

Chatham House, 10 St James's Square, London SW1Y 4LE T: +44 (0)20 7957 5700 E: contact@chathamhouse.org F: +44 (0)20 7957 5710 www.chathamhouse.org Charity Registration Number: 208223

Transcript

Iran After Ahmadinejad

Dr Arshin Adib-Moghaddam

Reader in Comparative Politics and International Relations, SOAS

Professor Ali Ansari

Director, Institute of Iranian Studies, University of St Andrews

Shahram Chubin

Non-resident Senior Associate, Nuclear Programme, Carnegie Endowment for International Peace

Chair: Lindsey Hilsum

International Editor, Channel 4 News

18 June 2013

The views expressed in this document are the sole responsibility of the author(s) and do not necessarily reflect the view of Chatham House, its staff, associates or Council. Chatham House is independent and owes no allegiance to any government or to any political body. It does not take institutional positions on policy issues. This document is issued on the understanding that if any extract is used, the author(s)/speaker(s) and Chatham House should be credited, preferably with the date of the publication or details of the event. Where this document refers to or reports statements made by speakers at an event every effort has been made to provide a fair representation of their views and opinions, but the ultimate responsibility for accuracy lies with this document's author(s). The published text of speeches and presentations may differ from delivery.

Lindsey Hilsum:

Ladies and gentlemen, welcome to Chatham House and to this session on the future of Iran. I don't think we could have picked a better time for it, could we, after the elections last week and an outcome which I think was a surprise to many people.

I'm Lindsey Hilsum, the international editor of Channel 4 News.

As you can see, we have two speakers. That's because our third speaker, Professor Ali Ansari, thought it started at two o'clock. He is in a taxi on his way here and I shall wait until he arrives before publicly humiliating him.

In the meantime we have Arshin Adib-Moghaddam, who is a reader in comparative politics and international relations at SOAS. He's published three books on Islam, Iran and world politics. Then on my right I have Shahram Chubin, who is a non-resident senior associate for the Nuclear Programme at the Carnegie Endowment. He's based in Geneva and his research focuses on non-proliferation, terrorism and Middle East security issues. I'm sure you've seen him talk here before and he's been a consultant to the US Defense Department, the RAND Corporation, the UN and a whole number of other organizations.

My original plan was I was going to get Ali, who as you know is a professor at St Andrews, to talk first about the internal ramifications of the election and Hassan Rouhani coming to power. Then to get Arshin to talk about the regional implications, particularly Syria and so on, and then Shahram to talk about the nuclear issue and so on. But since Ali isn't here we're going to sort of go backwards, but that's fine.

So we're going to start with Arshin and he is going to talk about the region, Syria – good heavens. Is that the nick of time? Tehran time, he says. I've already explained, it's because you were incompetent and you thought it started at two.

Ali Ansari:

Absolutely. Well, I was told it might start tomorrow, so it's a good thing I got the right day!

Lindsey Hilsum:

Ali Ansari, in case anybody doesn't know, is a professor of Iranian history and director of the Institute of Iranian Studies at the University of St Andrews. He's

also a senior associate fellow at RUSI and vice-president of the British Institute of Persian Studies. His most recent book is *The Politics of Nationalism in Modern Iran*. None of which has taught him timekeeping. Ali, I was going to come to you first, do you want to catch your breath?

Ali Ansari:

Yes, let me catch my breath, that would be best.

Lindsey Hilsum:

In that case, I will come to you last. Arshin, if you want to go first, thank you.

Arshin Adib-Moghaddam:

It's the academic's predicament to stay at the lectern, so I will start here. I will talk about some of the continuities that we may expect with the election of Rouhani and then maybe also some of the nuanced changes.

The continuity is really – these are the strategic preferences of the Iranian state and they don't really change with the change in administration or government. This is not very different from other states. States usually don't radically change their foreign policies with a change in administration, and that holds true for Iran as well. So I foresee that Iran will continue to support the quest for a Palestinian state. That has been on top of the agenda of the Iranian Islamic Republic since the revolution, a salient strategic preference, and I don't see Rouhani breaking with that strong norm that is embedded not only within the state but also within Iranian society, with several NGOs being involved in supporting the quest for a Palestinian state.

I think Iran will remain heavily engaged in Syria, Iraq and Lebanon, via its alliance patterns with Hezbollah and some of the Shia movements in Iraq. Already, as we all know I think, Iran is on the ground in Syria and elsewhere. Again, I don't see how Rouhani can break from that policy.

Iran will also oppose the Taliban movement in Afghanistan. I think we will see a closer strategic dialogue between Iran, Russia and India to that end. That will probably be a pattern that goes back to what happened before the NATO invasion in 2001, when Iran together with Russia and India supported the Northern Alliance in opposition to the Taliban. Once the remnants of the NATO troops are out of Afghanistan, I think Iran is likely to escalate its engagement in Afghanistan as well. I think the aim of all of this really is to pacify Iran's borders as much as possible. This is the minimum aim of any country, and I think Iran has an interest in having neighbours that are not hostile to it. Hence its engagement in Syria; hence its engagement in Iraq. Pacifying the borders of Iran is one of the main purposes of Iran's regional strategic preferences.

But what about the shifts? I think there will be some nuanced shifts to be expected.

I think Rouhani is likely to hark back on a dual-track approach in Iran's regional affairs, creating facts on the ground on the one side but also I think emphasizing diplomacy. We saw during the Ahmadinejad years that Iran was not very good at finding diplomatic solutions to regional crises. The Ahmadinejad administration preferred to create facts on the ground and really undervalued the merit of diplomacy. I think with Rouhani this will change. There will be an emphasis on diplomacy and at the same time the engagement in strategic theatres that I already mentioned.

I think, more specifically, we may expect a diplomatic charm offensive toward the GCC, and Saudi Arabia in particular. We should not forget that Rafsanjani was amongst the main critics of the Ahmadinejad administration and its disregard of Saudi Arabia's powerful position in the region. I think Rouhani, probably even under the influence of Rafsanjani, will try to change that. I think even in the short term we may see a diplomatic charm offensive to that end, toward the GCC and in particular toward Saudi Arabia.

I think Iran is likely to reposition itself *vis-à-vis* the European Union in general and Britain in particular, as well. I think Rouhani will have an interest in reestablishing full diplomatic relations with Britain. He will try to use the diplomatic channels that he is knowledgeable of to that end, and I think in general he will try to use also the European Union as a potential interlocutor for direct talks with the United States. That used to be a taboo topic in the Islamic Republic; it isn't anymore. Implicitly, Rouhani already alluded to his interest to open up direct talks with the United States. I don't think this is in the realm of impossibility in the middle to long term.

I think in general we will find a movement away from the rather venomous rhetoric of the Ahmadinejad years toward a language of reconciliation and dialogue. So he will frame the strategic preferences that I set out at the beginning of the talk with a new language, and language in itself is important, as we all know, in international affairs. It is the main component of international diplomacy. Rouhani, as a politician, has the capability to talk diplomacy.

So in conclusion, I think Iran will continue to adhere to the strategic preferences of the state but it will embark on regional diplomacy in order to implement them. As such, we will experience a major shift in terms of language, which will beget a nuanced shift in terms of behaviour. But specific questions I hope we can talk about in the question and answer session.

Shahram Chubin:

I would thank the organizers for inviting me to come back again. I enjoy very much coming to London, even on a very brief visit. I'm going to try and speak very fast so I can cover a lot of ground in a telegraphic fashion, and then if you want to you can ask questions or clarifications later on.

First, I think Iran is a society that's very divided and its elite is very fragmented, though the regime is not at all in peril. In 2009 the Supreme Leader ended his role as arbiter by favouring one tendency, and the election – which was a charade – was clearly rigged, and the Supreme Leader lived to regret it. In 2013 there was a reversion to the role of arbiter, a correction if you like, by the Supreme Leader. He moved back closer to the consent part of legitimacy as opposed to coercion, on the spectrum of consent-coercion. So the election was about rebalancing, and it was a prudent re-legitimizing of the regime while also providing a safety valve for the populace.

But is it also providing an occasion for a reset of policies toward the world? One preliminary comment. There was a lot of discussion about nuclear policy but there was no discussion about the ends of Iran's nuclear programme, just discussion about the means – whether X had done a better job or done a bad job, who would be a better manager in managing the nuclear dossier. But there was no discussion about what the nuclear programme was.

It seems to me there are three questions that have to be answered in relation to Iran's foreign relations after the election. One is: can a president make a difference? Two is: has the Supreme Leader changed his approach? Three is: can Rouhani deliver in foreign affairs, notably nuclear?

Very briefly: a president can make a difference if the president is different, and this president I think is, like Khatami, different. Rouhani is a moderate, he's a pragmatic, he's a technocrat. If you read what he has said and has written, he is, I'd say, a moderate internationalist with a genuine interest in the expansion of ties, because he believes Iran's revolutionary system will only work if it's better embedded in the international community. The president of course has a popular mandate and we saw under Khatami and Ahmadinejad, as my predecessor mentioned, Ahmadinejad's view was very different about foreign policy. Khatami, as you recall, did two things in his period – he was allowed to do two things. One was to improve relations with the Gulf states, which were bad after the Iran–Iraq War. Two, he improved relations with the EU, notably Britain, in the light of Salman Rushdie and the fatwa on him. He was able to do those two things, deliver both those things.

The president does make a difference. He can change the tone and atmospherics, as was mentioned earlier. The question is: is there scope for substantive change? Can he deliver real change? I think that depends on two or three things. One is it depends on his leeway domestically. The default position of the Islamic Republic on security matters has been hard line. In the case of Khatami and others, if the security agencies and hardliners and the Supreme Leader don't like the policies, they sabotage them – which happened to Khatami constantly, domestically and internationally.

The second point I want to make is that we often forget that the nuclear issue, whether it's a strategic issue or a domestic issue, has been a political football domestically. Let me just itemize very briefly the times. In 2003, with the suspension, Rouhani was accused of having exchanged a piece of candy for a pearl by Larijani. This criticism from Larijani was accentuated by Ahmadinejad, but in 2006 when Larijani, the national security secretary at the time, negotiating with Solana in 2006 – his agreement was torpedoed by Ahmadinejad. Putin made some suggestions in 2007; those were rejected. In 2009, when Ahmadinejad tried to make an agreement in Geneva about the 20 per cent uranium being shipped out, he was torpedoed by the reformists and the Greens.

So everybody has used the nuclear issue for political domestic purposes. Is this going to change in 2013? I should say the whole issue of the nuclear dossier was debated within the debates, in the debates of the election. It was very interesting; we can talk about some of it. At one point people ganged up on Jalili for being too inflexible, and of course Rouhani was constantly being criticized in the past for being too flexible and not getting anything. That is going to be a handicap for the future, it seems to me, because he comes from a background, Rouhani, of being – from a hard line point of view – too accommodationist to the West and having received nothing.

So yes, the president can do something. Second: has the Supreme Leader changed his approach? This can be very brief. I don't think he's changed his approach. I think he thinks compromise is a slippery slope to regime

extinction. He believes the nuclear issue is a pretext for pressure and for regime change. He believes that defiance and resistance will maintain the regime more than making agreements in which Iran looks weak. So I don't think the Supreme Leader has changed his approach, but it may benefit him from having a president who's willing to be flexible and then he can criticize that president for not having delivered the goods.

The third question is: can Rouhani deliver in foreign affairs in general? The nuclear issue has virtually monopolized foreign affairs, almost to the exclusion of everything else. It's been said to be more important than the Iran–Iraq War, more important than the oil nationalization issue, and the most important issue that Iran has faced in the last century. This is saying a lot, so results have to be commensurate to the fact that it's the most important issue.

The important thing here is that I think that without the nuclear issue being settled, there is very little scope for Iran's improvement of relations with the EU or indeed with Australia, Canada, Japan, South Korea and other states. Very little. The nuclear issue has really dominated, although there is a human rights issue with Canada as well, and bilateral issues with the UK and so on. So the nuclear issue is in many ways the fulcrum around which other global relationships are there.

Regionally, we've had an expression. I think the one thing I would say about regionally is that Mr Salehi, when he became foreign minister, said that his priority was improving relations with Saudi Arabia, and we've seen that hasn't gone anywhere since 2010. The reason is the increasingly sectarian division and cleavage in the region as a result of the Arab Spring and as a result of the Iranian involvement in Syria, on the one hand, and the Arab states, GCC and other Sunni states' willingness to confront Iran in Syria and elsewhere. There's very little scope for improvement there.

Now, can he deliver on the nuclear programme? It seems to me that to some extent he's handicapped by the past because where, in the Iranian storytelling, Iran was flexible, the P5 were adamant and inflexible. But on the face of it, the nuclear issue is not that difficult, without the politics. It's really not too difficult to work out a way that Iran would be able to do enrichment and reassure the international community. The question is how much of a freeze, how much transparency, etc.

Just to conclude, because we don't have to talk about what the shape of an agreement might look like, I would say a couple of things. One is: what Iran wants more than anything else is sanctions relief. Rouhani referred to this

yesterday, I think. He expects first a stop to more sanctions, and then secondly, hopefully, to start incrementally reducing the sanctions.

There's one big problem with sanctions relief, which is that, depending on whether you're talking about UN sanctions, Security Council sanctions, EU sanctions or bilateral US sanctions, it's much easier for Iran to break any agreement that's made, if you like, whether it's about intrusive inspections or stopping centrifuges running, than it is for the international community or a coalition to re-impose sanctions. I think that's an asymmetry that's rather difficult. It took a long time to get these sanctions into place, and lifting them would presume that you're not going to have to use them again. What I'm saying is there's an asymmetry here, because the lifting of sanctions is a rather difficult thing to do – the serious sanctions, it depends which ones you are talking about. The banking sanctions are the crucial ones, I think, for the Iranians, but there are others. There is that problem, and there's the problem of what the Iranians think they would get in exchange for whatever it is they want to give up.

A couple of things about Rouhani and then I'll close. One is: the atmospherics that were mentioned by the earlier speaker – a more open, receptive, moderate tone – I think can reduce distrust in and of itself. But there are of course different levels to Iran's policy, and while Iran might be slightly accommodationist on nuclear, it might be quite hard line on Syria, and it seems to me that the two cannot really be separated when it comes to working out an arrangement. Even a technical fix would have this problem that Iran might be very active in supporting Assad while the West is reducing sanctions, for example, on the nuclear programme.

Secondly, Iran's hardliners may have to accept some constraints on the programme, which in light of the past, as we have seen as a political football, they may not accept.

Third, it seems to me – and this is important – the P5+1 are going to have to agree on a reasonable package. Let me simply conclude by saying that reasonable package would have – to take yes for an answer from Iran – would have to include some enrichment, probably no rollback, maybe some freeze but no rollback of the programme. Already, the atmospherics are such that without a flagrant provocation of Iran going over the threshold or weaponizing, the prospects of a military strike I think are receding, and receding even more if someone like Rouhani becomes the spokesman for Iran's foreign policy.

So I think we are setting ourselves up for the continuation of a stalemate in a better atmosphere. In other words, a sustainable stalemate.

Ali Ansari:

Thank you very much. Once again, apologies for my poor timing. I notice one of my former students in the audience – all is forgiven for being late to class. I've got five to seven minutes to talk a little bit about the internal politics.

It has been an interesting few days and I'll put my hands up first and say I did not see this coming, just in case anyone asks whether I had or not. No, I did not think that actually Rouhani would be able to pull through. He pulled through with a very slight margin, it has to be said: some of the figures are now coming through and it seems he won his election with about 250,000 votes. That's very narrow, but it also indicates that if they had wanted to rig it, they would have done. On that level it's very easy to switch a couple of percentage points and put it into a second round, and they didn't.

The question has to be asked: why did they allow someone like this, who had said the things he did, to come through? Because one of the striking things to come of it is that, yes, for the sake of a sort of popular mandate and a popular legitimacy for the system after the debacle of 2009 - and there's a couple of things I'll mention about that too – it's come at some cost. Some of the things that Rouhani said and some of the things he said during the campaign, and his supporters and others - particularly also around Rafsanjani's failed registration, so to speak - have been quite dramatic. They've been really quite striking, what has been said. It's not simply a reboot of the Islamic Republic, not simply going back to the days of the reform period or Rafsanjani's period. He's basically saying the last eight years have been a disaster. We've had a securitized atmosphere, what we need is to lift that. We need to have greater freedom in the universities; we have to have greater freedoms in general in society as a whole. If you look at the points he made in his press conference yesterday, although he gualified many of them and one would have to expect that in some ways, he did make some quite striking points about implementing the constitution, and particularly those areas that deal with individual rights. This is sort of language, of course, that the liberal, progressive, centrist, whatever you want to call them – it's music to their ears.

The question has to be: was this all talk to get people out to vote, or is he actually going to do something about it? This is something that I think, when you look at the population and the people who voted for him – again, the pattern is quite interesting, because we're just getting figures in really now

and the breakdown. It seems to be, and I'm quite surprised at this actually – and again, it goes counter to some of the received wisdom we had last time around – Rouhani didn't actually do that well in the major cities. He did much better in the smaller cities and the villages. So it seems to me actually that if there is a sort of silent, moderate majority, if we may put it that way, it's far more extensive throughout the country than obviously those supporters of Ahmadinejad would like us to believe, and Ahmadinejad's support in the countryside wasn't quite so great.

But what is striking is he lost Tehran, apparently, he got about 46 per cent according to figures. That's quite interesting. Obviously he must have shared that to some extent with Qalibaf, but Qalibaf himself lost Mashhad, which is also interesting. So there are some interesting diversities in view. It seems that where Rouhani did rather well was in Azerbaijan, funnily enough. Not in Tabriz necessarily but again, more in the rural areas. So this gives us a slightly different geography to the electorate.

But even though you've had a reasonably high turnout, what does it also say about the political views of Iranians? This of course will be music to my ears, I have to say, as though of you who know my work in the past: that here you have a large tranche, a sort of centrist group in Iran who are really after what we would consider to be sort of the moderate centre of the vote. Because the person who got really hammered in this election was Jalili; I think Velayati also didn't do very well. I heard he went to hospital on Saturday, which probably was maybe a consequence of his very poor showing, who knows. But Qalibaf and Rouhani did rather well. Rouhani in particular, with some of the things he was saying, has basically challenged the narrative of the last eight years and certainly the last four years. So let me just give you a couple of examples so we're aware of what we're heading into, or what we might be heading into.

In the first place, of course, they said this is a triumph against extremism. It's against extremism and for moderation. Of course one may say extremism on left and right but one of the pointed remarks, of course one of the pointed ideas is what Ahmadinejad represented and also, let's not forget, what the Supreme Leader supported. I think one of the things I find quite interesting about some of the commentariat in the process is suddenly that Khamenei is actually a genuine democrat – I think not – and Iran is a democracy. No, Iran is not a democracy, but Iran hopefully now will be put back on the track that we were seeing back in the days of Khatami and others, that what was happening in terms of the consolidation of power in one direction is now hopefully shifting. It's far too early to say what's going to happen and of

course the million-dollar question that we've had also from Arshin and Shahram is: to what extent do we think these ideas are going to be implemented?

So the ideological thing has been completely subverted. Politics – we no longer want to live in a securitized atmosphere, we want to free up the political situation. We want to allow students and journalists – Rouhani said yesterday the journalists' association should be allowed to reform, civil society organizations should be allowed to reform. Of course, within the boundaries of the law, but this is a good start at least. At least what he's saying is people should not be persecuted or prosecuted for their religious or political beliefs. This is a major step. If he implements it, this is something that is worth celebrating.

One of the most interesting things that's come out of it: he said, we're not going to allow – and this, for those of you who know Iran, actually will be... he said, any insults and offences made against people, nobody will be allowed to go around being rude to people in the way that, obviously, Mr Ahmadinejad was. They are going to enact laws so that for the first time it seems Iran is going to get a set of libel laws. This should be rather interesting.

So if these are actualized, these have got to be good. If – and I'm qualifying that very heavily, because this is the question mark. I don't see Rouhani as a moderate, by the way, I see him as a pragmatist. I think if you look back, and people have said, if you look back to what he said in the last four years, he's not always said very nice things, I have to say. I think he's often said rather opportunistic things.

But the thing that for me is interesting is that: who are the kingmakers at the moment? It's a very interesting alliance between Rafsanjani and Khatami. Those who said Khatami was finished or Rafsanjani was finished, well, maybe we find that they're back. This will be interesting for me, to see what happens.

This leads me to another point which I think is perhaps more interesting in terms of why this has happened now. A lot of us have argued that the situation in which the country was going down over the last eight years was unsustainable, that political and economic pressures were mounting and this wouldn't be sustainable in the long term – particularly, obviously, with sanctions and others. Because one has to ask, what is the difference between Mir-Hossein Mousavi and Rouhani? Why not let Mir-Hossein – because he's an insider, he could have won in 2009 or in the runoff, we could

have avoided the last four years of pain. But for some reason something has changed now.

In my view, my reading of it is that for the first time, the elites have buckled, in a sense. The elites have said: enough. If you look at the elites, they've gone, I think, to the Supreme Leader and others and said: we cannot afford to go through what we did in 2009, and we certainly cannot afford to continue down a path which is just leading us to disaster. If you look at the words of Ali Motahari, a noted Principlist, he said very clearly in the run-up: the people will not be deceived again. One of the things I think, for those of you who watched the vote, let me just recap for the benefit of those of us who might still think last time around was free and fair: last time around they counted 42 million votes, or certainly they counted the definitive result of the votes, by 4 am in the morning, because it was all computerized apparently. This time there wasn't a computer to be found, and it took them until 6 pm to count 36 million votes. The joke in Iran of course is that this is the first time they bloody well counted the votes, that's why it's taken them so long.

But this is interesting, and I think it should lay to rest, once and for all – and I think people have actually, when you look at what's being said in Iran and you look at what people are saying in Iran, they're saying: finally, this is the election we should have had in 2009; we have taken your vote back, Mousavi. When they call what they're saying – and this for me is a litmus test, I have to say. What's going to happen? Let's see if he does manage to get Mousavi and Karroubi released. Let's see if the political prisoners are released. If they are, then I think we have turned a page and we are on a different track.

But bear in mind that almost every narrative we've been sold over the last four to five years has been radically undermined. The economy is not in good shape, clearly. We were told it was in good shape. The politics are not in good shape. Ahmadinejad would have had us believe that Iran was a superpower on the way to whatever.

The nuclear one is also interesting but I'll leave it to the others. But I was very interested in what Rouhani said yesterday. He said: we're completely transparent in our nuclear policy but we think we can be more transparent. So you can make of that what you wish.

The point of the matter is that there is room for manoeuvre, and what's been the most striking thing and the most refreshing thing – and for me, to be honest, it brings tears to my eyes, I have to say – is that at last within the Iranian body politic there has been a semblance of a rational discussion about what the hell is going on and how they must maximize their strengths within a very complicated scenario. Mark my words: on Syria, it was very interesting in the press conference yesterday, but it shows Rouhani's limitations.

I'll end on a slightly sour note, but not for want of trying. One is that when he talked about Syria, he said the future of Syria will be dependent on the Syrian people themselves, and the journalists started to clap. Then immediately he realized that this might be a little bit too much and said: but of course we oppose this and oppose that and will obstruct this and obstruct that. But it tells us there's a mood in Iran that they don't want this sort of confrontation anymore. Of course they're proud of the country, of course they want the country to be strong, but not in the way that people have tried to present it.

Unfortunately, on the other side, for those of you who can access this, Mr Hossein Shariatmadari, one of the best editors that the world could have found, for *Kayhan* newspaper, wrote a thundering editorial in which he said: by the way, any of you who think that anything is going to change, think again. He pointedly debunked every single argument that people might have said. He said Rouhani is a staunch conservative; he will do as he's told. He made the point – and this is the crux, it's been the central debate in Iranian politics for the last 20 to 30 years; it will need to be resolved one way or another, sooner or later – and this is: who has the last word? Shariatmadari said: all you people shouting and cheering in the streets, don't get too carried away – the president is simply the executive officer and policy is made elsewhere. If that is the situation, ladies and gentlemen, then we are no further forward. But I am certainly hoping for another direction. Thank you.