well as some statesmen such as King Abdullah of Jordan and President Mubarak of Egypt, to the emergence of what they perceive as a "Shi'i crescent" in the Middle East. Ahmadinezhad and his supporters seem to be assuming that a Sunni extremist backlash will bring down the House of Saud in the process and seriously undermine Western counter-terrorism policy at the same time. This would presumably enable Iran to negotiate with the US and the EU from a position of strength.

President Ahmadinezhad's statements at the Council of Foreign Relations in New York in September suggested that Iran's supreme leader Ayatollah Khamene'i had agreed to embark upon a radical foreign policy as a means of gaining leverage in the nuclear negotiations and settling the domestic debate over the choice of strategy.<sup>162</sup> The North Korean nuclear test in October and the continuing crisis in relations between Israel and Syria seemed to have led Khamene'i and Ahmadinezhad to conclude that they could still exploit regional tensions in pursuit of their policies. Initially, the Iranian Foreign Ministry spokesman reacted to the test by saying that Iran supported a world free of nuclear weapons as matter of principle. He expressed the hope that negotiations on the North Korean nuclear issue would continue and that the interests of all the parties involved in the crisis would be protected.<sup>163</sup> Despite such statements, the evidence suggests that both

Khamene'i and Ahmadinezhad concluded that the North Korean nuclear test would open another major front for the US, thereby preventing the Bush administration from moving against Iran. Commenting on the North Korean issue, Ali Larijani said that certain Western countries had exploited the situation to cause difficulties for Iran, adding that "everyone knows that Iran's situation is totally different from that of North Korea". Larijani accused Israel and the US of drawing parallels between Iran and North Korea to cause difficulties for Iran at the UN Security Council.<sup>164</sup>

Iran's supreme leader Ayatollah Khamene'i defines the overall framework of Iranian strategy and as of late October 2006 it was becoming increasingly clear that Khamene'i had sided with Ahmadinezhad. Indeed such support led Ahmadinezhad to continue his anti-Israel campaign and to link the issue to Iran's relations with the EU. Referring to Israel in a speech he made in the town of Eslamshahr on 18 October, the Iranian president declared: "We have repeatedly said and our nation has said repeatedly that the very foundation of that regime is illegitimate. It has been imposed on the nations of the region and it cannot survive."<sup>165</sup>

The next day, Ahmadinezhad went even further and linked Iranian nuclear policy to the issues of Israel and the Lebanese crisis, indicating that he had not changed his policies. Addressing worshippers in a pre-Friday-prayer sermons speech on the occasion of Quds [Jerusalem] Day, the Iranian president declared that "several" and "very clear questions" should be raised about the Holocaust. He said: "If this is the truth, why don't you let independent researchers study the subject? If it is historical truth, then more research will only lead to more clarity."<sup>166</sup> He then lambasted members of the Council on Foreign Relations whom he had met in New York for their comments in defence of Israel, contending that their attitude towards Israel was such that it called into question the very basis of the international system. "We asked them [members of the Council of foreign Relations] whether they were ready to apply the same principle to themselves. We asked them whether they knew that if Iran defined this as the basis of political equations in today's global relations, then the political geography of the world would change significantly." According to Ahmadinezhad: "We asked them who lived in that Western land about 300 or 400 years ago. If we are supposed to go back to what existed 2,500 years ago, it would be better to go back 300 or 400 years. What would happen then? Would any of the present political borders be recognized? There is no answer."<sup>167</sup> Ahmadinezhad declared that Israel had been "established in the heart of the region to constantly threaten, invade and kill people in the region, and to pose a constant threat to the region".<sup>168</sup>

Ahmadinezhad used his speech to attempt to drive a wedge between the EU and the US by raising the issue of Europe's proximity to the region:

"We advised a number of European countries. We told them the Americans are on the other side of the water. They are out of reach. You are neighbours of the nations of the region. We advise you, we are telling you that the nations of the region are furious and boiling. These nations are like an ocean that is moving and if there is a storm, you can be certain that the storm will not just affect the geographical boundaries of Palestine and you will be harmed also."<sup>169</sup>

Ahmadinezhad claimed that Iran's nuclear programme was peaceful, that it had fulfilled all of its commitments and that it had taken confidence-building measures to reassure the West. At the same time, he sharply criticized the UK and the US saying that despite their support for Israel they were "blackmailing the world". He also described them as "enemies of the Iranian nation", saying: "They keep bringing

up the issue of the Security Council for us. They want to threaten us by using the Security Council. What kind of Security Council is this? The whole world knows that America and Britain are enemies of the Iranian nation."<sup>170</sup>

Ahmadinezhad's policy was undoubtedly supported by Khamene'i, who had been defending the Iranian president against his critics since 2005. Khamene'i's choice will have profound implications because it will commit the country to the pursuit of a multi-theatre offensive strategy designed to reduce US influence not just in the Middle East, but also in the Far East and Latin America through close collaboration with such states as North Korea and Venezuela.

Ayatollah Khamene'i's decision to form a foreign policy council in July suggested that he did not then think that he was strong enough to directly challenge any of the leaders of various policy currents in the Iranian leadership.<sup>171</sup> However, the Lebanese crisis has seriously undermined Larijani's position and enabled Ahmadinezhad and his allies to gain policy leverage.

Khamene'i's decision to side with Ahmadinezhad will also entail the suppression of dissent not just on the part of human rights activists or minority groups, but also on the part of such well-established and revolutionary figures such as former presidents Khatami and Rafsanjani. That means that the Iranian supreme leader's balancing act cannot go on indefinitely. Either his opponents will change their strategy and side with him – an unlikely event given their past record – or he will take draconian measures to silence them. However, the latter choice will considerably narrow his power base, delegitimizing his rule. Paradoxically, the pursuit of asymmetric multi-theatre regional warfare against the US might temporarily increase the regime's security abroad, but it will probably undermine Khamene'i's rule at home.

## Endnotes

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<sup>2</sup> See George Michael, *The Enemy of My Enemy: The Alarming Convergence of Militant Islam and the Extreme Right*, (Kansas, The university Press of Kansas, 2006), pp. 157-58.

<sup>3</sup> *Iranian TV*, 24 April 2001, BBC Monitoring.

<sup>4</sup> For a good account of Iranian officials' support for those denying the Holocaust see "Radio Free Europe/Radio Liberty, *Iran Report*, 19 December 2005, Volume 8, Number 49.

<sup>5</sup> See Radio Free Europe/Radio Liberty, *Iran Report*, 8 November 2005, Volume 8, Number 44.

<sup>6</sup> See "Iranian TV interviews Foreign Minister Mottaki on Qods Day", *Iranian TV*, 27 October 2005, BBC Monitoring.

<sup>7</sup> See "Iranian president criticizes 'ambitious policies' of Israel, US", IRNA, 28 October 2005, BBC Monitoring.

<sup>8</sup> "Ahmadinezhad's remarks were those of the nation - Guards chief". *Fars News Agency*, 28 October 2005, BBC Monitoring.

<sup>9</sup> Ibid.

<sup>10</sup> See "Regimes destroyed by nations' resistance, not nuclear weapons - Iran's leader", Iranian radio, 30 October 2005, BBC Monitoring, and "West should be ashamed of being under Zionists' influence - Iranian leader", *Iranian TV*, 30 October 2005, BBC Monitoring.

<sup>11</sup> Ibid, *Iranian TV*, 31 October 2005, BBC Monitoring.

<sup>12</sup> Ibid.

<sup>13</sup> Radio Free Europe/Radio Liberty, *Iran Report*, 8 November 2005, Volume 8, Number 44.

<sup>14</sup> *Sharq* daily, 26 December 2005.

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- 28 *Sharq daily*, 3 January 2006.
- 29 See the *Iranian Students News Agency*, 19 December 2005, report on Bolton's comments.
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- 31 *IRNA*, 12 December 2005, BBC Monitoring.
- 32 See the report by the daily, *Iran*, 13 December 2005.
- 33 *Iranian television*, 13 December 2005, BBC Monitoring.
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- 37 See *Mehr News Agency*, 15 December 2005, BBC Monitoring.
- 38 Ibid.
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- 40 *IRNA*, 16 December 2005, BBC Monitoring.
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- <sup>69</sup> Ibid.
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- <sup>87</sup> Ibid.
- <sup>88</sup> See "Israel commissioned 'terrorist squads' to kill Iranian delegation in Brussels - agency", *Islamic Republic News Agency (IRNA)*, web site, 6 July 2006, BBC Monitoring.
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