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**Leadership Dynamics and Nuclear
Decision-Making in the Islamic
Republic of Iran**

Caroline F. Ziemke
Daniel Brumberg
Abbas William Samii
Ahmed S. Hashim
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PREFACE

This study was conducted by the Institute for Defense Analyses (IDA) for the Under Secretary of Defense (Policy) with the objective of providing analytical support to the Defense Policy Analysis Office (DPAO) to assist in that entity's performance of long-range planning.

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EXECUTIVE SUMMARY

In August 2004, the Institute for Defense Analyses hosted a roundtable discussion aimed at identifying barriers to effective communication between the United States and Iran and, if possible, beginning the process of considering options for breaking the current strategic deadlock and moving U.S.-Iranian interaction into a sphere broader than its current narrow focus on Israel, terrorism, and nukes. A nuclear-armed Iran, in either the near- or long-term, is probably a foregone conclusion. And if that is the case, it behooves U.S. policymakers to begin rethinking the U.S.-Iranian relationship with an eye toward moving beyond the current preoccupation with Iranian nukes. To continue to pursue a rigidly one-track nonproliferation policy risks undermining other vital U.S. strategic interests: building a global anti-terrorist environment, establishing stable regimes in Iraq and Afghanistan, and moving forward in the Arab-Israeli peace process. In all these areas, the United States needs to be able to influence Iranian behavior, but at present it has little leverage to exert over Iranian policymakers, either directly or through international institutions.

The United States staked a great deal on the hope that the election of reformist President Mohammed Khatami in 1997 would trigger a more conciliatory Iranian foreign policy, but such optimism about the degree to which Khatami and the Reformers could realign a hard-line anti-U.S. foreign policy were probably fruitless from the beginning. The bloodless, hard-line political “coup” that began in 2004 and seems all but total in 2005 makes it unambiguously clear that the heyday of the Iranian Reform movement is over. The reemergence of Conservative dominance in the realm of foreign and domestic policy leaves the United States with little, if any, foundation for rebuilding influence. We have little to offer Iran in the way of positive incentives, and other states like China, Russia, and even the European Union are increasingly willing to fill any economic gaps created by U.S. embargoes. Accurately or not, Iranians may see the United States as a paper tiger. So long as the U.S. military is heavily committed in Iraq, Afghanistan, and elsewhere, Iran could believe we will not risk a military confrontation, even over nuclear weapons.

These two countries are, at present, in a strategic logjam. To break out of it will require the United States to move beyond its historical and ideological resentments to focus on those areas in which some degree of compromise, however small, is workable. This necessitates a gradual shift in emphasis in a number of areas: developing a better

understanding of power and decision-making networks in Iran; realigning priorities away from nonproliferation toward deterrence and crisis management; setting aside the “rogue-state” model of Iran in favor of one that recognizes the Islamic Republic as a rational actor with a realistic grasp of its strategic interests; and a willingness to begin thinking of U.S.-Iranian relations in terms of using shared strategic interests to mitigate the effects of continuing, deep ideological differences.

The four papers that comprise the focus of this paper present a survey of the complex network of relationships and other internal and external factors that may shape Iran’s nuclear policy decision-making. The roundtable discussion and these papers point to a number of themes that should inform U.S. strategic and diplomatic approaches to Iran going into the future. First, any effort to delay or prevent Iran’s acquisition of nuclear weapons will be complicated by the Islamic Republic’s broad and deeply-held political consensus in favor of nuclearization. The consensus is particularly important for internal Iranian politics because it is one of a very few issues upon which Left and Right, Pragmatists and Ideologues, Conservatives and Reformers, all can agree.

Second, a much more sophisticated understanding of the key players in Iran’s nuclear decision-making nexus will be necessary if the United States and Europe are to succeed in their efforts to influence Iran on issues related to nuclear proliferation and/or Iran’s employment calculus. The United States must stop looking at Iranian leadership as wild-eyed, naïve ideologues. They are, in fact, smart, savvy students of international affairs and consumers of information, with a much more sophisticated understanding of the United States than we have of them. Gaining access to the key players – either directly or through strategic communication – will be a daunting challenge.

Third, much will depend on the future direction of Iran’s domestic politics. The reform movement is on the ropes for the foreseeable future. The next best hope is that the Pragmatic Right will consolidate its dominance and will be able (and willing) to influence the more conservative, ideological clerics. A more pragmatic government, even a conservative one, may be better able to make quiet concessions to the United States and Europe and move Iran in a more positive direction according to the “China model” of economic liberalization and social reform, but continued political control by the clerical establishment.

Fourth, mutual mistrust and disrespect currently stand in the way of any rapprochement between the United States and Iran. Trust is unlikely to break out, but grudging respect is possible and probably necessary in the long run. Progress on small,

easy issues – perhaps limited loosening of economic embargoes – could demonstrate good faith. Finding ways to assuage Iran’s smarting at what it sees as U.S. “arrogance” – perhaps by opening a backdoor dialogue on the future of Iraq through multilateral regional forums – may be the only tool available to the United States in its attempt to influence future Iranian nuclear policies.

Finally, the situation is not hopeless, but it is urgent. The United States and Iran are at a critical turning point in their relations. The window of opportunity to forge more constructive and cooperative relations with Iran – a necessary prerequisite to building direct influence on its nuclear policies – is probably narrow, no more than a few months to a year into the new Iranian administration. Once Iran becomes a nuclear power, the opportunities for the United States and incentives for Iran will diminish dramatically.

INTRODUCTION

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INTRODUCTION

On August 16, 2004, the Institute for Defense Analyses (IDA) hosted a roundtable discussion to address the issue of building effective, constructive strategic communication between the United States and the Islamic Republic of Iran. To facilitate discussion, IDA's guidance to the presenters and participants focused on identifying ways that the United States could influence Iranian policies concerning its ongoing and apparently accelerating nuclear program. In particular, IDA asked the participants to consider how the United States, either independently or in cooperation with the broader international community, might persuade Iranian leaders that development of nuclear weapons is unnecessary and in fact undermines rather than advances Iran's strategic interests and national security. The presenters were asked to provide insights into the particular complexities of the current regime in Iran that might complicate the task of influencing Iranian behaviors, including tensions between the clerical and constitutional governments, between Conservatives and Reformists, and between the Iranian Revolutionary Guard Corps (IRGC) and the regular military, as well as the nature of Iranian Civil-Military relations and the division of decision-making authority between the Supreme Leader, the President, and the Parliament.

A consensus almost immediately emerged among the presenters that to frame the discussion in terms of how the United States might influence Iranian policies regarding its nuclear program - either directly or through international organizations like the UN and the IAEA - would be aiming too high, for a number of reasons. First, most of the present optimism concerning the prospect for regime change in Iran is rooted in the hope of widening the rift between conservative clerics and reformers in the clerical establishment and in the government. That opportunity, if it ever really existed, has most likely vanished in the wake of the April 2004 national elections, which virtually eliminated reformers from the elected government. Second, even were the reformers to somehow revive their movement and force the conservative clerics to allow them unimpeded access to the political process, it is not a given that they would abandon Iran's nuclear program. Iranians, conservatives and reformers alike, are united in their support for Iranian nuclear power, although the degree to which this rare consensus extends to the development of nuclear weapons is unknown. This leads to a third point: U.S. policymakers, and probably the West in general, does not know enough about the nature of decision-making and the degree of influence among Iran's leadership and opinion

elites to get the right data and messages to the right people inside Iran. Decision-making in the country is greatly dependent upon personal ties and very complex influence networks and thus almost impossibly opaque to outside observers. Iranian leaders, in contrast, are avid consumers of the international media, especially in the U.S.; they keep an keen eye on what is written and said about Iran and they have a fairly sophisticated understanding of the relatively transparent U.S. system; and they have access to the system through ex-patriots. Finally, and most importantly, there is little in the nature of U.S.-Iranian relations for the past three decades upon which to build even the flimsiest foundations of effective influence. Relations between the two states have been so fraught and so hostile for so long that the United States has few carrots and even fewer sticks with which to either persuade or cajole Iran, particularly on the two issues so central to Iran's perception of its own national interests.

If the consensus among roundtable participants was that as far as the U.S. ability to influence Iran is concerned, the glass is much less than half full, there was agreement that neither was the glass completely empty. At least, not yet. The window of opportunity for building some degree of effective and constructive communication with Iran is narrow, however, and closing quickly. For the United States to regain some measure of influence over Iran – and hence over the impact of its policies and capabilities on regional and international security – a reorientation of thinking about U.S.-Iranian relations must begin with the realization that Iran is, or very soon will be, a nuclear-capable (if not necessarily a nuclear-armed) state. Of course, the United States - and the international community – should make every effort to discourage Iran's progress in the nuclear arena and thus delay its full emergence as a member of the nuclear club as long as possible, but thinking about future U.S.-Iranian strategic and political interaction needs to move beyond a preoccupation with Iranian nukes; it must focus on how to break the log-jam in relations between the two nations.

Assuming Iran will develop nuclear weapons or expand the means to acquire them very quickly, it may be appropriate to shift the analytical and policy focus from nonproliferation to deterrence and crisis management. Both require a sophisticated grasp of the internal workings of the Iranian system and the character of Iranian strategic thought. The post-revolutionary, rogue state model that has dominated U.S. perception of Iran since the 1979 Revolution is no longer accurate. It tends to discount the degree to which Iran is, and can be treated as, a rational strategic actor with a realistic, if not always a Realist, sense of its national and strategic interests. Ideally, the goal of U.S. policy over the coming months and years should be to build some basis for direct (if not necessarily

cordial) communication to allow for crisis management and, more importantly, the eventual identification and recognition of shared strategic interests. What applies to the specific case of Iran is likely to apply to future proliferation challenges as well. Many of the theoretical models that explained motivations for or against proliferation in the first nuclear era (between 1945 and the end of the Cold War) seem much less applicable to the second. Increasingly, to develop effective nonproliferation and deterrence strategies will require an understanding of the cultural, historical, and internal political context of potential proliferators.

The rise of the reformist movement in Iran in the mid-1990s and the election of reformist President Mohammed Khatami in 1997 triggered great, and probably unwarranted, optimism regarding both Iran's openness to improved relations with the United States and the prospect of slowing, if not stopping altogether, Iran's progress toward nuclearization. In late 2004, the heyday of the reformers appeared to be over for the foreseeable future, with little progress made in either quarter. The United States and Iran remain in a political deadlock over three issues in particular: the Israel-Palestinian peace process (toward which Iran takes a defiantly rejectionist position); U.S. charges of Iranian support for international terrorism (primarily - but not exclusively - in Lebanon and Israel); and Iran's nuclear program and refusal to comply with the spirit of the Nonproliferation Treaty. In part, the deadlock is the inevitable product of the nature of the two states: Iran and the United States both are strongly motivated by value systems that are diametrically opposed on many dimensions. The conflict of vision and values between Iran and the U.S. is daunting, but not yet insurmountable. In the past, the United States has built peaceful coexistence and even alliances with other states whose values are at least as alien as Iran's, including the Soviet Union, China, and Saudi Arabia. The aim of the August IDA Roundtable was to identify barriers to effective communication between the United States and Iran and, if possible, to begin to consider options for breaking the current deadlock and moving U.S.-Iranian interaction into a sphere broader than its current narrow focus on Israel, terrorism, and nukes.

The papers that follow present a survey of the complex network of relationships and other internal and external factors that may shape Iran's nuclear policy decision-making. In "Iranian Domestic Politics and U.S.-Iranian Relations: A Complex Encounter," Dr. Daniel Brumberg outlines the faultlines in Iran's political culture that shape and, for the time being, reinforce Iran's hostility toward the United States. These factors will continue to limit U.S. opportunities to influence Iran's nuclear policy, even in the increasingly unlikely event of a regime change. Iran's political landscape, Brumberg

shows, is divided along a number of important political faultlines: the revolutionist-charismatic strain versus the nationalistic-pragmatic strain; the legacies and interests of the revolution versus the interests of post-revolutionary elites and other groups (especially the increasingly disaffected youth); and the cultural/identity-based motivations of the political Right versus the strategic/instrumental motivations of the political Left. According to Brumberg, a new faultline may be opening in the vacuum created by the marginalization of the reform movement between the old Ideological Right and a new, more Pragmatic Right. The tensions created by this upheaval are directly reflected in Iran's relations with the United States, but, unfortunately, they do not provide any opportunity for U.S. leverage on the issue of nuclear proliferation. There are two reasons for this: first, the reform movement failed politically because it linked domestic reform (social and economic) with foreign policy reform. Its foreign policy was a bridge too far for the hardliners, who cracked down on the reform movement and has, for the time being, rendered it completely toothless. Second, there is a rare Iranian national consensus in support of Iran's nuclear program, even among the reform-minded.

In "It's Who You Know: Informal Networks in Iran," Dr. Bill Samii provides a look into the Byzantine realm of informal decision-making networks that have traditionally operated in parallel with its formal, constitutional system of checks and balances. For both institutional and cultural reasons, these informal networks and their impact on Iranian decision-making are difficult for outsiders to penetrate and even more difficult to influence. The reliance on informal networks to get things done is an important element of Iranian culture, but it has become more prevalent since the advent of the clerical regime. The webs of these networks consist of both the visible (think tanks, foundations, veteran's relief groups and charities) and the invisible (education, religious status, political leanings, kinship relationships, military service, and the Iranian underground economy). Dr. Samii uses social network analysis to outline some of the known informal networks that currently influence Iranian nuclear decision-making.

Dr. Ahmed Hashim's chapter, "Instruments of the Devil: Security Decision-Making in Iran's Quest for the Bomb" outlines Iran's security decision-making process in two key and closely related areas: its civilian nuclear energy program and its nuclear weapons program. Iran's nuclear ambitions predate the current Islamic Republic, going back to at least the late 1950s. Under the Shah, Iran's international position on the nature of its nuclear program was as cagey as it has been under the clerical regime in recent years. While the Islamic revolution and subsequent political and military purges set Iran's nuclear program back decades, it did not change the fundamental consensus within the

country in support of nuclear status. It is always difficult to discern a nation's nuclear intentions and motivations since nuclear weapons programs are, by their very nature, highly secret. Iran's convoluted decision-making and influence networks adds to the opacity, but according to Hashim, an additional complication must be considered. There is a deep ideological tension between Iran's nationalist consensus that it has the right to pursue peaceful nuclear power and nuclear weapons (if necessary for national security) and a level of theological unease with the Islamic correctness of nuclear weapons, which Ayatollah Khomeini once denounced as "instruments of the Devil." Hashim argues that if Iran is pursuing nuclear weapons, the decision was made in the very early 1990s because of several key strategic factors: its "loss" to Iraq in the Iran-Iraq War and Iraq's subsequent military dominance; Iraq's use of chemical weapons against Iran and the weak international response; the emergence of an anti-Iranian Arab front in the Persian Gulf region; Iraq's invasion of Kuwait and the subsequent U.S. military response that proved the latter's stunning military supremacy; and the collapse of Iran's erstwhile ally, the Soviet Union.

Finally, Mr. Michael Eisenstadt, in "Influencing Iran's Nuclear Proliferation and Employment Calculus," explores the relationship between Iran's internal calculations and the broader international system. Eisenstadt agrees that Iran's nuclear program is not regime-specific. It flows from rational calculations of the country's strategic interests, vulnerabilities, and environment. He discusses the diverse and complex set of factors that drive Iran's nuclear program and will most likely continue to do so in the future, even under a more democratic and moderate regime. Eisenstadt goes on to explain why it will be very difficult for the international community – and virtually impossible for the United States unilaterally – to persuade Iran to abandon its nuclear program, even with extensive security guarantees and regional security frameworks, and the impact the failure to do so could have on stability in Iran, the Middle East, and beyond. The chapter concludes with an outline of U.S. policy options for dealing with the challenge of Iran's nuclear ambitions: delay (the longer it takes for Iran to develop nuclear weapons, the better; even if it continues to make progress toward that goal); diplomatic deals (either unilaterally, through the European Union, or through other international bodies); promoting regime change; preventive action; and, if all else fails, deterrence and containment of a nuclear Iran and persuading Iran not to become a third-tier nuclear supplier.

***IRANIAN DOMESTIC POLITICS AND U.S.-IRANIAN RELATIONS:
A COMPLEX ENCOUNTER***

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INTRODUCTION: RUNNING IN PLACE

Iran is a post-revolutionary state whose foreign policies are still constrained by the ghost of Ayatollah Khomeini and the revolutionary vision he bequeathed. It is thus not possible to clearly delineate any moment at which Iran made a decisive jump from revolutionary-charismatic politics to a phase of post-revolutionary politics guided by an ethos of pragmatism and *real politik* at home and abroad. A linear explanation of the Iranian politics, or a linear explanation of the affect of those politics on its foreign relations, does not capture the beguiling contradictions, tensions, and multiple vectors that shape domestic and foreign policy. Instead, we must see both domains as shaped by a multi-faceted “dissonant” logic whose core feature is the institutionalization of competing domestic and foreign policy agendas that echo the multiple legacies of the Islamic revolution, as well as the contending elite and popular interests that do battle everyday to define what the Islamic Republic is all about.

The policy-relevant consequences of this battle for U.S.-Iranian relations are not encouraging. Rather than formulating a foreign policy that transcends domestic battles, Iran’s leaders have formulated – sometimes by design, other times by default – a multi-faceted foreign policy that echoes and transmits these tensions in ways that help Tehran sustain a modicum of regime stability while deflecting Western - and especially American - pressures for basic changes in its foreign policies. Iran’s stance towards the U.S. – as well as Israel – provides its small yet powerful ruling elite of True Believers with the last arena through which to sustain the residue of Khomeini’s xenophobic vision of the “Great Satan.” To relinquish this vision is not only to give up the ghost, it is also to bury the very idea of an Islamic Republic founded on an ideology of revolutionary Islam whose very *raison d’etre* is rejection of American culture, ideals, and values. While there are pragmatists among Iran’s clerical elite who can envision peace with Washington, from the vantage of the True Believers, any formal normalization of relations would open the gates to a cultural, economic, and ideological deluge – one that Iran’s disaffected youth could not possibly resist. Thus, while Tehran has countenanced direct and second-track talks with the U.S. on issues such as nuclear proliferation, Gulf security, post-Saddam Iraq, Afghanistan, and American sanctions, none of Iran’s leaders has run the risk of pursuing a fundamental remedy to the twenty-five year plus estrangement between Tehran and Washington.

Two factors have magnified the fears and hesitancy of even the most pragmatic of Iran's conservative leaders. The first is the rise – and at least partial demise – of President Khatami's reform movement. By linking their quest for domestic reform to their international agenda, Khatami and his allies upped the ante. In the eyes of Iran's hard-liners, including Supreme Leader Khamanei, this linkage made the reformists that much more dangerous because it suggested that a victory on the home front would increase the reformists' influence on the foreign front, and vice versa. To put in differently, it was one thing for Khatami to preach a “dialogue of civilizations” abroad, and quite another not merely to preach that dialogue at home, but to link these dialogues in ways that made each dependent on the other. Thus, within a year of Khatami's election in May 1997, the conservatives set in motion a plan to recapture the domestic and foreign policy agendas.

The second factor that has further convinced Iran's leaders that they cannot and will not countenance any revision of their relationship with the United States is the national –and nationalist – consensus in favor of obtaining a self-sufficient fuel cycle, and by implication, a nuclear arms capacity sufficient to deter either Washington and Tel Aviv from attacking Iran. Having recaptured control of the domestic political system and the ungainly foreign policy making apparatus, having reaped many rewards –some of them quite unexpected – from Washington's Iraq gambit, and enjoying a windfall from high oil prices to boot, Iran's conservatives are now secure and even emboldened. They have very little pragmatic incentive to meet U.S. concerns about nuclear proliferation, or less ambitiously, to address Washington's concerns about other issues such as terrorism or the Arab-Israeli conflict.

This does not mean that Iran will rebuff Washington on every issue, or even more so, will seek to antagonize the United States by pursuing adventurist policies. What this means instead is that Iranian foreign policy is unlikely to dramatically change for the better or for the worse in the near or medium term. Instead, Iran's leaders will “keep running in place” by doing what they have always done: seeking to play the Europeans off against the U.S.; hinting that they will not oppose a Palestinian-Israeli peace while supporting Palestinian forces who oppose a two-state solution; emphasizing Tehran's relatively “constructive” role in Iraq, while positioning intelligence and terrorist assets to be used against American forces if circumstances (such as an American attack on its nuclear sights) warrant this in Tehran's estimation; and if possible, striking a third deal with the Europeans on the nuclear fuel question while insisting on its rights on the NPT to a self-sufficient fuel cycle - a position which may eventually bring Tehran to a point of diplomatic and even military confrontation with Washington.

Some Iran analysts have speculated that the consolidation of conservative power in Tehran may, paradoxically, create conditions that will help Washington and Tehran break out of their conflictual relations. Having dispensed with the reformists and broken their efforts to link reform at home with foreign policy openings abroad, Iran's conservatives, it is argued, might now be well placed to negotiate with Washington from a position of domestic, regional, and global strength. Indeed, such a scenario is precisely what many reformists fear: over the last year, the readiness of conservative clerics to take a more permissive stance on social issues is said to presage a kind of "China" model in which Iran's renews relations with its former enemy, in return for an implicit promise from Washington that it will not challenge the *political hegemony* of Iran's ruling clerical establishment. That former President Hashemi Rafsanjani supports one version of such a policy and - what is more - might recapture the presidency when elections take place in June 2005, suggests that the "Nixon in China" scenario may become a real option.

Such an outcome cannot be ruled out. But Rafsanjani will face stiff challenges in mustering the domestic clout and cover he needs to achieve a breakthrough with Washington. While the latter's suspicions and concerns will also work against a breakthrough, the ultimate obstacle to improving U.S.-Iranian relations remains the *implacable hostility of Iran's hard-line clerical establishment to paying the domestic price that such a breakthrough would entail*. Rafsanjani knows this, and it is precisely this knowledge that will incline him to *accelerate* the "running in place" approach that has guided Iranian foreign policy. Talks, proposals, suggestions, U.S.-Iranian meetings of all kinds, a conciliatory voice on Iraq and a nationalist voice on the fuel cycle question, dissonance, multiple messages and controlled confusion - all these are themes that Washington will probably once again encounter in the coming years. But when push comes to shove, Rafsanjani will not sacrifice his neck to lobby the Supreme Leader and his hard-line allies for a basic change in Iran's relations with the United States.

This fact does not mean that a Rafsanjani presidency will leave Iran's domestic and foreign policy arenas unaffected or unchanged. Indeed, Rafsanjani might open a small if ephemeral window of opportunity for Washington. On the domestic front, he will push for more economic liberalization and even a dose of de-facto political liberalization. This approach will further *fragment* the reformist opposition, but it also will create new space for economic and social forces - especially businessmen - that did not exist before, or whose existence was marginal in organizational terms. A weakening of *formal politics* may thus be compensated by a new level of *atomized* social and economic activity whose cumulative political significance will be hard to gauge.

On the foreign front, Rafsanjani might signal that he is ready to strike a deal with the Europeans on the fuel cycle issue. He might even send fairly explicit hints of his readiness to pursue an opening to Washington. But he will only do so providing he has the layers of institutional cover to deny such an initiative - or to append to it conditions (i.e., releasing Iran's frozen assets held by the U.S.) and/or to language that will prompt a negative reply from the Washington. While the latter might gain a tactical advantage - particularly on the diplomatic/European front - from responding positively to such trial balloons, the administration is unlikely to run the domestic risk of calling Tehran's bluff. If it does, unforeseen opportunities for reworking U.S.-Iranian relations might emerge. If the administration doesn't blink, a continuation of the messy status quo will help Washington avoid making decisive choices about how to tackle its relations with Iran.

INSTRUMENTAL AND CULTURAL OPPOSITION TO THE US: RIGHT VERSUS LEFT

Iranian foreign policy is a reflection of its domestic politics in general, and its internal power struggles in particular. The regional and global implications of the latter were by no means fully apparent during the nearly ten years that Khomeini ruled Iran-- in part because the apparent consensus within the ruling elite about how to deal with the West -- and especially the United States -- obscured fundamental differences about domestic and foreign policy. On the left of the ideological spectrum were the "Islamic Leftists," a group consisting of some clerics, but mostly of lay professors and university students, many of whom had played a central role in seizing the American embassy in November 1979. The leaders of Islamic Left became the leaders of the Reform Movement in the late nineties. On the other side of the isle was what I will call the Clerical Right, a group that consisted mostly of Khomeini's own disciples and allies, many of whom had studied with him in Qom.

Both groups shared a deep antipathy towards the US, but the roots, and nature of this hostility were different. For the Islamic Left, hostility towards the US grew out of a largely rational basis: it reflected their commitment to a kind of Islamic socialism and social justice platform which, in line with much of the European left at the time, dictated a policy of political and economic self-sufficiency from the West, and from the US in particular. But because Islamic Leftists assumed that economic independence also required cultural or ideological independence, for largely strategic reasons, they bought into Khomeini's xenophobic anti-Americanism, even though many Islamic Leftists had pursued higher education in the West and especially in the US! In short, their anti-

Americanism was strategic and instrumental, a point whose political relevance only became clear in the mid-nineties.

By contrast, the anti-Americanism of the Clerical Right was first and foremost culturally and identity-based: it reflected profound hostility to American cultural, social and economic values. These values, Khomeini and his allies argued, were an existential threat to Iran's Islamic identity because in contrast to Islam's focus on marrying spiritual and material pursuits in ways that united the Islamic community, American values subordinated the community to the individuals' supposedly blind quest for material and physical pleasures. Thus for Clerical Right, there could be no compromise with these values. On the contrary, Iran had to erect its own version of Berlin Wall, without which the very foundations of the Islamic Revolution would be in jeopardy.

During the eighties, the implications of this divide between a cultural or identity-based hostility to the US on the right, and a strategic and instrumental hostility to the US on the Left, were obscured by domestic struggles over economic issues. Clerical Rightists were clerical conservatives when it came to questions of private property rights and the role of the state in the economy. Thus they resisted the Left's efforts in the Majlis or parliament to pass legislation that provided for state control over the economy, even while they shared – for largely cultural reasons—the Left's determination to keep foreign (and especially American) investment out of Iran. That the two sides opposed such investment for very different reasons was not a *politically significant point* in the eighties, but it did become very significant when, starting the early nineties, a number of leading Islamic Leftists – including Khatami himself—began to rethink the political implications both at home and abroad of their antipathy towards the West and the US in particular.

THE TWIN DEFECTION OF THE ISLAMIC LEFT: 1990-1996

The occasion for this rethinking was the alliance formed in 1989 between newly elected President Hashemi Rafsanjani, and the newly anointed Supreme Leader Ayatollah Khamanei. Although both men were members of the Clerical Right, Rafsanjani represented the right's more pragmatic wing, a position that partly reflected his connections to the *bazaaries* (Iran's traditional, and largely pro-capitalist business class). Due to the high economic and social costs of the eight year Iran-Iraq war and the debilitating consequences of Iran's economic isolation from the global capitalist community - an isolation fully blessed by the Islamic Left - the bazaaries had become increasingly hostile to the Left's quasi-socialist, autarchic policy by the late eighties. Rafsanjani seized on this hostility by proposing not merely a policy of economic reform

and opening to the West, but also a domestic policy of trying to isolate Islamic Leftists, who vociferously opposed his mild economic liberalism.

That Islamist Leftists opposed him not merely by attacking the substance of his economic reform policies, but also by implicitly questioning the doctrine of the Ruling Jurist, or *velayati faqih* - which was nothing less than the very ideological *raison d'être* of Iran's Islamic state - only helped to solidify a close alliance between Rafsanjani and Khamanei. Since the first had been responsible for engineering the selection of the second as "Supreme Leader" gave Rafsanjani the confidence that he could count on Khamanei's support for his liberalization up strategy - providing that in return he backed the Supreme Leader's insistence on absolute authority from all members of the political elite. Thus, when the Islamic Leftists assailed Khamanei's authority, Rafsanjani backed the Supreme Leader's purge of Islamic Leftists from the parliament and other ruling institutions. This purge began in 1991 and lasted until Khatami's election in May 1997.

It is difficult to emphasize the lasting if paradoxical consequences of that purge for Iran's domestic politics then and now, and for its foreign policy towards the West and the United States in particular. The purge began when a slew of men were disqualified from participating in the 1991 5th Majlis elections. The Council of Guardians - an unelected clerical watchdog organization - justified these disqualifications by questioning the "Islamic" or "revolutionary" qualifications of many veteran leaders of the Islamic Left, some of whom had been on the front lines of the radical student groups who seized the American embassy in 1979. Suddenly, many of these "Children of the Revolution" (as they were called) found themselves victims of the very arbitrary justice they had used against their rivals in the eighties, and what is more, of accusations that they were a "fifth column" of Western influence! Stung by these charges, leading Islamic Leftists such as Khatami began to rethink their support for Iran's autocratic institutions and the very idea of *velayati-faqih*. What is more, they began questioning the anti-American discourse long used by the Clerical Right. Thus, by the mid-nineties, Iran's ruling family was experiencing a twin defection: a defection from their always-difficult alliance with the Clerical Right, and a defection from the principle of unrelenting anti-Americanism that the latter considered a non-negotiable foundation of the Islamic Republic.

KHATAMI'S "DIALOGUE OF CIVILIZATIONS" LINKING REFORM AT HOME AND ABROAD

The vociferous and determined effort by Khamanei and his allies to bring Khatami and his allies down has its roots in the twin nature of the threat that the latter posed to the hegemony of the clerical establishment. Having used and legitimated the clerical right's own anti-Western discourse in his day, Khatami well understood that the purpose of this discourse was to discredit any opposition and the legitimate clerical establishment of all dissent. Thus, when Khatami and his allies became the latest victims of that discourse, they concluded that any effort to oppose the clerical right's autocratic policies and actions also required an ideological assault on the xenophobic language they used to back up those actions. It was from this twin logic that Khatami developed his support for a "dialogue of civilizations," a dialogue that was not merely about overcoming the layers of mistrust and prejudice that separated Iran from the West, but also about promoting a dialogue *at home* that included (rather than excluded) the various ideological streams that constituted the Islamic Revolution. Thus, Khatami and his allies created an organic link between the idea of domestic political reform on the one side and an opening up to – and "de-Satanization" of – the West on the other.

This link was not merely rhetorical but also *political and strategic*. Although elected by a landslide in May 1997, in the ensuing three years Khatami and his allies did not control the most powerful political institutions of the state. On the contrary, the Office of the *Rahbar* (Leader), the Council of Guardians, the Council of Experts, and the entire Judiciary were all tightly controlled by a closely knit network of veteran Clerical Rightists, many of whom annually reproduced a very effective patronage network through Qom-base religious schools, or *hawzahs*. In contrast to the majority of Iranian youth, who by the late nineties were thoroughly alienated from the very idea of clerical rule, the graduates of these *madrassas* were True Believers who could be quickly mobilized on behalf of the regime and the *faqih* himself (Khamanei). When combined with the more numerous (and certainly less well educated) Basiji Forces ("Mobilization Forces"), the students formed a crucial prop of the regime whose effectiveness derived from the fact that they, plus the Basiji Forces, constituted an *organized minority* in contrast to the *disorganized majority* that directly or tacitly supported Khatami.

To compensate for this paradoxical situation, Khatami initiated an international charm offensive whose purpose was not merely to help Iran break out of its international isolation. Beyond this global-strategic goal, Khatami's effort to reach out served a

domestic strategic purpose: to strengthen his bargaining leverage at home by demonstrating his international support abroad. Towards this end, Khatami and his allies in the Foreign Ministry – the vast majority of whose top-level employees backed his reformist agenda – opened up Iranian relations with the Arab world, particularly with the Gulf Monarchies and with Western Europe. Moreover, while Khatami did not advocate normalizing relations with the United States, he did advocate a kind of *détente* by advancing the idea of society-to-society exchanges. Moreover, in his speeches, press conferences, and interviews with both Western and Iranian journalists, Khatami made the case for viewing American culture through a multi-dimensional lens that emphasized, among other things, the role that the Protestant religion played in creating the *ideological foundations for religious freedom*. Thus, Khatami helped to puncture the notion of a “Satanic America,” and in so doing, fed the quest of young people to experience the cultural attributes of this long forbidden fruit.

MULTIPLE MESSAGES AND AMBIGUOUS MEANINGS: 1997-2000

Khatami’s more nuanced and tolerant vision of the West and even the United States served the purposes of the Clerical Right. In easing the way for a renewal of relations with Western Europe, it facilitated Iran’s efforts to divide the latter from the United States, a policy that would greatly facilitate Tehran’s efforts to avoid international pressure on its quest for a self-sufficient fuel cycle. Moreover, from the Clerical Right’s position, *the domestic price they had to pay for giving Khatami considerable latitude in the foreign policy arena was initially fairly low*, since, as noted, the most powerful political institutions, as well as the parliament, were still under the Clerical Right’s control. Finally, despite (or perhaps because of) Khatami’s efforts to encourage a “dialogue of civilizations,” the Clerical Right did nothing to curb its own ideological attacks on the U.S. during the late nineties. Moreover, it continued to hold regular international conferences for host of Shi’ite and Sunni “revolutionary” organizations that used terrorism, opposed Israel’s right to exist, and most of all, demonized the U.S. through the Iranian media, or through Arab media such as Hizbollah’s *Al-Manar* television station. Thus, the ups and downs of the Clinton administration’s efforts to ease relations with Iran, as well as the far less ambitious efforts of the Bush administration to explore openings for dialogue with Iran, were certainly undermined by the near-impossibility of getting a single united foreign policy voice or vision out of Tehran. Iran’s domestic divisions were intentionally mirrored in, or displaced onto, the foreign affairs arena, and have repeatedly created a powerful disincentive for the U.S. to pay the

domestic costs of any serious, determined effort to move beyond the still-enduring Cold War with Iran.

THE AFGHANISTAN DEBACLE: REINING IN THE ISLAMIC LEFT 2001-2004

Iran's February 2001 Majlis elections dramatically altered the Clerical Right's assessment of the internal threat posed by the Islamic Left and the Reform movement. Paradoxically, by winning some two-thirds of the Majlis seats, the reformists *undermined* their own domestic position. After all, until 2001 the conservatives controlled the Majlis and were thus able to quash any political reform legislation proposed by the reformists before it got off the ground. Thus, the conservatives could avoid two somewhat embarrassing alternatives, i.e., either a veto from the Council of Guardians, which was constitutionally empowered to verify the "Islamic" qualifications of all laws, or an appeal to the Supreme Leader to denounce the reformists. But in the wake of the Reformists' 2001 Majlis victory, conservatives determined to stop Khatami and his allies had no other choice but to go over the heads of the only elected body in the country, thus assuring that whatever steps they took would have zero legitimacy in the wider populace. Khatami's second election victory in June 2001 further cemented this unhappy logic, thus magnifying the determination of the Clerical Right to quash the Reform Movement itself.

The attacks on 9/11 and subsequent American led war on the Taliban were the proverbial straws that broke the camel's back. For the Reformists, 9/11 seemed to offer a golden opportunity to mobilize popular and elite support for renewing U.S.-Iranian relations. To achieve this, several Reformist deputies created a special Majlis committee to explore options for breaking the U.S.-Iranian log jam. This effort was complemented by sympathetic statements from Khatami and other Iranian leaders on Washington's war against the Taliban - statements that reflected the common strategic interest that Washington and Tehran had in combating that terrorist organization. These statements were echoed in concrete ways by the tacit support Iran gave to the anti-Taliban alliance, and by the positive role it played during the post-war Bonn Conference on Rebuilding Afghanistan. Although it is hard to imagine now, at this point Tehran's actions elicited some cautiously approving remarks from official Washington.

This combination of reformist activism and speculation in both Tehran and Washington about how and in what ways cooperation in Afghanistan might lead to an improvement in U.S.-Iranian relations proved fatal for the reformists. From the vantage point of their hard-line rivals, these developments confirmed what the hard-liners had long feared: i.e., that reformists were bent on using the international arena to both

enhance their domestic position and to advance their quest for an opening to the U.S. Thus, by late October 2001 Supreme Leader Khamanei was already denouncing calls for an opening to the United States, a position that was underlined by threats from the head of the judiciary - a close ally of Supreme Leader Khamanei - to arrest advocates of détente with Washington. Within several weeks, Khatami was backing away from the sympathetic remarks he had made after 9/11, and the judiciary was stepping up its arrests of reformist writers and editors and even threatening to remove the immunity enjoyed by Majlis deputies. Henceforth, the reformist quest for an opening to the U.S. was dead in the water.

Whether this outcome would have been different had the reformists not taken such a public posture on U.S.-Iranian relations is impossible to know. Certainly, after the 2001 Majlis elections, the hard-liners were hell bent on dealing their adversaries a final blow. Afghanistan – and the subsequent “Evil Axis” speech delivered by President Bush in February 2002 - gave the Clerical Right the excuse it dearly sought. Indeed, it appears likely that the events that led to the Bush administration’s decision to take a much more adversarial position towards Iran (particularly the escape of several hundred Al-Qaeda fugitives into the Iran and the seizing in January 2002 of the *Karine A* - a ship laden with arms bound for the Palestinians) were both actions undertaken by Iranian hard-liners determined to embarrass Khatami and his allies. And if they were not, these actions demonstrated that that deflection of internal Iranian power struggles onto the international arena were sustaining the schizophrenic foreign policy that Washington’s hard-liners had long argued the U.S. could not tolerate.¹ Bush’s speech said to the Iranians that whether their foreign policy was the result of a real split within the ranks of the ruling elite, or whether the notion of such a split was elaborate bureaucratic camouflage for a cynical, but closely coordinated division of labor between Iran’s reformists and their purported hard-line rivals, Washington would no longer tolerate an Iranian foreign policy that advocated peace while practicing deception and violence.

¹ In this author’s own meetings with Iranians, in the context of second track diplomacy talks, it was generally argued by Iranian reformists that the *Karine A* affair, and particularly the flight of Al Qaeda operatives across the border into Iran, were actions facilitated by Iranian hard-liners intent on sabotaging any effort to renew U.S.-Iranian relations. Reformists argued that while the American reaction was understandable, going public with the “Axis of Evil” speech was only one of several options the U.S. could have chosen. Quiet pressure rather than public posturing would not have played into the hands of the hard-liners, who were delighted with the Bush administration response.

THE RETURN OF THE CONSERVATIVES: 2002-2004

The Bush administration's confrontational approach to Iran was not *responsible* for the demise of Khatami's reform movement or the reassertion of conservative clerical power – a process that will come to fruition with the election of a non-reformist President in the summer of 2005. But there is no doubt that the administration's bellicose tone, coupled with President Bush's decision to appeal in Summer 2003 to the Iranian people above the heads of the Iranian government, signaled Tehran that from the vantage point of the White House, both the elected an "un-elected" parts of Iranian government (i.e., the Majlis and President on the one side, and the Council of Guardians and related clerical institutions on the other) were henceforth deemed by Washington to be irrelevant to Iran's *democratic* future. Because administration officials suggested that regime change was the only genuine route to creating a democratic alternative to Iran's Islamic Republic, Iran's reform movement in general, and Khatami in particular, felt stabbed in the back by the U.S., a point he relayed in many meetings with his allies in the reform movement.*

The invasion of Iraq and toppling of Saddam Hussein deepened the reform movement's domestic isolation and political vulnerability. Paradoxically, this vulnerability was rooted in the two very different – indeed opposite – perceptions of the regional threats and opportunities generated by the American-led invasion. The perception of threat ensued from the widely held view in Tehran that the falling of Saddam Hussein's regime would further tighten the strategic noose around Iran's southern and eastern flanks. Washington's close relationship with Pakistan's Musharraf, and its emerging alliance with the new leader of Afghanistan, had already reinforced the familiar Iranian perception of siege, isolation, and encirclement. But with the fall of Saddam Hussein, the stationing of thousands of American soldiers on Iraqi soil, and constant hints from some American officials - or neo-conservative policy makers with closely tied to the administration - that the fall of Saddam was prelude regime change in Tehran, there emerged within elite circles a perception of strategic threat that cut across ideological lines. Khamanei and his allies wasted no time in manipulating this threat to portray reformists – especially those who still had the temerity to advocate talks with Washington – as a fifth column bent on undermining Iran's internal and regional security.

* Interviews with two reformist closely affiliated with Khatami provided insights into his sense of frustration with the American administration.

Yet this perception of threat was balanced, and in time even overwhelmed by a new perception of *strategic opportunity* – a perception that strengthened the conservative clerics. These shifting perceptions can be traced to at least two developments: First, the emergence in 2003 and 2004 of a Shi'ite political leadership in Baghdad, many of whose leading lights came from organizations closely tied to Iran, such as the Supreme Council for the Islamic Revolution in Iraq (SCIRI); and second, the escalating anti-American insurgency in Iraq, which, while lead by Sunni Islamists, nevertheless benefited Iran. With America's military tied up in a bloody confrontation with an elusive enemy, the perception in Tehran began to shift, from one of encirclement by the U.S. to one of U.S. weakness and vulnerability. What is more, Washington's dependence on a Shi'ite leadership, which, despite its rejection of Iran's particular approach to wedding religion and politics, was tied to Iran by virtue of personal ties, religion, culture, and common strategic interests, increased Iran's leverage in Iraq many times fold. As a result, far from feeling threatened, by 2004 Iran's clerical establishment felt domestically secure and regionally emboldened. These perceptions played a role in the decision of the Guardian Council to reject the candidacy of almost all reformist-linked candidates in the February 2004 7th Majlis elections, a decision that ended the reformists' control of the parliament and probably set the stage for a conservative sweep with the upcoming presidential elections.

RAFSANJANI'S REVENGE AND THE RISE OF THE PRAGMATIC RIGHT

Such a sweep by no means signals the emergence of a coherent conservative leadership united by a common approach to domestic and foreign policy. It is true that by comparison to the reformist period, during which foreign policy was held hostage to domestic politics, we can now expect a relatively more unified front from the conservatives. After all, they do not fear the kinds of domestic retribution for going “off the farm” the Khatami and his allies suffered. Yet the dissonance that has characterized Iranian domestic and foreign policy will not disappear. Indeed, some of the ideological and pragmatic fissures within the conservative bloc may be as deep - if not deeper - than those that pitted reformists against conservatives. While Iranian foreign policy may be less constrained than it was during Khatami's time, it will still be shaped by the push and pull of domestic political struggles.

The key division within conservative ranks is both economic and cultural, rational and ideological. It pits the “Pragmatic Right” against the “Ideological Right.” The leader of the first group is former president Rafsanjani, while the leader of the second is shared

by several leading conservatives, including Ayatollah Khamanei, and Ayatollah Jannati (the head of the Guardian Council). The approach that Rafsanjani and his allies take to domestic and foreign policy is dictated by their interest in strengthening market forces and linking them to the forces of economic globalization: thus while they are sympathetic to the Clerical Right's anti-Americanism. The pragmatists see it as more of an internal and foreign bargaining chip than a statement of cultural purity. In this sense, the Pragmatic Right is carrying forth the Islamic Left's instrumentalism, even while the former attempts to distinguish itself from the latter. As for the Ideological Right, it views foreign and domestic politics through a cultural-identity lens and thus rejects any of the pragmatic accommodations proposed by Rafsanjani and his allies – particularly vis a vis the U.S.

The emergence of the Pragmatic Right can be traced to its complex and contradictory relations with the Islamic Left, and to the slow but relentless growth of a new private business sector that has thrown its political support to Rafsanjani and his allies. Each of these two factors merits discussion.

The complex and contradictory nature of the Pragmatic Right's relations with Iran's reformists goes back at least to the late 1989/90, when Rafsanjani formed an alliance with Khamanei and backed the political purge of many Islamic Leftists. The opposition of the latter to his economic reform initiatives was one factor that led him to take this position. But in addition to this, there was the memory of the 'Iran Contra Scandal' during the mid-eighties, a scandal that prompted Rafsanjani to give a green light to the arrest and extra judicial killings of several politicians and clerics who he believed had exposed his role in the scandal.

One of Rafsanjani's victims was the son-in-law of Ayatollah Montazeri, a prominent Grand Ayatollah and heir apparent to the throne of the Supreme Leader until 1987. Although a long-time ally of Khomeini, in 1987 Khomeini denounced Montazeri after he accused the regime of human rights abuses (an accusation that was partly prompted by the killing of his son-in-law). In 1990/91, Montazeri emerged as the darling of the reformists, who eagerly embraced the veteran ayatollah because he provided a powerful and religiously legitimate cover for Islamic Leftist's criticisms of the doctrine of Clerical Rule (*velayati faqih*) - criticisms that were aimed at the new Supreme Leader, Ayatollah Khamanei. Thus, when the Islamic Left embraced Montazeri, Rafsanjani had an additional - and very personal - reason for backing the purge of the Islamic Left.

In supporting this purge, Rafsanjani deprived himself of a potential ally who could shield him from the ideological obsessions of the Clerical Right's hard-liners. Those obsessions led the hard-liners to oppose Rafsanjani's economic policies for ideological and cultural reasons, a motivation that (as noted above) was very different from the instrumental impulse that led the Islamic Left to oppose Rafsanjani's economic liberalization strategy. By its very nature, the latter motivation was open to revision, since it was animated far more by concrete social justice concerns than by the abstractions of first order ideological principles. But having put his fate in Khamanei's hands - and more importantly, in the hands of the clerical establishment without whose support the "Supreme Leader" could not rule - Rafsanjani found himself bereft of allies who could shield him from the Clerical Right's True Believers, and, what is more, who might be coaxed into taking a more positive position on opening Iran to the global economic order.

To compensate for this isolation, Rafsanjani blessed the creation of a new political grouping called the "Servants of Reconstruction" (*kargozaran-e sazanegi*). Created just in advance of the 1996 parliament elections, the Servants spoke for a small but growing sector of private businessmen that had not benefited from redistribution of oil rents during the eighties and early nineties. Having grown up outside the state-subsidized network of parastatals and semi-official foundations (*bonyad*), the leaders of this new sector sought fresh opportunities for foreign investment and trade outside the oil sector and the industries it effectively subsidized, especially in light manufacturing and agriculture. These goals could not be realized without an end to American sanctions, and more broadly speaking, without a significant opening of Iran's economy to the West. Seeking to push for just such an opening, in 1998 several leaders of the sector formed the *Towlidgerayan* (The Productive Party). In a challenge to the very patron-client structures that had helped to sustain the clerical establishment, this new group called for "reducing monopolies, creating equitable conditions in the market, promoting foreign and domestic investment, and creating a culture of respect for the entrepreneur and for private property rights."*

It should be noted that despite Rafsanjani's tense relationship with the Islamic Left, during the late nineties the above-discussed private-sector groups supported Khatami and the reformists. Indeed, it was none other than Rafsanjani himself who pushed Khatami to run in the May 1997 elections. That he did so despite the distrust of

* Kjetil Selvik, *Theocratie et Capitalisme, Les Entrepreneurs Industriels de la Republic Islamic D'Iran*, These pour l'obtention du doctorah de l'Institut D'Etudes Politiques de Paris et de l'universite d'Oslo en Science Politique, 2004, p. 299.

him that many Islamic Leftists still harbored can be explained by a number of things. However shrewd, the former president did not anticipate the extent of Khatami's victory, or the way this shy intellectual would galvanize millions of Iran's disaffected youth. Moreover, during the 1996 parliamentary elections, the Servants of Construction did fairly well, thus providing Rafsanjani with an organized ally that could serve as a useful partner for – and balance to – Khatami's own supporters. Finally, while bitter memories of Rafsanjani's persecution of his critics lingered in the hearts of many Islamic Leftists - as did a certain residue of concern about the social consequences of unbridled economic reform - by 1997 most leaders of the Islamic Left had come to the conclusion that political reform required market reforms as well. This pragmatic position opened the door to an alliance between the Islamic Left and the Servants of Construction, whose participation in the pro-reformist Second of Khordad Front - an alliance of 18 groups led by Khatami's younger brother and his "Islamic Participation Front" - helped set the stage for the reformists' victory in the February 2000 parliamentary elections.

Yet however successful, the alliance between Servants of Construction and the Islamic Participation Front was not sufficiently deep or institutionalized to overcome the legacy of personal distrust between Rafsanjani and his critics in the Islamic Left. Indeed, that distrust produced a full-scale and ultimately successful campaign by the Islamic Left to deny Rafsanjani a seat in the parliament during the 2000 elections. While many of the most pragmatic reformists warned against any effort to humiliate Rafsanjani, they could not deny that the former president had it coming. But then so did the Reformists, who from 2000 onwards endured the wrath and machinations of Rafsanjani. Determined to get his revenge, he led his supporters out of the coalition and backed the conservatives during the 2004 parliamentary elections.

THE FOREIGN POLICY IMPLICATIONS OF THE 2005 PRESIDENTIAL ELECTIONS

While Iran's June 2005 presidential elections may very well have been marred by an element of election fraud, there is no doubt that the trouncing of the reformists candidates - two of whom, Mehdi Karroubi and Mostafa Moin, are in fact veteran Islamic Leftists - reflected the widespread disillusionment of young people with the reformists, as well as the political fallout from split that emerged in 2000 between Rafsanjani's supporters and those of the Islamic Left itself. Indeed, if the reported 63 percent turn out from the 2005 elections is credible, or even if the figure was somewhat lower than this, the preliminary indications suggest that voter apathy may be less important than voter

disillusionment with reformists - a sentiment that at the voting both translated into a combination of apathy on the one side, and voter determination to punish the reformists on the other. These two factors, combined with a plethora of right-wing candidates, produced an unprecedented outcome for the Islamic Republic: a presidential election with no decisive winner. With Rafsanjani having taken 6.1 million, or 21 percent, and Tehran Mayor Mahmood Ahmadinejad coming in a close second with 5.7 million, or 20 percent, a runoff now takes place between two wings of the conservative movement, the pragmatic right and the extreme right.

Given the very unpredictable nature of this election, as well as the ongoing controversy over its results, venturing a prediction regarding the second round may be a fool's task. But based on what we know about the choices facing voters, as well as the ideological, social, and cultural splits within their ranks, it seems likely Rafsanjani will squeak through. After all, in the second round, advocates of reform will have to make an extremely unenviable choice: staying home and thus making Ahmadinejad the likely victor, or holding their noses with both hands and (if they can manage it) voting for their nemesis, Rafsanjani. With the three leading reformist candidates having garnered some 10.5 million votes between them, this author believes that some two thirds of these votes - at least 8 million - will go to Rafsanjani, giving him some 14 million votes, while the nearly 6 million votes that went to the two other conservative candidates (Larijani and Qalibaf) will go to Ahmadinejad, giving him a total of 11.5 million. Thus, Rafsanjani will prevail with at least 55 percent of the total vote of 24.5 million - assuming a reasonably fair election.

To assess the potential impact of this very modest Rafsanjani victory, we must keep several points in mind. First and foremost, beyond the general sense of disillusionment of Iran's youth with Khatami and his reformist allies is the specific perception that cuts across class and ideological lines, namely, that the reformists have failed to address the every day social, economic, and infrastructural problems that Iranians must suffer. While Ahmadinejad and his allies may - as Karroubi and other Reformists have asserted - have used the lower class "Basiji" forces to manipulate the elections, the fact remains that many average Iranians believe that the former is more in touch with the daily concerns of Iranians than Moin and his allies in the Islamic Left. This perception is also shared by many of Rafsanjani's supporters in the bazaar and the new business sectors. But because these economic groups are generally *supportive* of economic reform and opening to the West, while those that support Ahmadinejad oppose market reforms and want more economic intervention from the state, we can predict with

some assurance that whoever wins the election will be constrained from adopting any major economic initiatives. The recent steep increase in oil incomes will surely facilitate such a policy of immobility, and at the same time, create less of an incentive to open up to the West, and the United States in particular.

Second, the winner of the second round of elections will greatly benefit from the widespread sentiment among all sections of Iranian society that Iran's drive for a self-sufficient nuclear fuel cycle is national and a nationalist issue that no leader can compromise on. This perception has greatly benefited the Clerical Right, a fact attested to by the focus of Rafsanjani and those to his right on security issues throughout the campaign. If Rafsanjani does win the second round, he will surely find this sentiment both a source of strength and a constraint on his actions. Indeed, it is hard to envision any offer from the Europeans that will meet the domestic legitimacy requirements of any Iranian leader under the present conditions.

Third, given the highly contested nature of this election, whoever wins the second round will probably feel impelled to create some kind of national unity government that brings in different ideological trends and interests. Even Ahmadinejad may feel compelled to do so, particularly if the perception of a stolen election endures. As for Rafsanjani, the great paradox is that if he pulls through, he will again be indebted to the very Islamic Left he shunned and persecuted. He will need latter's help to survive, a point that probably explains why, during the elections, he issued a number of statements that seemed to challenge the authority of the Supreme Leaders, statements that seemed to echo Khatami. But no one should assume that Rafsanjani has any serious intention of defying Khamanei. Quite apart from the fact that the Reformists have lost credibility and do not have the leverage (and even the desire) to back up Rafsanjani, is the reality that in his effort to court Reformists, the former cannot afford to antagonize Khamanei and his allies in the Clerical Right.

This brings us to the final point, and that is the towering importance of Supreme Leader Khamanei. Early on in the presidential election campaign, Khamanei intervened and reversed a decision of the Guardian Council to ban Moin from running in the race. In taking this position, the Supreme Leader was attempting to reinforce his own legitimacy as the grand master of the political system, the ultimate arbiter who rules not in favor of any one group, but rather in the interests (*maslaha*) of the state and society. In this sense, he was trying to show that he is continuing in Khomeini's footsteps as the "absolute" Ruling Jurist. The problem is that, in reality, Khamanei's authority is neither absolute nor supreme. He has no personal charisma, but rather lives and breathes the institutional

charisma that derives from his Office, and from the clerical establishment that is behind that Office. And so he must enforce that establishment's bidding by making it clear that those who cross any "red lines" will be severely punished. This is why he aggressively lashed out at Karroubi and came close to denouncing Karroubi's assertions of electoral foul play as treasonous. But at the same time Khamanei must be careful not to make it appear that he is a mere bogeyman of the hard right, since such a perception would vastly undercut his own authority as Jurist, or *Faqih*.

Assuming that Rafsanjani backs off from his own claims of electoral foul play and garners sufficient support from the youth to squeak through the elections, he will find himself once again in partnership with Khamanei and thus compelled to help the Supreme Leaders maintain the above-described balancing act. This will give him some room for domestic maneuver in that he will be able to put himself forward as the dependable and loyal voice of the reform movement. Such a claim may sound ridiculous to some, but what is important is that a Rafsanjani-Khamanei alliance might restore some notion of ideological balance and inclusiveness at the top echelons of the ruling elite, whereas an Ahmadinejad-Khamanei alliance would detract from regime legitimacy by virtue of its total hegemony. Thus, in terms of regime credibility and survivability, the first outcome is far preferable to the second.

CONCLUSION

If Ahmadinejad does manage to win the second round, Iran's political system will be plunged into a legitimacy crisis whose impact on the country's foreign policy is hard to predict. An Ahmadinejad "win" would help revive a Rafsanjani-reformist alliance that would deny the state's rulers any authority and allies outside the narrow boundaries of the Clerical Right. Although Khamanei is a creature of the latter, he cannot afford, as has been noted, to be totally and completely subservient to it. Thus, this author feels he would welcome a weakened Rafsanjani back into the presidential position. If this does not happen, Iran's leaders will have far less room to play the "running in place" game by which they attempt to balance competing domestic interests through a dissonant foreign policy that sends multiple messages to multiple foreign constituencies. Under these conditions, the prospect for some kind of diplomatic or even military clash between Washington and Tehran will increase. In so far as the prospects of such a clash only deepened the nationalist impulse of Iranians – an impulse that the Bush administration has often enhanced—an Ahmadinejad-Khamanei alliance would probably benefit, at least in the short term, from a worsening of U.S.-Iranian relations.

If, on the other hand, Rafsanjani pulls through (still a likely outcome), we can expect a continuation of the running in place, dissonant foreign policy that has been so much a part of Iranian foreign policy since the early nineties. The stronger the vote for Rafsanjani, the easier it will be for him to pursue initiatives in the international arena, provided such initiatives do not cross any red lines, such as a formal normalization of relations with the United States; explicit support of a two-state solution of the Palestinian-Israeli conflict (prior to the negotiation of any peace agreement); a deal on the nuclear fuel cycle that would have Iran explicitly and permanently surrendering its quest for such a cycle; or a public commitment to withdraw support for Hizbollah. But within these boundaries there is plenty of running in place that Iran could do, thus preserving its diverse alliances in the international field while sustaining the precarious balance of domestic political forces that constitutes Iran's dissonant political system.

IT'S WHO YOU KNOW -- INFORMAL NETWORKS IN IRAN

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INTRODUCTION

A formal policy-making structure exists in Iran, but the national security policy process is fairly obscure. One reason for this is that in the clerically-dominated government of this theocratic state, dissimulation and secrecy are traditional practices. This is somewhat ironic, in that Supreme Leader Ayatollah Ali Khamanei declared the Iranian year beginning in March 2004 to be the Year of Accountability. Moreover, there is no Iranian equivalent to the investigative journalism prevalent in the West. Defense and security issues, such as nuclear policy, are particularly out of reach. Restrictive but poorly-defined press laws make it easy to imprison correspondents, and many of them play it safe by practicing self-censorship.

Contributing further to this obscurity is the relevance of personal networks in Iranian society at large and in the government specifically. The reality of governmental affairs in Iran is that, regardless of formal structures, informal networks are very influential in the decision-making process. This paper will discuss the networks and individuals who are involved in determining Iranian nuclear policy, as much as that is possible given the constraints of open-source analysis. In turn, this will contribute to the project's overall objective of identifying ways in which the United States can communicate with Iran and influence its policies and actions regarding its nuclear program.

THE FORMAL DECISION-MAKING STRUCTURE

Formally and constitutionally, Iran's Supreme Leader, Ayatollah Ali Khamanei, is at the top of the foreign policy and national security structure, and he makes final decisions. He is tasked with supervising the executive, legislative, and judicial branches of government (Constitutional Article 57). His duties include making general policies of the country after consultation with the Expediency Council, and supervising the proper execution of these general policies (Article 110). Personnel appointments made by the Supreme Leader that affect security issues include appointments of the chief of the joint staff, the commander of the Islamic Revolution Guards Corps (IRGC), and the supreme commanders of the conventional armed forces. He also has the power to assume command of the armed forces, to declare war and peace, and to mobilize the armed forces. A 1989 revision of Article 110 says the Supreme Leader may delegate part of his duties and powers to another person.

The country's top foreign policy body is the Supreme National Security Council (Article 176). It determines national security and defense policy within the framework of the general policies specified by the Supreme Leader, and it coordinates all activities related to national security. The president (currently Hojatoleslam Mohammad Khatami) chairs the Security Council. Its other members are the speaker of parliament; judiciary chief; chief of the armed forces' Supreme Command Council; the officer in charge of planning and budget; two representatives of the Supreme Leader; the heads of the Foreign Ministry, Ministry of Intelligence and Security (MOIS), and Interior Ministry; and the top officers from the conventional armed forces and the IRGC. The Supreme Leader must confirm Security Council decisions before they can be implemented.

The complex system of checks and balances delineated by the Iranian constitution means that the Supreme Leader and the Supreme National Security Council are not operating in a vacuum. A number of other governmental bodies are stakeholders in the foreign policy process.

The 38-member Expediency Council considers issues submitted to it by the Supreme Leader, and the Supreme Leader appoints all its members (Article 112). Ex-officio members of this body are the president, speaker of parliament, judiciary chief, and the six clerical members of the Guardians Council. The Expediency Council adjudicates when the Guardians Council and the parliament cannot resolve their differences over legislation. Former president Ayatollah Ali-Akbar Hashemi-Rafsanjani is the chairman of this body, and former IRGC commander Mohsen Rezai is the council's secretary.

The Assembly of Experts, an elected body of 86 clerics, is tasked with selecting and supervising the Supreme Leader. Its biannual meetings are held behind closed doors, but the official statements from the assembly's opening and closing sessions reveal an increasing interest in foreign affairs. Ayatollah Ali-Akbar Meshkini-Qomi is the speaker of the Assembly of Experts, and his deputy is Ayatollah Ali Akbar Hashemi-Rafsanjani.

The 290-member Iranian parliament's role in determining nuclear policy relates to its responsibility to approve all international treaties, protocols, contracts, and agreements (Article 77). Moreover, the president or a cabinet member must respond when at least one-quarter of the legislature poses a question on any issue (Article 88). The current speaker of parliament is Tehran representative Gholam-Ali Haddad-Adel, and deputy speakers are Tehran representative Mohammad Reza Bahonar and Qazvin representative Mohammad Hassan Abutorabi-Fard.

The Guardians Council vets all legislation for its compatibility with Islamic law and the constitution (Article 91). This 12-member body consists of 6 clerics appointed by the Supreme Leader, and 6 lawyers, who must be approved by the legislature from a list submitted by the head of the judiciary. Ayatollah Ahmad Jannati heads this body, and the other clerical members are Ayatollah Mohammad Daneshzadeh-Momen-Qomi, Hojatoleslam Sadeq Ardeshir-Larijani, Ayatollah Qolam Reza Rezvani, Ayatollah Mohammad Hassan Qaderi, and Hojatoleslam Mohammad-Reza Mudarissi-Yazdi.

Other bodies that play a part in nuclear decision-making are the Iranian Atomic Energy Organization, which is headed by Vice-President for Atomic Energy Qolam Reza Aqazadeh-Khoi, and the Foreign Ministry, headed by Foreign Minister Kamal Kharrazi. The IRGC, headed by General Yahya Rahim-Safavi, reportedly runs the clandestine aspect of the Iranian nuclear program. The Ministry of Defense and Armed Forces Logistics, headed by former IRGC naval commander Admiral Ali Shamkhani, plays a role, too, but it probably has less influence in the process than the IRGC because of the latter institution's status as the country's praetorian guard.

INFORMAL NETWORKS IN IRAN

There are several reasons why informal networks exist in parallel to formal structures. Some of these reasons reflect human needs: the desire for affiliation and a sense of belonging, reinforcement of one's sense of identity, and mutual support. Networks can also strengthen one's ability to respond to threats, reduce risk to the individual, and serve as a communications mechanism or "grapevine." In a political context, this refers to:

individual or group behavior, that is informal, ostensibly parochial, typically divisive, and above all, in the technical sense, illegitimate -- sanctioned neither by formal authority, accepted ideology, nor certified expertise (though it may exploit any of these).

There are positive and negative aspects to the existence of informal networks. From a governmental perspective, the negative aspects include the fostering of conflicting loyalties, resistance to change, and the development of group thinking.

From a theoretical perspective, the key aspects of informal networks are nodes (a.k.a. actors or units) and the relations between them (a.k.a. links). A node can consist of one or more individuals, or it can be an entire group. The node can serve as a bridge or liaison between groups, a leader or "star" with many interactions, or an isolated individual who does not interact with others very often. A different way of looking at the

actors in a network is to see them as “hubs” (the most connected individuals), “gatekeepers” (individuals who affect the flow of information between hubs), and “pulse takers” (interpreters of information who influence others’ perceptions).

Identification of nodes and links in current Iranian networks is difficult because Western entree to Iran is restricted, and Iranian scholars’ work on this subject is limited. The modernization efforts of Shah Mohammad Reza Pahlavi (1941-1979) provided observers with much better access. Many of the observations about inter-personal and intra-governmental activities during the Pahlavi era continue to hold true. A familiarity with some of this scholarly work, therefore, facilitates understanding the current situation.

Prof. Richard W. Gable, who assisted in the establishment of the Institute of Administrative Affairs at the University of Tehran, wrote in 1959:

[Iranians] are widely known for their friendliness and hospitality, but a vicious competition exists in many interpersonal relationships and is especially noticeable in the public service. A highly centralized, complex government bureaucracy serves a loose, individualistic society. And, although centralization is often extreme, coordination is rare.

Officials did not feel secure in their jobs, so they circumvented normal government procedures. “Family and personal influence have come to be so important that there is a common feeling that nothing can be accomplished through regular channels.” Indeed, using the regular administrative channels tended to be slower and more cumbersome than using informal ones.

Given the weaknesses of the formal apparatus, it was natural that Iranians found informal means to get things done. The *dowreh* (circle) was an institution in which upper and middle class Iranians met to discuss and act on issues of common interest. A *dowreh* usually met once a week, but politically active Iranians sometimes belonged to three or four of them. The size of each one was limited to between 12 and 16 people, but shared memberships meant that information would get to a wider range of people. This could be an effective way to communicate in a country with a weak news media:

If required, political opinions or gossip can be transmitted from a Shimran [northern Tehran] dowreh to the mosques, caravansaries, workshops, and teahouses in the remotest corners of the South Tehran bazaar within hours and to the other cities of Iran or countries outside of Iran within a day or two.

The *dowreh* system was not confined to the upper classes. A *dowreh* network encompassing *bazaar*, *maktab* (a religious school), *zurkhaneh* (the traditional house of strength), *hozeh-yi elmieh* (a religious lecture hall), and similar institutions also existed. The individual who passed information from one *dowreh* to another gains a degree of influence that may not be commensurate with his official status.

Professor James A. Bill, a long-time scholar of Iran, has done extensive work on informal networks. He refers to a system that is “multi-layered and honey-combed with complex networks of informal groups.” This system, Bill continues, includes “secret societies, religious brotherhoods, political cliques, coffee and tea house meetings, royal *khalvats*, ritualistic religious *dastes*, meetings of extended families, government *anjoman*, and bureaucratic factions and *fraktions*.” Writing when Iran was still a monarchy, Bill notes that the king was the center of numerous informal networks, and he surrounded himself with confidants who served as channels of access. These confidants could be military officers, cabinet members, family members, or old friends. In turn, these individuals had their own networks. Studying these networks is difficult, Bill writes, because:

In the politics of informality, those individuals who are most hidden from the public eye tend to be the most effective carriers of demands and information.

Decision-making under the monarchy had fewer democratic pretensions than its current counterpart. The king presided over meetings that dealt with a range of subjects, from defense policy to oil prices to wages for textile workers. He had a highly centralized and unintegrated administrative hierarchy because he did not trust his subordinates and sought to protect his throne.

INSTITUTIONALIZED INFORMALITY

One man, Ayatollah Ruhollah Khomeini, dominated the governmental apparatus that succeeded the monarchy. He and his followers purged the system of potentially disloyal officials and military officers, and they created competing bureaucracies. Fighting an eight-year war with Iraq and the need to rebuild the country in the 1990s emphasized the need to create more streamlined and efficient decision-making and policy-implementing institutions. Moreover, Khomeini’s successor as Supreme Leader, Ayatollah Ali Khamanei, does not have the same revolutionary or religious credibility. Nevertheless, Khamanei is still able to bypass normal bureaucratic means of transmitting

information via the Office of the Supreme Leader and a system of “Leader’s Representatives.”

The Office of the Supreme Leader is headed by Hojatoleslam Mohammad Mohammadi-Golpayegani. As of 2000, two members of the office – Ayatollah Mahmud Hashemi-Shahrudi and Ayatollah Mohammad Ali Taskhiri – were exiled Iraqis. This is relevant because as people of Iraqi rather than Iranian origin, their power and influence would be more closely associated with Khamanei and his office than with any other individual or network. The Office of the Supreme Leader has a number of special advisers. Some of these individuals are former Islamic Republic of Iran Broadcasting chief Ali Larijani, who now represents the Supreme Leader on the Supreme National Security Council; former Foreign Minister Ali-Akbar Velayati, who is an international affairs adviser; and former Speakers of Parliament Hojatoleslam Ali-Akbar Nateq-Nuri and Hojatoleslam Mehdi Karrubi. Roughly six hundred people are connected with the Office of the Supreme Leader.

A Leader’s Representative is assigned to each governmental ministry, of which there are 21, and there are Leader’s Representatives in all the military and security institutions. These individuals effectively serve as “clerical commissars,” and although their function is not specified in the constitution, they were at one point more powerful than ministers and other officials and could intervene wherever they wanted. The heads of the parastatal foundations, many of which are significant economic entities, are also Leader’s Representatives. Each of the country’s provinces has an appointed Supreme Leader’s Representative, as well as a governor-general appointed by the Interior Ministry.

One of the means by which leadership views are conveyed to the country’s clerics, and from them to the population at large, is the Friday Prayer sermon. The Friday Prayer Leader in Tehran is the Supreme Leader, and his substitutes include the Expediency Council chairman and another member of the council, Assembly of Experts speaker (who preaches in Qom), and the Guardians Council secretary. Most members of the Central Council of Friday Prayer Leaders, which meets annually, are appointed by the Office of the Supreme Leader. The content of the weekly sermon is determined in Tehran by the ten-member executive board of the Central Secretariat of the Central Council of Friday Prayer Leaders. There is some latitude in adding local variations, but there are no broad departures from the central directives. The views contained in sermons given in Tehran by Khamanei, Hashemi-Rafsanjani, and Jannati are reflected in most other cities, although there are local variations.

Ayatollah Jalaledin Taheri, the prayer leader in Isfahan, was a notable exception to this rule. He frequently decried official corruption and hard-line excesses, and he also voiced support for dissident cleric Ayatollah Hussein Montazeri. Yet little could be done to prevent Taheri's unauthorized statements because he was very popular and because Ayatollah Khomeini appointed him. Taheri's resignation sermon was so controversial that the Supreme National Security Council issued a directive asking newspaper managing editors to refrain from "posturing in favor or against Ayatollah Taheri." The man appointed as Taheri's successor, Ayatollah Yusef Tabatabai-Nejad, previously served as the Supreme Leader's Representative to Syria.

Attendance at the Friday prayers reportedly has dropped sharply since the initial enthusiasm that succeeded the revolution, but the Tehran and Qom sermons are broadcast by the state broadcaster, Islamic Republic of Iran Broadcasting (IRIB, a.k.a. Voice and Vision of the Islamic Republic). Sometimes, the Prayer Leader is preceded by a guest speaker. These individuals tend to come from the most hard-line sector of the body politic, and have included commanders of the IRGC.

Two other types of entities - think-tanks and foundations - function in this system of quasi-official networks. One such think-tank is the Center for Strategic Research, which is reportedly subordinate to the Office of the President, and another is the Iranian Institute for Political and International Studies (IPIS), which is connected with the Foreign Ministry. A think-tank's ability to influence policy is based on its connection with a powerful individual, and such influence appears to be wielded intermittently. For example, Hashemi-Rafsanjani's advocacy of a public referendum on Iran-U.S. relations in the Center for Strategic Research's quarterly journal prompted a reaction by President Khatami and intense discussion by the media. The political stir, however, had more to do with Hashemi's comments than with the institution responsible for the journal. Other publications from the Center for Scientific Research have not elicited such a reaction.

The foundations (*bonyad* in Persian) started out as Islamic charities that took over assets confiscated from wealthy Iranians and the Pahlavi Foundation after the revolution. They reportedly account for 10-20 percent of the GDP, and built up a domestic constituency by providing housing, hospitals, and other services for the poor. The head of each foundation is also the Supreme Leader's representative to that institution.

The biggest of these entities is the Oppressed and Disabled Foundation (*Bonyad-i Mostazafan va Janbazan*), which reportedly has assets worth more than \$10 billion. It has hotels, a shipping line, petrochemical producers, and owns a great deal of real estate.

After serving as Ayatollah Khomeini's bodyguard and then heading the Revolutionary Guards Ministry (which existed from 1982 until 1989), Mohsen Rafiqdust headed the Oppressed and Disabled Foundation until 1999. He currently heads the Noor Foundation, which imports pharmaceuticals, sugar, and construction materials, and owns real estate. He also serves on the Expediency Council.

Mohammad Foruzandeh currently heads the Oppressed and Disabled Foundation. Born in 1953, Foruzandeh studied at Tehran Teachers' Training College until his expulsion for anti-regime activities. After the Islamic Revolution, he served as governor-general of Khuzestan Province. In 1986, Foruzandeh served as the IRGC chief of staff, and in 1993 he was appointed as defense minister by then-President Hashemi-Rafsanjani.

The Imam Reza Shrine Foundation (*Astan-i Qods-i Razavi*), which is based in the northeastern city of Mashhad, also is noteworthy. Over the last 25 years the foundation's focus has shifted from the pilgrimage traffic to auto plants, agricultural businesses, and many other enterprises. It is worth an estimated \$15 billion. The head of the foundation, Ayatollah Abbas Vaez-Tabasi, is a member of the Expediency Council and the Assembly of Experts.

TRADITIONAL BASES OF NETWORKS

Aside from the quasi-official links discussed above, personal networks in Iran are based on several factors - religious status and education, political affiliation, kinship, military service, and wealth. As will be seen below, it is impossible to distinguish one factor from another, and to clarify which factor is dominant in a network.

There is no precise figure on the number of clerics in Iran - 15 years ago estimates ranged from 90,000 (media observers), to 200,000 (Iranian clerics themselves), to 300,000 (European sources). Another 50,000-60,000 Iranians had some religious training. There were about 40,000 theology students at Iranian seminaries. There were some 60,000 people with no formal training or qualifications who acted as urban preachers, rural-prayer leaders, and procession organizers. Reportedly, thousands of individuals continue to receive training at religious institutions in Isfahan, Mashhad, Qom, Tehran, and other cities.

In Iran, many of these theologically inclined individuals have received training in the major Shia cities of Qom and Mashhad, and they have gone on to work in these cities. There are almost 60 seminaries in Qom, the most prominent of which are Fayzieh, Dar ul-Shafa, Hojjatieh, Sayteh, and Golpayegani. Mashhad is the site of the tomb of Imam

Reza and 20 seminaries, including Khairat Khan, Mirza Jafar, and Navvah. There are also seminaries in Isfahan, Shiraz, Tabriz, Tehran, and Yazd. Other major Shia centers are in the Iraqi cities of Al-Najaf and Karbala, and the Baghdad neighborhood of Khazimiyah.

This common professional and educational background serves as the basis for a convoluted system of networks. The case of the Haqqani religious school illustrates this point (see appendix). Alumni of this institution are active in the Judiciary and the IRGC, and until a few years ago, in the MOIS. Haqqani lecturers have connections with other seminaries, religious research institutions, and publishing houses. The influence of Ayatollah Khomeini, who was a noted religious scholar, also illustrates this point. He reportedly taught thousands of students who would later have important roles in the revolutionary regime. Among his former students are Khamanei, Rafsanjani, Grand Ayatollah Hussein-Ali Montazeri-Najafabadi, Ayatollah Mohammad Mahdavi-Kani, Ayatollah Ali Meshkini, and Ayatollah Hassan Sanei.

Many of these individuals are linked through membership in the country's two main clerical political entities, the older and more conservative Tehran Militant Clergy Association (*Jameh-yi Ruhaniyat-i Mobarez-i Tehran*) and the pro-reform Militant Clerics Association (*Majma-yi Ruhaniyun-i Mobarez*), which emerged in 1988. Clerics are involved with other political entities. For example, Guardians Council Secretary Ayatollah Ahmad Jannati is a leader in the conservative Coordination Council of the Islamic Revolution Forces, which is trying to select a candidate for the 2005 presidential election (other leaders in this council are Expediency Council member Habibullah Asgaroladi-Mosalman, who was secretary-general of the Islamic Coalition Party, and former parliamentary speaker Ahmad Nateq-Nuri, who is an adviser to the Supreme Leader).

Top clerics come from similar family backgrounds. In some cases the kinship links are fairly straightforward. The sons of the prominent apolitical cleric Ayatollah Mirza Hashem Amoli, who are known by the surname "Larijani," are a case in point. Currently, Ali Ardeshir-Larijani is an adviser to the Supreme Leader, Mohammad Javad Ardeshir-Larijani is an adviser to the judiciary chief, and Hojatoleslam Sadeq Ardeshir-Larijani serves on the Guardians Council. Positions held by the brothers in the past include head of state radio and television, Islamic Culture and Guidance Minister, political officer in the IRGC, deputy foreign minister, parliamentarian, founder of the parliamentary research center, member of the Supreme National Security Council, and presidential adviser.

In other cases, the family connections seem counter-intuitive. Ayatollah Yusef Jannati-Sanei and Ayatollah Hassan Jannati-Sanei are brothers, but they are at opposite ends of the political spectrum. Hassan heads the 15th of Khordad Foundation, which is offering a multi-million dollar bounty for the head of British author Salman Rushdie, whose *The Satanic Verses* allegedly insults the prophet Mohammad. Hassan also serves on the Expediency Council. Yusef, on the other hand, is one of the country's most respected clerics and he is fairly apolitical, although he has spoken out against the house arrest of Montazeri and other hard-line excesses.

Three other brothers also illustrate this point. Hojatoleslam Mohammad Mojtabeh-Shabestari is a theology professor at Tehran University who has spoken against religious conservatism and advocates women's rights, while Ayatollah Mohsen Mojtabeh-Shabestari is a Tabriz Friday Prayer leader, a member of the Assembly of Experts, and was a conservative parliamentarian representing Tabriz. The third brother, Ali Ashraf Mojtabeh-Shabestari, served as ambassador to Tajikistan, ambassador and assistant to the Permanent Representative Office of Iran at the Geneva office of the UN, head of the Foreign Ministry's Finance Department, and head of the Center for Political Studies' International Department.

A common military or revolutionary experience also can serve as the basis for a network. Many members of the Islamic Iran Developers Coalition (*Etela'f-i Abadgaran-i Iran-i Islami*), which dominated the parliamentary polls for Tehran in February 2004, served in the IRGC and allegedly maintain their contacts with the corps. Ten of the top 30 finishers in the race for parliamentary seats representing the capital city, Tehran, served in the Iran-Iraq War (1980-1988). This includes Hussein Muzaffar, Imad Afrugh, Davud Danesh-Jafari, Ali Reza Zakani, Seyyed Ali Riaz, Hamid Reza Katouzian, Parviz Soruri, Mehdi Kuchakzadeh, Zaynab Kadkhoda, and Hussein Fadai. Eleven of the top 30 were involved with Syrian, Lebanese, or Palestinian revolutionary activities, were imprisoned by the previous regime, or were otherwise involved in opposition activities. This includes Gholam 'Ali Haddad-Adel, Ahmad Tavakoli, Seyyed Mehdi Tabatabai-Shirazi, Muzaffar, Afrugh, Danesh-Jafari, Seyyed Fazlollah Musavi, Hussein Nejabat, Hussein Sheikholeslam, Hojatoleslam Abbas Ali Akhtari, and Fadai. One reformist newspaper estimated that some 90 members of parliament have a "background in revolutionary and military institutions," although this is rather vague.

Such connections are not restricted to conservative political figures. Prominent reformists, including Mohsen Armin and other founders of the Mujahedin of the Islamic Revolution Organization served in the IRGC, as have the Solidarity Party's Ebrahim

Asgharzadeh, investigative journalist Akbar Ganji, legislator Hamid-Reza Jalaipur, and journalist Mohsen Sazgara.

Money is another factor that connects individuals and is a source of power and influence. Iran's fairly large "underground economy," which consists of legal and illegal activities, represents the "symbiotic relationship between the ruling theocratic oligarchs and their business supporters in the bazaar." Participants in this process include state-sponsored enterprises, the foundations described above, credit markets in the bazaar, the religious shrines, bank-like entities and credit unions, and major clerics' private finances.

The business connections and related wealth - some \$1 billion - of Ayatollah Ali-Akbar Hashemi-Rafsanjani's family are a good example. Hashemi-Rafsanjani was born to a pistachio-farming family in the village of Bahraman, and while studying in Qom he got close to Ayatollah Khomeini. After the revolution, he served in the legislature and executive branches (see below). One of Hashemi-Rafsanjani's sons now heads the Tehran subway project, worth \$2 billion, and another runs a horse farm in a wealthy Tehran neighborhood. A cousin is managing director of the Rafsanjan Pistachio Growers Cooperative, and an older brother ran the country's largest copper mine. Mohsen Rafiqdust, former head of the Oppressed and Disabled Foundation and current head of the Noor Foundation, is related to Hashemi-Rafsanjani by marriage. The family also runs an airline and is involved in auto making.

The *aqazadeh* phenomenon represents the nexus of networks based on kinship and wealth. An *aqazadeh* is one "born to" (-*zadeh*) a cleric (*aqā*), and in Iran it is a colloquialism for officials' family members. These individuals take advantage of their family connections to conduct speculative business ventures. According to the judge presiding over a high-profile corruption case in 2002, the Iranian judiciary "opened an investigation into the illegal activities of the progenies and relatives of certain officials" in February 2000, and the head of the State Audit Office said the courts are investigating more than 60 cases involving the *aqazadehs*. He added, "These individuals took advantage of their fathers' status to commit some transgressions."

Possibly because of their high-level connections and access to money, some individuals implicated in corruption cases emerge relatively unscathed. In a case involving Morteza Rafiqdust (brother of Mohsen Rafiqdust), his accomplice Fazel Khodadad was found guilty of misappropriating several billion rials and was executed, while Rafiqdust received a life-sentence. A parliamentary investigation in 2001 found that Rafiqdust was allowed to leave the prison. Nasser Vaez-Tabasi (son of Ayatollah

Vaez-Tabasi) ran the Sarakhs Free Trade Zone until being arrested in July 2001 for selling shares in a state-owned enterprise. He was immediately released on bail, and he and his co-defendants were acquitted in March 2003 on the grounds that they were ignorant of the law.

KEY PLAYERS IN IRANIAN NUCLEAR POLICY

The number of individuals who have an official role in national security decision-making is limited, and nuclear policy is probably restricted to an even smaller group of individuals. The National Defense University's Prof. Richard Russell notes:

Some scholars and observers of Iranian politics dismiss ... evidence that Iran has embarked on a full-fledged nuclear weapons program. It is curious that they should have confidence in making such an assessment, given that the secretive regime in Tehran is not likely to publicly broadcast a decision to acquire nuclear weapons. Such a decision would be tightly held in a small circle of regime insiders.

That "small circle" of decision-makers can be influenced from outside because its members are actors within networks and the links between them. They are therefore susceptible to the public discussion of the nuclear issue. Initially, the Iranian press unquestioningly reported the government's anti-nuclear stance, and it spoke out against "outside scrutiny of and meddling in what was deemed as Iran's peaceful nuclear energy program." After Pakistan tested a nuclear weapon in late-1998, Iranians began to demand a similar capability. But the debate that did appear was more about policy options - to have or not to have - than about the possible existence of a nuclear weapons program.

Discussion of the issue had evolved by 2004 in light of the international community's increasing concern over possible Iranian nuclear ambitions. Debate on nuclear options in the overall context of the country's foreign policy became "more widespread and transparent," there was consideration of the costs and benefits of a weapons program, and after President George W. Bush consigned Iran to the "axis of evil" in his 2002 State of the Union Address, the nuclear option was viewed as a deterrent or a bargaining tool. Iranian commentary has generally been against crossing the nuclear threshold because this would have a negative impact on Iran's relations with its immediate neighbors, possibly lead to international sanctions, and serve as a pretext for greater U.S. involvement in the region. Consideration now is given to whether Iran should leave the Nuclear Non-Proliferation Treaty and if it should adhere to the Additional Protocol of the NPT.

As the subject has encroached on the public sphere, the number of individuals who have weighed in on it has increased. Individuals whose specific duties and responsibilities do not touch on the nuclear issue discuss the issue openly, and they are able to influence internal debates by bypassing the formal structures. The list below identifies some individuals - other than the Supreme Leader - who are likely to have an impact on decision-making in the nuclear arena and who have not been discussed elsewhere in this paper.

Qolam Reza Aqazadeh-Khoi is the Vice-President for Atomic Energy and head of the country's Atomic Energy Organization. By bragging, bluffing, and exaggerating, he tried to portray himself as the Father of the Iranian Nuclear Program. In fact, there is no such individual. Aqazadeh-Khoi has not had a significant role in Iran's nuclear negotiations with the European Union, in contrast with officials from the Supreme National Security Council, and this indicates that he is not a significant player in this process.

Ayatollah Ali-Akbar Hashemi-Rafsanjani, who is 70 years old, has served in most of the Islamic Republic's top jobs. He was the parliamentary speaker and then the president (1989-1997), and he currently is chairman of the Expediency Council and deputy head of the Assembly of Experts. He is disparaged as a political opportunist, but his every move is watched closely: witness the hostile and vociferous reformist reaction to his running for parliament in 2001 and the political discourse regarding his running for president in 2005. Networks connected with Hashemi-Rafsanjani are based on his family and its financial holdings, his professional positions, and his connection with two technocratic and centrist political groups - the Executives of Construction Party and the Moderation and Development Party. He is not an advocate of conducting foreign policy openly: he was closely involved with the arms-for-hostages deal of the mid-1980s, and he dispatched Mohsen Rezaei to Athens in May 2003 to participate in Track Two diplomacy. His public comments on nuclear issues mirror those of the Supreme Leader and other conservative officials.

Ayatollah Ahmad Jannati is secretary of the Guardians Council, a member of the Expediency Council and Assembly of Experts, the Supreme Leader's Representative for Bosnia Affairs, and the Supreme Leader's Representative to the relief headquarters for Kosovar Muslims. He also has provided the hard-line Ansar-i Hizbullah vigilante group with theological justifications for killing. In late 2003 he advocated withdrawal from the NPT:

However, what is wrong with reconsidering this treaty on nuclear energy and pulling out of it? North Korea pulled out of it and many countries have never even entered it? It would have been much better if we had not entered it at all. But now that we have entered, we are free to reconsider. Why should we not reconsider this?

Conceding that the final decision rests with the Supreme Leader, Jannati said: “The Additional Protocol would impose an extraordinary humiliation on us and we should not accept it under any circumstances.” He later expressed unhappiness over the decision to suspend uranium enrichment: “Of course, I felt very bitter when I heard that all [nuclear] activities have been postponed. This was as bitter as poison to me.”

Hojatoleslam Mohammad Khatami was elected president of Iran in May 1997 and re-elected in June 2001. Born in Yazd Province to a clerical family in 1943, he began his religious studies in Qom in 1961. He also earned a bachelors degree in philosophy at Isfahan University. Khatami served as a legislator from 1980-1981, and as the Islamic Culture and Guidance Minister from 1981-1982 and again from 1989-1992. From 1980-1988, he chaired the War Propaganda Headquarters. He headed the national library from 1992-1997 and was also an adviser to President Hashemi-Rafsanjani during this time. Younger brother Mohammad Reza Khatami (d.o.b. 1959) was deputy speaker of the sixth parliament (2000-2004), and another brother, Ali Khatami (d.o.b. 1953), heads the presidential office.

Khatami appears to be behind Iran’s aggressive pursuit of a nuclear capability. He created the Supreme Council for Technology shortly after his election in order to complete the nuclear reactor at Bushehr, as well as other activities needed to master the nuclear fuel cycle. Khatami also took steps to ensure that an adequate budget was available. He reportedly wanted Iran to have access to nuclear energy “for peaceful purposes” and to produce electricity.

Ali Larijani, who worked with the IRGC in the early-1980s, currently serves as the Supreme Leader’s representative to the Supreme National Security Council. Larijani dismissed Iran’s November 2004 agreement with the European Union’s “Big Three” - France, Germany, and the United Kingdom - to voluntarily “continue and extend its suspension to include all enrichment-related and reprocessing activities.” He said Iran made concessions in exchange for nothing tangible, effectively exchanging a “pearl” for a “bonbon.” Uranium enrichment should not be halted without securing economic concessions, he said. The European promise of assistance in gaining World Trade

Organization membership, furthermore, is a one-time deal whereas suspending uranium enrichment is a continuous commitment, according to Larijani.

Mohammad Javad Larijani, Ali Larijani's brother, was born in Najaf, Iraq, in 1950. He is the judiciary chief's foreign affairs adviser, an Expediency Council member, and heads the Center for Research on Theoretical Physics. In August 2004 he said that prior to Iran's taking on any commitments, the West should build it four nuclear reactors. Larijani recommended leaving the NPT if pressure on Iran increases. A month later he said Iran has the right to acquire a nuclear weapon: "From a defensive point of view it makes no sense for our enemy to have nuclear weapons while we deprive ourselves of these weapons ... We have a certain and indisputable right to possess nuclear weapons ... Israel possesses nuclear weapons, and because of this, no one has the right to deprive us of the possession of these weapons."

Hojatoleslam Mohammad Mohammadi-Reyshahri founded the Ministry of Intelligence and Security and headed it from 1984 until 1989. Reyshahri served as chief judge of the Military Revolutionary Tribunal in the immediate post-revolution period. He later served as prosecutor of the Special Court for the Clergy. In 1991, he replaced Ahmad Khomeini as leader of the Iranian delegation to the hajj pilgrimage. Reyshahri founded the Society for the Defense of Values of the Islamic Revolution in 1996 and stood as its candidate in the 1997 presidential election. In April 1997, he was appointed to the Expediency Council, and is now a member of the Assembly of Experts. He also heads the Shah Abdolazim shrine foundation.

Hojatoleslam Hassan Rohani, a former vice-president and five-term legislator from Semnan, is the secretary of the Supreme National Security Council and has had the lead in discussing nuclear issues with the European Union. He also serves on the Expediency Council.

Hussein Shariatmadari is the Supreme Leader's representative to the Kayhan Institute and the managing-director of *Kayhan* newspaper, and he served with the IRGC in the early 1980s. He has regularly called for Iran to withdraw from its international nuclear obligations and denounced related agreements. "The final solution is surely withdrawal from the NPT," he wrote, but before that Iran must renounce the October 2003 agreement with the EU. He wrote of Iran's November 2004 agreement with the EU to temporarily suspend uranium enrichment: "What appears to be emanating from the whole affair is the stench of giving in to illegal, illegitimate and excessive demands made by the European Union (EU) troika (read the U.S. and its allies)." Two months later he

wrote that Iran must resume uranium enrichment in order to gain concessions from other countries.

Ali Akbar Velayati, the Supreme Leader's international affairs adviser and a member of the Expediency Council, served as Iran's foreign minister from 1981-1997. He declared support for Iranian negotiating tactics and advocated continued cooperation with the IAEA. However, he advocates Iran's ability to exploit nuclear energy, as a means of guaranteeing the country's independence when it runs out of oil.

Aside from these individuals, there is a nuclear constituency in Iran. The former manager of the Bushehr nuclear facility said that the legislature and the head of the Atomic Energy Organization know the facility consumes too much money and is not economical, but the government insists on completing it for reasons of prestige. "But this project has become something on which our prestige depends, and the officials intend to finish it no matter what the conditions are in which that might happen," he added. The former manager explained that for this reason budgeting for the project is advancing without any accurate evaluations. He said that high-ranking officials working at Bushehr get very high salaries, and he implied that nepotism is involved in determining such appointments.

The 290-member Iranian parliament also plays a role in determining nuclear policy, and at first glance it appears to be little more than a rubber-stamp. British, French, and German foreign ministers - Dominique de Villepin, Joschka Fischer, and Jack Straw - visited Tehran in October 2003, and the two sides subsequently announced that Tehran "has decided to sign the IAEA Additional Protocol and commence ratification procedures [and] will continue to cooperate with the [IAEA] in accordance with the protocol in advance of its ratification." By law, the legislature must approve the signing of the protocol. Asked if such approval would be forthcoming, the government spokesman said that all the negotiations related to the Additional Protocol were "in line with the views and approval of" Supreme Leader Khamanei. He continued, "Given the fact that what has been accomplished so far has been approved by the highest authority in the land, it is not likely to face any difficulty."

Yet there have been voices of dissent in the legislature. Isfahan parliamentary representative Ahmad Shirzad said, "contrary to its claims, the regime is secretly preparing to produce weapons of mass destruction." Shirzad also said that the regime did not believe that its activities would be discovered, and the appearance that Iran had covered up its nuclear activities during the last 18 years undermined Iran's position as a

peaceful member of the international community. The speaker of parliament and other legislators condemned Shirzad, and a demonstration against him took place in Isfahan.

The current legislature, which was sworn-in in June 2004, supports Iran's development of a nuclear capacity, and in some cases has questioned and criticized officials for making concessions on this issue. When Tehran and the EU agreed that Iran would voluntarily "continue and extend its suspension to include all enrichment-related and reprocessing activities," the legislature summoned Supreme National Security Council Secretary Hojatoleslam Hassan Rohani. He told reporters after the meeting that the Iran-EU agreement is just a preliminary document that will determine future activities and it does not need parliamentary approval, but "Once long-term agreements are finalized, they will have to be ratified by the parliament." Rohani's explanation did not satisfy the parliamentarians, and he had to return for another closed-door session.

General legislative dissatisfaction with the international community's stand on the nuclear issue persists. Speaker of Parliament Gholamali Haddad-Adel, who is related by marriage to the Supreme Leader, said the parliament demands access to nuclear technology. The legislature, deputy speaker Mohammad Reza Bahonar said, "does not regard as positive the strict policies pursued by the European states in the recent draft resolution issued by the [IAEA] Board of Governors and interprets it as a reflection of the U.S. political attitude towards Iran's nuclear program."

The IRGC allegedly handles clandestine aspects of the Iranian nuclear program. Distrust of the officer corps in the regular armed forces led to creation of the IRGC shortly after Iran's 1979 revolution. Mohsen Rezai headed the IRGC from 1981-1997, and he now serves as secretary of the Expediency Council. The current head of the IRGC is General Yahya Rahim-Safavi, who served as Rezai's deputy. The deputy commander is Mohammad Baqer Zolqadr. A Revolutionary Guards Ministry headed by Mohsen Rafiqdust existed from 1982 until 1989.

CONCLUSION

Social network analysis is used to understand relationships between individuals and organizations, and it has been applied in the business world and in counter-terrorism to identify key actors and predict their future actions and positions. The U.S. Army's use of this methodology – creating "link diagrams" of blood and tribal relations – resulted in the capture of former Iraqi President Saddam Hussein. In one recent case, the Iranian government was used as a social network analysis case study. That case study determined that "social closeness" and "secondary group membership" were more important than the

straightforward administrative connections. It went on to warn, however, that its weighting of individuals' and groups' influence was questionable because the source of data was an Iranian opposition organization.

This paper can be seen as an attempt to update aspects of this earlier work with an emphasis on the less formal, personal networks. The prolific nature of networks and their informality makes it difficult to identify them. Members of networks interact at weekend gatherings, religious commemorations, weddings, funerals, as well as regular *dowreh* events.

Pragmatism and sensitivity to issues such as economics and geopolitics have surpassed ideology and nationalism as the main determinants of Iranian foreign policy in the quarter century since the Islamic revolution. Nevertheless, leading officials' statements make it clear that ideology continues to be a factor, and appeals to nationalism play a part in the nuclear debate. The role of these factors in any policy debate is unpredictable. Identifying networks makes the policy process more predictable, and identifying actors within the networks makes it easier for outside actors to influence decision-making in Iran.

APPENDIX A ¹

The Haqqani School Alumni Network.

Qom and Mashhad are considered the centers of Shia theology in Iran. The Fayzieh seminary was perhaps the most prominent religious institution in Qom in the 1900s. Until the early 1960s, Fayzieh was mainly a center of religious learning, and little political activity took place there. This conservative tendency changed when the Pahlavi monarchy tried to create official clerical institutions, and then security forces arrested Ayatollah Ruhollah Khomeini in 1963. After Khomeini's 1964 exile to Turkey, the political activist trend at the Fayzieh turned into one of intellectual activism and planning for the future, and this situation persisted until about 1975-1976.

The Haqqani School - originally called the Montazerieh School when it was founded in 1964 - was created in this setting. Its original benefactor was a conservative trader named Haqqani-Zanjani (hence the name), but once construction was finished he could not continue to bear the expenses, so Ayatollah Hadi Milani took over. Expenses mounted as the school grew, so Hajj Mirza Abdullah Tavasoli, a leather trader from Damavand, assumed the school's financial responsibilities. Tavasoli was linked with the ultraconservative Islamic Coalition Association (which is now the Islamic Coalition Party), which led Ayatollah Milani to sever his relationship with the Haqqani School. One of the intellectual founders of the Haqqani School was Ayatollah Mohammad Hussein Beheshti, and he had studied under Allameh Tabatabai, as had Ayatollah Mohammad Taqi-Mesbah-Yazdi, who would serve on the school's board of directors.

From 1964 to the time of Iran's 1978-1979 Islamic Revolution, the Haqqani School established links with institutions that acted more on the cultural front than on the revolutionary front. Some of these sympathetic institutions were the Dar Rah-i Haqq center run by Ayatollah Mohammad Taqi Mesbah-Yazdi (a member of the Haqqani board of directors) and the Maktab-i Islam center run by Ayatollah Nasser Makarem-Shirazi. Makarem-Shirazi also founded the Imam Ali, Imam Hassan Mujtaba, and Imam Hussein schools. Ayatollah Shariatmadari's Publicity Institutes (Muasisat-i Dar ol-Tabliq) provided much of the funding for these centers. Their main activities consisted of

¹ This information is from A.W. Samii, "Haqqani: Theology and Thought," *RFE/RL Iran Report*, v. 4, n. 17 (30 April 2001).

writing articles and publishing magazines, and the individuals associated with them did not engage in serious anti-regime activities. Seyyed Hadi Khosroshahi (who currently heads the Iranian interests section in Cairo) was a Haqqani sympathizer who wrote for one such publication, called “Maktab-i Islam.”

The Haqqani School became more active after the 1978-1979 revolution. As Haqqani graduates began working in the Judiciary, the Ministry of Intelligence and Security (MOIS), and the Islamic Revolution Guards Corps (IRGC), they hired old friends who had similar hard-line ideological and intellectual leanings.

Former Haqqani School Director Ayatollah Qoddusi headed the Revolutionary Courts, and Ayatollah Beheshti headed the Judiciary. Hojatoleslams Mohseni-Ejei, Razini, Ramandi, Sadeqi, and Mobasheri also were Haqqani graduates who serve or served in the Judiciary. Haqqani alumni who serve or served in the MOIS were Hojatoleslams Ali-Akbar Fallahian-Khuzestani and Ali Yunesi (as ministers), as well as Hojatoleslams Fallah, Islami, and Purmohammadi (now in the Special Court for the Clergy). Hojatoleslam Ruhollah Husseinian also served in the MOIS and the Special Court for the Clergy, and he now heads Iran’s Documents Center. Hojatoleslam Mohammad Mohammadi-Araqi now heads the Islamic Propagation Organization. Other prominent alumni include Hojatoleslams Hejazi and Gholamreza Karbaschi (brother of the former Tehran mayor).

Ayatollah Mesbah-Yazdi continues his political activities, having strengthened his position in Qom. He lectured often at the Rah-i Haqq institute, and a series of 1981-1982 lectures was published in book form by the Islamic Propagation Organization as an introduction to the rudiments of Islamic philosophy (now available as *Philosophical Instructions: An Introduction to Contemporary Islamic Philosophy*, Global Publications, 2000). The Rah-i Haqq institute, meanwhile, acts in coordination with the Academy of Islamic Sciences, the University and Seminary Research Center, the Qom Seminary Publicity Office, the Qom Theological Lecturers Association, the Supreme Council for the Supervision of the Seminary, the Masumieh School, and some other institutions. Mesbah-Yazdi eventually left the Rah-i Haqq institute and founded the Imam Baqir institute, which now operates with funds from the public purse and from the Oppressed and Disabled Foundation (Bonyad-i Mostazafan va Janbazan).

“INSTRUMENTS OF THE DEVIL”:

SECURITY DECISION-MAKING IN IRAN’S QUEST FOR THE BOMB

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INTRODUCTION

The leader of the Islamic Revolution and founder of the Islamic Republic of Iran, (IRI) Ayatollah Khomeini, reputedly referred to nuclear weapons in the early years of the republic as “instruments of the devil.” He expressed this sentiment to indicate that the IRI was not at all interested in the development of such weapons of war. But revolutionary idealism, genuine or otherwise, often loses when it collides with the real world. From the early 1990s onwards, outsiders suspected that the IRI was seeking to acquire nuclear weapons. The alarm was raised primarily by the U.S. and Israel, two countries that are today in the forefront of highlighting concern over Iran’s progress towards nuclearization. The IRI’s possible motivations for wanting nuclear weapons are varied and complex; and the extensive theoretical literature on why states go nuclear can help in clarifying the motivations in this particular case. In recent years, these suspicions have been fed by Iranian activities in the nuclear field that have left no doubt in the minds of policy and intelligence analysts and others that Iran is seeking nuclear weapons. The literature on Iranian motivations for nuclear weapons and activities in this arena has burgeoned, particularly in the last three years. Iran’s suspected efforts have occasioned a great deal of discussion concerning the correct international response, and many fear that threats by the U.S. or Israel to attack Iran’s nuclear infrastructure may be only a matter of time away.

This paper will not provide a detailed analysis of Iran’s path to nuclear weapons by going down the well-trodden path of exploring motivations via reference to the theoretical literature or a discussion of the right response on the part of the international community. Rather, its primary purpose is to address Iranian security decision-making in two closely related arenas: the civilian nuclear energy program and the nuclear weapons program. The paper is divided into two parts. First, it begins with a chronological narrative/history of Iranian endeavors in the nuclear arena. This will encompass both the monarchical and Islamic eras. In this section, Iran’s endeavors in the civilian nuclear energy and suspected nuclear weapons arenas will be detailed. Second - and in the paper’s primary focus - the possible decision-making matrix for both the nuclear energy and nuclear weapons programs will be explored, while at the same time the motivational factors that lead to the acquisition of both nuclear energy and nuclear weapons capabilities will be examined.

THE ORIGINS AND EVOLUTION OF IRAN'S NUCLEAR PROGRAM

Imperial Iran under Muhammad Reza Shah had extensive plans in the nuclear arena. In 1957, it signed an agreement with the U.S. to cooperate in the peaceful use of nuclear energy. In 1970, Iran signed the Nuclear Non-Proliferation Treaty. In 1974 Iran lent its support to a call for making the Middle East a zone free of weapons of mass destruction. Its Foreign Ministry developed considerable expertise in the area, alongside that of the Egyptian Foreign Ministry.

It was also in 1974 that Iran established the Atomic Energy Organization of Iran (AEOI) and a decision was taken by the Shah and his closest advisors to begin the most ambitious commercial nuclear energy program in the Middle East, a program that would have provided Iran with 23 nuclear power stations by the mid-1990s had the Iranian Revolution not intervened. In 1976, the then Federal Republic of Germany agreed to build two 1,300 megawatt plants at Bushehr, which were 60 percent and 75 percent completed when the Shah fell from power in 1979. Like its hostile neighbor Iraq, Iran sent thousands of students to pursue nuclear physics studies in Western universities, and technicians and engineers for advanced training in Western institutes. The Iranian government argued that it needed civilian nuclear power for long-term modernization and development, and to supplement limited oil reserves. No one in the West questioned the Shah's rationale for civilian nuclear energy, a rationale that is not very different from that put forward by the elites of the Islamic Republic of Iran, but which is now constantly questioned by outside observers.

Analysts at the time were divided over whether the Shah had a clandestine nuclear weapons program existing in parallel with the open civilian nuclear energy program. In the 1970s, Alvin Cottrell, an American analyst sympathetic to the Shah, dismissed speculation about Iranian nuclear weapons ambitions as "premature and exaggerated." But matters were not that simple: although the Shah stated that he had no intention of acquiring nuclear weapons, he also made it very clear that Iran's non-acquisition of nuclear weapons depended a great deal on the extent of non-proliferation in the region. As he told the noted Egyptian journalist Muhammad Hassanein Heikal: "I tell you quite frankly that Iran will have to acquire atomic bombs if some upstart in the region gets them." It is not clear whom the Shah was referring to as "upstart." It may have been Iraq, with which Iran was engaged in a struggle over regional hegemony.

Other analysts like Leonard Spector believed that the Shah was ultimately working to get the bomb. The sparse literature on Imperial Iran's motivations for the

bomb argued that the following factors constituted the key reasons: (i) the potential for the nuclearization of the Arab-Israeli conflict; (ii) the nuclearization of the Indian sub-continent following India's so-called peaceful nuclear explosion in the Pokhran Desert in 1974; (iii) expansion of Iran's freedom of maneuver vis-à-vis its superpower patron, the U.S.; and (iv) the desire for prestige and enhanced regional influence.

The evidence exists that the Shah had a clandestine nuclear weapons program separate from the civilian nuclear energy program. But whether his reign or dynasty would have seen an Iranian bomb became moot with the outbreak of the Iranian Revolution, which led to the overthrow of his rule and dynasty in January 1979. The Pahlavi dynasty was replaced by the Islamic Republic of Iran.

The years between 1979 and 1984 were a period of turmoil as the revolutionary hiatus of the consolidation of power in the face of internal enemies and the bloody war with Iraq shut down the nuclear power program. Thousands of Iranian technical experts, engineers, and scientists fled the country. IRI officials conceded that this was a low point in the development of the nuclear program.

THE NUCLEAR ARENA AND THE SECURITY DECISION-MAKING MATRIX

How the IRI makes its decisions has been a source of considerable interest over the years. The political system of the IRI is a very peculiar one, due to the interplay between the democratic and theocratic elements within the constitution of 1979. Iran's top leadership consists of a religiously appointed Supreme Leader, the *Rahbar*, whose rule over the country is defined as the "rule of the jurisprudent," or *vali-ye-faqih*; and a popularly elected president. The roles will be described below. This dual interplay between the theocratic and the profane in politics is mirrored in the presence of a multiplicity of parallel power centers; one set associated with the theocratic element and one with the profane. Not surprisingly, the literature on the political evolution of the IRI since its overthrow of Muhammad Reza Shah in 1979 has invariably concluded that the political system is highly factionalized due to the multiplicity of parallel power centers.

However, a major theme of this paper is that we must not assume that either the complex political system or the intense political factionalism for which the IRI is notorious would sabotage making and then implementing a decision to go for nuclear weapons. Various groups may have their input in the internal process, but the decision-making matrix (i.e., those who are involved in the decision-making to go for nukes and who may know the full extent of the program) is small and highly secret. As I will endeavor to show in this paper, the decision-makers of the IRI are capable of making

decisions with a united voice when it comes to national security, and of making such decisions *decisively*.

But let us ignore the “peculiarities” of the political system in the IRI and the convoluted nature of decision-making in that country for a moment and point out the methodological and structural difficulties of engaging in this exercise of trying to divine whether a country has made a decision to go for nuclear weapons, and, if so, *when* and *why*. This will be a difficult undertaking for three simple reasons.

First, countries that have made the decision to go nuclear do not advertise that decision to the rest of the world. We will know when the elite decide to tell us that they have the weapons in their country’s arsenal. Unless we have access to the innermost secrets of a country’s top elite, at best, we, as outsiders, can only suspect that a particular country has taken that decision. In this context, we do not know conclusively whether the IRI elite have made a decision to go for nuclear weapons, or not. Thus, the exercise here is *speculative*. Second, if they have made such a decision, it is, of course, a highly secret decision made at the very top by a select few and we would not know when they made it, nor would they tell us. Third, we would not know with any degree of certainty what individuals or what institutions played the key roles in the key decision-making process. It is possible that in the IRI several bureaucratic actors, groups, and constituencies have made and continue to make a pitch for or against nuclear weapons, or more benignly, peaceful nuclear activities. Late in 2004, Iran Vision of the Islamic Republic Network TV carried a statement ostensibly from almost 1,400 university professors across the country calling upon the government to continue with the country’s “peaceful nuclear activities.” This, no doubt, has happened in all countries that have nuclearized. This does not mean that all these actors have had a role in the decision to go nuclear; it is simply not feasible or possible, and moreover, goes against the grain of secrecy.

Having said this, it is important to note from the outset that the decision to undertake a nuclear *energy* program is not the same as a decision to undertake a nuclear *weapons* program. Of course, a nation with a “civilian” nuclear energy program can either decide to develop nuclear weapons, or choose to abstain from developing nuclear weapons. Now, has the IRI made the decision to go the nuclear energy route? *Yes, and that decision was most likely taken in the 1984-1985 time-frame*. And while the decision to go ahead with a massive nuclear energy program is not one that is lightly taken, the evidence is there. It is in open Iranian activities in the field of civilian nuclear energy and it is there in the statements of Iranian decision-makers and analysts seeking to explain the reasoning behind the Iranian nuclear energy program. In 1992, the then head of the

AEOI, Reza 'Amrollahi, stated that "Iran needs to build nuclear power plants solely for the purpose of generating electricity of which there is a chronic shortage in the country," adding that power cuts of 2-3 hours per day were a regular feature of daily life in Iran and that nuclear power could supply 10 to 20 percent of Iran's electricity needs. For example, the chairman of the Majlis National Security Sub-committee, 'Ala'edin Boroujerdi, claimed that Iran's inadequate supplies of oil and natural gas, and neighboring countries' progress toward the use of peaceful nuclear energy, made his country's entry into this field a must. He went on to add that "Iran is not interested in manufacturing nuclear weapons, first of all because the country is committed towards the nuclear Non-proliferation Treaty (NPT), which is an international accord, and secondly, because religious restrictions prohibit the manufacture and use of weapons of mass destruction." The Iranian leadership has conducted an effective campaign primarily through the Ministry of Foreign Affairs to convince the world that it is solely seeking the peaceful use of nuclear power.

Has the IRI made the decision to acquire nuclear weapons? As stated above, we do not know. It is here where the evidence gets murky, by way of contrast with the open declaration on the part of the Iranians that they are building a major nuclear energy program. No country openly states that it is working towards nuclear weapons. It is the arena of high security. Iranian politicians and defense officials have gone out of their way to deny that the IRI is seeking nuclear weapons. In 1991, when the controversy over Iran's nuclear weapons was just beginning, the then Chief of the Joint Staffs Major-General Shahbazi said: "We believe war with nuclear weapons is a war against humanity. We have never sought to acquire or build such weapons for the same reason – we never consider it part of an honorable war." More recently, Iranian Defense Minister Admiral 'Ali Shamkhani has been indefatigable in denying that Iran is coveting nuclear weapons. When asked by an Arab journalist in 1998 for his reactions to the nuclear tests on the Indian sub-continent; he replied: "You are aware that we are against this kind of nuclear testing and weapons in the world and in the entire region. We are committed to this stand." The journalist proceeded to ask whether the Defense Minister believed that Iran "should join the nuclear club since its neighbors possess nuclear bombs?" Shamkhani replied: "This is our natural right. However, we are not after this right." Four years later, Iranian Ambassador to the Russian Federation Gholam-Reza Shafei reiterated the view that Iran's nuclear activities were peaceful and related to the country's energy needs, and added that the country's military doctrine had no need of atomic weapons.

The starting assumption of this speculative exercise is that the IRI has made the decision to go for nuclear weapons. In light of the revelations about Iranian activities in the nuclear field and international and regional developments, one could argue that the conclusion is inescapable: they have made such a decision. The issue becomes one of guessing when such a decision was undertaken, why it was undertaken, by whom or what institution(s), and what accounts for the centrality of the personality or institution that made the decision.

Moreover, once a decision to go down the nuclear path is made by the senior political elite; a whole series of other decisions must follow. And if such a decision has been made, one would like to hazard a guess that it was made in the 1988-1992 time-frame. This author has no evidence to present in support of this assertion, except to argue that a conjunction of factors coming together at that time would have acted as the catalyst for IRI leadership to consider seriously the nuclear weapons option. The period in question (1988-1992) was highly turbulent and unstable from the perspective of decision-makers and analysts in the IRI. To wit:

- The Iran-Iraq War ended in 1988, inconclusively in a political sense; but Iran's military had collapsed in the face of a resurgent Iraq. Iraq's military power seemed unstoppable in 1988-early 1990.
- Iraq had used weapons of mass destruction with impunity against Iran. The international community issued its usual weak-kneed condemnation, but did nothing.
- With the end of the Iran-Iraq war, Saddam seemed determined to build an "anti-Iranian Arab front," in the words of Dr. Javad Larijani.
- The Iraqi invasion of Kuwait in August 1990 was a seminal international event whose implications were discussed extensively by the Iranian leadership. What were the implications for Iran, and what to do and how to do it, were the key questions for the leadership. Iran could not support the Iraqi action, even though many Iranians thought that the Kuwaitis deserved what they got for their unstinting support of Iraq during the eight year war. The Iraqi invasion of Kuwait highlighted the inherent aggressiveness of the Ba'thist regime; and constituted a dire threat to Iran's national security and its preeminent position in the Persian Gulf since Iraq had finally become a Gulf power. Despite Iranian warnings that Tehran would not let the occupation stand; the Iranian leadership knew that, by itself, it had little military option to get Iraq out of Kuwait. Iran decided on the adoption of an anti-Iraqi "neutrality." The international coalition's ejection of Iraq and the cutting down to size of Saddam was a tremendous boon for Iranian national security. But it had the unintended consequence of ensconcing the U.S. in a major military manner in the Persian Gulf. It was not long before Iran began to view

this presence as being directed not only at keeping a cornered Saddam in his box, but also as being pitted against the IRI. U.S. relations with the Gulf Arabs, coupled with a further deterioration in U.S.-Iranian relations, reinforced Iranian fears. In the words of Javad Larijani: “The Kuwaiti and Persian Gulf crisis ended in such a manner that, in a way, the United States occupied the area and has brought it under its direct domination.”

- The U.S. victory in Desert Storm stunned the Iranian leadership. It did not expect Iraq to win, of course, but the ease and quickness of the victory against a country with which Iran had struggled fruitlessly for eight terrible years highlighted the vast gap in conventional capabilities between the U.S. and the rest of the world, including Iran. It was an Indian general, Sundarji, who made the now-famous statement that the Persian Gulf war taught nations never to take on the U.S. unless one has nuclear weapons. It is possible that Iran began to think in similar terms.
- The collapse of the Soviet Union and the end of the Cold War removed a major national security threat on Iran’s borders. This fact was acknowledged by many Iranian officials. But that seminal event also had unintended consequences for Iran, and others. For Iran, it removed a superpower that could have helped rebuild Iran’s depleted conventional capabilities and one that acted as a balance against the alleged hegemonic impulses of the other superpower, the United States.

But nuclear weapons do not simply materialize; a decision has to be made to go for nukes; and a whole set of other subsidiary decisions flow from that initial key decision. Who and what institutions could have made the decision for the revitalization of the civilian nuclear energy infrastructure and for a nuclear weapons program?

THE VALI-YE-FAQIH/RAHBAR (SUPREME LEADER)

The constitution of the IRI firmly establishes the authority and duties of the Supreme Leader, who is elected by a clerical body, the Assembly of Experts, for his lifetime and can only be removed for dereliction of duties. The original conception of the *Faqih* entailed that the occupant should be one of the highest religious authorities (a *marja-e-taqlid* or “source of imitation”) and the top political leader who “understands his time.” Ayatollah Ruhollah Khomeini was both: he had established his religious credentials during his exile in Najaf, and his political credentials were unquestioned - he had overthrown the Shah and led the revolution to victory.

It is an incontrovertible fact that the Supreme Leader, beginning with Ayatollah Khomeini, has played a key role in Iranian national security issues in line with the duties and functions delineated in accordance with Articles 108-112 of the Constitution.

Khomeini was no “slouch” when it came to the issue of Iranian national security and defense. His influence as Supreme Leader is evident in the decision to pursue vigorously the war against Iraq’s Saddam Hussein when the latter had the temerity to invade Iran in September 1980. Even at that stage, when Iran’s defenses were in disarray, the *Faqih* was adamant that the war would be prosecuted until the downfall of the Ba’thist regime and its replacement by an Islamic Republic in Iraq. When Iran defeated Iraqi occupation forces in Khuzestan in the spring-summer of 1982, the debate within the Iranian elite concerning the merits of pursuing Iraqi forces across the border into Iraq came to an end with Khomeini’s strategic decision to prosecute the war. Consensus was achieved, even if some groups or institutions were hesitant or reluctant to push across the border. Operational and tactical considerations (i.e., as to whether Iran had the wherewithal to support extended logistics into Iraq) were not allowed to override the supreme goal.

It was Khomeini who made the final decision to end the war when Iranian forces were badly beaten at the front in the spring-summer of 1988 by inexplicably revitalized and invigorated Iraqi forces. The government could not end the war without the blessings of the *Faqih*. But Khomeini had to be apprised of the dire situation at the front; and this his subordinates, including the Speaker of the Majlis, Hashemi-Rafsanjani, and President of the Republic, Seyyed Ali Khomeini, did. Both men had visited the front on a number of occasions, and in the final stages of the war they saw with their own eyes the state of collapse evident in the Iranian armed forces. It is also likely that the reports from officers at the front must have helped sway the leader’s mind.

Now we come to the central issue: what of Khomeini’s views on the nuclear issue? Unfortunately, we do not have much to work with here, except the fact that the nuclear infrastructure built up by the Shah collapsed during the first few years of the revolutionary republic. Was this due merely to benign neglect? Or was it due to a supposed anti-technological stance on the part of the Islamic Republic’s supreme ruler? We should not discount the first Supreme Leader’s possible antipathy to a form of technological dependence on the outside world that would have been occasioned by a continuation of the Iranian nuclear energy program. This anti-technology sentiment pervaded much of the IRI in its first few years and was critical also in the adoption of a faith and human spirit approach rather than a technology and capital intensive approach to the war effort against Iraq. This is ironic in light of the fact that the current leadership of the IRI sees the fruition of the Iranian nuclear infrastructure as a concrete sign of technological achievement and independence of the outside world. Or did Khomeini’s

concern with revolutionary consolidation, with building up a ‘just’ Islamic society, with the consuming war with Iraq, and finally the mega-historical confrontation with the “Great Satan” (i.e., the U.S.), possibly contribute tremendously to the lack of interest in Iran’s nuclear program in the early 1980s.

The second Supreme Leader, Ayatollah Seyyed Khamanei, had very little in the way of religious or jurisprudential credentials when he took over the “dumbed” down position of Supreme Leader on the death of Ayatollah Khomeini in 1989. Khomeini is a realist and a politician. He played an active role as president during the war and he witnessed first hand the trials and tribulations, strengths and weaknesses, of Iran’s war-time effort. In a speech in 1989, he exhorted the country to “reinforce training, strengthen organization, maintain preparedness of personnel and military equipment.” Moreover, Khamanei was a tireless advocate of progress in Iran’s scientific and technological infrastructure. In sermon after sermon, he advocated advanced scientific research, he urged Iranians to develop indigenous scientific capabilities, and also to “pursue and use the knowledge of others throughout the world.” Elsewhere, Khamanei has argued that the flowering of brains and talent in Iran acts as a hedge against colonialism and dependence on outsiders:

Today the obstacles of the past no longer exist in Islamic Iran and everything is moving against the wishes of the colonialists. All the developments inside the country are bringing hope to intellectuals, innovators, and scholars, and religious faith is providing powerful support for practical work and endeavor.

THE PRESIDENCY IN THE IRI

Iran has a president, but Iran’s executive system is neither prime ministerial nor presidential. The country clearly does not have a parliamentary system in which a prime minister, the head of the government, is the supreme executive. This being the case, one would assume it has the other kind of system, a presidential one in which the president is the chief executive. But it does not, because above the president is the supreme leader.

The constitutional subordination of this position, however, should not lead one to believe that the actual incumbent plays a minor role in decision-making. Most of all, we should not believe that the presidency in Iran has not played a role in national security and defense policies. If we discount Abol Hasan Bani Sadr, whose tenure was conflict-ridden and a joke, it becomes evident that presidents like Seyyed Ali Khomeini and Ali Akbar Hashemi-Rafsanjani were strong presidents, both because of the situation facing

Iran during their respective tenures and because of their personalities. The Iranian decision to restart the nuclear energy infrastructure was made under the presidency of Khamanei in the mid-1980s. Given his support for Iran's scientific and technological infrastructure and his concern over Iran's economic development and modernization – “mundane” matters that Khomeini probably ignored - it is likely that Khamanei played an important role in the decision to begin the revitalization of the civilian nuclear energy program. Such a position was strongly endorsed by his successor as president, Hashemi-Rafsanjani, who said in 1992: “We seek nuclear technology for peaceful aims and consider this path to be right for all countries which have the potential... .”

With respect to the nuclear weapons program, it is also more than likely that the occupant of this position would have participated in and approved of a decision to go nuclear. If this author's assumption about the time-frame mentioned above is correct, then both Khamanei and Hashemi-Rafsanjani were critical decision-makers. If the decision was reached when the former was president, then the final decision whether to go forward or not must have been Khomeini's. If the decision to go for nuclear weapons were made under the first few years of Hashemi-Rafsanjani, it must have been with the concurrence and blessings of Khamanei in the position of Supreme Leader. Moreover, if this author's assumption about timing is correct, then the current president, Muhammad Khatami, cannot have been a key player, as he was not in the circle of top decision-makers in the 1988-1992 time-frame. However, if the decision to go nuclear had been made by the time of his accession to the presidency, he must have been informed of the secret resolution once he assumed the duties of the presidency.

Khatami was viewed as a moderate leader who wanted to reach out to the outside world, and as a reformist who wanted to improve Iran's standing and external links. The logical extrapolation from this is that Khatami would have been loath to promote an Iranian nuclear weapons program whose suspected existence would only succeed in widening the gulf between Iran and the outside world. Let us assume, as does Etel Solingen, that there is a correlation between an outward orientation on the part of a ruling elite and renunciation of nuclear weapons, and an inward-looking and security-oriented elite and the desire for nuclear weapons.

THE SUPREME NATIONAL SECURITY COUNCIL

The Supreme National Security Council (SNSC) clearly plays a critical role in Iranian national security issues. We can only speculate, but if the decision for a nuclear weapons program has been taken at all, it must have been taken here, among a few key top officials. There may have been a debate over the merits of going nuclear; but once it was clear that the top members of the government leaned towards nuclear weapons, a consensus would have been reached.

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***INFLUENCING IRAN'S NUCLEAR PROLIFERATION AND EMPLOYMENT
CALCULUS***

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INTRODUCTION

Iran's nuclear program poses one of the most difficult and critical national security challenges facing U.S. policy makers. This paper will examine Iranian motivations for acquiring nuclear weapons, the potential implication of a nuclear Iran, and U.S. options for influencing Iran to halt its nuclear program or - should these efforts fail - for deterring Iran from using its nuclear weapons or from assisting other proliferators.

IRANIAN MOTIVATIONS

In considering Iranian motivations and the impact such motivations have on efforts to dissuade Iran from crossing the nuclear threshold, two things need be kept in mind. First, Iran's nuclear weapons program dates to the time of the Shah. The Shah had both an ambitious civilian nuclear program as well as a program to develop nuclear weapons. Both were disrupted by the Islamic Revolution (1978-79), but were resumed in the mid-1980s by the Islamic Republic, in response (probably in large part) to pressures deriving from its bloody war with Iraq (1980-1988). Since then, it has continued the program, for a variety of reasons.

The policy implication that derives from this simple insight is that Iran's pursuit of nuclear weapons is not regime-specific. Rather, the powerful array of geo-strategic factors that have pushed two regimes to develop nuclear weapons would likely push a successor regime to the Islamic Republic in this same direction. The difference, however, is that a successor regime (particularly if it were a functioning democracy) might be more responsive to external pressure to discourage such development (particularly if it were to place greater importance on improving ties with Europe and the United States than does the current regime), and/or it might be relied on to act more responsibly if it did possess nuclear weapons.

Second, Iran's motivations for developing the bomb are complex and diverse. Though the Iran-Iraq War was the proximate cause for the revival of the nuclear program in the mid-1980s, Iran's reasons for continuing the program after the end of the war include the drive for power, prestige, and influence; deterrence; and the desire for self-sufficiency.

POWER, PRESTIGE, AND INFLUENCE

Iranians believe that their country is a regional power by dint of demography, land mass, natural resource endowments (oil and gas), geographic location, and historical legacy. However, there is a substantial gap between this self-image and the objective realities of Iran's conventional military weakness. Nuclear weapons might be the only way for Iran to close this gap within a reasonable span of time, without bankrupting the country. (Whereas a nuclear program might cost several billion dollars, a conventional arms buildup could cost scores, if not hundreds, of billions of dollars.)

DETERRENCE

Iran seeks nuclear weapons in order to deter potential conventional and nuclear threats from the United States (which were felt particularly acutely in the immediate aftermath of the U.S. invasion of Iraq), Iraq (in the past, and perhaps again in the distant future), Israel, and Pakistan. Iran believes that the United States is pursuing a policy of encirclement, vis-à-vis the Islamic Republic, and that it plans to eventually overthrow the regime in Tehran. In this context, nuclear weapons are an insurance policy against a U.S. policy of regime change.

SELF-RELIANCE

Self-reliance is a fundamental tenet of the Islamic revolution and a core Iranian goal. A major grievance against the Shah was that he sold out Iran to the foreigners by - among other things - making the country dependent on foreign arms and advisors. This dependence greatly harmed Iran during the Iran-Iraq War, when a U.S.-led arms embargo greatly hindered Iran's ability to prosecute the war. As a result of this experience, a major Iran policy objective is self-sufficiency in arms. The acquisition of nuclear weapons would greatly enhance Iran's ability to pursue an independent foreign and defense policy.

The policy implication of this view of Iranian motivations is that, because security threats are not the only reason Iran is pursuing nuclear weapons, and because its motivations are diverse and varied, the provision of security assurances or security guarantees by great powers or the creation of regional security frameworks are unlikely to convince Iranian decision-makers to abandon their nuclear program. The United States can influence only a small number of these motivations: any security assurances it would extend to Iran would lack credibility, since the United States is seen by Iranian decision-makers as the main threat to their country; and the U.S. is unlikely to be able to alter those motivations rooted in Iranian self-perceptions of Iran as a great power, a sense of

entitlement (if Israel and Pakistan have nuclear weapons, why shouldn't Iran?), and the ideology of the revolution with its emphasis on self-sufficiency.

IRAN'S NUCLEAR TIMELINE

An important part of any attempt to alter Iran's decision calculus regarding its efforts to acquire nuclear weapons is determining how much time might be available for such efforts, since some policy options (sanctions, efforts to achieve regime change) might take more time than others to "work," and this could affect their utility. Thus, fundamental to any such effort is a determination of how close Iran might be to acquiring 'the bomb.'

Were Iran to employ clandestine gas centrifuge cascades of the type being built for its declared civil program (this, presumably, would be its preferred path), it might be able to acquire enough fissile material for a bomb in 3 to 5 years (the former, if it were to divert low-enriched uranium fuel imported for its reactor at Bushehr to make centrifuge feed-stock; the latter if it were to make feed-stock from natural uranium). The reactor at Bushehr, which is now complete (or nearly so) and could commence operations as soon as 2006 (if there are no teething problems), could produce enough fissile material for its first bomb within 15 months of start-up. And if Iran were to obtain fissile material from abroad (i.e., North Korea or Pakistan), it conceivably could build a device or weapon within a year - assuming it possesses plans for a viable design, and the necessary special materials and components.

The bottom line is that while such estimates often involve broad margins of error, it is possible that Iran could become a nuclear power within a few years. At any rate, in the coming years it is increasingly likely to be perceived as a nuclear-capable country, if not a *de-facto* nuclear power. Accordingly, its neighbors and other countries are likely to start relating to Iran as if it were a nuclear power, conferring upon it all the respect due a country with such capabilities.

IMPLICATIONS OF A NUCLEAR IRAN

What are some of the potential implications of the emergence of an Iran that is perceived to be a potential or *de-facto* nuclear power?

POLITICAL DYNAMICS: IRAN AND BEYOND

The acquisition of nuclear weapons by Iran might dim - at least temporarily - prospects for political change in the Islamic Republic by discouraging foreign countries from criticizing its human rights record and pressing it to reform its rigged political system; demoralizing Iranian proponents of reform; and bolstering the conservative hardliners who currently control the levers of power in Tehran, who might believe that nuclear weapons provide the ultimate guarantee of their hold on power. These consequences are, however, likely to be short-lived. There are powerful factors militating for change in Iran over the long term: namely, the fact that the overwhelming majority of the two-thirds (or so) of Iranians who have been born since the Islamic revolution (1978-79) are alienated from the regime and its values and want political change, although one should never underestimate the ability of a small, determined, entrenched minority to hold onto power and to block fundamental change. But, in the long run, the demographic factor is likely to reassert itself, resulting in either peaceful, evolutionary change, or in violent upheaval, if the regime continues to ignore demands for reform.

Regionally, the perception of Iran as a nuclear weapon state might cause some of her neighbors to accommodate the Islamic Republic on various issues, while at the same time influencing others to seek an independent deterrent capability or to deepen security cooperation with the United States (although Iranian nuclear weapons could constrain U.S. military freedom of action in the Persian Gulf). Such a development might also embolden forces opposed to Arab-Israeli peace (such as Hamas, Palestinian Islamic Jihad, and Hizballah), further complicating efforts to resolve the Arab-Israeli conflict. And, as Iran eventually extends the range of its missile force to enable it to strike targets outside the Middle East, the states of the European Union will have to factor Tehran's nuclear potential into their policymaking toward it.

STOKING PROLIFERATION

Iran's nuclear program has raised concerns that it could spur a new round of proliferation in the Middle East.

There are two perspectives on the proliferation impact of an Iranian bomb. The first likens the impact of an Iranian bomb to a pebble thrown into a pond that sends out ripples in all directions; thus, a nuclear Iran is seen as causing a large number of countries throughout the Middle East to reevaluate their WMD options or posture. In the second case, just as a billiard cue ball might cause a series of chain reactions as the balls it strikes

hit other balls, a nuclear Iran might cause a small number of states - most likely from among its immediate neighbors - to reevaluate their WMD options or posture, causing in turn other states to respond to the new regional threat environment, producing a cascading effect involving a series of second- and third-order consequences. This author believe that the second model is a more accurate representation of proliferation reality in the Middle East.

Thus, in response to an Iranian bomb, Saudi Arabia might try to purchase a nuclear weapon from North Korea or Pakistan, while some of the smaller Gulf states might leverage their petrochemical industries to produce modest chemical weapon stockpiles for deterrence. Israel would probably continue its successful policy of nuclear ambiguity, although it may find ways to bolster its deterrent posture by further reducing the thin veneer of ambiguity regarding its nuclear status. This could, in turn, cause Egypt and Syria to explore their nuclear options (there is reason to believe that Syria may already be doing so). Egypt is unlikely to develop nuclear weapons strictly in response to an Iranian decision to do so. Turkey, with its eye on EU membership, and mindful of its membership in NATO, is unlikely to develop nuclear weapons in response, although it is hard to believe that such a major change in its threat environment would not have any impact on Turkey's defense posture.

Finally, Iran's activities could eventually cause post-Saddam Iraq to re-consider its nuclear options, if and when a degree of stability returns to that country, although as long as the Kurds remain active in national politics, it is unlikely that a new Iraq will pursue WMD, due to Kurdish fears that should the experiment to create a new Iraq fail, these weapons might someday again be used against them.

FOSTERING STABILITY OR INSTABILITY

There are two schools of thought regarding how nuclear weapons affect the behavior of states. One argues that the acquisition of nuclear weapons induces greater prudence and caution among possessor states, and adduces U.S. and Soviet behavior during the Cold War as proof (though post-Cold War revelations regarding the 1962 Cuban Missile Crisis and false warnings of nuclear attacks during the Cold War have diminished the appeal of this model). The other argues that the acquisition of nuclear weapons (or, more generally, weapons of mass destruction) can lead to an increased propensity for risk-taking. Thus, Iraq's maturing chemical and biological weapons programs may have emboldened Saddam Hussein to pursue a more aggressive regional policy in 1989-1990 and to invade Kuwait. Similarly, the confidence that Pakistan's

leadership drew from its May 1998 nuclear weapons test may have emboldened it to attempt to seize a portion of Kashmir from India in May 1999, due to its mistaken belief that India would be deterred from responding militarily. This miscalculation resulted in the Kargil Crisis of May-July 1999, which nearly led to a general war between Pakistan and India.

Thus, Iranian policymakers might come to believe that the possession of nuclear weapons will provide Tehran with greater latitude to pursue more aggressive policies against its neighbors, the United States, or Israel. Although Iran is unlikely to conduct conventional military operations against any of its neighbors (its conventional military forces are weak, and there are few scenarios in which a conventional military move would make sense), it might increase support for terrorist groups that target U.S. or Israeli interests, or resume efforts to export the revolution to places where there are large Shiite communities.

Along these lines, several of the regime's recent actions give reason for pause: witness Tehran's employment of gunboat diplomacy in 2001 vis-à-vis Azerbaijan (to halt the latter's exploration for oil in contested portions of the Caspian Sea); its nuclear brinkmanship with the EU-3 and the IAEA; its humiliating treatment of British servicemen recently detained in the Shatt al-Arab waterway; and its threats to annihilate Israel should the latter bomb sites associated with the Iranian nuclear program. Iran's acquisition of nuclear weapons might further reinforce such tendencies and embolden an increasingly self-confident hard-line leadership to bully its neighbors, stiff-arm Europe, threaten Israel, and more aggressively work to undermine U.S. interests in the region.

IMPLICATIONS OF DOMESTIC UNREST IN IRAN

Instability and unrest in a nuclear Iran could have dire consequences. Were anti-regime violence to escalate to the point that it threatened the survival of the Islamic Republic (unlikely in the near term, but a possibility in the future should popular demands for political change continue to be ignored by conservative hardliners), diehard supporters of the old order might lash out at perceived external enemies of the doomed regime with all means at their disposal. This raises the apocalyptic possibility of nuclear terrorism by an Islamic Republic in its death throes.

POTENTIAL FOR NUCLEAR TERRORISM

The fact that Iran or its agents have not yet used chemical or biological agents in terrorist attacks may indicate the existence of a normative threshold, or it may indicate that, having achieved important successes by conventional terrorism (e.g., the 1983 Beirut Marine barracks bombing, which led to the withdrawal of U.S. troops from Lebanon), Tehran perceives no need to incur the risk that the use of weapons of mass destruction would entail.

Nevertheless, when acting against more powerful adversaries Iran is likely to seek the ability to covertly deliver such weapons by nontraditional means (i.e., terrorists, boats, or remotely piloted aircraft). Because such methods offer the possibility of deniability, they are likely to become important adjuncts to more traditional delivery means, such as missiles. In situations in which deniability is a critical consideration, they are likely to be the delivery means of choice. The possibility of deniable, covert delivery of nuclear weapons by Iran could pose a major challenge for deterrence - particularly if the country's leadership believed that the nation's vital interests or the regime's survival were at stake.

For this reason, enhancing the ability of the United States to use isotopic fingerprinting as a forensic technique in order to enhance its ability to determine responsibility for nuclear incidents (terrorist or otherwise) and to thereby hold the perpetrator accountable is a vitally important policy objective. It is also crucial that the most senior Iranian government officials (and not just technical specialists in the Iranian Atomic Energy Organization) understand that the United States has this capability, and that ways be found to directly convey this fact to them.

U.S. POLICY OPTIONS

In light of these risks, what are the options available to United States to prevent the emergence of a nuclear Iran?

DELAY

Past U.S. efforts to staunch Iran's nuclear program have relied on diplomacy and on denying Tehran critical technology and financing. These measures have been very successful in delaying, but not halting, Iran's efforts. Washington should continue these efforts (particularly as they pertain to the supply of reactor fuel for the power plant at Bushehr), while recognizing that these efforts are yielding diminishing returns as a result

of the maturation of Iran's nuclear technological base and its growing self-sufficiency in this area.

For now, the main focus of such efforts should be convincing Russia to suspend assistance with Iran's nearly completed Bushehr nuclear reactor (as well as all other assistance), and to withhold shipments of reactor fuel, until Iran agrees to abandon its nuclear fuel-cycle related facilities, and to gather up the loose ends relating to the status of the A.Q. Khan nuclear supply network, to ensure that elements of this network are not still in business.

Any attempt to thwart Iran's nuclear ambitions must likewise be coupled with efforts to forestall cooperation between foreign suppliers and Tehran, for diplomatic or military efforts to deny Iran the means to build a "homemade" bomb will not succeed if Iran is able to circumvent these efforts by purchasing fissile material, nuclear weapons components, or even finished weapons from foreign suppliers such as North Korea.

Even if such efforts fail to prevent Iran from eventually acquiring nuclear weapons, they will remain important as a means of slowing down the expansion and modernization of Iran's nuclear arsenal. Thus, delay will remain a core component of U.S. policy toward Iran.

A DIPLOMATIC DEAL

Current diplomatic efforts involving the United States and the EU-3 (Britain, France, and Germany) are focused on attempts to get Iran to permanently suspend enrichment and reprocessing activities (which Iran has agreed to on a voluntary and temporary basis) as a first step toward an agreement in which Iran would abandon those elements of the nuclear fuel cycle that could be used in a weapons program (enrichment and reprocessing) in return for technological assistance and economic incentives (including a Trade and Cooperation Agreement with the EU and membership in the World Trade Organization).

What are the prospects for such a deal? Not very good. There have been two temporary agreements thus far, in October 2003 and November 2004, in which Iran agreed to voluntarily and temporarily suspend enrichment and reprocessing activities, but Iranian officials have stated unequivocally that Iran has an 'unalienable right' to enrichment and reprocessing technologies, and that it will not extend its voluntary suspension of activities beyond June 2005.

This is probably not a bargaining stance, but rather Iran's bottom line, for if forced to choose, Iran's current leadership would probably rather be isolated internationally with the bomb than a member of the international community in good standing without the bomb. Iran's current leadership, however, probably does not believe that it faces such a stark choice. Rather, they appear to believe that they can "have their cake and eat it too," keeping their nuclear program while paying a not unacceptable price for doing so. There are several reasons for this:

- The international community has shown great reluctance thus far in censuring Iran for violating its safeguard agreement with the IAEA, and it is not clear whether Europe and the U.S. would be able to agree on punitive measures against Iran should it abandon its "voluntary" suspension. (Until recently, at least, the Europeans have only been willing to countenance the withholding of rewards rather than the imposition of punitive measures.) Consequently, Iran may believe that ultimately they will be able to drive a wedge between Europe and the United States should the latter two begin to negotiate imposing punitive measures against Iran.
- The ascendancy of the conservatives in Iran makes the abandonment of the nuclear program less likely: in a mixed government, some reformers might have feared that acquiring the bomb in violation of Iran's NPT commitments would jeopardize other important objectives (foreign investment, relations with Europe, Iran's reintegration into the international community). By and large, the conservatives are less concerned about these factors, and seem to be feeling rather confident after having vanquished their domestic rivals and watched the U.S. get bogged down in Iraq, thereby averting, at least for now, a feared U.S. invasion.
- Moreover, with its forces "stuck" in Iraq, the U.S. would be vulnerable to a range of Iranian responses were it to succeed in convincing the international community to sanction Iran, or were it to attack Iran. These responses might take the form of attacks on coalition forces in Iraq (which could deepen the divisions between the U.S. and its coalition partners in Iraq), or on oil pipelines or terminals in Iraq or elsewhere in the Gulf (further driving up world oil prices).
- Tehran believes (no doubt correctly) that with oil prices at \$50 + a barrel, the most compelling punitive measure conceivable under current circumstances - the threat of an oil boycott - is off the table; the Security Council would simply not support such sanctions under such market conditions.
- Foreign pressure on the nuclear issue helps the conservatives domestically; they can pose as defenders of Iran's national interests against the forces of "international arrogance" and will be able to take credit for transforming Iran into a regional, if not a world power, through its entrée to a very small, elite group of nations. Moreover, such a capability might provide the regime with the means to fend off foreign efforts to foment regime change. Iran's

leadership would be loathe to abandon this perceived trump card at a time of heightened perceived threat.

- The sunken costs of the program and the duration of the effort, going back nearly 20 years, demonstrate the depth and seriousness of Iran's commitment to nuclear weapons. Moreover, the nuclear program appears to be making real progress; Iran may be only a few years away from acquiring the bomb, and would likely be loath to abandon a program so close to yielding results. (By contrast, Libya's program was still far from bearing fruit when it was abandoned in return for the possibility of an end to U.S. sanctions, foreign investment, and normal relations with the rest of the world.)

Finally, it should be mentioned that the current suspension or even a "permanent" end to enrichment and reprocessing activities at declared sites would not affect activities at undeclared facilities that may be part of a parallel clandestine program. Thus, it might be possible that Iran is continuing work on its nuclear program despite the current "suspension." Verifying such a suspension or halt poses a whole new set of problems that have not yet been raised, at least publicly, to date.

ENCOURAGING REGIME CHANGE IN TEHRAN

Regime change in Iran would not likely resolve the issue of Iranian nuclear proliferation. To the degree that is possible to assess popular and elite opinion on such matters, support for Iran's civilian nuclear program (as well as for the acquisition of nuclear weapons) appears to come from across the political spectrum (although more Iranians probably support the acquisition of civilian nuclear technology than nuclear weapons). Thus, regime change may not alter Iran's motivation to develop such weapons. It could, however, bring to power a leadership more sensitive to the potential costs of nuclear proliferation that might, if the price is right, postpone crossing the nuclear threshold, or at least act more responsibly (for instance, by eschewing involvement in terrorism and the intimidation of its neighbors) if it did acquire such weapons.

At any rate, regime change is not likely to occur within the time horizon in which Iran is likely to acquire nuclear weapons, although given recent developments in the region (elections in Afghanistan, Iraq, and Palestine, and growing pressure for political reform in the region), the possibility of unexpected change in Iran should not be ruled out. Meanwhile, the United States should continue to encourage those Iranians working for political change in their country in the hope that through these efforts a more moderate leadership may come to power.

PREVENTIVE ACTION

If other measures do not suffice, the United States might have to consider preventive action against Iran's nuclear infrastructure. Successful U.S. prevention would require exceptionally complete intelligence; near flawless military execution; and deft post-strike diplomacy to mitigate an anti-American nationalist backlash, deter or mitigate retaliation, and ensure that military action does not poison pro-American sentiment or provide the conservatives with an undeserved boost in their popularity. The complex, daunting, and somewhat contradictory nature of these challenges (e.g., successful prevention could harm whatever short-term prospects for political change there may be, and complicate long-term prospects for rapprochement with a new Iran) underscores the importance of exhausting diplomatic options before giving serious consideration to military action.

Nonetheless, preventive action must remain "on the table" as an option, both as a spur to diplomacy by the international community and out of a recognition that there might arise certain circumstances in the future in which preventive action might become a viable option: should the United States obtain an intelligence windfall regarding Iran's nuclear program that provides it with a complete and detailed picture of the program; should sabotage/covert action become possible as a result of the recruitment of well-placed agents; or should Iran be found responsible for encouraging or commissioning an act of anti-U.S. terrorism that results in significant loss of U.S. life. Under such circumstances, the United States might be inclined to hit Iran's nuclear infrastructure as part of a broader action against terrorist-related facilities in Iran.

DETERRENCE AND CONTAINMENT

How might the U.S., in partnership with its European allies and others, influence Iran to act with prudence and caution, as well as *not* contribute to additional proliferation, if efforts to prevent Iran from acquiring the bomb fail?

Deterrence

Iranian officials have sometimes consciously cultivated the image of Iran as an undeterrable state with a high threshold for pain (due to Islam's commitment to sacrifice and martyrdom) and to play on this image in order to intimidate and deter potential enemies. This image, however, while closer to reality during the heady early days of the revolution, does not conform to current Iranian realities. As a result of repeated purges

and bloodletting after the revolution and eight years of bloody and pointless fighting against Iraq, the majority of Iranians are weary of war and violence.

In the past decade and a half, Iran demonstrated great circumspection in conducting activist foreign and defense policies. The nation generally seeks to minimize risk by shunning direct confrontation and acting with stealth, often through surrogates (such as Hizballah or its affiliates), in order to preserve deniability and create ambiguity about its intentions. Such behavior is evidence of an ability to gauge accurately the balance of power and to identify the 'red lines' of adversaries - a strong indicator of an ability to engage in rational calculation and assess risks. Thus, in Iraq in 1991 and Afghanistan in 1998, Iran left neighboring Shi'ite communities to the mercy of their enemies rather than to intervene and risk an open-ended military commitment, demonstrating that state interests trump religious ideology or Shi'ite solidarity as the guiding principle of Iranian policy. Ayatollah Ruhollah Khomeini gave religious sanction to this principle before he died in 1989, and former President 'Ali Akbar Hashemi Rafsanjani recently reaffirmed its continued relevance.

On the other hand, as noted above, Iran's current leadership has exuded great confidence recently as a result of their triumph over their domestic enemies and American troubles in Iraq, and should this leadership remain in power, and succeed in their efforts to stiff-arm the international community over the nuclear issue, it is possible that they might overplay their hand and engage in a major miscalculation that could lead to a nuclear crisis with the United States or Israel.

Challenges for Deterrence

The main challenge of establishing a stable deterrence relationship with a nuclear Iran is not the putative irrationality or undeterability of the regime, but rather: 1) political factionalism; 2) a propensity for risk-taking; and 3) domestic instability.

Political factionalism has sometimes led to schizophrenic behavior by Iran or to dramatic zigzags in Iranian policy, as different personalities, factions, or branches of the government work at cross purposes, seek to subvert their rivals, or press the government to take actions inconsistent with its general policy line. Accordingly, Iranian policy has often been inconsistent and unpredictable. Examples of such behavior has been seen recently in Afghanistan and Iraq, where Iran has simultaneously supported the political transition in each country while aiding groups seeking to undermine central government authority. Such behavior would seriously complicate efforts to establish a stable and predictable deterrent relationship with a nuclear Iran, and could lead to incidents or crises

with the United States or Israel in which the threat of nuclear escalation always looms in the background. In terms of policy implications, this argues for the passing of messages or sensitive communications through multiple lines of communications to compensate for the factionalism that characterizes the Iranian government, and to ensure their receipt by key decision-makers.

Iranian decision-makers might believe that the possession of nuclear weapons could provide them with greater latitude to pursue more aggressive policies against their neighbors, the United States, or Israel. Iran is unlikely to engage in outright military aggression against any of its neighbors; its conventional military forces are weak, and there are few scenarios in which a conventional military move would make sense - at least under current conditions (although a civil war in Iraq might generate pressure for Iran to intervene, particularly if coalition forces were to leave Iraq). For now, Tehran seems more interested in preserving the political and territorial status quo in the Gulf than on altering it.

But a nuclear Iran might increase support for terrorist groups that target U.S. or Israeli interests, or resume efforts to export the revolution to places where there are large Shiite communities. Iran's past successes in obscuring its involvement in terrorism or avoiding retribution might lead some Iranian decision-makers to believe that they could support or commission acts of terrorism with impunity as they have in the past (e.g., the 1983 Beirut Marine barracks bombing, the 1996 Khobar Towers bombing), especially if they believe that 'the bomb' would shield them from retaliation. Such reasoning could lead to miscalculations and imprudent risk-taking, with potentially catastrophic results. There is, in fact, a precedent for such a scenario: a December 2001 attack by Pakistani-based extremists on the Indian Parliament nearly led to war between the two countries. Iran's growing involvement in the Arab-Israeli conflict through its support for Hizballah, Palestinian Islamic Jihad, and Hamas, raises the possibility of such a scenario with Israel.

Finally, there are the implications of political instability and domestic unrest in a nuclear Iran. Should anti-regime violence escalate to the point that it were to threaten the existence of the Islamic Republic (unlikely in the near-term, but possible in the future, should popular demands for political change continue to be ignored by conservative hard-liners), diehard supporters of the old order might lash out at the perceived external enemies of the regime with all means at their disposal, as the regime teeters on the brink, or pass on nuclear weapon to terrorist groups aligned with Tehran (most likely Hizballah) in order to achieve "vengeance from the grave." Ironically, in such a scenario, the family ties that are likely to be a key components of Iran's system of nuclear command and

control (Middle Eastern leaders are more likely to rely on trusted underlings related to them by ties of blood and/or marriage in key positions in the nuclear chain of command, than on technological solutions such as permissive action links or other “fail safe” mechanisms to ensure control over their nuclear forces) might also allow hardliners to act free of institutional or other constraints during a crisis.

There is not a lot that the United States can do to alter those aspects of Iranian politics that make establishing a stable deterrence relationship with Tehran potentially problematic. What it can do is to understand Iran’s “red lines,” the crossing of which could lead to crisis or conflict, while clearly communicating its own “red lines” to Tehran, in order to reduce the risk of miscalculation and introduce an element of predictability into their relations.

The problem here will not be getting the information into the right hands; formal channels for passing messages exist, and Iranians are avid consumers of everything that is written and said about Iran in the United States. The problem is generally ensuring that the intent and substance of the message sent are correctly understood, and creating a policy context or environment in which the U.S. message is perceived as credible, despite U.S. vulnerability to Iranian retaliation and a long track record of not responding to lethal acts of terror by Iranian-sponsored groups.

INFLUENCING IRAN NOT TO BECOME A THIRD-TIER SUPPLIER

Nearly every nuclear power has helped another nuclear power to proliferate: foreign assistance to WMD programs is by and large the rule, not the exception. Thus, the United States helped the British and French programs; France helped the Israeli program; the Soviet Union helped the Chinese program; China helped the Pakistani program; and the Pakistani nuclear scientist A.Q. Khan helped the North Korean, Iranian, and Libyan programs. Preventing Iran from becoming a third-tier supplier of nuclear technology (after all, it is actively trying to market its conventional arms abroad, and is a major supplier for the Lebanese Hizballah) or from transferring nuclear weapons to terrorist groups (most likely Hizballah, with which it has cooperated in the most sensitive operations in the past) will be a major policy challenge for the United States.

Deterring Iran from becoming a third-tier nuclear supplier will depend, to a certain extent, on how successful the international community is in dealing with current export control violations. The fate of the A.Q. Khan case will be critical. If A.Q. Khan and his associates go unpunished, it will be even harder in the future to prevent a repeat of such incidents. And if the international community is unable to impose significant

penalties on Iran for their past violations of their safeguard agreement, it will probably not be possible to create a reasonable expectation in the mind of Iranian decision-makers that they will pay a significant price for sharing their nuclear expertise with others.

As for the possibility that Iran might provide a nuclear weapon to a terrorist group: under certain conditions (e.g., if vital Iranian interests were threatened) Tehran might be tempted to use Hizballah to deliver a nuclear weapon (especially if time is not of the essence, and deniability were a critical consideration). The best way to deter this from happening is to understand Iran's "red lines" that might cause them to take such a course of action (so that the U.S. does not inadvertently cross these), and to impress upon Iran's most senior leadership (and not just technical experts at the working level who might not have access to the senior leadership) that the United States would be able to determine responsibility for an act of nuclear terror (Iran's recent experience with the IAEA's technical verification capabilities will hopefully bolster the credibility of this claim), and that therefore there is no such thing as a deniable delivery option. And that by doing so, they would be opening themselves up to massive retaliation.

CONCLUSION

CAROLINE F. ZIEMKE

INTRODUCTION

The proceedings of the August 2004 Roundtable and the chapters provided by Daniel Brumberg, Bill Samii, Ahmed Hashim, and Michael Eisenstadt point to several key considerations for those responsible for forging future U.S.-Iranian relations.

- Any future effort to delay or prevent Iran's acquisition of nuclear weapons will be complicated by the Islamic Republic's broad and deeply held political consensus in favor of nuclearization. This consensus is particularly important for internal Iranian politics because it is one of a very few issues upon which Left and Right, Pragmatists and Ideologues, Conservatives and Reformers, all can agree.
- A sophisticated understanding of the key players in Iran's nuclear decision-making nexus will be necessary if the United States and Europe are to succeed in their efforts to influence Iran on issues related to nuclear proliferation and/or Iran's employment calculus. Gaining access to those key players – either directly or through strategic communication – will be a daunting challenge.
- Much will depend on the future direction of Iran's domestic politics. The reform movement is on the ropes for the foreseeable future. The next best hope is that the Pragmatic Right will consolidate its dominance and will be able (and willing) to influence the more conservative, ideological clerics.
- Mutual mistrust and disrespect currently stand in the way of any rapprochement between the United States and Iran. Trust is unlikely to break out, but grudging respect is possible. Finding ways to assuage Iran's smarting at what it sees as U.S. "arrogance" may be the only tool available to the United States in its attempt to influence future Iranian nuclear policies.
- The situation is not hopeless, but it is urgent. The United States and Iran are at a critical turning point in their relations. The U.S. window of opportunity for forging more constructive and cooperative relations with Iran – a necessary prerequisite to building direct influence on its nuclear policies – is narrow.

THE IRANIAN NUCLEAR CONSENSUS

Regardless of what political direction the regime in Tehran takes, convincing Iran to shut down its nuclear program, or even to voluntarily slow it down, is a non-starter. It is true that on many important issues like social and economic reform, factionalism has paralyzed the Iranian regime. It is also true that factionalism will play little or no role in decisions concerning the Iranian nuclear program.

In fact, the nuclear program is one of the very few issues upon which Iranian opinion is virtually unanimous. Even were the Iranian reformist parties able to rise from the ashes of the April 2004 conservative political coup, their resurrection would be unlikely to have any restraining influence on Iran's nuclear ambitions. The only avenue for a change of Iran's nuclear consensus would be through some sort of catastrophic internal political realignment. South Africa gave up its nuclear weapons as a result of a dramatic and fundamental change in its system, goals, and calculation of national and strategic interests, but such an upheaval is not in the cards in Iran even if the current clerical regime were to fall. On the issue of Iran's nuclear ambitions, the distance between conservative clerics and political and clerical reformers is negligible.

There are various factors at work in the Iranian nuclear consensus. The first, and perhaps most important, is Iranian nationalism. The nuclear program has become a powerful source of nationalist pride in Iran, and its constituency is broad and solid. In fact, the nuclear program has accelerated under the reformist government of President Khatami. Like most other states that have sought or are seeking nuclear weapons in the "new nuclear era," Iran sees nuclear technology and nuclear weapons as the currency of international respect and legitimacy and it believes that every state has the inherent right to acquire them. Western arguments about international norms and what is or is not allowed according to the Nonproliferation Treaty do not hold much water in Iran. Western norms, the Iranians charge, are hypocritical and designed to withhold the benefits of advanced technology and state-of-the-art self defense from small and medium powers that refuse to hew to the West's strategic agenda. Arguments that the development of nuclear weapons will decrease rather than increase Iran's net strategic security (as they did India's and Pakistan's) likewise fall on deaf ears. Iranians understand that nuclear weapons will not necessarily improve their strategic security, but they believe strongly that they have the right to develop whatever defensive capabilities they choose. At the core of Iran's refusal to abandon its nuclear program or open itself up to full IAEA inspections is the fact that Iranians of all political stripes resent having outsiders – whether Americans, Europeans, or Russians – tell them what is in their own best interest. Moreover, they argue that the West's perception and interpretation of their interests is at best self-serving and at worst duplicitous. Either the West is advancing norms and holding states like Iran to standards Western powers themselves do not observe, or it is hiding behind the fig-leaf of international cooperation while advancing its agenda of maintaining Western military dominance and imposing what India once characterized as "nuclear apartheid."

The overwhelming majority of Iranians support their country's decision to exercise its right to pursue peaceful nuclear power, but there is less unanimity concerning how best to respond to international pressures regarding weaponization. And while the Iranian regime's rhetorical distinction between a "peaceful" nuclear program and weapons development is dubious at best, it is much less clear that there is a broad consensus for weaponization of the Iranian program. It is difficult to know how broad, influential, or committed the pro-weaponization faction is within Iran since the debate over nuclear weapons is not conducted in the public domain. All internal public debate about the Iranian nuclear program remains focused on civilian nuclear energy production rather than on its military and strategic applications. In the past, Iran's clerics have condemned nuclear weapons as "un-Islamic," but if the impression grew that national or regime survival were at stake, Iran's strong and growing nationalist impulses might well displace any such religious sensibilities.

The hardest-liners argue that the NPT enforcement regime is illegitimate and Iran should withdraw from the treaty and deny all IAEA access to the Iranian program. A slightly less radical faction asserts that while Iran has the clear moral right to develop nuclear weapons, it must balance its strategic ambitions with its desperate need for economic development. Iran's emerging middle class (including those among the much-mentioned youth cohort) stands particularly to lose if the clerical regime were to openly pursue nuclear weapons and the EU were to carry out its threat of economic sanctions. While the middle class still lacks the kind of economic clout and political influence necessary to shape Iran's internal decision-making, there are those even among the conservatives who understand that Iran stands to gain if it can find ways to placate the IAEA and the EU without undermining Iran's capability to pursue its nuclear program – perhaps by following the letter of the NPT and other agreements, while skirting their spirit.

The Iranian Atomic Energy Institute oversees Iran's nuclear energy program. So far, no "Father of the Iranian bomb" has emerged to personalize and impose his vision on the program, as happened in Pakistan (A. Q. Khan) and India (Abdul J. P. Kalam). Iran also has a small but growing community of defense intellectuals housed in a few think tanks. At present, however, the analysis of nuclear issues and strategy coming out of Iran is still highly theoretical rather than operational or technical and thus of limited utility in understanding the likely character of their nuclear strategy. Virtually all the nuclear strategy literature is circumspect, asserting that Iran does not have nuclear weapons, does not want nuclear weapons, is not seeking nuclear weapons, but should, perhaps, think

about how they might use nuclear weapons if they had them. Interpreting this literature requires a good deal of cultural and textual interpretation.

Persuading Iran that its interests would be materially degraded by the acquisition of these weapons would be a hard, if not impossible, sell. That said, there may still be ways that the West can retard Iran's progress toward developing them. Directly influencing Iran, even by focusing on developing security cooperation based on shared interests, would be difficult in the present atmosphere. It may be possible to impose delays on the Iranian program by convincing states like Russia and China not to transfer critical technologies. But even if the goal is slowing rather than shutting down the nuclear program, there are significant constraints. First, Iran has a great deal invested – in both time and treasure – in its nuclear program. Bureaucratic inertia, if nothing else, will keep the program going so as to continue justifying its considerable sunk costs. Second, unlike Libya, whose nuclear program had made no real progress in years and was all but dead when it traded it away in early 2004, Iran has made real progress and is very close to reaching its goals. Third, for years now Iranian politicians of every political stripe have emphatically pledged their energetic defense of Iranian nuclear power regardless of the international pressure. It would be extremely difficult for them to back down from such a popular position. The real danger, of course, is that any compromise in the defense of Iran's right to join the nuclear club – even concerning the acquisition of nuclear weapons that the regime claims it isn't seeking and doesn't want – will be perceived by the Iranian public opinion as capitulation.

THE KEY PLAYERS

A number of groups play in Iranian decision-making when it come to balancing nuclear ambitions with other national priorities. The Supreme Leader, Ayatollah Ali Khomeini, is the final authority and has the power to override any decision with which he disagrees. Ultimately, he is the only person who could stop, slow, or redirect the Iranian nuclear program. It is highly unlikely, of course, that the United States or any other outside power could make an argument sufficiently powerful to convince him that to abandon the nuclear quest would be in Iran's best interest. But even in such an unlikely event, it is not at all clear that his orders would be carried out or that, in fact, he would survive such a decision with his power intact. Khomeini has nothing like the religious authority, revolutionary status, leadership legitimacy, or independence of action that Ayatollah Khomeini enjoyed. He is dependent on his clerical establishment to see that his

agenda is implemented, and to maintain their support he cannot step too far out of bounds on cherished ideological issues like collaboration with the Great Satan.

The conservative establishment is somewhat divided on foreign policy issues, with the pragmatists like Rafsanjani and Ayatollah Montazeri (whose religious and moral authority are much greater than Khomeini's) advocating a degree of normalization and liberalization in pursuit of economic growth. In its relations with the West, however, the days of divided government, when the West could make inroads via the reformers, is over. Whatever hope there was of brokering compromise on nuclear weapons with a Khatami regime (and there was never much) has evaporated. Even the more pragmatic conservatives generally draw the line at any kind of compromise with the United States. New faultlines are emerging in Iranian politics – nationalist vs. religious interests, changing perceptions of Iran's security concerns, technocrats vs. theocrats, conservative pragmatists vs. hard-line conservatives, and economic vs. religious, social, and moral goals – but increasingly, these tensions will play out within the ranks of conservatives as the reform movement languishes.

The extremely conservative social and ideological agenda of Khomeini and the conservative clerical establishment is deeply unpopular in broader Iranian public opinion, but that unpopularity does not matter much in practical terms. The Iranian constitutional system is weighted in favor of the clerical conservatives to start with, and in recent years the conservatives have been remarkably effective in shutting down reformist access to the elected bodies of Iranian government. Iran also has a lively press and media establishment that, despite the restrictions under which they operate, are an important conduit for conveying information from the public to the highest levels of decision-making. The conservatives have learned from the reform movement as well, quietly allowing a considerable loosening of social restrictions to defuse some of the frustration that fueled the uprisings of the late 1990s, especially among young people.

While Khomeini does not wield the sort of absolute authority that Khomeini did, he is hardly a passive player or a figurehead. His network of connections in Iran reaches far and deep, and he uses it constantly to assess opinion and seek advice and council from many different professional, ideological, and political quarters within his country. To understand and, ideally, to anticipate the future direction of his decisions requires at least some familiarity with the informal network that feeds into his thinking: To whom is he talking? What are his contacts telling him?

Personal and professional ties and ideological compatibilities are, in general, more important in understanding the decision-making process in Iran than are formal, constitutional relationships. Understanding how a decision gets made in the Islamic Republic requires an understanding of its Byzantine networks of connections between key decision-makers: schools, military service, seminaries, and family connections just to name a few. Much of what gets done in the Iranian regime happens through the activities of informal decision-making cadres. These informal networks vastly complicate the process of interacting with Iran and influencing its actions, which makes it all the more important to understand their nature even if the specifics of their operations are beyond the reach of outsiders. Numerous informal or shadow agents and organizations have the ability to carry out operations (such as support for terrorism) or derail agreements completely outside the reach of the government. Moreover, even when outsiders negotiate with government officials, those individuals may not have the effective power to carry out their pledges.

This tension between formal and informal institutions in Iran has complicated its attempts to achieve economic normalization and attract foreign investment. While the Islamic Republic has made considerable progress toward the rule of law, the operations of the informal “shadow” regime continue to make doing business in and with Iran unpredictable. At any given time, on any given issue, one must know which individuals are involved in which issues, with whom they interact, how outside influences can reach them, and who holds the effective authority to get things done. This will be particularly the case on issues related to Iran’s nuclear program because the decision-making network seems relatively small, closed, and probably in part informal. Even though there is no real factionalism per se on the nuclear issue, there are differing equities involved, and influencing future Iranian nuclear stewardship, for example, may mean influencing a number of different groups and institutions.

The Expediency Council and the Supreme National Security Council, which comprises civilian, clerical, and military representatives, has been an extremely influential body in the nuclear decision-making process. The President constitutionally has very little executive authority over foreign and security matters, and Khatami is currently marginalized, although this could change after the next presidential election in 2005. The Majlis (the Iranian Parliament) has ratification authority and budget oversight, although on nuclear issues its deep and long-standing commitment to pursue nuclear energy regardless of the cost has rendered it more-or-less a rubber stamp on all related issues. The Defense Minister sits on the Supreme National Security Council, but it is not

clear that he has any formal role in the nuclear decision-making process beyond that participation: the current Defense Minister came under intense criticism for making concessions on IAEA inspections during trade negotiations with the EU in 2003-04.

The Iranian Revolutionary Guard Corps – one institution that is almost certainly impenetrable by U.S. influence – has been deeply involved in missile development and probably also in the nuclear program and would likely have operational control of a future Iranian nuclear arsenal (although the Supreme Leader would likely have the sole authority to authorize their use). The IRGC is in the midst of a period of redefinition in which it seems to be evolving beyond its traditional role as an all-volunteer, ideologically-motivated, revolutionary militia designed to defend the homeland with guerilla operations. Offensive operations had been left largely to the experts in the regular military forces. Gradually, however, the IRGC has developed a higher degree of professionalism and has begun to draft new recruits without consideration of their religious and ideological zeal. The highest ranks of the officer corps is still motivated by a strong commitment to revolutionary principles, but the revolutionary zeal may be waning among junior officers and the rank and file. At those levels, there is some impatience with empty ideological rhetoric and political preaching. The meaning of the decision to institute a draft and the precise nature and balance of the dynamic between religious and ideological qualifications and professional and technical ones as success factors for officers in the ICRG is far from clear. What is clear is that the ICRG represents a broader cross-section of Iranian society than ever before. It is also clear that at least some of its units (particularly in the naval forces) have improved their operational quality considerably and it seems likely that overall it will become a more effective and more professional military organization in the years ahead. Whether or not the IRGC is moving toward greater technical professionalism, it seems likely that at its core, those cadres devoted to revolutionary principles and committed to defense of the Islamist regime, will remain.

WHITHER IRANIAN POLITICS?

Over the past decade, the United States and Europe have pinned a good deal of optimism concerning the long-term prospects for influencing Iran on the rise of the reform movement and its ability to counter the more extreme inclinations of Iran's clerical conservatives. The failure of Khatami and the reformers in the Majles to meet the hopes and expectations of their supporters, a largely tacit but fairly significant conservative concession to social reform, and a remarkably successful clerical political

coup that disqualified nearly all reformist members of the Majles from reelection, have combined to eliminate Iran's reformers from the political map for the foreseeable future. So, in thinking about influencing Iranian conduct or improving U.S.-Iranian relations, the dichotomy between Conservatives and Reformers is no longer the salient one. The tension within the Reformist agenda between the political and symbolic allure of the Iranian nuclear program and the economic costs – both in terms of investment and in costs of international sanctions and other pressures on normalization of Iran's external trade – made some degree of cooperation with the IAEA and other international bodies somewhat more likely. But increasingly, the more important cleavages in Iranian politics and decision-making are likely to be the ones emerging within the conservative ranks between pragmatists (like Rafsanjani and Montazeri) and the extreme right wing of the clerical establishment that would like to roll back the social and foreign policy innovations of the Khatami era. Factionalism and the Byzantine network of formal and informal connections and relationships will continue to complicate Iranian politics and undermine political unity in a conservative-dominated government, but these cleavages are unlikely to have any dramatic effect on the conduct of Iranian foreign policy, particularly not on the nuclear issue.

Even before the recent conservative ascendancy, the Reformers' ability to effect meaningful change in Iran's foreign policy, especially its relations with the United States, were more apparent than real. Pragmatists and moderates have been repeatedly undermined in their efforts to promote a more moderate image of Iran. This was in part the case because the conservative wing of the government, including the Supreme Leader, undermined reformist policies, but to a considerable degree the problem lay in the actions of shadow institutions that operate outside the reach of the government (although often with the knowledge and approval of the clerical establishment). The Khobar Towers attack, in which Iran was clearly implicated, came at a time when the Iranian president was struggling to improve relations with the West and had made progress toward doing so; likewise, the Iranian government's continued waffling on withdrawing the fatwa against British author Salman Rushdie demonstrated the staying power of the most radical impulses within at least some of Iran's right wing. While it is far from clear that frequent government claims concerning the actions of such "rogue elements" are entirely credible, it is certainly the case that there are unpredictable, shadow institutions at work that the government has trouble controlling.

The recent conservative ascendancy has made influencing Iran on important foreign policy issues like terrorism and nuclear weapons unlikely for the foreseeable

future. Today's is a more confident and self-assured Iran: the shut-down of reformers did not bring the widespread unrest that many within and outside Iran had predicted. Since the April 2004 elections, the newly confident conservatives have achieved a series of foreign policy successes: they successfully stiff-armed the IAEA on inspections, backtracked on concessions that reformers made to the EU during 2003 trade negotiations, humiliated Britain after seizing British sailors operating inside Iranian territorial waters, and have watched with satisfaction as the U.S. struggles to impose democratic order in Iraq.

Much has been made of the economic pressures that are likely to force Iran to moderate its international profile in the years ahead. To be sure, even the most extreme conservatives recognize that the economy must improve over the long run, but in general the conservatives are less sensitive to economic pressures and threats than were the reformers, for at least two reasons. First, in their worldview, ideological progress and the sanctity of revolutionary principles still outweigh more prosaic economic concerns. Second, they are confident that sanctions do not pose much of a threat to Iran. Even were the U.S. to pursue sanctions, its allies in Europe and elsewhere would be unlikely to follow suit, an outcome that would be worse for the U.S. than doing nothing. Further, were Iran to face real economic hardship as a result of some future sanctions regime, it could take steps to make their neighbors pay as well by closing or restricting access to Persian Gulf shipping. Nuclear ambiguity would, of course, make this Iranian stick even more potent.

It is important not to overestimate the current regime's political vulnerability. While it is true that the majority of Iranians view the clerical regime as corrupt and ineffective in solving Iran's domestic problems, there is still no meaningful parallel with the Shah's regime. The current Supreme Leader may lack Khomeini's scholarly and spiritual status, but he and, more importantly, his office are deeply institutionally entrenched. Even were Khomeini to die or be otherwise removed from power, the Islamic system in Iran would not collapse.

Another important contrast with pre-Revolutionary Iran is the fact that today there is no safe haven in Iran for political dissent. In the 1960s and 1970s, Iran's universities and mosques were breeding grounds for politicization and radicalization; today, the government controls the mosque and a general mood of disillusionment and ennui has dampened the political zeal that broke out on Iran's university campuses in the late 1990s. If the pragmatic conservatives come to dominate the new government, the security of the Islamist regime may be further ensured as it pursues an Iranian version of the

China model – gradual economic opening to the West, relaxed social constraints, particularly on youth, but rigid adherence to the autocratic style of governance and control of political discourse. While some hardliners see any kind of easing of social controls as a slippery slope toward secularism and moral collapse, economic pressures will eventually leave them with few alternatives to economic normalization.

Much has been made of the revolutionary potential of the rising youth cohort in Iran. Some 65 percent of the population of Iran is under 30 years of age – a fact of which the conservative regime must be uncomfortably aware. There are, however, indications that for the time being, the reformist potential of young Iranians will remain largely unrealized. There are a number of explanations for this. First, the inability of the Khatami regime – in which Iranian youth had placed high hopes – to deliver on ambitious promises of change. This triggered widespread disillusionment with politics, which was reflected in the record low voter turnout for the April 2004 elections. Second, most young Iranians – in fact most Iranians of any age – are consumed with the challenges of day-to-day living in Iran’s moribund economy. How they will realize their personal ambitions – marriage, career, and family – is a more pressing concern than political and social reform. Historian Crane Brinton and others have shown that revolutions tend to occur not when times are bad, but when times are improving and expectations outpace progress. Times are not improving in Iran. Third, young Iranians are not politically organized or particularly savvy, which makes sustaining effective political opposition difficult, especially under the added pressure of the conservative onslaught. It is possible, perhaps even likely, that when the 20- and 30-somethings of present day Iran have established themselves economically and professionally, the post-revolutionary baby-boom will enter its political prime and force real changes in the system. In the immediate future, however, such political galvanization is unlikely.

None of this is to imply that there are no constraints on the conservatives. One of the most important is the resurgence of nationalism in Iranian public opinion. This serves the conservative agenda as far as the nuclear program and rapprochement with the United States is concerned, but it will also force future conservatives to pursue a more pragmatic foreign policy in the broader context. It is becoming increasingly evident that Iranians are not willing to sacrifice important national goals, like economic growth and international respect, for ideological ones, like Islamic purity. Iran’s nationalist goals can be boiled down to three basic desires: power, prestige, and influence. All three are predicated on Iran achieving recognition and respect not as a zealous ideological rabble-rouser but as a modern, medium-sized regional power on a rough economic, technological, and political

par with India and China. Iran's rejuvenated nationalism is likely to be expressed in its definition of national goals and interests and in a concerted quest for respect proportionate to its size and economic potential. Among the specific foreign policy objectives that are likely to intensify among both Islamists and nationalists: international recognition of Iranian territorial aspirations in the Gulf and a reduction or elimination of U.S. naval presence in the Gulf; membership in the WTO (which provides the U.S. one of its few levers); and recognition of the Palestinian right of return in any future peace agreement with Israel.

Further, Iranians are growing increasingly impatient with the Islamic regimes' old habit of blaming all failures and misfortunes on nefarious foreign – and usually American – plots. There is a growing sentiment in the middle classes that Iran must finally take control of its own fate. To a considerable extent, moderate and nationalist support for the nuclear program can be interpreted in this light – not as a quest for the Islamic bomb but rather as a sign that Iran is a modern, technologically advanced society capable of taking charge of its own affairs. And even if the conservative clerics consolidate their stranglehold on Iranian politics, nationalist interest are likely to continue to push aside religious and ideological ones, at least in the conduct of its foreign relations. This is trend that has been growing at least since the end of the Iran-Iraq War. In the long run, the conservatives may be doctrinally better positioned than were the reformers to force some degree of rapprochement with the West, perhaps even with the United States. Their ability to conduct foreign relations with a single voice (ending the frustrating bifurcation of reformist vs. conservative policies in the 1990s) and to make concessions at the margins without being tarred with a collaborationist brush could, in time, lead to a degree (even if limited) of moderation and normalization of Iranian foreign policy.

IRAN AND THE GREAT SATAN

The barriers to improved relations between Iran and the United States boil down to two issues: trust and respect. Iran respects the United States on one level, rather in the same manner that one respects an 800 pound alligator in your swimming pool. In Iranian eyes, the United States poses an existential threat. The underlying assumption of the clerical leadership is that the United States will never accept the legitimacy of the Islamic Republic, that it will never normalize its relations with Iran, and that it will never respect the regime and its leadership. The hostility of the United States was an important part of the unifying myth of the revolution and is deeply ingrained in the identity of clerical regime. Iran's conservative clerics have not moderated their view of the United States as

the Great Satan since Khomeini's death, and because of its importance as a source of unity and identity, it is one issue upon which they are unlikely to compromise very much.

Iranians across the political and ideological spectrum tend to project the worst intentions on American policies and actions, and resentment of U.S. interference in Iran's internal affairs is not limited to the clerical right. The CIA's involvement in the overthrow of Mohammed Mossadegh and the return of the Shah to power (a piece of obscure historical trivia to most Americans) remains a deep and often-cited source of resentment among Iranians of all generations. Just as they believe the U.S. sold-out Mossadegh and Iran's democratic aspirations in the mid-20th century, the Iranian penchant for conspiracy theories leads pro-reform Iranians to believe that the U.S. sold-out Khatami and the other reformers in the early 21st century for nefarious (if not clearly defined) motives. The demonization of the United States in Iranian perception is an important problem that must be solved before the U.S. can hope to build influence or even rudimentary trust. It is important to keep in mind that Iranian suspicions are likely to linger even if Iran were to democratize, particularly if it kept some element of its Islamist character. And the danger of demonization cuts both ways. The events of the Iranian Revolution – the embassy seizure, the hostage crisis, and the humiliating failure of the U.S. rescue attempt – continue to color official and popular perceptions of Iran among Americans and their leadership, as well. At present, both sides are sacrificing important Realpolitik interests in pursuit of, or in stubborn adherence to, ideological agendas.

Before the United States undertakes any serious effort to change the status quo in its relations with Iran, it needs to assess its toolbox, which at present is woefully empty. The United States currently has no credible sticks and only a very few carrots with which to coerce or persuade Iran to change its behaviors and policies. The most basic weakness in U.S. influence now is the complete lack of mutual trust. Without trust, there can be no meaningful diplomacy at a time when U.S. military options for dealing with Iran are relatively few. The suggestion that Iran might be persuaded to exchange its nuclear weapons for Western, UN, or U.S. security assurances is a non-starter. To have credibility, such assurances would have to come from a country or institution that itself has credibility in Iran's eyes. At present, neither the U.S. nor NATO – the only two actors that could reasonably be expected to enforce such security guarantees – have anything approaching that degree of credibility among any groups in Iran, whether reform or conservative. Some kind of preemptive strike against known Iranian nuclear research facilities would likely be only a short-term solution and would most certainly undermine any long-term effort to build better relations and more responsible Iranian foreign policy.

The anger such an action would trigger inside Iran would span all political orientations and would likely survive even the fall of the clerical regime.

But building some level of mutual, even grudging, respect could go far toward defusing dangerous tensions. To make even subtle progress, however, the United States must begin to pay greater attention to how its policies and actions are perceived in Iran across the political spectrum. Resentment of U.S. “arrogance” is not restricted to the conservatives and extremist clerics. Reformist Iranians are also smarting over what they see as a U.S. refusal to recognize the social and civil progress Iran has already made, and the conciliatory and cooperative steps – such as Iranian cooperation in the fight against al-Qaida – that the regime has taken in recent years. Khatami and his supporters felt deeply betrayed, for example, when the U.S. administration publicly expressed suspicions regarding the presence of al-Qaida operative inside Iran before consulting with the Iranians and expressing their concerns directly.

U.S.-Iranian relations are approaching a potentially dangerous and almost certainly decisive turning point. National elections in both countries over the next year will trigger debate over the future direction of relations. The outcome of both elections will likely result in a hardening of positions and, in Iran at least, a greater degree of consistency in policy as the reform vs. conservative dichotomy disappears; this is coupled with a possible shift in their perception of its relative advantage vis-à-vis the United States. In the past, Iran has been relatively circumspect in pursuing its foreign policy goals, particularly when those are likely to run afoul of the U.S. For example, Iran has preferred to pursue such goals as disrupting the Palestinian-Israeli peace process by acting through surrogates. But they have demonstrated a greater degree of self-confidence in recent months, triggered in part perhaps by its impending nuclear status and in part by its perception that the U.S. is weak and isolated, trapped in a quagmire in Iraq, at cross-purposes with the UN, and unable to rally its allies to sign on to its hard-line policies.

Proxy operations are likely to continue to be an important tool in the Iranian strategy, but a nuclear Iran is likely to be a more adventurous Iran, at least initially. Iranian officials have, for example, been quoted as remarking that the Muslim world will have much greater freedom of action in a nuclear world than Israel because, while a single nuclear weapon could destroy Israel, one weapon would have a negligible effect on the Arab world. Iranian leaders have also learned and internalized the lessons of U.S. reaction to North Korea’s decision to revive its nuclear weapons program. By playing the nuclear card, Kim Jong-Il forced the U.S. to engage with North Korea, at least indirectly. Saddam Hussein, who did not have nuclear weapons, fell victim to a U.S. military

invasion. The Iranians drew the clear conclusion that despite U.S. claims to the contrary, it was North Korea's nuclear arsenal, not its conventional forces, that deterred the U.S. from taking aggressive action against Kim.

Iran believes the United States is committed to overthrowing the Islamist regime in Tehran. Events in Iraq and North Korea have reinforced Iran's view that only an Iranian nuclear weapon will be a reliable and effective deterrent against U.S. aggression. When it comes to imposing its vision and values, the Iranians have come to believe, the United States is limiting itself to picking the low-hanging fruit. They fully intend not to become low-hanging fruit.

IS ALL LOST?

It is clearly in the interest of the United States to delay Iran's development of its civilian nuclear program and its transition from nuclear energy to nuclear weapons as long as possible. Historically, every major nuclear weapons program has benefited from at least some foreign assistance. For this reason, and given the lack of other U.S. diplomatic and military options, restricting foreign assistance to the Iranian nuclear program is vitally important and may be one of the few levers the United States has to retard Iranian progress toward weaponization. Still, given the degree of consensus within Iran across the political spectrum, the level of commitment of resources and political capital in the Iranian nuclear program, and the fact that Iran is already very far down the road toward developing a viable nuclear capability, the question of whether they might be persuaded or coerced into abandoning their efforts is almost certainly moot. Assuming that Iran will develop an independent nuclear capability sooner or later, U.S. policymakers should begin now to shift the focus of their thinking and planning from a pure nonproliferation focus toward managing relations with a future nuclear-armed Iran.

It is far from clear that a nuclear Iran need be a disaster for U.S. strategy and influence in the Persian Gulf region and the Middle East. What is clear is that a nuclear-armed Iran under the current circumstances is completely unacceptable to Israel, given Iran's stubborn rejectionist posture toward the Palestinian-Israeli peace process and its support for militant Islamist parties like HAMAS. Progress in this realm would best be ensured by putting the full force of U.S. influence behind a genuine, productive peace process. Were the Israelis and the Palestinian Authority to come to a mutually workable peace agreement, and were the majority of Arab states in the region to recognize the legitimacy of Israel and a Palestinian government, Iran's hard-line position would become untenable. With or without such a peace agreement, however, the United States

must restructure the conduct of its relations with Iran to enable it to respond quickly and effectively to the increasing likelihood that Iran will become a nuclear-armed power, either declared or undeclared. If and when that happens, U.S. influence strategy will face three challenges: deterring Iran, enlisting the support of allies and partners in the effort to ensure that Iran becomes a responsible nuclear power, and discouraging Iran from taking advantage of its new freedom of action to escalate its support for international terrorism.

Iran is both a rational and a “detractable” strategic player. Iran’s traditional nationalist concerns – fear of encirclement, the desire for self-sufficiency, and the hunger for international respect – drive the strategic thinking of the clerical regime. The Islamic Republic has promoted an image of Iran as messianic and undetractable because it makes them look more dangerous and complicates the strategic calculations of potential aggressors. Nuclear weapons would surely expand Iran’s options for both conventional and unconventional operations by making retaliation more risky, even for major powers like the United States.

There are no obvious targets for Iranian foreign aggression in the near term, but a sense of greater freedom of action could make Iran more confrontational and adventurous. This is of particular concern given that nation’s hard-line eliminationist foreign policy toward Israel. Still, Iran is, in practice, more cautious and risk-averse than its revolutionary image and its foreign policy posturing implies. It speaks the language of deterrence in its own foreign policy and has a fairly sophisticated understanding of its principles. Iran’s actual conduct, given its size and potential, has been relatively circumspect since the end of the Iran-Iraq War; it relies heavily on surrogates to strike at its adversaries – Hezbollah against Israel, Saudi dissidents in the Khobar Towers attacks. The bottom line is that Iran – after the bloodbaths of the revolution and the Iran-Iraq War – is deeply war-weary. Iranians are not eager to surrender another generation of young men and boys to martyrdom, and they are fully cognizant of the cost of war with the United States. They are unlikely to use a future nuclear capability in careless ways that could invite U.S. retaliation in kind. The clerical leaders can justify martyrdom in small numbers to preserve the Islamic system, but they do not have a religious mandate to risk the obliteration of the entire society.

The United States cannot hope to make progress in building influence with Iran unless it can enlist the cooperation and support of its allies, particularly in Europe. But Europeans and successive U.S. administrations have not been able to reach a consensus view of the nature of the threat, the merits of engagement vs. non-engagement policies as means of putting pressure on the clerical regime, and the utility and desirability of

sanctions and other pressures to force Iranian concessions on state support for terrorism, nuclear weapons development, and compliance with IAEA inspections. And Europeans have typically been unconvinced that Iran is as great a threat to civilization as the U.S. tends to believe, or that Iran's civilian nuclear program constitutes de-facto proof of a weapons program; although in the wake of failed EU efforts to use trade agreements as leverage on nuclear weapons, the Europeans are moving closer to the U.S. view. But the Europeans remain largely unwilling to take firm action against Iran regarding either its nuclear program or its support for terrorism, perhaps in part because of their closer proximity and greater vulnerability to Iranian retaliation. There are other third parties – including India, Turkey, Egypt, and China – for which Iran has respect and that the U.S. might enlist to help influence Iran on nuclear policy and terrorism. China, however, has a record of transferring nuclear expertise and missile technology to Iran.

Even in partnership with Europe and other partners and allies, persuading Iran not to pursue nuclear weapons may be too tall an order. Nonetheless, there are things that the international community can do to move Iran's relations with the outside world in a more positive direction and thus make a future nuclear Iran less menacing. Concerted effort could slow Iran's progress toward weaponization, and they might be convinced that it would be in their own interest to maintain nuclear ambiguity by stopping short of developing a declared nuclear arsenal and delaying weapon assembly. Another important step would be to integrate Iran into regional and global assurance mechanisms and confidence-building measures. Likewise, it would be crucial to reintegrate a nuclear Iran into the ranks of the nonproliferation regime, particularly as concerns the transfer of nuclear technology and materials to third parties, especially to non-state terrorist organizations. And it might be possible to subdue Iranian adventurism by developing, and publicizing, nuclear forensics that would make it possible to track the source of nuclear materials, thus eliminating for that country (and others so inclined) the cloak of deniability.

Apart from its nuclear potential, the greatest source of international concern is Iran's close and active ties with terrorist groups, especially but not limited to Hezbollah. Iran and the United States differ fundamentally in their definitions of terrorism. Often, what the U.S. classifies as terrorism – as in the cases of Hezbollah and the Palestinian Islamist parties – Iran sees as legitimate national resistance and liberation movements. Iran helped create Hezbollah, which stands as one of the few successes in Iran's early strategy of exporting Islamist revolution. Over the years, they have provided significant material and political support, and Hezbollah has undertaken operations on Iran's behalf.

Still, it does not follow that Iran has much in the way of operational control over Hezbollah operations. They undoubtedly have close relations with groups that are seeking or might seek nuclear or chemical weapons. It is much less clear that Iran would be a willing supplier of nuclear weapons to international terrorists, particularly al-Qaida whose militant Salafi extremism is threatening to Iran as a Shia nation. And it is not outside the realm of possibility that Iran might use a terrorist group like Hezbollah as a surrogate in an nuclear attack on the United States or its presence abroad, but only if it was certain that the operation would leave no Iranian fingerprints. But if Iran believes that the United States has nuclear forensic capabilities that enable it to undermine deniability, it will be much less bold in either using surrogates or passing nuclear materials to terrorists.

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