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Iran's Conservative Revival

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The rise to the Iranian presidency of ultra-conservative Mahmoud Ahmadinejad reflects how much Iran has changed in recent years. Today it is Ahmadinejad, in the eyes of the world, who embodies Iran's increasing hard-line assertiveness. In light of this, how should we assess Ahmadinejad's impact on Iranian politics? And how have recent developments in Iraq and elsewhere in the region affected Iran?

Iranian officials remember the 2002 speech by President George W. Bush in which he labeled the Islamic Republic of Iran part of an “axis of evil.” Coming at a time when Iran's own politics was characterized by rivalry between reformists and conservatives, and hot on the heels of the American invasion of Iran's neighbor Afghanistan, that speech was interpreted by many Iranians as a signal that the United States intended to topple the ruling theocracy. This conviction hardened after America's seemingly effortless dislodging of another neighboring ruler, Saddam Hussein.

Indeed, during the US invasion of Iraq, Iran put out feelers to explore the possibility of détente. Iranians wrote a letter in April 2003 to their American counterparts offering to discuss the mutual interests of the two countries, including the suspension of uranium enrichment, accepting a two-state solution for Palestinians and Israelis, and helping the United States to secure post-Hussein Iraq. The Americans, high on their “mission accomplished” in Iraq, chose to ignore the letter.

Much has changed since then. Just as the United States felt strong enough then to spurn Iran's overture, the Iranians have now rejected incentives that the Americans and others proffered in the summer of 2006 to tempt the Iranian regime to give up its ambition to make the country an industrial producer of nuclear fuel. Now it is the

Iranian government's turn to enjoy the Americans' failure, which the regime vicariously considers its own success. If history is any guide, the Iranian government will overplay its hand, and the absurd hostility between the United States and Iran will continue beyond 2007.

With Iran's regional position stronger than ever and its coffers bulging with oil receipts, hubris alone might seem to threaten the country's good fortunes. Inside the country, however, economic mismanagement, human rights abuses, and popular resentment are as prevalent as ever. Ahmadinejad's administration has launched crackdowns on independent journalists and human rights activists since he became president. In September 2006, he urged conservative, pro-regime students to push for a purge of liberal and secular teachers from universities, a reflection of his determination to create an Islamic revival in the country.

But for most of Iran's defeated reformers, it is Bush's policies, not the clergy's inspired leadership, that have put the Iranian regime in its present strong position. No one has benefited more from American blunders in the Middle East than the conservatives in Iran who now control all the power centers: the presidency, the parliament, the judiciary, the security forces, and the office of the supreme leader.

AHMADINEJAD'S ASCENT

Iranian politics is a complicated affair, involving such institutions as the Expediency Council (which mediates between the parliament and an unelected high chamber called the Council of Guardians), and the Assembly of Experts (an 86-member body whose job is to select the country's supreme leader). The Islamic Republic has always followed a limited system of electoral politics; both the parliament and the president are elected, though candidates who stand for office must be approved by the conservatives. This system has helped the Islamic Republic to survive, but it also prevents the national political discourse from moving forward.

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Ahmadinejad came to power in 2005 on a platform of piety, honesty, and the redistribution of wealth, a set of principles reminiscent of the 1979 Islamic revolution that displaced the shah and brought to power Ayatollah Ruhollah Khomeini. Ahmadinejad was born the son of a blacksmith in 1956 in Garmsar, near Tehran. He earned a Ph.D. in traffic and transportation from Tehran's University of Science and Technology and served for four years as the governor of the northwestern towns of Maku and Khoy. In 1993, he was appointed the cultural adviser for Ali Larijani—then Minister of Islamic Culture and Guidance and currently the head of the Supreme National Security Council and the country's chief nuclear negotiator. A few months later, Ahmadinejad was appointed governor of the newly created Ardebil province. In 2003, the Tehran Municipal Council, which is controlled by conservatives, appointed him mayor of Tehran. When he announced his candidacy for president, he received barely any attention from either reformist or conservative news outlets.

After the first round of voting for president, support for the reformist and conservative camps appeared evenly split. The independent centrist Hashemi Rafsanjani led the voting with over 6 million votes. Ahmadinejad came in second with something under 6 million. An additional 6 million votes were split between conservatives Mohammad Baqer Qalibaf and Larijani—which meant that conservative candidates received about 12 million votes combined. Approximately 11 million votes were won by reformists, including third-place finisher Mehdi Karroubi, a cleric who received more than 5 million votes, along with Mostafa Moin and Mohsen Mehr-alizadeh. If at that point reformist voters had united behind Rafsanjani, the centrist would have coasted to victory with about 17 million votes.

But reformists did not unite behind Rafsanjani because they did not approve of his record. When he had served as president from 1989 to 1997, his administration, though it practiced some socioeconomic liberalization early on, failed to reform Iran's bureaucracy and attract foreign investment. Rafsanjani had also failed to engage the Clinton administration when it made quiet overtures to restore diplomatic ties. When Rafsanjani left the presidency, all member states of the European Union had recalled their ambassadors from Iran because Iranian agents had allegedly assassinated dissidents abroad.

Because Rafsanjani could not easily run on his record, he organized his campaign around the

policies that he would pursue if elected again. He also cast himself as a veteran of government who could draw on his long experience in Iran's factional politics to re-energize the economy, bring Iran's nuclear dispute with foreign powers to a close, and normalize diplomatic relations with the United States. In the end, however, Ahmadinejad in a runoff trounced Rafsanjani, by 17.3 million votes to 10 million, a far bigger margin than anyone had predicted.

Ahmadinejad's election resulted partly from his manipulation of the electoral process, partly from his personal drive and determination, and partly from the deficiencies of the other candidates. He managed to qualify for the runoff election to begin with, after the first round in which five of seven candidates were eliminated, partly because of illegal canvassing on his behalf by a nationwide militia of religious vigilantes known as *basijis*. And according to the Interior Ministry, which was then controlled by the reformist government of President Muhammad Khatami, the runoff election itself was tarnished by "unprecedented irregularities."

A SURPRISING ALLIANCE

In analyzing the reasons why a populist like Ahmadinejad won election in 2005, Iranian intellectuals draw parallels with the period before the revolution of 1979, a time characterized, like today, by oil riches, high inflation, and social upheaval. Between 2004 and 2005, Iran's imports increased by 26 percent, and the wealthy areas of its cities were full of Western items that most Iranians could not afford. Meanwhile, one-third of Iranians in their 20s were unemployed, and the country's infrastructure could not accommodate the huge demographic group that was reaching adulthood. Some 1.4 million young people took the university entrance exams in the summer of 2005, competing for just 200,000 spots.

Conservative Iranians, including the pious poor, were attracted to Ahmadinejad's apparent honesty and his modest lifestyle, along with the insular vision of the world that he projected. He drew on popular resentment against Iran's elite classes, which are widely viewed as enriching themselves through corruption. Rafsanjani, who was seen as the face of that elite, argued that the way forward for Iran should include better relations with the United States and increased foreign investment in Iran. Ahmadinejad saw no need for improved relations with "the Great Satan."

After the election it appeared to many that Rafsanjani's political career was finished. Yet, a year and a half later, Rafsanjani remained a potent force, vying for the speakership of the Assembly of Experts in elections slated for December of 2006, and aspiring ultimately to become supreme leader when the current holder of that position, Ayatollah Ali Khamenei, leaves office. Rafsanjani's bid for power sets him up against Ayatollah Mohammed Taghi Mesbah-Yazdi, an archconservative and a mentor of Ahmadinejad. Mesbah-Yazdi is believed to want the supreme leader's job for himself, and he lined up support among hard-line clerics for his own candidacy for the speakership of the Assembly of Experts.

This dynamic has produced a surprising new alliance between the reformists and Rafsanjani. The same bloc that once treated the former president with scorn is now supporting him for fear that the alternative would be worse. The reformists, comprised mainly of educated urbanites who recoil from the populism of Ahmadinejad, are alarmed by Mesbah-Yazdi's support for violent measures against political opponents and his connections to intelligence personnel, who have in the past been involved in the killing of dissidents. Reformists were strongly put off by language in a May 2006 magazine published by Mesbah-Yazdi that characterized Rafsanjani, along with the reformist former president Khatami and the former chief nuclear negotiator Hassan Rowhani, as "traitors to Islam and Iran" who should not be allowed to hold office.

Ayatollah Khamenei is now firmly in the camp of the hard-liners, welcoming the election of Ahmadinejad after apparently having tried to dissuade Rafsanjani from running at all.

THE SPUTTERING ECONOMY

"Serving the Iranian people," Ahmadinejad says, "is more worthy than lording it over the world." But despite the conservative president's rhetoric about improving living conditions for the impoverished and making the country even more Islamic, Ahmadinejad so far has not brought much change to Iran, a country facing serious demographic and economic challenges.

Iran has 70 million inhabitants, of whom one-third are under 14 and another one-third under

35. The country registered 6 percent GDP growth in 2005, but that was not enough to meet the growing population's need for jobs. Unemployment has been running above 15 percent, and the real rate may be higher than reported in official figures. Inflation is about 17 percent, outstripping wage increases. Although the government heavily subsidizes staple foods among other items, the urban poor live in a discouraging economic environment.

In 2006, Iran's per capita income was projected to rise to \$3,465, which would be \$700 higher than in the previous year. Yet the Iranian Social Security Organization reports that 30 percent of Iranians live in poverty. Meanwhile, the wealthiest 20 percent of Iran's citizens account for 50 percent of national income and 80 percent of total wealth. Ahmadinejad came into office pledging to address this situation, saying he would deliver "oil revenues

to people's dinner tables," and that he would not ignore poverty as his predecessors had done. "My whole family voted for Ahmadinejad because he promised to improve our lives," said a 67-year-old

pensioner quoted in the *Asia Times*. "He said oil money belonged to the people. I haven't seen any of the oil money in my house yet, but I have to deal with the ever-increasing prices anyway."

Iran's economic problems are numerous. The country has suffered a large decline in the value of its stock market, and low interest rates have left some banks on the verge of bankruptcy. The government's budget deficit amounts to about \$8 billion a year. Highly subsidized and highly dependent on oil revenues, the Iranian economy now faces inflation and stagnation simultaneously. Although it is OPEC's second-largest producer of oil, Iran actually faces a shortage of refining capacity and has had to consider rationing gasoline.

High oil revenues have helped the public sector grow—in February 2006, for instance, the government increased the budget of the state broadcasting monopoly by 46 percent and that of the Institute for Islamic Propagation by 96 percent. The private sector on the other hand is falling behind, and the government has aggravated the situation by granting large contracts to military entities without going through tendering processes. Over the past few months, the Islamic Revolutionary Guards Corps has received government contracts amounting to \$8 billion.

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Ahmadinejad has been president for more than a year, yet Iran's economy is as inefficient as it was when Khatami was president. It also depends as much as ever on oil revenues. Indeed, the key parts of Ahmadinejad's program for populist uplift, including the government's increased control over the economy, seem less intended to stoke economic activity than to fix in place the state of affairs that existed before attempts were made at reform. Already, the government's populist economic policies have provoked criticism from some former allies of Ahmadinejad, including Ahmad Tavakkoli and Mahmoud Khoshchereh, both hard-line members of parliament.

For these reasons and others, Ahmadinejad's grip on power must be seen as somewhat tenuous. Some reckon that only about 15 percent of Iranians strongly support Ahmadinejad's fundamentalism and the political factions that back it. His official powers are subject to constitutional and other constraints. And, despite ongoing efforts to make the country yet more Islamic, Iranian society continues to become more secularized in the cities. At some point, political upheaval could result from the dismal outcomes of the high expectations that the new government has created. Most Iranians identify their primary problems as economic ones, and Ahmadinejad has failed so far to improve the people's economic lot.

INTERNATIONAL ISOLATION

Compounding Ahmadinejad's political problems is his tendency to anger many in the international community with his verbal attacks against the West and particularly Israel, including his expressions of doubt that the Holocaust occurred. In October 2005, at a conference for students organized by the government and called "World Without Zionism," Ahmadinejad alarmed many by suggesting that Israel should be "wiped off the map." In July 2006, while Israel and Lebanon were engaged in conflict, he likened Israel's offensive to Adolf Hitler's aggression. In August, he said that "the main solution" to tensions in the Middle East would be "the elimination of the Zionist regime."

Opposition to Israel is written into Iran's constitution, but the country's approach to the Israeli-Palestinian issue has never been as cut-and-dried as might be inferred from listening to the public comments of Iranian officials. In the 1980s, for example, although Iran's Revolutionary Guards were providing assistance to Syria in setting up the Hezbollah militia in Lebanon, the Iranian govern-

ment was buying American arms through Israel for its war against Iraq. Khatami, the reformist president, gave indications during his term that he would not rule out a two-state solution for the Israelis and Palestinians—and Khatami has since criticized Ahmadinejad's anti-Israel remarks.

At times, when state control over media content and intellectual discourse has been reduced, discussions have taken place as to whether Israel has a right to exist. Although Israel certainly views Iran's nuclear program as a threat to its existence, the threat is probably not imminent or severe. The CIA believes that Iran is still five to ten years away from being able to manufacture nuclear weapons. And Iran's nuclear ambitions may be driven more by the regime's desire to ensure its own survival than by any desire to destroy Israel. Indeed, any attack against Israel might invite a massive response that could very well cause the end of the Islamic Republic.

Still, Ahmadinejad's comments on the Holocaust and Israel have not benefited Iran. They have only served to increase tensions, and have also made it easier for Israel and the United States to portray Iran as a threat that must be confronted.

NUCLEAR NATIONALISM

Western nations have suspected for a number of years that Iran has been attempting to develop nuclear weapons. Iran has only made the suspicions stronger with its tough negotiating tactics and its willingness to lie about its nuclear programs. Although Ahmadinejad's election heralded a further assertiveness in Iran's positions regarding the nuclear programs, the president himself does not determine his country's foreign or nuclear policies. These remain the province of the supreme leader, Ayatollah Khamenei, and Larijani of the Supreme National Security Council.

That said, Ahmadinejad has done all he can to become the face of Iran's nuclear programs and ambitions. This is because, as both a populist and a politician whose fate ultimately rests in the hands of voters, he benefits from fomenting nationalist fervor. This may be why he chose to announce personally that Iran had succeeded in enriching small amounts of uranium, and to later state publicly that "Iran is a nuclear country. It has the full gamut of nuclear technology at its disposal."

Ahmadinejad has been able to project such assertiveness in part because of high oil prices, which paradoxically enough have stayed at high levels in part because of world oil markets' con-

cerns about Iran. Oil revenues in Iran for the year ending in March 2006 came in at about \$50 billion, almost double the amount from two years before. Moreover, as long as oil prices stay high, Iranian leaders know that they face little danger of an international oil embargo, because such an action would cause oil prices to go still higher.

Officials in Iran are thus able to cultivate the idea that international actions cannot hurt them. They assert that no embargo will take place, and that sanctions short of an embargo would have no tangible effect. They also suggest that any interruption in the flow of imports from Europe could be circumvented by increasing imports from China and other Asian countries, many of which are perfectly willing to continue doing business with Iran.

Although the nuclear powers China and Russia would prefer not to see Iran join the nuclear club, in part because this might prompt other Middle Eastern countries such as Turkey and Saudi Arabia to develop nuclear weapons of their own, both powers are wrapped up in Iran's energy sector. China is aggressively pinning down future

sources of energy around the world, and Russia is assisting Iran in its construction of a civilian nuclear reactor in Bushehr. Therefore, it seems unlikely that China or Russia, both permanent members of the United Nations Security Council, would support meaningful sanctions against Iran. This in turn allows Iran more maneuvering room as it faces down the United States and the European Union.

The Iranian public's views on the nuclear program are generally positive, even if many Iranians doubt the official claim that the program's purposes are peaceful. In fact, according to public opinion research conducted by the InterMedia Survey Institute, 41 percent of Iranians strongly support the development of nuclear weapons. Among those who support the development of these weapons, 84 percent would be willing to face UN sanctions, and 75 percent would risk hostilities with the United States in order to develop them.

Iranians tend to support the nuclear program as a matter of national pride, something that is not likely to change as long as they do not believe the program threatens their security or impinges on their standard of living. Approval of the program is also stoked by anger over what Iranians see as a

double standard in international attitudes toward other countries that have joined the nuclear club—Pakistan and Israel, for example.

Through the state media, Iran's leadership has popularized the idea that the nation's nuclear program is about much more than nuclear weapons. Government propaganda about nuclear activities is intended to reinforce the public's pride, and the nuclear program is cast as a way to force Western countries to recognize the Iranian revolution as legitimate. The program is also portrayed as a remedy to Iranians' historical dissatisfactions and as a source of hope for the future.

Iran's leaders suggest the nuclear problem will be solved when the United States and countries in the EU realize that they will have to deal with Iran as an equal. Thus, the conservatives in Iran's government are successfully using the nuclear issue as a means to cement their own power through nationalist fervor. In this, they have been unwittingly assisted by President Bush.

In this sensitive political environment, nothing is more counterproductive than talking of a military

strike against Iran. Israeli Prime Minister Ehud Olmert has said that Iran must not have nuclear weapons "under any circumstances." The head of the Israeli air force, asked how far he would go to stop the development of nuclear weapons in Iran, joked "two thousand kilometers." In fact, any air strikes against Iran's nuclear facilities would be extremely risky, prompting Iran to retaliate through terrorist activities in Israel, Iraq, and Afghanistan. Moreover, air strikes in all likelihood would only slow Iran's program, not stop it, since nuclear facilities are probably spread throughout the country.

HEDGING ON IRAQ

The Middle East has been undergoing great change since the US invasion of Iraq, and one of the effects, not intended by the United States, is Iran's growing power in the region. When Tehran was presented with Hussein's removal and the resulting power vacuum, it could not pass up the chance to pursue its desire for greater regional influence. For years Iranian leaders had promoted Islamic interests ahead of national interests; since the Iraq invasion they have gone back to the nationalist

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approach employed 30 years ago by Mohammad Reza Shah.

The US removal of Hussein eliminated Iran's main regional rival. Elections in Iraq have given power to that country's Shiite majority, among whom Shiite Iran retains influence. Weakened by violent chaos, Iraq has now come to see Iran as the more powerful player in the two countries' relationship. Iran's top interest in Iraq is to ensure that Iraq cannot emerge again as a military, political, or ideological threat.

Potential threats to Iran could be posed by Iraq's success—that is, if the country manages to succeed as a democracy or as a workable state arranged on religious lines different from Iran's. Threats might also be posed by Iraq's failure—that is, if Iraq falls into all-out civil war, or if it allows an independent Kurdistan to come into being (which Iran does not wish to see because of its own Kurdish minority).

Iran does not wish to see Iraq partitioned. It does not want full-scale instability or civil war. Rather, it would like to see a friendly Shiite government rule Iraq, and would also like for the United States to remain preoccupied with that country so that it cannot turn its attention to Iran. To achieve these aims, Tehran has pursued a three-part strategy. First, it has encouraged democracy as a way to achieve Shiite rule. Second, it has worked to promote disorder, while taking care to ensure that such disorder does not spin out of control entirely. Third, it has backed a wide variety of protagonists in Iraq to make sure that it has a working relationship with whatever faction finally gains control of the country.

Worried that the United States intends to bring Iran's nuclear ambitions to a halt through the use of force, Tehran has sought to build large networks of pro-Iranian actors within Iraq. These include special-forces units called the Quds Brigade, which could carry out attacks against US troops in Iraq in the event of American military action against Iran. Such elements in Iraq, combined with the threat that Iran poses to Israel through Hezbollah in Lebanon, provide leverage for Iran against possible US hostile action.

The worsening violence in Iraq, however, is causing strategy to change in Tehran as much as it is in Washington. The Iranian leadership was ini-

tially gleeful about Hussein's removal. But now this joy has been overwhelmed by the realization that if Iraq tears apart completely along ethnic and religious lines, and if the United States retreats hastily as a result, Iranian interests in the region would be gravely threatened. These threats would include the possibility of chaos leaping the border into Iran and provoking unrest among Iran's minorities. Therefore, Iran is working vigorously to prevent utter collapse from taking place.

Any end to US involvement in Iraq will have to include cooperation from Iran, the most powerful player in the area because of its links to Iraq's majority Shiites, to power centers in the Iraqi government, and to militias. In exchange for its cooperation, Iran will want a guarantee of its own security—incidentally, the same thing it wants in exchange for ending the conflict over its nuclear programs. Iran would also like to see the end of trade restrictions against it, and progress toward diplomatic normalization with the United States. The Americans in turn would expect Iran to exercise maximum possible restraint with its allies within Iraq.

PROSPECTS FOR CHANGE

Under Ahmadinejad, conservative forces are determined to make the Islamic Republic more Islamic than republican. Whether they will succeed is another matter. Power in Iran is a complicated matter, and various factions exist even among conservatives, who run the gamut from hard-liners to pragmatists. Some among Iran's leadership would accept accommodation with the West in exchange for economic and strategic concessions, while others are content to accept isolation from the West. Others favor a "Chinese model," which in Iran would mean opening the economy to international investment while maintaining the clergy's dominance. It is these complex internal forces that will decide the future of Iranian politics.

For now, not much optimism can be attached to the notion that sanctions and similar measures will cause regime change in Tehran. Nor is military action, short of full-scale invasion, likely to bring about regime change, since a limited attack by either the United States or Israel would only cause Iranians to throw more support behind the government. ■