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## **Iran: Between Co-operation and Confrontation**

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The EUISS organised a conference entitled '*Iran: Between Co-operation and Confrontation*' on 19 January 2007 in Paris.

The main aim was to get a clearer view of Iranian foreign policy, in particular concerning Iran's regional role and EU-Iranian relations. The result of the last elections was discussed in the first session; the nuclear issue was not given a session of its own but was discussed on many occasions after the presentations.

### Session I: *Iran after the elections: Reform or Stagnation?*

The first speaker focussed on the conduct of the elections rather than on their outcome. He explained that neither in the municipal nor the Assembly of Experts elections – both were held on 15 December 2006 – did political parties in the strict sense of the word participate. One of his main points was that, in his view, Teheran was clearly in an advantageous position *vis-à-vis* the provinces, because voters in Tehran could elect more deputies. Ultimately therefore Tehran remains the constituency where Iranian elections are decided, even when voter turnout in Tehran is only a meagre 26%, as was the case with the Assembly of Experts elections. But his main criticism was directed towards the implementation of electoral law and the conduct of elections. Rules and laws governing the conduct of elections are open to interpretation. There are only six people in every polling station overseeing the elections, who at the end of the day have to count the ballots all alone. Furthermore there are no strict criteria regarding the venue in which balloting should take place, whether this should be in a school, a mosque, a gym etc. Finally, he elaborated on ways in which things could be improved, suggesting modern voting machines, computerised elections and the like. His presentation came across as a cautious and careful assessment of the reality of the mismanagement of Iranian elections. He appeared to suggest that due to the unprofessional conduct of elections electoral rigging is likely to take place.

Needless to say, the main focus of interest during the discussion was the election results. One participant asked whether it was true that the followers of Ahmadinejad had lost. The main speakers confirmed this impression. However, one of them cautioned that it would be a mistake to write off Ahmadinejad too quickly. He is still popular among the disenfranchised sectors of society. He probably has mainly himself to blame for the outcome of the elections as the Iranian participants agreed that his arrogant behaviour and his determination to ignore the need to constantly balance Iran's powerful groups and networks was the main reason for his poor showing. The most severe blow for Ahmadinejad came in Tehran where his followers lost the city council. One well-informed participant described this event as the end

of neo-conservatism and a victory for neo-realism which had found the current mayor of Tehran, former Pasdaran General Qalibaf, at its centre.

As the speaker explained, 'parties' in the strict sense of the word do not exist in Iran. Instead, there are powerful interest groups who formulate their views in newspapers. Hence the same individual might support or run for a conservative group and in another election a reformist group. The regime needs the elections to understand and to get a better grasp of the mood or the degree of discontent among the population. And, following the tide of popular opinion, the informal groups and networks regroup themselves by shifting alliances or amending the political and ideological views that they have hitherto held on certain issues. Losing an election means having less of a say in Iran's main political and foreign policy decision-making body, the National Security Council, and this is what happened to President Ahmadinejad.

Regarding the outcome of the Assembly of Experts elections, several key participants once again pointed at Iranian factionalism. It was a clear show of force against Ayatollah Mesbah-Yazdi whose enemies, notably Hashemi-Rafsanjani and Rouhani, as well as the powerful Jâme'e Rouhaniyan-e mobârez clerical organisation, fought back in a unified way. Hence Mesbah-Yazdi, who wanted to transform the Islamic Republic into a more authoritarian structure by limiting the participation of the people, was defeated. As a result of the infighting, the principle of 'popular participation', enshrined in elections, was reaffirmed. Yet Mesbah-Yazdi's relations with Ahmadinejad are much looser than is generally thought and are fundamentally tactical in nature. But given the fact that Mesbah-Yazdi was the one closest to the president, the overall impression of 'the president's men' having lost also in the Assembly of Experts' elections was confirmed.

One divisive issue between European academics and a key speaker was the question of the role of ethnicity. The results of the 2005 presidential elections were used as a starting point. According to the map which was presented, support for Ahmadinejad was strongest among the Persians in the centre and weakest among other ethnicities: most of the latter adhere to the Sunni branch of Islam and are concentrated in the country's periphery. The Shiite (Persian) centre versus non-Persian (and in many cases Sunni) periphery dichotomy was mentioned by others, yet the speaker refused to see it this way and voiced discontent with the European Parliament's statement on Iran's minorities from May 2006.

### Session II: Iran as a Regional Power: Objectives and Anxieties

This session sought to consider the following questions: what does it mean when Iran says it wants to be recognised as a 'regional power' by the international community? What are the ambitions, objectives and anxieties of Iran within the region?

The speaker began his presentation by stating that there were two conflicting pictures of Iran: the internal view, i.e. that held by the Iranians themselves, is that Iran is trying to progress with its advancement, engage in international politics and protect its security. The external view, however, is that Iran is trying to be hegemonic and to meddle in regional affairs and that it threatens international security. Therefore, the first problem is these divergent perceptions of Iran's foreign policy. There are mutual trust problems between the two sides which are rooted in the past, and it is essential to have a better understanding of the two sides' demands and needs.

The speaker's central thesis is that Iran's expanding role in the region is driven by the fact that it has access to, and influence over, issues that are important for world politics, including energy security, terrorism, democracy and human rights. Therefore, Iran is connecting Middle Eastern politics to global politics. This is particularly relevant since 9/11; before 9/11 Iran's role was largely passive, but now, for the first time since the Iranian Revolution, Iran has the chance to express itself in the region and in the world order; and in the speaker's view this is justifiable given Iran's capabilities.

He sees a 'new pragmatism' appearing in Iranian politics, the aim of which is to establish opportunities. Iran's foreign policy is very pragmatic; for example with regard to Iraq, Iran's purpose is to ensure that there is no anti-Iranian government in Baghdad. With regard to the nuclear issue, Iran does not necessarily want nuclear weapons – it simply wants to advance its nuclear programme.

However alongside this pragmatism, there is an ideological element to Iranian politics, particularly since the advent of Ahmadinejad, due to the important roles of tradition and religion. The speaker spoke of a 'literature of resistance and independence', which has always existed in Iranian politics and is essential to its 'soft power' within the region. He claimed that the ideological element is necessary for, and indeed demanded by, the Iranian people. Aspirations are growing among the new generation of Iranians, it is a momentous time for them and they want to interact with the outside world.

In considering whether ideology or pragmatism is more important, the speaker stated that ideology is at the *service* of pragmatism in Iran. Essentially, Iran is thinking strategically. Iran wants to work with the US in Iraq – the Bush strategy of isolating Iran will not work, because it ignores the regional factor. Co-operation, not confrontation, is needed, since Iran can help establish regional stability.

The following constraints exist in terms of Iran's relations with the international community:

1. Iran will not negotiate when it is isolated or threatened.
2. Iranians will not accept any decision from the outside world, because they feel that Iran has a special role in the region.
3. Iran is very sensitive with regard to the immediate security environment. It will negotiate on Lebanon, but on the nuclear issue will be very tough – since this is their first level of security.

The discussant spoke about Iran from the perspective of the Arabian Gulf. There is a huge gap between the two sides of the Gulf region (Persian/Arabian). Iran wants to be recognised as a historic civilisation, and the GCC (Gulf Co-operation Council) does not recognise this. The GCC states are very modern, and this difference is important for understanding the distrust between the Persian and Arabian sides.

Iran is respected as a military power by the GCC states, but it is also perceived as very corrupt, and as having failed to develop a dynamic economy. The GCC states like to say that, although they are small and militarily weak, they have succeeded where Iran has failed. In this economic aspect they are taking their revenge against the perceived arrogance of Iran.

However, there is no united position on Iran in the GCC. For example, Oman and Iran have a very good relationship, as do Kuwait and Iran. The main problem is between Saudi Arabia and Iran, particularly since 9/11. In the discussant's view, it is since then that Iran has emerged as a major regional power. The US had formed the assessment that the Iranian

conservative regime was waning, and that Iranian and Iraqi Shi-isms were increasingly divergent. However the election of Ahmadinejad signalled the end of the US's positive scenarios: Iranian policies such as its resumption of nuclear activities, support of Hezbollah and Iraqi Shias have transformed Iran into the main source of instability in the region for the US. The US invasion of Iraq has reshaped the Middle East, in line with America's strategy of encircling countries traditionally hostile to it (and to Israel).

The new geopolitical context has deepened the gap between the GCC and Iran. The GCC states did not take the opportunity to reinforce their security pact, and therefore as they have no ability to protect themselves they are resigned to accepting domination by the US. The June 2004 Istanbul Cooperation Initiative is an illustration of this process. Saudi Arabia refused to join, illustrating the lack of homogeneity and uniformity in the GCC region. The small states have every interest in aligning themselves with the US, even though this gives rise to many fears.

Saudi Arabia is very disturbed by the new geopolitical situation. It is still relied upon by the US, due to pragmatism and common interests. However Saudi Arabia doesn't share the security approach of its small neighbours. The US refused to adopt the Saudi peace initiative in 2002. Saudi Arabia shyly supports the new Bush strategy in Iraq because it fears a sudden US withdrawal, which would be a disaster for Saudi Arabia. Saudi leaders are currently aggressive towards Iran, not really because of the nuclear issue, but mainly because they fear Iran's growing influence in Iraq, which is unacceptable to them.

A number of participants took issue with several of the speaker's theses. It was argued that since the Revolution Iran has experienced a kind of strategic loneliness, with no real partners or friends. Iran stands alone in the ideological Khomeinist tradition of 'neither West nor East'. There is a total lack of trust between Iran and its neighbours, and this isolation is partly desired by Iran. Iran wants to expand its influence in the region – but where in the region can it do so, since nowhere would be acceptable to the US?

One participant suggested that the speaker's cultural theses constituted a dangerous argument – is Iran entitled to lead the world's Shias? In fact, on the cultural front Iran has already lost, since it is isolated even among Shias. Its only friends are revolutionary Islamists, i.e. Hezbollah, and Iran has little tangible influence in Iraq. He also questioned whether Ahmadinejad's decisions were in fact pragmatic, since he was unlikely to be challenged from inside his regime. Others also questioned the view that Ahmadinejad's policies reflected popular demands.

There was some debate over whether Iran was a regional power or not, and also as to whether it wanted to be a regional, or a global, power. There was a common perception around the table that Iran was a rising power more by default than design.

The second discussant claimed that Iran doesn't want to be either an international or a regional power; there is disagreement among the elites on this issue and only a minority want a global role. He also claimed that the concept of the Middle East means nothing to Iran, and also that Iran does not regard a 'Muslim world' as an ephemeral notion. He highlighted three main security concerns of Iran:

- The Persian Gulf and immediate national security. Most Iranians want to see an intact Iraq, since a divided country with a Shia government in the south would be a major threat. Iraqis are very powerful in Iran.

- Eastwards, towards Azerbaijan, Tajikistan, Afghanistan and Pakistan. Iran doesn't want to see failed states or hostile governments there, it wants stability. Iran has acted cautiously and pragmatically in this arena.
- Turkey – strong rivalry and competition exists between the two.

A participant questioned the prevailing wisdom in the US that Iran has been a rising power since 9/11 – is that really true? None of the chronic problems in Iran have been resolved, Iran appears to be believing its own hype a little too much and is not focusing on serious problems and inefficiencies at home. It is hardly such a great achievement for Iran to be a regional power given its population and resources, but most people in the Middle East would say that (apart from Israel) Iran is the major source of instability in the region.

### Session III: Iranian Foreign Policy: Realpolitik or Ideology?

According to the speaker, one of the major differences between Iran and the West is the significance which is attached to words: whereas the West is inclined to take the meaning of each single word very seriously, Iranians often tend to use words without attaching a whole lot of meaning to them.

Since the Revolution, Iran has undergone three phases of foreign policy: in the first three years after the revolution, there was a lack of a clear foreign policy strategy – Iran was inward-looking and all political activity was subordinated to the war effort against Iraq. From 1982-1999 Iran initially tried an ideological approach by promoting ethics and values (revolution, Islam). But soon the regime realised that nobody was interested in this and it then established a pragmatic foreign policy strongly focused on security, in order to safeguard the country against any sort of external intervention. The influence of ideology/religion was from here on diminished, with an emphasis instead on pragmatics and cost-benefit analyses. From 1999 to the present, Iran has totally suppressed the religious-ideological aspect and embraced pure pragmatism. The influence of religion was reduced to it being used as a propaganda instrument for safeguarding security.

Iran believes that it can rely on four layers of security:

- Its neighbours; most importantly, the Gulf region and Saudi Arabia
- Its relations with Europe: France, Germany, and to a lesser extent Italy, but not the UK. This point was severely criticised by EU participants. The speaker answered that the UK of course does play a very important role in international and EU politics, of which the Islamic Republic is well aware, and which is the reason that Iran understands the importance of the 'E3'. But most Iranians still perceive the UK as being bound up with US policy towards Iran, which has a bad record in the historic memory of the Iranians.
- Russia
- China

In general, the Iranian political system is extremely inward-looking, with the government anxious to allay the fears and concerns of the Iranian population. The disruption of Iranian gas shipments to Turkey in January 2007 has to be seen in this light: a domestic shortage forced the regime to take a decision, whereby it would meet the needs of its own population but at the same time run the risk of annoying Turkey. Clearly the regime is sensitive as regards the potential for social unrest. Iranian society is not developed, and is currently trying to adapt to modern times. Therefore it should be left alone to solve its problems by itself. External interference in their own society is not accepted by Iranians. The Iranian elites believe Iran is

strategically entirely alone. It has no partners, is not committed to any alliances and always follows its own interests. Relations with third-world countries are pragmatically seen as an opportunity for the benefit of the economy and as a means to enhance Iran's position in the international community. In line with its long history of isolation, the Iranian government doesn't rely on any partners or alliances, but emphasises its self-reliance and self-confidence. However, ultimately Iran is not *self*-isolated but, rather, isolated by the USA, who prevent Iran's integration into the international system and block Iranian relations with other countries. In response, Iran rejects what it perceives as the US's arrogance and refuses to allow the US to break down Iranian self-confidence. As an example, the speaker cited tremendous US pressure on a South American country which ceased to cooperate with Iran in agriculture. Participants pointed out that in their view Iran has proved impossible to cooperate with, as the government is only willing to discuss when it is in a dominant position. Iran will fail if it is not able to find compromises, to agree to win-win solutions and to deal simultaneously with the three key factors of national interest, Islam and the international dimension.

According to the speaker, Iranian foreign policy is not primarily influenced by religion. This point too was challenged in the discussion as some argued that national interest in Iran cannot be seen or dealt with in isolation from religion or Iran's international role. As concerns ideology, two main policies have been conducted: opposition to Israel – which has been hostile to the revolution from the beginning and which the elites perceive as a hard security threat – and religious solidarity. Hence Iran's policy towards Israel is essentially strategic. Bosnia is the only country that the Iranians have supported for reasons of religious solidarity. Yet Iranian solidarity did not pay off as a success in foreign policy, hence Iran has declined to repeat the Bosnian experience. Although Iran does understand the international system, it does not agree with the world order as it is perceived in the West – Iran refuses to be perceived as inferior to any other country and insists on equality. As concerns the US, Iranian policy is cautious and aims to avoid provocation and confrontation.

According to another speaker, Iran will increasingly find itself at the centre of international policy, particularly as the interventions in Iraq and Afghanistan have shifted the focus onto Iran. The US now looks at the results of its own policies with dismay: toppling the Taliban and Saddam Hussein and helping to install a pro-Iranian government in Baghdad have only strengthened Iran, as has the rise of a presumed Shia crescent throughout the Middle East. Last summer's war between Israel and Hezbollah has been widely perceived as an attempt by Iran to demonstrate its power in the region. Whether this assessment matches with reality does not matter, it is perception that counts. Hence now one can see the first traces of an emerging new strategy, including the US, Israel and Arab States, as a coalition with the focus on Iran. This policy could be characterised in terms of the following 'division of labour' between the countries.

1. The US will:

- Use its influence in the UN Security Council to ensure that Iran remains isolated, e.g. by sanctions
- Supply military support to Arab Countries as soon as those take a more distinct position towards Iran (e.g.. Patriot missiles)
- Conduct more vigorous diplomatic initiatives
- Assist the Lebanon government in cooperation with Israeli intelligence
- Organise dissident movements in Iran
- Keep US forces in Iraq

- Drop talks about democratisation
2. Arab Countries (6+2) will:
    - Support the Lebanon government and seek to undermine Hezbollah
    - Try to bring down the price of oil
  3. Israel will:
    - Provide intelligence support to the US
    - Keep the international focus on the Iranian threat
    - Be prepared to make concessions related to the Golan Heights.

In general, it proves useful for the US to have an enemy even in the post-Cold War era. Accordingly, it has always been a prime aspiration of the US to try to regroup the Middle East against one common enemy. Ahmadinejad has certainly made the creation of an arch-enemy easy. Some participants mentioned that Ahmadinejad himself probably does not believe in the apocalyptic battle with which the US is threatening him. And it is in any case risky to explain everything with regard to Ahmadinejad. The latter speaker regretted that Iran is often perceived as the terror master of the “war on terror” (which should be directed against the ultra-Sunni Al Qaida) and stressed that he does not believe in a future war situation, as this scenario will only remain in the background as a threat.

Iran is now – according to another participant – in a period in which ideology is becoming more and more important in a distinctively non-religious way. Ahmadinejad is looking internally as well as externally for legitimacy in order to increase his popularity. In foreign policy, Iran’s major strategic interest is the maintenance of security – its pattern of behaviour is therefore to just react to external threats. After the era of Ahmadinejad, Iran’s foreign policy might very well change entirely.

#### Session IV: *Options for the Future*

The speaker saw only one option for the future: confrontation. According to him the situation is sombre and becoming even darker. Iran’s government acts according to its own logic, which is not predictable and is difficult to understand for outsiders. The US is in a position to land forces in Iran by October. It needs three vessels to start a war: the first is already in the Persian Gulf, a second is on its way and if a third vessel is deployed this could be the signal for a confrontation. Iran is challenging America’s hegemony in the region, where the classic balance of power game still prevails. Following this logic, rebalancing will be needed as Iran has become too powerful (if only in terms of peoples’ perceptions). Looking back, it can be seen that wars are conducted in the Middle East every 6-12 years. There is concern in Congress that an act of provocation by Iran will lead to war. Besides, containment is not a sustainable policy; sooner or later it must lead to either confrontation or negotiation unless one steps out of this paradigm. Cooperation seems to be impossible. So the most probable scenario is confrontation in the long term. The unwillingness to see beyond the balance of power is an outcome of the lack of European influence and the lack of collective security. The EU may not have sufficiently strong influence but acting in concert with Bush’s administration is a betrayal of Europe’s own values.

In another retort to a previous speaker’s explanation of why Iran distinguishes between the UK and the rest of the EU, one European official made it clear that the EU is aiming for a common foreign and security policy. The EU approach to Iran’s nuclear programme, including the proposed package of negotiations, was an example of joint policy which should be recognised by Iran. The first speaker asked what do the Europeans want beyond the

nuclear issue: do they have any clear road map for compromise? Do they have any vision on the future of EU-Iranian relations? What could be done that would lead to a reduction of tensions in the region?

The aforementioned official explained that the EU is clear in its aims: cooperation is the objective with Iran. However, there is one issue that gets in the way of this. The EU is genuinely concerned about the Iranian nuclear programme mainly due to reports of cover-up, lack of transparency and interruption of the implementation of the additional protocol which adds to the concerns of an underlying military purpose. He then recalled that in its offer the EU has declared its willingness to provide support to Iran's ambitions in the field of atomic energy for civil purposes. Unfortunately Iran had not responded favourably. A gesture of goodwill could be to resume implementation of the additional protocol. It was recalled that measures adopted by the Security Council were reversible, provided Iran suspended enrichment in line with UNSCR 1737. So how do we get back to talks? In order to help establish a climate that would facilitate negotiations:

- The United States needs to reconfirm its commitment to negotiations, as announced with the offer of June 2006;
- Iran needs to be constructive in words and deeds, and prove its goodwill initially through resumption of full co-operation with the IAEA;
- The EU should keep all channels of communication open in order to be prepared for new openings;
- With the German presidency, the EU is reviewing the relationship with Iran in order to find a way forward.

A participant explained what in his view were going to be Iran's next steps in the context of the nuclear issue: it will continue working on enrichment and connect six cascades of centrifuges. At about the end of February 2007, the Iranians will celebrate this nuclear achievement; there will be no pledge for a permanent suspension but Iran, after having declared victory, will offer suspension voluntarily in order to restart talks. A European participant commented on this, saying that there must be a misconception on the Iranian side regarding the consequences of such defiance. A demonstration by Iran that they are willing to further challenge the international community by continuing illegal activities would be a slap in the face for the Europeans and would push Europe closer to the Americans.

But this participant's main concern was further US action against Iran. According to him, in the absence of a major positive event war is almost inevitable, quoting some internal and external factors in support of this argument:

- Widespread US confusion regarding Iranian foreign policy;
- The US wish to project its own power and its need to prove the efficiency of US presence in the region to its allies.
- Change of discourse in the US, shifting away from the goal of democratisation of Iran towards a focus on Iranian efforts to build up hegemony in the region.
- The Israeli lobby;
- Victory of the Democrats;
- Discourse of President Ahmadinejad, standing firmly against the Israelis and against the US.
- Shia presence and their empowerment in Bahrein, Kuwait etc and the perception of them as a threat.
- Iran supporting the Shias in Iraq.



The factors counting against US military action were, according to this participant, as follows:

- Situation in Iraq and Afghanistan
- Difficult decision-making process in the US
- Public opinion in the US, the Muslim world and Europe.

He was also, like most Iranians, pessimistic that in the event that the nuclear issue were to be resolved, the reasons for a US attack would vanish. The question of whether or not the US would conduct military action against Iran was vividly debated throughout the conference. Everybody agreed that the US is indeed creating a context of conflict with Iran. Some saw the US military and diplomatic build-up against Iran as a tool designed to intimidate and to force Iran to ultimately step down and give up its nuclear programme. Besides, against the background of the Democrats' commitment to pull out troops from Iraq, it becomes hard to imagine how selling Iran as the common enemy to the American public might work, because this policy would be perceived as an extension of Iraq and therefore prove difficult. And it is – against the background of previous experiences – questionable whether a US attempt to regroup the Middle East against Iran will work anyway. Continuing this line of argument, he went so far as to say that war is impossible. Another participant also felt some pessimism regarding the possibility of military action against Iran. According to him, the US would always push towards a military confrontation, if it feels capable of winning it.

As concerns the real objective of a military confrontation two options were quoted: (1) regime change or (2) 'surgical strikes' targeting nuclear and military facilities instead. As the first option would be suicidal for the Republican Party, because to achieve this objective the US would have to send in ground troops, the second option is the more realistic one. In a follow up, another participant asked what is the real issue, non-proliferation or regime change in Iran? There was unanimity among the American participants that as the ultimate outcome of the confrontation with Iran, the US clearly foresees the same scenario as with the Soviet Union during the Cold War: regime change. The current US-Iranian standoff was quite often compared to the Cold War situation, with Iran cast in the role of the Soviet Union of our time. But whatever importance one would like to bestow upon Iran or whatever threat capability one would like to attribute to it, this comparison is not realistic.

Containment – another often-used policy tool and one preferred by the US – is not the solution either as this is a practice traditionally reserved for countries on the verge of a conflict and this is not the case with Iran. This leaves only the 'European way', cooperation and negotiation, as the only option. Yet cooperation and negotiation should be based on a roadmap, which has to be proposed and co-written by Iran as well, not just presented to the Iranians for approval. But Iran seems to be fixated on the US and the side-effect of this is that it seems to take the EU less seriously. The Europeans are not only losing patience with Iran, they are also losing the capabilities to negotiate with Iran – thanks to Iranian intransigence.

