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Iranian Challenges

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In the light of the presidential elections in Iran (to be held on 17 June 2005) the EU Institute for Security Studies held a Seminar on '*Iranian Challenges*' in Paris, on 20 May 2005.

Particular attention was devoted, of course, to the issue of nuclear proliferation but the main purpose of the seminar was to propose a comprehensive analysis of Iran. The conference was designed to encourage a frank exchange of views, involving experts and officials from the EU, and provide further 'food for thought' to the decision-makers. It was well attended by academics, government officials (mostly desk officers) of many member states, some COPS ambassadors and EU officials from the Council and the Commission.

Elections in Iran were one of the four reasons for holding the seminar. Others were the country's strategic geographical position (as a Gulf country, neighbour of Iraq and Afghanistan, but also of Turkey and Central Asia); Iran's nuclear policy; and of course the transatlantic dimension (Iran could be another example of US-EU differences) are other reasons – each of which would merit a conference on its own. The programme was structured so as to be able to deal with a wide range of issues and to satisfy two further objectives: first, to provide informed comment on Iran's internal situation, the Iranian political elite's main policy goals – including Iran's options for going nuclear, and, secondly, by using this analytical and discursive approach to enable a free and open-minded discussion on the EU's options vis-à-vis Iran. Hence, as this report will show, the title '*Iranian Challenges*' for this one-day conference could hardly have been more apt.

This report includes two annexes (Annex 1: 'Iran's international relations' based on the presentations made in Session 1 and Annex 2: 'The end of Ideology: Tehran's theological and revolutionary bankruptcy'), the conference programme and the list of participants.

Session I: 'IRAN'S REGIONAL AND STRATEGIC INTERESTS'

Five reasons explain why Iran is so important:

- a) Iran is a large and powerful state within the region. It is bordered by three regions: the Middle East region, Persian Gulf region and the Caspian – Central Asian region. Its size and strength and its (as the Iranians see it) 'glorious' past makes it a major regional power. This sense of glorified historicism has less to do with an Islamic/revolutionary state than with its national identity.
- b) Iran's strategic location reinforces the first reason: Iran sits on both an east-west and a north-south axis. Both are viewed as a major asset in the Islamic Republic (within Tehran). Iran wants to build this profile and become a major transit hub connecting Turkey with Afghanistan and Pakistan, the Gulf Region and Central Asia.
- c) Energy, of course cannot be ignored. Iran is the country with the second largest oil and natural gas resources in the world. Natural gas is becoming more and more important in Iran's international relations, especially with Europe. In the last few years, Iran has resumed exports of natural gas to Turkey, and plans to export gas to India via Pakistan.
- d) The nature of Iran within the international system. Today, Iran is a post-revolutionary state. There is a crisis of identity on how Iran will emerge in the future, for it is no longer a revolutionary state, although ideology still plays a seemingly ill-defined role. Iran is a pro status quo actor in its foreign and security policy and the Iranian government has taken a cautious conservative approach to avoiding crises in regional relations. National interests and not ideology are a priority in Iran's foreign relations.
- e) Iran's threat perceptions. Washington has removed two of Iran's security threats: the Taliban regime in Afghanistan and Iraq's dictator Saddam Hussein. Iran no longer faces any immediate threats from its neighbours. Israel, even though to a certain extent, is perceived as a threat.

Needless to say, the United States is Iran's main security concern. Iran is worried about US presence in Iraq, Afghanistan, the Persian Gulf and Central Asia. Iranians cannot win a military confrontation with the United States. They are working to minimise the threat by counterbalancing the United States in their foreign and security policy.

Other significant security threats to Iran include the cultish terrorist organisation 'People's Mojahedin Organisation' (better known under the Persian-English acronym MKO for Mojahedin-e Khalq Organisation) and radical Sunni sectarian groups, who have in the past attacked Iranian diplomats abroad.

The greatest challenges to the Iranian government today are internal. The internal threat stems from the question of ethnic minorities in Iran: Kurds (Kurdish separatism could be powerful and destabilising), Azerbaijani Turks, Arabs of Khuzestan and the Baluchis – the latter three groups are less dangerous than the Kurds, though all of them have international dimensions that could be worrying for Iran.

What are the driving factors of Iran's regional foreign policy? Although understanding Iranian decision-making procedures from the outside remains a challenging task to say the least, and in spite of the fact that obviously many competing power-centres try to get hold of the decision-making and decision-shaping processes on foreign policy, some indications can be identified:

- Iran is a post-revolutionary state;
- Iran is a status quo actor;
- Iran faces no external threats from its neighbours, but Tehran has identified the United States as a major threat;
- Iran is trying to balance US power and has therefore to look at other states in the region;
- the main concern of the regime is the economy;
- Iran is seriously concerned about regional instability; this is especially true regarding Iraq and Afghanistan.

Israel and the United States

In general Iran has been able to foster good relations with most of its neighbours and almost all other important powers. (For an overview on Iran's foreign relations, based on presentations and interventions in Session 1 see Annex 1 'Iran's International Relations') However, relations with the United States and Israel are still non-existent. One participant remarked that the Iranians see USA and Israel succeeding in the region and the American democratisation agenda unfolding. If so, what are the Iranians' attitudes towards Israel? Some speakers challenged the view that the Israel issue dominates Iranian foreign policy, as postulated by others. They stated that Israel is not a key issue in Iran's security and foreign policy and ordinary Iranians do not perceive Israel as a threat. One cited Khamenei's statement: 'We [the Iranian regime] will not be more Palestinian than the Palestinians themselves', thus indicating that Iran will not ostracise any future Palestinian-Israeli rapprochement. Although Iran's main problem with Israel is a rather odd question of ideology, a remarkable relaxation has taken place in this field too: Israel, for example, can now be referred to as Israel in Iran, whereas before it was referred to as the 'Zionist entity'.

Needless to say, the United States remains Iran's obsession (and, arguably, vice versa). One participant made the point that US policy in the region is all about regime change, another one cited US sources that indicated a willingness on part of the United States to facilitate regime change by covert action. Hence one participant cautioned that there were many layers to US-Iranian relations and that there were many behind-the-scenes interactions between the United States and Iran. Most of these meetings are conducted in Switzerland, which plays a role as mediator between Tehran and Washington, however these meetings are not made public, as the 'conservatives' in Tehran allegedly blocked rapprochement, and do not allow the 'reformers' any success. It is in any case impossible to gauge whether a rapprochement would be possible; as for now, the Bush administration is in any case not ready to talk with the Iranians.

Session II: 'IRAN'S INTERNAL CHALLENGES'

The Iranian government is in the hands of a strong, cleric-dominated minority. Its lack of popularity among Iran's citizens is due to the constraints on individual freedom and to the catastrophic economic situation. The regime's ideological legitimacy, however, rests with the 'rule of the jurispudent (*velâyat-e faqih*)' an ideology developed by Khomeini, which is increasingly criticised by other clerics so that most Iranian clerics are now opposing the regime's theological-legal foundations. Among the opponents the septuagenarian Grand Ayatollah Montazeri plays an important role as a challenger to Khamenei; however, the regime's real crisis will unfold as soon as Khamenei dies, for with him the unique mix of revolutionary and theological traditions will also come to an end.

The dichotomy between pro-regime clerics and those, who are critical of the regime's ideological-theological foundations has worsened since the toppling of Saddam's regime in 2003 because now the theological institutions of Najaf in Southern Iraq and its leader the Iranian-born Grand Ayatollah Sistani are able to pose an alternative theological power-centre free of supervision from Tehran. At the same time, one has to be aware of the fact that all of the pro-regime higher clergy, as well as most of the anti-regime clerics, are economically secure due to a complicated system of pious foundations, some of which have accumulated wealth over centuries and are connected with business concerns in Iran and abroad. (See the note in Annex 2: 'The end of Ideology: Tehran's theological and revolutionary bankruptcy' by Walter Posch).

Talk of an implosion of the regime or an explosion of the social situation have turned out to be premature. The regime for its part is showing flexibility: in October 2003 an unspoken 'New Deal' was concluded which redefined the regime's relations with the population. After the Iranian human rights activist Shirin Ebadi won the Nobel Prize (10 October 2003), human rights came back on the agenda and the regime acted more cautiously. Needless to say, the prize contributed to national pride and, indirectly albeit, to the prestige of the regime. However, at about the same time the nuclear agreement between EU3 and Iran (21 October 2003) gave the regime an unexpected about: for the first time, all political factions in Iran rallied around a common cause – the 'nuclear issue'. It remains, however, a moot point whether the mass of the Iranian population wants nuclear energy, or the capability to build a bomb, or whether they would like to go outright for the bomb.

In any case, in view of many participants pressure should be put on the regime concerning human rights and not only on the nuclear issue. With the nuclear issue successfully manipulated by the regime, the question is not whether Iranians could choose between bomb and butter but between democracy and the bomb.

The economy is the regime's main concern, for it needs at least investment of over €100 billion Euros to create enough jobs for the young generation. Three quarters of which must come from foreign investors. GDP is now only a quarter of what it was in 1979, official unemployment figures are about 11-13%, and unofficially unemployment stands at 25%. This explains partially why approximately 200,000 young Iranians (many of them academics) leave the country every year – one of the highest brain drains in the Middle East.

Dissatisfaction with the social and political situation is palpable and deep-rooted. Iranians are frustrated and drug abuse is so undeniably widespread that even Iranian officials admit the number of 3 million drug addicts. One reason for the frustration is that Iranians know what democracy is and know that they are stuck halfway towards it (if even that far). Iran has a relatively free press, as compared with some countries of the region, and Iranians have access to the Internet, so that people are well aware of the world. One speaker added that the regime never tried to keep its own population hostage and locked up. Generally, Iranians are free to travel abroad and to return as they like. The country's young generation and its traditionally self-assertive female population pose the most immediate sociological challenge for the regime.

But there is no democratic opposition movement in Iran. People want change to take place, though they are not ready for it and do not take the initiative. Iran lacks a Lech Walesa figurehead such as Poland had in the 1980s. Who could replace the clergy if a regime change or regime breakdown took place? Would another undemocratic 'regime' be technocratic or military-based?

Quite surprisingly for many, throughout the session no questions were asked about the presidential campaign. The speakers predicted a comeback for Rafsanjani but were sceptical about the consequences of such a victory, since Rafsanjani is neither a radical nor a liberal, and a decade ago European observers were even delighted to see him disappearing from the political scene.

Session III: 'IRAN'S NUCLEAR POLICY'

Iran is actively pursuing nuclear activities. By now, it has become clear that Iran wants to be able to build a nuclear bomb in a relatively short period of time. What is unknown is whether it wants operational nuclear weapons. But do the Iranians themselves know what they really want? On the one hand revolutionary leader Khamenei has issued a statement that nuclear weapons are contrary to Islamic doctrine, on the other hand the nuclear issue has become such a matter of prestige that the regime can scarcely back away from it without losing its little reputation among the population. The EU does not want Iran to become another Japan (i.e. having the capability to go nuclear) for the following reasons:

- it could mean the beginning of the end for the NPT;
- it would cause a nuclear arms race in the region (which would also affect the EU's neighbourhood);
- Iran has a missile programme as well; and finally
- terrorists could gain access to nuclear weapons or materials.

The EU wants to solve the nuclear issue with Iran diplomatically. It is definitely not in the Europeans' interest if the Iran case ends up at the UNSC in New York, because then it would be out of their hands and might cause another transatlantic rift and another European crisis, a fact, of which the Iranians are aware. But on the other hand, if it really were to go so far and a UNSC Resolution were to call for sanctions, then Iran's oil sector would be extremely vulnerable as soon as the Europeans implemented the resolution.

For their part, the Iranians have already formulated what a ‘big carrot’ might look like. The Iranians are asking for regional security; such a security framework could be built up with an explicit recognition of Iran’s role as the leading power in the region; they also insist on being recognised by the United States. Finally one could bolster this carrot with support for Iran’s economy. However, realistically one has to admit that the EU’s impact is not the only one: in Washington, the nuclear issue is at the top of the agenda but the United States has problems with Iran’s terrorist links and its human rights record; so even with the nuclear issue resolved, the United States in all likelihood would decline their recognition of the Iranian regime. And a US security guarantee for a country that supports groups the United States views as terrorists, is impossible from the start.

Session IV: ‘EU-IRAN RELATIONS, THE NEXT STEPS’

It is no exaggeration to say that with Iran the transatlantic dimension is like the hidden Imam in Shia theology: invisible but omnipresent. However, Iran should not be used as a way to heal the transatlantic rift, as it will create further divisions. Thus, the EU has to develop and follow its own line and priorities. The promotion of human rights, energy and trade are strong European priorities.

Relations with Iran date back to 1978. Since then, political issues debated between Iran and the EU has included the comprehensive dialogue that in itself includes four areas of concern: WMD, human rights, Iranian attitudes to Israel-Palestine and finally terrorism. In general, EU-Iranian positions are very far apart; both sides have difficulties in understanding each other and this is partly because the reformists do not understand the rules of the game in negotiating. In many cases misperceptions dominate the agenda: on the energy issue, for instance, it is a matter of fact that Europe needs energy, though not at any price. The Trade and Cooperation Agreement (TCA) is another example of Iranian misperception. On their side the view dominates that everything will be reformed immediately once the TCA is signed. But they have to work hard on their own, too, and the TCA will take time and Iran will need the courage to risk serious reforms first. The overwhelming power of Islamic foundations, *bonyads*, is certainly not compatible with the WTO. The TCA of 2002 is still being negotiated and will be halted if there is no success on the nuclear or human rights issues.

Concerning human rights, the EU is convinced that engagement is better than isolation. The bilateral dialogue was started in 2002 and the EU is keen to cooperate with NGOs and civil society representatives. Nevertheless one has to admit that the dialogue is a difficult exercise (like everything else with Iran) and the EU shares the UN’s deep concerns on the human rights situation in Iran. Many participants had the impression of an imbalance between proliferation and human rights in EU-Iranian relations. As for now, the nuclear issue dominates the agenda and obviously the Iranians – perhaps thanks to the fact that they feel time is on their side – are very confident in the negotiations but seemingly have not made up their minds on the consequences of failed negotiations. In spite of the fact that the nuclear issue is the most pressing priority for the time being, focus should be laid on human rights and democratisation.

However, one should be realistic on what Iran might look like in 25 years: it will not be a democratic nor a theocratic state, but a more secular country and one that is more open to the world. Iran will also remain a regional player or even a serious regional power to be reckoned with.

One of the speakers presented a five-point recommendation for the next steps in EU-Iranian relations:

1. Abandon the ‘good cop - bad cop’ approach: clarify possible sanctions policy and exclude any military option.
2. Try to engage with the United States in policies that are not so different from EU policies.
3. Put more emphasis on democracy and human rights: make a very active pro-democratic policy.
4. Enhance the regional dimension of the problem (Israel, Lebanon, Iraq): all should be part of a dialogue. Iran does not pose a military threat to any of its neighbours.
5. Question of Turkey: the EU should involve it in discussions about Iran, for it can play an important role.

CONCLUSION

One of the things the EU lacks in Iran is direct communication to the Iranian people. Unlike the United States, which is able to reach out to the Iranian public through a plethora of government sponsored and private media outlets, Europe lacks facilities of this kind. Therefore, EU policy is either one-sided or presented in a distorted (or even in a hostile) way. Visitors to Iran who are able to communicate with ordinary citizens in Persian confirm that Europe has constantly lost sympathy and respect among the population. In many cases, the EU is accused of one-sidedly dealing with the ‘mullahcracy’ thus contributing to the stabilisation of the regime.

Some EU member states have already had their own exchanges with Iranian counterparts, like think tanks belonging to certain ministries (IPIS of Tehran’s Ministry of Foreign Affairs, for example). On behalf of the EU, the Institute for Security Studies would be perfectly suited hosting any seminar or conference devoted to track-two diplomacy on behalf of CFSP. In principle, two possibilities exist:

- The first option would be a purely European-Iranian encounter as conducted by many European institutes tasked with advising policy.
- The second option could be more innovative: given the EU ISS’s various contacts with partners in the United States, a unique possibility for dialogue between Iran and the United States, facilitated by Europe, could be provided.

Annex I: ‘Iran’s international relations’ (An overview based on presentations and interventions in Session 1)

Between 1953 and 1979, the Shah was the West’s ally. After the revolution Iran turned east, though it did not ally with the Soviet Union but rather kept its ideological distinctness. Iran considers itself a regional power and wants to play an important role in Asia. This has had two consequences, first it has led to a rapprochement with almost all of its neighbours; second, Iran has tried to create relations with the other important players in Asia. One participant specified that the Islamic Republic of Iran has no ‘friends’ in the region, so instead it has had to develop relations with outside players like China, India, EU and one day perhaps even the United States.

Regional relations with neighbours have been gaining in priority in Iran’s foreign policy since the end of the Iran-Iraq War. Iran now enjoys ‘normal’ relations with all its neighbours. Regional relations are the highest priority for Iran’s foreign policy, since they offer Iran a way out of its isolation and containment.

- *Persian Gulf States (GCC and Iraq)*

In the 1980s, Iran-Saudi relations were abysmal. Improvement has started against the explicit exhortation of Ayatollah Khomeini not to do so but to overcome the Saudi monarchy, thus Iran’s *realpolitik* is again proving that national interest is more of a priority than radical, revolutionary ideology. What Iran looks at with the Persian Gulf states are questions of security, energy and trade. Iran does not like the Persian Gulf states relations with the United States, but that does not stop Iran from having relations with them. Iran wants a stable, unthreatening, unitary Iraq (and, if possible, no foreign troops there). Iraq is also important for the Kurdish situation, where Iran fears (as any other neighbour of Iraq) a possible spillover effect onto its own Kurdish population.

- *Turkey*

Relations with Turkey have been uneasy at best immediately since the revolution of 1979. Now, a steady improvement has taken place. Trade between the two countries has been accelerating in volume: in 1999 the figure was \$300 million, in 2004 \$3 billion. Certainly, Iran is unhappy with Turkey’s close relations with the United States and Israel. But Iran is also currently finding common interests with Turkey; here again, Iraq and the Kurdish issue are main shared interests. Iran already sees Turkey as a possible EU member state and concludes that in that case Iran will become Europe’s neighbourhood.

- *Caucasus, Central Asia and Afghanistan*

Iran has been successful, too, in restoring or ameliorating relations with its Caucasian and Central Asian neighbours, (whose markets are important for Iranian exports). However Azerbaijan and Uzbekistan are two significant exceptions.

Among its Caucasian neighbours, Iran shares the longest border with Azerbaijan, a country that shares a long common history, religion (Shia Islam) and language (Azerbaijani Turkish) with Iran. However, main differences might be summarised as

follows: Azerbaijan is a secular state that tries to look to the West rather than Iran and is already connected with NATO, the United States, Turkey and the Council of Europe for example. The United States too views Azerbaijan as a partner: on 12 April 2005 Donald Rumsfeld visited Azerbaijan for the third time in 15 months; one of the United States' major interests is military bases there. The USA backs Azerbaijan's position on the Caspian Sea and supported the country with \$100 Million for the 'Caspian Guard'.

Unlike with Azerbaijan, relations with Armenia are good, even friendly, although half of Iran's once 250,000-strong Armenian community left the country after the revolution. Armenia shares only a very small border strip with Iran but Iran proves one of the few vital contacts for this landlocked country. The importance of relations with Iran for Armenia can be understood if one takes the huge amount of Iranian products on Armenian markets into consideration. Depending on further development, Iran might even be in a position to play a constructive role in resolving the Azerbaijan-Armenia conflict. Relations with Georgia, the only country in the Caucasus that has direct access to the sea, are cordial too.

During the 1980s, when the Soviets were occupying Afghanistan, Iran did not want to challenge them or worsen the Shia minority's fate in Afghanistan. Iran shares 1,000 km of border with Afghanistan and its internal security is heavily affected by millions of Afghan refugees and the Afghan drug trade which uses Iran both as a transit route and a market. A major crisis occurred in 1998 when the Taliban seized power and killed ten Iranian diplomats in Mazar-e Sharif. Afterwards, Afghan-Iranian relations during the Taliban were almost non-existent. Things have changed, though, since Karzai's presidency, with Iran being the main supporter of the recently toppled Ismail Khan in Herat. Khatami has offered \$60 million in aid for Afghan reconstruction over five years.

- *Iran's relations with Eurasian and Asian Powers*

The same applies to Russia applies as in any other field of Iranian foreign policy, its national interests are more important than its ideology. As a consequence, Iran ignores the conflict in Chechnya in order to keep relations with Moscow going. However, relations are now less close and less strategic than a decade ago. Russia is still an important supplier of technology and armaments to Iran. How far Russia sticks to Iran will be seen throughout the nuclear negotiations; it is rather unlikely that Putin will support the Iranians if their nuclear case ends up at the UNSC.

Bilateral relations with China reach back to the early 1970s when China supported the Shah and his regime. During the Iran-Iraq war China sold arms to both Baghdad and Tehran. In 1985 Rafsanjani went to China with two aims: to buy weapons and armament and to express his worries about the Soviet presence in Afghanistan. After the fall of the Soviet Union, China wanted to get closer to the Middle East using Iran as one partner. China badly needs energy, and Iran became, after Saudi Arabia, the second biggest seller of oil to China worth \$3.7 billion. Besides, China plays a leading role in Iran's huge railway construction project.

Developments in Afghanistan fostered closer relations with India during the 1990s and intensified after the Pakistan-backed Taliban took over power. At the same time

coinciding with a thaw in Pakistani-Indian relations, the construction of a gas-pipeline from Iran to India is under discussion, against the explicit wishes of the USA.

Relations with Japan are entirely economic: Japan buys 20% of all Iran's exports whereas Iran buys only 4.2% of Japan's. (Iran buys 38.5% from EU). Japan currently holds contracts worth \$2 billion regarding various oilfields. The exploitation of the vast Azadegan field in the Persian Gulf is the biggest bilateral project in the energy sector, in this case revenues are shared 25% for Iran and 75% for Japan, and in turn Japan is obliged to invest in the technical infrastructure for the exploitation of the field. An estimated production of 35-45 billion barrels seems realistic and production will start in 2007.

Relations with China and India are mainly political, whereas Iran's relations with Japan are solely economy-based.

Annex 2: ‘The end of Ideology: Tehran’s theological and revolutionary bankruptcy’

The Islamic Republic of Iran has a unique mix of democratic and theocratic institutions that make a certain group of clerics the final power brokers and power holders of the state. These clerics differ from the mainstream, which still follows the tradition of the *marja’*. A *marja’-e taqlid* (source of emulation; this is a function) is an Ayatollah (a title) whose example is emulated by the pious laypeople and at the same time is followed in theology by students and minor ayatollahs. The followers of a *marja’* are obliged to make donations to him personally or to the foundation he runs. The more money the *marja’* gets, the more he can invest in his theological school and the more social services he can provide to his students (free food, lodging etc). The more students, the higher his reputation, the higher his reputation, the more followers and, of course, the more money he will receive. Most *marja’s* also invest in hospitals, schools and the like. The system when and how to become a *marja’* is not really fixed, but public acclamation, the number of theology students, recognition by peers and to a lesser degree by the political power play an important role. The Iranian regime after Khomeini tried in vain to bring some order to this system but failed. The rulings of a *marja’* are binding for those who emulate him, whether it is about fasting, divorce, participation in elections or homeland defence (*jihad*). In general the *marja’s* have abstained from politics and preferred to play the role of higher spiritual instances.

The Iranian clergy’s rule is justified by the concept of the ‘rule of the jurispudent (*velâyat-e faqih*)’, a function and title that Khomeini has tailored for himself. The requirements to become a ‘ruling jurispudent (*vâli-ye feqh*)’ were:

- a) to be the best theologian, that is to say someone being a full *marja’-e taqlid*, a source of emulation for his followers, holding the title of Grand Ayatollah, and
- b) to be the best political thinker, in this case: the leader of the revolution (*rahbar-e enqelâb-e eslâmi*); this concept originally had a clear internationalist connotation.

However, some months before his death in 1989, Khomeini had to give up the first principle for the latter; this decision enabled today’s Khamene’i to assume his post. But in so doing the regime has admitted that theology alone is not enough to rule a country. Khamenei’s low grade in the theological hierarchy aggravated a crisis of legitimacy of the Iranian regime that has existed ever since Khomeini formulated the concept of *velâyat-e faqih*:

A) Lack of religious-theological legitimacy:

- First, most of the revered Shia clergy in Iran and abroad reject the very idea of *velâyat-e faqih* and prefer to stay aloof of politics. And the majority of Iran’s clergy are in tacit semi-opposition to the regime. This became an undeniable fact when the popular (Grand?) Ayatollah Taheri, a close ally of Khomeini, in 2002 found the courage to criticise the regime’s corruption and incapability, thus depriving it of the little moral credit and legitimacy it enjoyed in the most faithful pro-regime religious circles.

- Second, any attempt of Khamenei to become some kind of ‘pope’ for the Shia’s worldwide, has been challenged and ignored because of his low rank in the clergy; even whether he (or Rafsanjani) were real Ayatollahs is disputed. In fact none of the world’s approximately two dozen Grand Ayatollahs recognizes Khamene’i as an equal, let alone their leader. (This is the problem of the ‘absolute source of emulation’ or *marja’-e taqlid-e motlaq*). Certainly not Fadhlallah of Lebanon, Al-Shirazi, Al-Modarresi, Al-Sistani the other Grand Ayatollahs of the clerical board in Najaf, and Montazeri in Qom.

It should be mentioned, one has to remark that the opposing *marja’s* are much more conservative concerning women’s rights and the duty of a good Muslim than Khomeini was or Khamenei is.

B) Lack of ideological-revolutionary legitimacy:

- Third, with the end of the revolution, Khamenei’s role as ‘Leader of the Islamic Revolution’ (*rahbar-e enqelâb-e eslâmi*) is shallow. Today, *rahbar*, used synonymously with *vâli-ye feqh* merely indicates his position as head of the regime and its security apparatuses. Nowadays, even Iranian diplomats admit that the model of an Islamic Revolution as practised in Iran cannot be exported. This claim is confirmed by the relative failure of Iran to dominate Islamist movements worldwide.

C) Nationalist legitimacy:

- Fourth, its disputed theological legitimacy, and having no revolution left to export, forces the regime to re-invest in a political strain that was present even in the most heightened revolutionary days: Iranian nationalism. By stressing Iranian nationalism the regime is trying to link its fate to that of the Iranian nation, so that both may become inseparable.

But Iranian nationalism could be an impediment to the regime’s assumed leadership role among Shias worldwide. A certain cleavage between Arab and Persian Shias (and for that matter, the important Shia community of India) has already emerged. However, with the most important centres of Shia learning and clerical power being located in Iran (Mashhad, Tehran and Qom) Tehran’s regime has had no reason to fear theological competitors. This situation has changed with the end of Saddam Hussein’s regime and the re-emergence of Najaf’s Hawza Ilmiya as a political and theological force.

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