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## **Middle East and North Africa Summary**

# Iran's Presidential Election: Looking Forward

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## INTRODUCTION

This paper is a summary of a roundtable event held at Chatham House in May 2013, where participants discussed the lead up to Iran's 11th presidential election, to be held on 14 June 2013.

Some of the main findings of the meeting include:

- The candidates all maintain good relations with the Supreme Leader, but it remains to be seen who his 'preferred' candidate is.
- Presidential candidates had yet to outline their specific policies and plans for governing the country.
- It is unlikely that protests on the scale of 2009 will occur in the event of a contested result, due to the lack of enthusiasm towards the candidates.
- There will remain difficulties between Europe and Iran even after the election. While the Iranians view the role of EU states as having diverged from being a go-between, Europe does not regard the president as having the power to change policy substantially.

The meeting was held under the Chatham House Rule and the views expressed are those of the participants. The following summary is intended to serve as an *aide-mémoire* to those who took part and to provide a general summary of discussions for those who did not.

### The Chatham House Rule

'When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.'

#### THE CANDIDATES

A summary of the presidential candidates was presented based on their previous history, the coalitions that they belong to and what kinds of policies they can be expected to pursue.

On the conservative side, Ali Akbar Velayati, Gholam Haddad-Adel and Mohammed Baqer Qalibaf are running as part of a '2+1' coalition, whereby the two least popular of them would drop out in favour of the front-runner. A participant commented that the 2+1 coalition is unstable, and that there is much manoeuvring taking place between the candidates.

Saeed Jalili was recognized as the most conservative candidate standing in the election, but he is inexperienced. The presenter highlighted that Jalili maintained good relations with both the Supreme Leader and President Mahmoud Ahmadinejad, even during the rift between the two. Jalili has indicated that he will continue subsidies, which have cemented the link between state and citizen in Iran.

Mohsen Rezaei, an independent, was said to be the candidate that has developed the most coherent plan to be implemented if he was elected, but unlikely to garner many votes. The presenter stated that Rezaei wishes to empower Iran's provinces economically and politically by pursuing economic federalism. A participant described Rezaei as 'Rafsanjani's left-hand man'.

On the reformist/centrist side, Hassan Rouhani – the former head of the Tehran-based think tank, Centre for Strategic Research, and close ally of Ali Akbar Hashemi Rafsanjani – was described as a 'sharp negotiator'. A participant commented that Rouhani was successful in staving off Western sanctions while developing Iran's nuclear programme during the Khatami administration. Mohammad Reza Aref was characterized by the presenter as the one 'true' reformist of the candidates, but lacking the charisma to become President.

A crucial voter dynamic highlighted during the discussion was that a substantial number of Iranians tend to vote *against* the candidate they least prefer, rather than *for* the candidate they most prefer. It is thus towards the candidates that the majority of Iranians dislike that attention should be focused. It was pointed out that the candidate that the Western media have regarded as the favourite – Jalili – might in fact be the most controversial among Iranians. A participant commented that Jalili could be an early favourite that will eventually fall out of the race.

From the perspective of the business community in Iran, the perception was said to be that Jalili is the front-runner, now that Rafsanjani has been disqualified, due to his good relations with Ayatollah Khamenei. It is now thought that Rouhani is the preferred candidate of the business community, but other sources have indicated that Qalibaf is held in high esteem.

It was suggested that Jalili might not be the Supreme Leader's preferred candidate, but was in fact encouraging the perception that he is in order to garner votes. A discussant stated that it was too soon to know who Khamenei's preferred candidate is, and that many in 2005 were mistaken in their assumptions.

The support of the Supreme Leader was recognized as substantial, as this will lead to hand-outs to persuade citizens to vote for a specific candidate. It was said by one participant that the Supreme Leader represents 12 million votes.

The youth were said to favour Rouhani somewhat, but also to be unsure of whether to trust him completely as a candidate, due to his status as a religious scholar and scepticism over whether he could manage the economy.

The point was made that the presidential election has purposefully been scheduled for the same day as the local elections in order to boost voter turnout. The possibility of manipulated results was recognized by many as tangible, but it was also pointed out that vote riggers might be dissuaded from colluding with the outgoing president. It was also recognized that if manipulation does occur, it would not be as blatant as in 2009.

On Rafsanjani, it was noted that many – particularly in the business community – were enthusiastic when he announced his candidacy. There exists a perception of Rafsanjani as a good candidate to manage the economy, and someone who could potentially restore Iran's international profile, particularly in the Arab world where he is widely respected.

There was disagreement over whether Rafsanjani had actually intended to run for president, or if his candidacy was meant to pave the way for other candidates. While some participants favoured the latter view, a discussant stated their belief that Rafsanjani based his candidacy on genuine concerns for the economy.

A number of participants raised the concern that analysis in the United States of the candidates is being led by analysts with little awareness of current affairs in Iran, and those who have not visited the country for some while.

#### THE ISSUES

It was said that the economy will be the major issue in this election, and voters can be expected to mobilize depending on whose presidency will benefit them most financially. The average voter age was estimated to be 38 – four years higher than in 2009, and there is strong indication that older people vote based on economic rather than social issues.

A discussant identified foreign exchange as a major problem facing Iranians, and a problem more due to economic mismanagement than sanctions. There are those in the country who will vote in order to have access to vital state provisions, and this is one reason why a systematic boycott is unlikely.

On sanctions, it was pointed out that oil revenues were much lower 15 years ago, but the economy was able to endure. Presently, Iran achieves three times the income that it had then, so in the eyes of the leadership it can continue its present course of action, and it will be only the people who suffer the consequences of sanctions. A discussant proposed that there might be an elite in Iran that actually benefits from these sanctions.

Another concern for voters was argued to be unemployment. While the official figure of 13 per cent unemployment was noted in this meeting, it was speculated that the true figure is actually closer to 15–20 per cent. Overdue wage payments have prevented many from striking. Yet it was also added that the vulnerability of workers and the unemployed would not preclude the candidates from managing the expectations of the unemployed. A participant noted that there is potentially a greater possibility of disorder arising from unmet expectations than there is from unemployment itself.

The main concerns of the ruling elite were identified by one presenter as the following: the repetition of levels of unrest seen in 2009, the emergence of another disobedient president and the age of Ayatollah Khamenei.

On unrest, the regime views the events of 2009 as the most significant security threat since the Iran–Iraq war. The presenter stated that avoiding similar unrest is a major priority of Ayatollah Khamenei.

Regarding the obedience of the next president, it was highlighted that while Ahmadinejad was viewed prior to 2009 as an unreliable president, he was then characterized as an obedient one nonetheless. During his second term however, Ahmadinejad disobeyed Khamenei repeatedly, and this was unprecedented in the Islamic Republic. The disqualification of so many candidates, said a participant, reflects the Supreme Leader's great caution following the experience of Ahmadinejad. The age of Ayatollah Khamenei was identified by some as significantly influencing his perception of the upcoming elections. He is most likely to view these elections to be particularly important due to the possibility of the position of Supreme Leader being altered or abolished after his death.

Taken together, the presenter argued, these reasons give insights into the actions taken by the Guardian Council in the run up to 14 June and the disqualification of so many candidates.

A discussant argued that the ruling elite in Iran will avoid rigging the elections if it can and is seeking instead to find the right candidate that can feasibly win them. They continued that there is no candidate who could mobilize protests in the event of vote-rigging as there were in 2009 with Mir-Hossein Mousavi and Mehdi Karoubi.

The perceptions of Iran's leadership concerning the P5+1 demands was discussed. Participants indicated that the perception in Tehran is that foreign pressure targets regime change and not a change of nuclear policy. The wording of recent sanctions was argued to have reinforced this belief.

A consensus was that the Iranian security services –in the form of the IRGC and intelligence ministry – are in good working order and extremely sophisticated. There exists a situation at present where, in the case of Iran's 'cyber-army', members of the younger generation are being employed to spy on the youth movement. A caveat was identified in that these organizations are often in competition with one another and do not represent a unitary security service.

None of the candidates have linked Iran's nuclear policy to present sanctions, and this was said to reflect the tendency of Iranians not to criticize nuclear policy in the country. While candidates have suggested that they would make better negotiators than the incumbent, their criticisms have targeted 'foreign policy' and not sanctions, the latter implying criticism of the nuclear policy.

While the next president might not be in direct charge of the nuclear dossier, he will nevertheless be a key spokesperson and have a say on policy. Iranian voters were said not to regard the nuclear issue as a top priority in the election, but they are well aware of the impact that it is having on their livelihoods.

In terms of the impact that ideology over Iranian decision-making, one participant stated that the politics of resistance continues to play a prominent role in the thinking of Ayatollah Khamenei.

#### THE PROSPECTS

A presenter argued that the EU does not view a new presidency as a significant development in relations with Iran, instead expecting the next administration to continue down a similar course. Yet when asked what has led to worsening relations, EU officials are likely to cite Ahmadinejad's policies. This was argued to highlight inconsistent views of the president being either a pivotal figure or an inconsequential one. The EU views real power being located with the Supreme Leader and it awaits a fundamental shift after the conclusion of his term.

One of the reasons presented for this view is that the leaders and politicians from the EU have viewed Iran-European relations through the lens of the nuclear issue.

A discussant stated that when a senior German official was asked whether, if Iranians could be convinced to comply with the P5+1 on nuclear confidencebuilding measures, Germany would support the notion of creating a comprehensive dialogue with Iran in order to encourage diplomacy, the answer was no. Another participant suggested that during the next rounds of negotiations, it might be beneficial for the P5+1 to alter their demands in order to reach a consensus among them. A new approach might be to propose smaller concessions by Iran.

A point raised was that Europe's role in these negotiations is now seen less as an arbiter or 'middleman', and more now as a US ally. The next administration may continue to hold this perception of Europe in the next round of talks.

In answering the question of whether Washington had considered opening a bilateral channel with Iran outside of the nuclear issue, a participant responded that they felt this was unlikely due to the US policy being the isolation of Iran. This particular avenue was criticized as having exacerbated the likelihood of confrontation due to misunderstanding. Yet it was countered that while Obama might have to demonstrate 'political will' in establishing such a dialogue with Iran and offering novel terms, it would also be up to Iran to reciprocate.

On Syria, with the exception of a statement by US Secretary of State John Kerry, that Iran has been precluded from future talks was said to reveal a fundamental lack of considering the benefits of broader engagement.

Regarding changes that can be expected from a change in presidency regarding the nuclear issue, a discussant recounted an occasion where Ali

Larijani in 2005 recognized three options for Iran: surrender, noble defiance, or consolidating gains. The question is hence which of these strategies the next president is likely to pursue. While the Supreme Leader has leant towards noble defiance, there is room for the president to manoeuvre. Yet the inability of the P5+1 to offer substantial concessions to Iran was said to make it difficult for any president to sell a deal to the Supreme Leader.

With regards to sanctions, some believed it to be conceivable that banking and business sanctions could be lifted. These are predominantly European sanctions, and their lifting could be part of a step-by-step process.

There was some optimism for change in Iranian policy however, with a discussant highlighting that Iran changed its policy regarding a ceasefire with Iraq at the end of the war in 1988 at a time when this was inconceivable. A change of circumstances was met by a change of policy, and this was argued to indicate that a shift in Iran's nuclear policies is possible.

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