Fifth Session of the
Körber Dialogue Middle East

“The Future of Iran and Its International Relations”
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The Körber Dialogue Middle East provides a platform for multilateral discussions on foreign policy and security issues relating to the Middle East. It seeks to bring together representatives of the most important stakeholders on a regular basis in order to foster an open and policy-oriented exchange of ideas. In the fifth session of the Körber Dialogue Middle East, high-ranking representatives of leading think tanks and former officials from the Middle East, the European Union and the United States gathered in order to discuss the future of Iran and its international relations.

This summary contains a selection of individual arguments which we consider to be relevant to the current policy discussion. It is being distributed to the participants of the Körber Dialogue Middle East and selected policymakers.

SUMMARY OF THE DISCUSSION

I. Scenarios for the Future of the Islamic Republic

The four scenarios presented (time frame: 24 months) evolve along the axes “regime strength” and “external conflicts”.

1. “Circling the wagons”

After the failure of the negotiations on the Iranian nuclear program, the UN Security Council (UNSC) will impose new sanctions on Iran which, though not crippling, will have a considerable effect on the Iranian business sector. Later in 2010, the UNSC will impose another set of sanctions. Faced with severe external pressure, the Iranian people and the political elite rally behind President Ahmadinejad’s cause. Opposition leaders Hashemi Rafsanjani and Mousavi seek to close ranks with the government. Most Iranians consider the flare-up of violence in the Sistan and Baluchestan province to have been incited by the US and Britain. Military threats against Iran start to increase. Limited Israeli air strikes target some nuclear installations. Large numbers of Iranians demonstrate in support of the Ahmadinejad government.
2. “Dysfunctionality”

After the failure of the negotiations on the Iranian nuclear program, the UNSC imposes new sanctions on Iran as a result of which the economic situation in Iran dramatically deteriorates. A wave of popular protest against the economic hardships sweeps Iran. Unrest flares up in the Sistan and Baluchestan province. Iran provokes the international community with a series of missile tests and arms shipments to Hezbollah. Israel and the US abstain from a military strike against Iran. However, there are reports about sabotage acts against Iranian nuclear installations. Iran’s Majles rejects the 2010 budget and expresses its lack of confidence in some members of President Ahmadinejad’s cabinet. The Supreme Leader takes no decision, President Ahmadinejad’s authority rapidly erodes.

3. “Military Rule”

The domestic conflict in Iran intensifies yet again with bazaris, students and opposition movements forming an undeclared coalition. The clerics of Qom declare their solidarity with the protesters. Some Qom-based theologians are killed in a Basseej attack. The Supreme Leader does not intervene. His sudden demise leads to an overt power struggle. The Council of Experts is dissolved. President Ahmadinejad is forced into exile. The Revolutionary Guards take over.

4. “Dual Detente”

The IAEA and Iran strike a deal over the Iranian nuclear program in the spring of 2010. Iran and the US start negotiations on the opening of a US visa section in Tehran. President Ahmadinejad emphasizes the importance of a US-Iranian students’ exchange. The leading figures of the Iranian opposition movement adjust to the new situation and welcome the US-Iranian rapprochement. President Ahmadinejad announces the end of all domestic disagreements. Several political prisoners are released as a gesture of goodwill.

In the discussion of the scenarios, two major strands of argumentation emerged. Several participants pointed to the resilience of the Iranian regime and to the crisis management capacities of its central decision-makers. According to the proponents of this analysis, any intervention by external actors would have a negligible impact on the domestic situation in Iran. Others endorsed the “dysfunctionality” scenario and argued that the Iranian regime finds itself in an existential crisis with almost insurmountable difficulties which might lead to the eventual disintegration of the current system. To corroborate this position, the participants referred to the increase in repressive measures in response to the post-election unrest. This illustrated the growing nervousness of the regime. They pointed out that, though backed by the Revolutionary Guards, President Ahmadinejad faces severe opposition from the conservative camp in Iran.

However, the overall assessment prevailed that the collapse of the current Iranian regime is not imminent, since the regime still has at its disposal considerable resources, especially the Revolutionary Guards and the Basseej militia, and the dominant opposition movements are not aiming at regime change. However, one participant added that revolutions cannot be predicted in any way, shape or form.
II. Perspectives for Iranian Foreign Policy

Some participants argued that Iranian foreign policy epitomizes four major regional trends in the Middle East, namely the increasing predominance of three non-Arab states, i.e. Turkey, Iran and Israel, the growing influence of non-state actors, the ideological shift from the nationalist to the religion-oriented paradigm, and the Sunni-Shia rift. Especially in light of the inner-Islamic sectarian divide in the Middle East, the question was raised to what extent Iranian foreign policy continues to be driven by missionary and/or revolutionary aspirations. One participant asserted that Iran is pragmatic when necessary and revolutionary when it can afford to be so. This position was challenged by another participant, who argued that the Islamic Republic defines itself as an “anti-status quo power” and therefore has never neglected the revolutionary dimension of its foreign policy.

Apart from the concept of “revolution export” on whose current relevance for Iran’s external relations the group disagreed, the participants ranked the nuclear issue, domestic dynamics and US-Iranian relations as the three most important aspects of Iranian foreign policy in 2009. One participant stated that President Ahmadinejad is very interested in US-Iranian detente, having assented to clandestine US-Iranian contacts over the past two to three years. The exchange of letters between President Obama and President Ahmadinejad and between the US President and the Supreme Leader as well as the resumption of direct high-level negotiations indicate that a US-Iranian rapprochement no longer constitutes a taboo in Iran. It was generally agreed that with US-Iranian rapprochement on the horizon, domestic reconciliation is crucial for Iran in order to enable it to retain its room for manoeuvre as a foreign policy actor. An intensified partnership with Russia, China and/or India was considered to be an alternative option only if a US-Iranian deal failed.

However, the ultimate decision-making power in foreign and security policy rests with the Supreme Leader, not with President Ahmadinejad as one participant pointed out. Against this backdrop, the suggestion was made that the Western countries should address the Supreme Leader as their primary interlocutor. The Supreme Leader’s considerations with regard to detente between Iran and the US are mainly determined by three factors: the preservation of Ayatollah Khomeini’s legacy, public opinion in the Muslim world and public opinion in Iran. In the final analysis, the Supreme Leader still harbors deep distrust for the US and would be reluctant to give the impression that Iran is agreeing to rapprochement with the US on account of its domestic problems.

III. Recommendations for an Effective Iran Policy

With regard to the formulation of Western policy on Iran, several participants called for two principal measures: the deconstruction of the Western perception that Iran is a threat, and the defactionalization of Western Iran policy, i.e. replacing the hitherto bias-driven approach of Western countries which supports certain domestic forces while isolating others, by a state-centered policy. However, there were also demands that, in return, Iran should give up its siege
mentality. The question was raised why Iran is not able to convince the international community of the peacefulness of its nuclear program. In response, there was a general consensus that Iran aspires to possess a nuclear breakout capacity in order to ensure its deterrence capacity, despite the fact that the geostrategic balance in Iran’s vicinity has changed in Iran’s favor.

President Obama’s more conciliatory rhetoric and his engagement policy vis-à-vis Iran were generally welcomed. However, there was criticism of the fact that he still clings to the concept of Iran as a threat. One participant added that in order for President Obama’s policy of engagement to succeed, a positive signal is needed from the Iranian side. While some participants argued that a constructive engagement policy required a broader time frame, others asserted that President Obama should stick to his original timetable, which envisaged a revision of his engagement approach at the end of 2009.

The conflict over the Iranian nuclear program was regarded as the central obstacle to an improvement of relations between Iran and Western countries. In order to promote the negotiation process, six elements for a new package were proposed:

– Recognition of Iran’s right to nuclear technology, including a full fuel cycle
– Establishment of an international consortium for the uranium enrichment process
– Recognition of Iran’s role as a regional power
– Full Iranian compliance with international regimes on conventional and non-conventional arms
– Full implementation of incentives offered to Iran
– Joint regional and international cooperation on counter-terrorism, non-proliferation of WMD, drug trafficking and organized crime.

With regard to the effectiveness of sanctions, the participants’ assessments diverged. While it was generally acknowledged that sanctions always have an impact, views varied as to the extent of their effect. Several participants argued that sanctions might possibly weaken President Ahmadinejad, whereas a military strike might reinforce his position. They vehemently warned against military intervention, since this would plunge the region into disaster. On a domestic level, it would give the Revolutionary Guards a pretext to further restrict the participatory elements of the Islamic Republic, to tighten their grasp on power and to eventually establish a military dictatorship.

There was agreement on the fact that the Arab Gulf states will also try to prevent Iran from acquiring nuclear capabilities, though not with military means. They would be very reluctant to accept a US-Iranian deal struck “over the top of their heads”. Scepticism was voiced with regard to the political feasibility of a comprehensive Gulf security architecture, especially in light of the tense relations between Saudi Arabia and Iran.
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