

A stylized world map composed of a grid of grey dots, with several dots highlighted in red to represent specific countries or regions.

Astute Gamesmanship and Realistic Ambitions

The Potential Success of the Rouhani Presidency

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- The election of President Rouhani in June 2013 represents an attempt by both the Iranian political system (lesser degree) and the electorate (greater degree) to overcome the political rifts laid bare and exacerbated during President Ahmadinejad's period in office (2005–2013). The core election issue was quite reasonably the Iranian economy and the state bureaucracies, whose performance influences its health—both are in need of an overhaul.
- From a European perspective, the best way to grasp Iran's significance and relevance as a neighbour's neighbour is to engage and understand the country as a strategic issue, rather than as an ad hoc interlocutor on a series of random hot spots.
- Greater interaction between Europe and Iran is mutually beneficial. Iran is culturally still very attuned to Europe, and very keen to reconnect its economy and industry to the European market. Europe in turn needs to diversify its energy supply and have a functioning relationship with an important Middle Eastern power, whose action/inaction, participation or absence affects the political outcome of issues in the region, which directly impact Europe.
- The new trajectory of political development that President Rouhani represents is not a given, nor is its success a foregone conclusion. Success will depend on the ability of the government to salvage the economy and concomitantly resolve the nuclear standoff with the P5+1. Moreover, by engaging seriously with Tehran, Europe can help sustain the reform process or, if the EU takes the position of a passive observer on the sidelines, watch the reform process wither, and die.



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While the presidency of Hassan Rouhani has so far yielded impressive results in the field of foreign policy and things look promising with regard to economic matters, the picture is much more bleak regarding domestic issues. Apart from a possible reluctance to take on his opponents in that arena, there are structural reasons for this lopsided scorecard. One of the main arguments of this paper is that domestic politics is the primary arena for intra-elite competition. Accordingly, foreign policy is used as a roundabout way to attack domestic foes, and because of its secondary nature the president has a freer hand in this sphere. This lopsidedness notwithstanding, there are reasons for structural optimism when assessing Iran's development, and the ability of Iran's interlocutors to aid or hinder this positive trajectory in becoming reality should not be underestimated. In short, if those who (often justly so) complain about Iran's human rights record and confined social atmosphere want real change to take place, they must continue to engage with Iran on a variety of issues—internationally and bilaterally—knowing that change will take time and will not be straightforward. In the end, only greater interaction can help President Rouhani fulfil his electoral promises and ambitions, and set Iran on a path that will benefit both Iranians and the host of countries that need and must interact with the country.

1. Introduction

When Hassan Rouhani, somewhat surprisingly, won the presidential elections in Iran in June 2013, it was on the campaign promise of improving the circumstances of ordinary Iranians, by fixing the ailing economy and resetting both its stale domestic political scene and its antagonistic relationship with the West. In addition, the reformist wing of Iranian politics and their constituency, who helped bring about Rouhani's victory, wanted relief from the securitised political atmosphere—i.e., both a release of the many people arrested and convicted after the 2009 unrest, and a more tolerant public discourse.

The key to changing this precarious situation was and remains the economy, and the most important bottlenecks that need to be addressed are: domestically, the state mismanagement of the economy; and in the foreign policy realm, the unravelling of the stifling sanctions regime that the US and EU have implemented against the country.

While the presidency is one of the most important posts within the Iranian system and the highest office in the land one can attain through elections, its writ has always been contested. To begin with, presidents are not in charge of all the matters that the electorate has elected them to rectify. In a sense, then, the presidency is a safety valve that allows the population to voice its collective opinion of where the country should be heading, and also a verdict on the predecessor.

Regardless of ideological bent, the president will inevitably have to negotiate his space for manoeuvre with other state institutions, especially the office of the Supreme Leader. Moreover, reformist or moderate presidents must contend with the ideological resistance emanating from the judiciary, the state TV and Radio Broadcasting company, and the security establishment—ministry of intelligence and the Iranian Revolutionary Guard Corps (IRGC)—whose heads are appointed either directly by the Supreme Leader or in consultation with him and thus are dominated by more conservative groups and personalities. To this, we must add the standard power games between different factions in the Majlis and other venues of elite competition. What all of this amounts to is that presidents have greater sway in defining foreign policy than in implementing their domestic agendas.

All in all, this is reminiscent of the enthusiasm US president-elects may elicit: their campaign promises—to »fix the system«, etc.—are tempered by the systemic institutional inertia of government, which wear down their ambition and make their victories, if any, more modest than anticipated.

Hassan Rouhani was elected president to be everything that Ahmadinejad was not, and to return Iran to some kind of normalcy.¹ Depending on your definition of normalcy, this can be interpreted as a more or less radical mandate for change. Inevitably, those constituents who expected radical change when voting for Rouhani in June 2013 are surely disappointed to varying degrees; nonetheless, he has made a difference and is intent on continuing to do so. Nowhere is this more important and expected than in the economic sphere, where many

1. For an overview of the problems with Ahmadinejad's presidency and the transition to Rouhani see Rouzbeh Parsi (2014): Edging towards equilibrium—The presidency of Hassan Rouhani, *Orient* vol. 54, no. 4 2013.

of the neglected problems of management, planning, and execution of economic policy—like the proverbial chicken—are coming home to roost.

2. The Perpetually Ailing Economy

The handling of the Iranian economy is a good example of the institutional and ideological tension inherent in the construction of the Islamic Republic from its very inception. President Rouhani recently remarked² that as long as investors are not appreciated properly and poverty is valorised, Iran cannot progress. This reaffirms the inclination of the group of moderates he belongs to—and a fair number of reformists—towards economic liberalism. Yet, as he himself mentioned, this also harks back to article 44 of the Iranian constitution, which tries to straddle the divide between market economics and the justice and redistributive ethos of the revolution.³

The subsidies that came about during the hard years of the Iran-Iraq War have been maintained and are now a structurally unsustainable weight on the economy. The Ahmadinejad administration tried to amend this, but in a typically irresponsible and badly executed fashion. What on paper looked like a fairly sound plan became a part of his usual populist style of politics creating havoc in both the economy, as well as the state's ability to assess and direct it. Similarly, there have been, and are, half-hearted stabs at privatising state-owned enterprises.⁴ It is almost by definition impossible to balance the need to fight rampant inflation, high unemployment, and a barely growing economy; and so far, the new administration's success has primarily been to bring down inflation and slowly untangle the delicate web of corruption⁵ that proliferated in the second Ahmadinejad administration.

2. Rouhani: Parties and groups have the right to criticise but not to pass sentence, in: *Fars News*; available at: <http://www.farsnews.com/newstext.php?nn=13930331000182> (last accessed on 21.06.2014).

3. See, Evaleila Pesaran (2012): Challenges facing the Iranian economy, in: Rouzbeh Parsi (ed.): *Iran: a revolutionary republic in transition*, Chailot Papers February 2012; available at: <http://www.iss.europa.eu/publications/detail/article/iran-a-revolutionary-republic-in-transition/>

4. For an in-depth analysis of attempts to privatise state businesses in Iran, see, Kevan Harris (2013): The Rise of the Subcontractor State: Politics of Pseudo-Privatization in the Islamic Republic of Iran, in: *2013 International Journal of Middle East Studies* 45, no. 1.

5. Rouhani: They gave away the oil to some, they took it and ate it, in: *BBC Persian* (7.8.2014); available at: http://www.bbc.co.uk/persian/iran/2014/08/140807_rouhani_oil_sanction.shtml

Better management and opening up the economy also requires taking on the IRGC, whose role in Iranian business has grown with the increased sanctions and Ahmadinejad's presidency. Traditionally engaged in large construction and other heavy duty projects, the varying business entities connected to or inside the IRGC conglomerate Khatam ol-Anbia have spread horizontally (other sectors) and vertically (medium-size businesses). This was part of Ahmadinejad's policy of placating the IRGC early on, but it was also due to the fact that there have been less and less domestic and foreign competition, leaving the field more open for the businessmen out of uniform. President Rouhani has been pushing back on this ubiquitous presence—including in public speeches—and the IRGC has signalled its compliance.⁶

In policy terms, austerity has been the main medication administered thus far. Unemployment is still rising and the economy is not growing in a convincing fashion. The stimulus side consists of better management, instilling confidence in the market actors, and counting on growing exports as sanctions are lifted. Though it is clear that the structural problems of the Iranian economy require more in-depth changes, they will nevertheless be painful.⁷ Sanctions relief is the potential heavy lifter in this calculation, but also the one variable the Rouhani administration can affect the least on its own, because it is directly related to if and how the nuclear issue is resolved (see below). In any case, as economists have been pointing out from the outset of this new administration: the effects of better management and decreased sanctions will not yield tangible results until two to three years down the line.⁸ The administration itself hopes to reverse the economic trend in 18 months.⁹

However, success in this field is intimately connected and dependent on progress on several other issues, in

6. Alireza Ramezani (2014): Rouhani seeks to limit IRGC role in politics, economy (24.4.2014); available at: <http://www.al-monitor.com/pulse/originals/2014/04/irgc-iran-rouhani.html>

7. Bijan Khajepour (2014): Six keys to economic reform in Iran, in: *Al-Monitor* (9.6.2014); available at: <http://www.al-monitor.com/pulse/originals/2014/06/iran-economic-development-keys.html>

8. Djavad Salehi-Isfahani (2014): Recording a lackluster economic performance in Iran (4.8.2014); available at: <http://djavadsalehi.com/2014/08/04/recording-a-lackluster-economic-performance-in-iran/#more-2479>

9. Statement by Mohammad Ali Najafi, principal advisor on economic issues of the government, BBC Persian (9.8.2014); available at: http://www.bbc.co.uk/persian/business/2014/08/140809_najafi_economy_plan_iran.shtml

tandem and sequence. For the economy, the successful outcome of nuclear negotiations is crucial, because it can simplify Iran's participation in the world market.

3. The Nuclear Issue

Overall, there are two reasons the Rouhani administration is undertaking a very risky and painful attempt to settle the nuclear issue. As mentioned in the previous chapter, it will take several years to reduce and eventually remove the US/EU sanctions on Iran, and thus allow it to buy and sell products on the world market to a much larger degree (bigger markets become available) and more efficiently (fewer middle men thus less costly transactions). But success in this field is also important in order to maintain the momentum for reform and liberalisation at home; it will deflect criticism from the principlists and the IRGC, buying the administration more breathing room to pursue its agenda.

The nuclear issue itself is very complex for many reasons: the history and bad blood from previous attempts; the self-perceptions of the actors and the narratives they spin about each other, creating cognitive echo chambers where the story about the »other« barely needs any actual input from those others, and when there is any, the message tends to be misread.

The first necessary steps towards serious negotiations were taken already in the spring of 2013, when the Obama administration communicated to the Supreme Leader that the US was willing to accept some level of enrichment in Iran. This was a crucial step from the US side (more on this later), but what made this particular opening a reality was undoubtedly the election of President Rouhani. He and his team—especially Foreign Minister Javad Zarif—both have experience in negotiations of this kind, understand why Iran needed to change its approach, and have the savvy to pull it off. In a sense, the new Iranian team understood quite well that an important element of the problematic exchange with the West and the standstill in the negotiations had to do with perceptions. In short, the problem was not just that they had widely differing views about the substance of the issue, but also that they perceived the other side in such a way that made most overtures futile.¹⁰

10. In many ways, the structural framework of this issue has unfortunately been very stable, though this is slowly now changing. For brief overview and explication of the European relevance to the process, see my article, »Stereomorphonic: Iran and the West«, ISS Analysis, June 2012.

The Joint Plan of Action¹¹ that was agreed upon in November 2013 is the kind of step-by-step approach required in order to generate and build the minimum trust needed to be able to reach a permanent agreement. While some scepticism and criticism of the deal can be said to have been made in earnest, a lot of the attacks against the negotiations and the interim agreement are based on several misconceptions. First, it is an interim agreement, so it is not supposed to solve all of the outstanding issues, just create the atmosphere necessary for finding a permanent settling of the matter. Secondly, the writ of the P5+1 does not extend beyond the nuclear issue.¹² In short, the negotiations are self-contained—i. e., there are no other matters or issues allowed to disturb or distract the parties from the delicate issue at hand.

Thus, developments in other theatres of general relevance—such as Syria, Iraq, Ukraine, etc.—which many outside the negotiations speculate will have an impact, have so far not seeped into the talks. This is also the case for human rights in Iran, a cause championed by both sincere dissidents abroad and those looking for excuses with which to derail the talks. In the public discourse, the purpose of this »firewall« is often either not understood or considered illegitimate.

One example to illustrate this complexity is the Iranian-Russian relationship within and beyond these negotiations. Just as the relationship with Turkey is far deeper and thus more stable than any particular immediate conflagration (Syria, Iraq) can attest to or alter, the Iranian-Russian relationship is built on many (at times contradictory) priorities on both sides. It is a complicated and in no way conflict-free relationship, but there is more that speaks to its durability and stability (common foes and anxieties, shared interests) than not.¹³ Thus, as neighbours the two states have certain common interests, but they also have a less than friction-free history. As actors on the world stage, their interaction becomes much more complicated with Russia's competition with the US, and Moscow's less alarmist interpretation of the Ira-

11. http://eeas.europa.eu/statements/docs/2013/131124_03_en.pdf

12. For a differing view from the human rights perspective, see Dokhi Fassihian, Human rights overlooked in nuclear talks; available at: <http://www.al-monitor.com/pulse/originals/2013/11/irn-iran-human-rights-nuclear-fassihian.html>, 14.11.2013.

13. See Mark Katz's blog at USIP Iran Primer; available at: <http://iran-primer.usip.org/blog/all/Mark%20N.%20Katz>; and Alexei Arbatov, Iran, Russia, and the Ukrainian Crisis, in: *The National Interest*; available at: <http://nationalinterest.org/blog/the-buzz/iran-russia-the-ukrainian-crisis-10902> (last accessed on 17.7.2014).

nian nuclear programme playing in Iran's favour. On the other hand, Moscow is not investing so much in Iran that it is willing to bear any costs on Tehran's behalf. And yet for all the different chess games being played, Moscow has not allowed its fraying relationship with the EU and the US over Ukraine disturb the nuclear negotiations in Geneva.

The main obstacles to a successful conclusion of the negotiations are of two kinds: internal to the negotiations, i.e., substance of the issue; and external, the fact that a deal will alter the geopolitical landscape and thus the relative power of some regional actors, primarily Saudi Arabia and Israel. The substance issues primarily revolve around regulating the scale and size of the Iranian nuclear programme (centrifuges, SWUs, etc.)¹⁴ and the period of exceptional requirements (in terms of inspections, etc.) being asked of Iran. For a long time, the main issue of contention was whether Iran had the »right« to an enrichment programme. While the Western countries were deluding themselves with arguments as to whether they would »allow« it, reality in the end asserted itself. Iran has created a programme that cannot be dismantled short of full-scale war and invasion, hence, the real task is how to regulate and supervise it so that it remains within the confines of the Non-Proliferation Treaty (NPT). The next hurdle is the time period before Iran achieves »normalisation«—i.e., the point at which it will be subjected to the same rules and regulations as other countries. From a P5+1 perspective, this period of extraordinary rules and inspections is as much in order to buy the very reluctant agreement of spoilers—such as Israel, Saudi Arabia, and US Congress—to a deal, as it is to ascertain the full scope of the programme and build confidence that Tehran is honouring its end of the deal.

One important tool utilised in this long tug of war with Iran is sanctions. As a foreign policy tool, sanctions are not nearly as useful as politicians tend to think. The effects of sanctions on the targeted country wear off over time and their effectiveness (effect relative the stated goal) is difficult to gauge. In the case of Iran, the intricate web of sanctions the US and, to a lesser extent,

the EU have woven are both difficult to navigate and lift.¹⁵ This is especially the case on the US side, where a lot of the sanctions have been enacted by Congress—a body with a bipartisan majority that is neither able to fathom the purpose and nature of these negotiations, nor reach a negotiated solution to the problem. The Obama administration's difficulty in getting support from Congress is a serious credibility problem for the US in the negotiations, because the reduction of sanctions is an important incentive for getting Tehran to agree to a deal. The European Union is also an important player in this regard, because the process for lifting its sanctions is a comparably less cumbersome process and its standing with Iran is historically better than that of the US. The Europeans can therefore play a crucial role in the making or breaking of this deal.¹⁶

As mentioned above, the external dimension is more about the political games and fears of all actors involved and those watching from outside the process. Undoubtedly, the Obama administration has managed quite well to hold firm against some of the excesses from Capitol Hill and Tel Aviv, but in the long run if a deal is struck, its survival will require some kind of passive or active support from Israel and Saudi Arabia. They must be engaged and invest in the process of implementation in order to ensure that they become partners and not spoilers.

The Iranian hard-liners are another group trying to wreck the process for a variety of reasons—including ideological and economic interests—but here the Rouhani administration has been much more steadfast in holding its line. Rouhani himself has shown his exasperation with the principlists¹⁷ on this much more than any domestic

14. For a good dissection of needs, red lines, and red herrings in the arduous negotiation process, see Dina Esfandiari & Araiane Tabatabai (2014): Meeting Iran's nuclear fuel supply needs, in: *Bulletin of Atomic Scientists* (6.5.2014); available at: <http://thebulletin.org/meeting-irans-nuclear-fuel-supply-needs7224>; and Ali Vaez (2014): False Dilemmas in the Iran Talks, in: *The National Interest* (16.6.2014); available at: <http://nationalinterest.org/feature/false-dilemmas-the-iran-talks-10674>.

15. For recent studies of the sanctions regime on Iran, see Dina Esfandiari (2013): Assessing the European Union's sanctions policy: Iran as a case study, in: *EU Non-proliferation Consortium, Non-proliferation Papers*, No. 34 December 2013; available at: (<http://www.nonproliferation.eu/documents/nonproliferationpapers/dinaesfandiari52b41ff5cbaf6.pdf>); and International Crisis Group (2013): Spider Web: The Making and Unmaking of Iran Sanctions, *Middle East Report* N°138, 25 Feb 2013.

16. Aniseh Bassiri Tabrizi (2014): The EU's sanctions regime against Iran in the aftermath of the JPA, in: *ECFR Policy Memo* (June 2014); available at: http://www.ecfr.eu/publications/summary/the_eus_sanctions_regime_against_iran_in_the_aftermath_of_the_jpa310; and Ellie Geranmayeh, Détente with Iran; how Europe can maximise the chances of a final nuclear deal, in: *ECFR Policy Memo* (June 2014); available at: http://www.ecfr.eu/publications/summary/detente_with_iran_how_europe_can_maximise_the_chances_of_a_final_nuclea309

17. Many on the right wing of the political spectrum refer to themselves as *osulgarayan*, literally those who cherish (foundational) principles. As they are a disparate group with different understandings of conservatism (political, economical, ideological, cultural, etc.) this description is more accurate than calling them conservatives.

matter. If nothing else, his own expertise and experience in the former topic seems to make him less willing to indulge the hard-liners in their worries and objections; he has gone from calling them »illiterates«¹⁸ to recently creating an uproar by taking a clear and very strong stand:

*Some are shouting slogans but are [in reality] political cowards (...) Every time there are negotiations they say we are trembling [out of fear], so go to hell, find a warm place! What are we supposed to do? God created you trembling and fearful, what are we supposed to do?*¹⁹

4. The Hollow Opposition: The Principlists

Obviously, the ideological and political positioning of various factions within the elite has changed over time, and even denominators like reformist and principlists are a shorthand for a much more complicated political landscape. For instance, the traditional right favoured a more open economy and foreign policy but a closed domestic political and cultural scene, while the moderates who emerged after the decline of the traditional left during Khatami's presidency favoured a more liberal approach on all those areas. The new right that emerged with Ahmadinejad was more confrontational on the foreign policy front but did not mind a more open atmosphere on the domestic front—as political journalist Mohammad Quchani points out, this is due to their sense of being deprived of their rightful share of the revolutionary spoils. In short, they have no problem with the fat cats of the Islamic Republic getting their comeuppance as it were.²⁰

Simply put, the conservative opposition within the system can be said to be institutionally strong but ideologically weak. Their ability to say »no« and hinder the president from implementing his programme is quite strong, but their reasoning and logic for doing so is intellectu-

ally underwhelming. This is evident in the objections of hard-liners to any further engagement with the EU and vehement rejection of any discussions of human rights; they know these issues have taken root in Iran and want to turn back the clock as much as possible. This in turn points to a much more profound issue: what do the principlists want and what is their programme? These seem like banal questions, but their relevance lies in that a lot of the principlist credo has been based on opposing a reformist agenda rather than putting forward a vision of its own.

So far, their pushback has been much fiercer and open on domestic issues rather than the nuclear negotiations. In the latter, the Supreme Leader publicly stated his support for the negotiation team and its strategy, thus creating space and leeway for the Rouhani administration. As the consummate final arbiter of Iranian politics, the Supreme Leader knows well that his »supremeness« lies in being able to align a »quorum« of the Iranian political elite in order to effectuate a policy position. He backed the government in its attempt to jump-start and redesign the approach to the nuclear negotiations, and its efforts to bring some order to the Iranian economy and the way the state managed its affairs.

Where his support has been more elusive and the conservative backlash has been stronger and more visible is on domestic issues—ranging from the securitisation aspect of the societal atmosphere to issues of cultural freedom. As previously mentioned, de-securitisation of the societal discourse was one of Rouhani's electoral promises. This entails taking on the expanded interpretative role afforded the security services and the IRGC to opine on the public political discourse and restraining it—a trend since the previous attempts at expanding the definition of what is permissible political interaction and debate during President Khatami's tenure. The »red lines« of the *nezam*²¹ have become ubiquitous and especially after 2009 very harshly enforced.

The Green movement, referred to by principlists as the sedition (*fetneh*), has become the spectre of treason, which is conveniently raised whenever domestic reform and cultural liberalisation is mentioned. The mobilisation

18. Radio Farda (2014): Hasan Rouhani calls the critics of the Geneva agreement »a bunch of illiterates«; available at: http://www.radiofarda.com/content/f9_rouhani_calls_geneva_deal_critics_illiterate/25252435.html (last accessed on 5.2.2014).

19. The statement was made at gathering of Iranian ambassadors and diplomats in Tehran 11.8.2014. The video is available at: <http://www.asiran.com/fa/news/350034>

20. Mohammad Quchani (2014): The political factions in the era of moderation; available at: <http://fasleetedal.ir/1393/02/725/> (last accessed on 21.5.2014).

21. Literally the »system«, as in the ruling structures and elites of the Islamic Republic. The *nezam* denotes both an institutional order (imperial) and a political identity (personal) with a varying level of tolerance towards dissent.

before and especially in the aftermath of the presidential elections in 2009 was impressive. The controversial pronouncement of incumbent President Ahmadinejad did not go down well with parts of the electorate and the protests quickly grew beyond the immediate control of the security apparatus. There are several reasons this reaction (Green or otherwise) did not manage to maintain momentum and power, but I briefly will mention two here: [1] the reaction of the voters hoping for Mir Hussein Mousavi and Mehdi Karroubi did not measure up to a »socio-political movement« in the proper sociological sense and therefore could not sustain itself; and [2] once the security apparatus regained its composure, it quite effectively nipped the potential movement in the bud and the protests petered out. Here, it is important not to automatically infer from the absence of an organised movement of dissent and opposition that there is no dissent or dissatisfaction of various kinds and among various sections of society.

Securitisation denotes both a different institutional balance between elected and security pillars of the *nezam*, and a different perspective and approach to societal affairs. The latter entails defining problems and protests against problems in security terms, rather than say bureaucratic, police or political matters. Thus, management of political and social matters are transformed into national security issues, which in turn allows the security services to participate and interfere in the political process to a much greater degree. It is also important to note that this approach easily becomes a self-fulfilling prophecy, because it elevates every kind of conflict or contention into high politics. In short, it adds to the dysfunctional way state affairs and relations to society are managed, while not really solving any actual security issues.

Thus far, the Rouhani administration has not made any great strides with regard to de-securitisation, partly because the nature of the tug of war with the security establishment is not conducive to direct confrontations or rash turnabouts. In addition, this is an administration partly drawing on people who earned their professional laurels in the Rafsanjani and Khatami administrations. The latter was a particularly bruising experience, which has undoubtedly informed the Rouhani administration's cautious approach. Some would say that this approach has been taken too far and with their reluctance to push the envelope, the administration is constraining itself without giving its conservative adversaries a proper

fight. A trial balloon was the launching of a campaign that was supposed to result in a citizens' charter in December 2013.²² The charter is an attempt to delineate the rights of citizens in several areas, but it immediately elicited criticism from both sides of the aisle. Voices were raised from the conservative camp—for instance, the theological seminar in Qom—both against the haste with which the charter was produced and circulated for feedback, and its content, which deals with cultural and moral issues by attempting to change the law in a direction not in line with the Quran and religion.²³ From the human rights camp, the critical observation was made that the charter follows a similar attempt by President Khatami in 2004, and that both are just iterations of rights already enshrined in the constitution—rights that are often not possible for citizens to exercise as the state does not respect or implement these provisions of the constitution!²⁴ Thus, the impetus for the charter is admirable and necessary, but its inability to make political headway points to the structural reasons for why it was needed in the first place.

One of the less opaque ways the principlists try to restrict presidents from going »astray« are the Friday sermons.²⁵ As the preachers in the major cities are usually high-ranking clerics and have been appointed by the Supreme Leader, they (with some caveats and variations) are considered to be expressing sentiments close to his own. One topic that unites conservatives—regardless of their otherwise differing views—is their opposition to any kind of cultural liberalisation. Several influential conservative members of the clergy have started attacking the president and especially his Minister of Culture Ali Jannati, for suggesting a liberalisation of the cultural and social rules enforced by the Islamic Republic. This is both a political issue, as well as a deep and long-running theological/philosophical issue of how individual responsibility and autonomy are understood or denied. Ali

22. The official draft version of the charter can be found on the President's website: <http://www.president.ir/att/sharvandi.pdf>. For an English translation see: <http://www.iranhumanrights.org/2014/01/draft-citizenship/>

23. The criticism of the *howzeh elmi-ye* against the Citizens' charter; available at: <http://www.rajaneews.com/detail.asp?id=175362>

24. See the detailed letter sent by the International Campaign for Human Rights in Iran and Human Rights Watch to President Rouhani: <http://www.hrw.org/news/2013/12/27/joint-letter-president-hassan-rouhani-re-draft-citizens-rights-charter>.

25. One of Tehran's consistently hard-line Friday prayer leaders is Ayatollah Ahmad Khatami. See for example: The radicals of the 2009 sedition are now lavishly receiving posts, in: *Mehr News*; available at: <http://www.mehrnews.com/detail/News/2245997> (last accessed on 28.2.2014).

Jannati has been bold enough to state some of the obvious facts of cultural life and behavioural patterns in Iranian society. This has made him a primary target for the conservatives, because cultural values and their culturally very conservative Islamic imprimatur are part of the identity and revolutionary history of the Islamic Republic. Hence, for conservatives, this is as much a fight to undermine the government, as an attempt to ensure that their definition and understanding of the revolution, the republic, and Iranian society still hold sway—even if it is primarily through enforcement and not voluntary participation and mobilisation.

In this increasingly heated fight about cultural liberalisation, Rouhani has stated that »we should not meddle so much in peoples' lives«, and that one »cannot deliver humans to heaven by force and whips«, in short arguing that human free will and choice cannot be policed away nor can the state make up for the potentially lacking will for salvation of citizens through repressive state policies.²⁶ To this, Ayatollah Ahmad Khatami responded, »it is the duty of the state to bring the people to heaven—even by force and whip if necessary«.²⁷

The generational divides and shifts within the Iranian political elite are also evident here. Ali Jannati's father is the well-known conservative bulwark Ayatollah Ahmad Jannati, who has chaired the Guardian Council since 1988 (recently re-elected for another term). The ayatollahs Mohammad-Taqi Mesbah Yazdi, Mohammad Yazdi, and Ahmad Jannati constitute the most culturally and politically conservative triumvirate in the Islamic Republic. Their philosophically grounded disregard for believers' personal autonomy is evident in their position on cultural liberties and their reaction to any attempts to relax the cultural code, as it were, of the revolutionary republic.

Ayatollah Mohammad Yazdi—member of the Guardian Council and the Assembly of Experts—has also been part of the conservative counteroffensive against the government. He recently admonished the government, starting his argument by stating that seminary students

must learn to know when to speak and when to be quiet, and then referring to the fact that the Society of Seminary Teachers of Qom has already given several informal admonishments to the president »but if he does not pay heed« the Society would issue formal warnings—»and the day may come when they will confront each other«.²⁸

The IRGC is also a very strong and important institutional pillar of the Islamic Republic. Since its ascendance in the 1990s, it has history of setting down lines for the president regarding what is acceptable and permissible. Through open letters (Khatami) and statements and interviews (their news outlets), they signal their support or displeasure. While Rouhani has a better relationship with the IRGC than Khatami—by virtue of his tenure in the Supreme National Security Council—the exchange is not without friction, and high-ranking IRGC officers, including its commander general major Mohammad Ali Jafari, have openly and increasingly criticised the Rouhani government, especially on cultural issues and the nuclear negotiations.²⁹

The most sensitive domestic political issue is, as we have seen, human rights, which harks back to promises of political freedom (generally unfulfilled) and represents an area where foreign criticism is reliably regular, relevant, and inevitably elicits strong reactions domestically. Thus, on the one hand, its legitimacy is hotly contested by the principlists inside Iran, and on the other hand, its relevance in the EU's relationship with Iran is not always clear because it tends to be sidelined by the nuclear issue.

5. The »Other« Issue: Human Rights in the Islamic Republic

Iran's human rights record is a sorry tale with occasional improvements.³⁰ As pointed out by the UN Special Rapporteur on human rights in Iran, the problem is both one of politicisation of judicial matters, but also that the basic law of the Islamic Republic is at best inconsist-

26. Radio Farda (2014): Rouhani: It is not possible to force people to heaven not even with a whip; available at: <http://www.radiofarda.com/content/f12-rohani-against-governmental-meddling-peoples-life/25396719.html> (last accessed on 29.6.2014).

27. BBC (2014): Answer to Rouhani: It is the duty of the state to bring people to paradise, even with the force of a whip; available at: http://www.bbc.co.uk/persian/iran/2014/05/140530_khatami_alamalhoda_rouhani.shtml (last accessed on 30.5.2014).

28. From recommendations to advocates, to the duties of the clergy, in: *Mobahesat*; available at: <http://mobahebat.com/1393/04/3686.html> (last accessed on 25.6.2014).

29. Arash Bahmani (2014): The ups and downs of the relationship of Rouhani and the IRGC (14.6.2014); available at: http://www.bbc.co.uk/persian/iran/2014/06/140616_139_rowhani_sepah_arash_bahmani.shtml

30. For an overview of Iran's recent human rights record, see <http://www.hrw.org/world-report/2014/country-chapters/iran>

ently adhered to and applied. Human rights is therefore a sensitive issue that leaves an opening to the outside world and points to the many unfulfilled promises of the revolution itself. Hence, arresting civil rights activists, journalists, artists, etc. fulfils two functions. Firstly, it follows on the logic of a security apparatus that sees every socio-political phenomenon as part of a conscious pattern of subversive activity, eventually amounting to attempt at »soft coups«. From this perspective, it makes sense to nip all of these minor events and actions in the bud by monitoring, chastising, and arresting potential key people on this emerging scene of, partly imagined, opposition. Secondly, arresting people and also increasing the number of executions for a variety of crimes—from drug smuggling, murder, embezzlement, to crimes against the state and more implausibly, God—is a proven method for circumscribing the public outreach ability of a president and undercutting his international standing. This was the case during Khatami's administration and seems to be the case with Rouhani as well. Since, as mentioned previously, the head of the Judiciary is not appointed directly by the president but in consultation with the Supreme Leader, not even the judicial dimension of dispensation of justice and punishment is something the president can control by himself.

The press is particularly vulnerable in this conflict. Journalists are considered suspicious because of the issues they scrutinise and what they may expose through their writing—in short normal journalistic work. They are also seen as potential instigators of sentiments that could spark protests, and because different papers have different political leanings, they are also seen as voicing different political lines, and thus »fair game«—pawns in the ever shifting opaque political games among the Tehran political elite.³¹ Hence, the shutting down of papers continues, as does the arrest of journalists for doing their jobs.³²

One site where political activity—and therefore also possible dissent—forms is the university campus. The universities were instrumental in the mobilisation for

the revolution, and has ever since been a venue where politics take place and new generations of politicians and managers of the Islamic Republic are formed. In 1999, the reaction of student activists to attempts by conservatives to clamp down on press freedom and supporters of President Khatami led to unrest and deaths in Tehran. Similarly in 2009, the university campuses—especially in Tehran—were under scrutiny, and students were attacked and beaten by security forces. With the election of Ahmadinejad in 2005, the clampdown on dissenting academic voices took on a more structural form with dissenting students being »starred«—i.e., receiving one to three stars depending on the gravity and persistence of their »transgressions«. This singling out could then result in expulsion from university, being barred from graduating, and further down the line make employment more difficult. In effect, this amounts to a kind of inner exile for those who had not been forced out of the country due to their political activities. Similarly, faculty members were forced into retirement or otherwise punished for their political activities or association with the Khatami administration. This, like many other repressive mechanisms, increased dramatically after 2009.³³

This situation was an important element in the security-dominated atmosphere that Rouhani promised to change, and early on he criticised these methods and also promised to »unstar« students and welcome back faculty members. This is not a »simple« matter of charity or idealism; these are constituents whose expectations must be met to some extent, but equally important they are influential societal actors whose support is needed in order to hold fast against the conservative foes of the presidential agenda. This came to the fore in a speech Rouhani delivered at a gathering of Iranian university presidents, where he defended the nuclear negotiations and chastised the university heavyweights for being too »silent« and cautious. Instead, they should express their expert opinions and critiques, and not acknowledge »any other red line than that of national interest and the wishes of the people«. ³⁴

31. The latest example being *Washington Post's* Jason Rezaian. See Haleh Esfandiari (2014): Jailing a Journalist to Shame Rouhani, in *The New York Times* (4.8.2014).

32. For instance, the paper *Aseman* was banned in February 2014, http://www.bbc.co.uk/persian/iran/2014/02/140220_nm_asman_banned_newspaper.shtml, and the journalist Saba Azarpeik who was arrested in late May 2014, <http://www.pen-international.org/newsitems/iran-journalist-held-in-unknown-location-fears-for-safety/>

33. See, International Campaign for Human Rights in Iran (2010): Punishing Stars: Systematic Discrimination and Exclusion in Iranian Higher Education (December 2010); available at: <http://www.iranhumanrights.org/2010/12/punishing-stars-dec2010/>

34. The speech of Hassan Rouhani at Tehran University: From retirement of professors to criticism of social pressure on universities; available at: <http://www.khabaronline.ir/detail/317546/society/education> (last accessed on 14.10.2013)

Mohammad Reza Naqdi, Commander of the Basij,³⁵ reacted vehemently to the EP report (again) backing the ambition of opening an EU delegation in Tehran at some point in the future. While this has been an issue pursued and mothballed by both sides at various times, this particular reaction is interesting. It indicates how much the relative isolation of Iran in the latter half of Ahmadinejad's tenure was seen as a boon by certain elements within the political and security establishment.³⁶ In a sense, the tolerance level among conservatives for dissent, debate, and contact with Western countries has diminished to unprecedented levels. They are in short even more prickly than during the Khatami administration when it comes to certain issues, and are trying not only to wind back the clock, but also to go beyond the previous red lines and constrain matters even further.

A similar dynamic is evident in the debate about human rights in Iran. To put things in perspective, it is necessary to revisit recent history. The critical dialogue the EU initiated with Iran in the 1990s is often berated for having yielded no results, as in not substantively changing Tehran's approach and behaviour when it comes to observing and respecting the basic human rights of its citizens. This is a fallacy that assumes that the EU can fundamentally alter the behaviour of its counterparts by virtue of the strength of its arguments or incentives/punishments it can level at them. There is an obvious parallel here to the nuclear negotiations and the self-perception of normative and political superiority (see chapter above on the nuclear issue). What is important to remember is that the tough and difficult human rights/critical dialogue that was undertaken by the EU took place in an atmosphere of mutual respect and brought home to Iranian officialdom the seriousness and relevance of the issue in international politics. Even more importantly, it helped the nascent discussions of citizens' rights to take hold, following the »exceptional« post-revolutionary phase dominated by the devastating war with Iraq. Thus, the dialogue was instrumental in internalising human rights as a discursive regime in Iranian politics and society. Today, human rights are discussed and studied

35. A vast paramilitary militia force established after the revolution in 1979. The organisation has security and policing functions as well as ideological and social activities. Its full official name is »The Organization for Mobilization of the Oppressed«.

36. Commander of the Basij: European Union has no business opening of-
fice in Iran, in: Radio Farda; available at: <http://www.radiofarda.com/content/f10-ep-resolution-eu-bureau-tehrna-naghdi-parliament/25320491.html> (last accessed on 3.4.2014).

both in secular universities and at theological seminars in Qom. While this does not mean that everyone agrees on its content or even legitimacy, it does indicate that it is not a topic that can be easily dismissed; a common language of sorts for debating rights and societal expectation on the state has been established.

6. Conclusions

The Iranian president has a tall order of areas and issues that need to be addressed, both for structural reasons and because he made promises to an electorate who want reforms and moderation in several key areas. His ability to realise these goals hinges on a complicated sequence of successes needed on several interlocked policy issues. While he has made some progress on two of them—nuclear negotiations and the economy—his ability to effect change on domestic policy issues has been less convincing, both due structural constraints and the prevalent political atmosphere.

This does not mean that there is no progress to be made, but that it will require an astute political gamesmanship, which understands that this is a long game and appreciates that the required momentum towards realisation can only be built through small successes at relatively regular intervals, be they in the foreign or domestic arena.

In this, outside actors, such as the EU, are neither all powerful nor totally powerless. They can offer an incrementally deepening partnership proving that engagement and interaction with the outside world is beneficial in the long term for the Iranian state and society. Such an approach is not a matter of »charity«. There are clear benefits for the EU to engage Iran—a neighbour in all but name, and a regional power with great potential. Whether it is in order to stabilise a region sliding towards even greater mayhem, or to ensure its own long-term energy security, the EU needs to come up with a strategic take on Iran, one with positive political tangibles clear to both sides. The dividends may take time to materialise, but not undertaking this internal conversation does not mean we will escape the consequences of inaction. It is high time to face the costs, present and future, of neglecting to initiate a structured strategic engagement for both parties—i. e., beyond the various headline grabbing crises.

7. Recommendations

- Initiate intra-EU discussion on what a strategic dialogue with Iran would entail. An opportunity to announce a long-term approach, which in turn will encourage and compel Tehran to do the same. In short, neither party must remain in its comfort zone if any concrete positive change is to be accomplished.
- Initiate task forces to deal with tangible issues of mutual concern and interest—e.g., drugs, refugee flows, energy security, maritime security, environmental issues, regional conflicts. In the first phase intra-EU, in the second phase with Iranian counterparts.
- Pursue the opening of an EU Permanent Representation in Tehran. Not as a »reward«, but as an opportunity to engage in a dialogue with different parts of the Iranian state system through a united EU representation able to have a sustained give and take with its interlocutors.



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