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EVENT TRANSCRIPT

Iran's New Politics: What Next?

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FABRICE POTHIER: Today's discussion comes at a very troubled time for Iran but also for the international community's strategy towards Iran, and, in fact, if we look at the situation now there are two big sets of questions. One is about the domestic crisis: what does it mean for the regime in Tehran, these street protests that have been progressively narrowed and contained still surely have some political consequences. The question is, are there now some structural cracks in the Iranian regime that could lead, at some point in the future, to its collapse.

We will have my colleague, Shahram Chubin, answer this first set of questions. Then there is a second set, which touches more on the international community's role, especially Europe and the United States.

Europe has responded to Tehran's capture of some embassy staff at the UK embassy with a clear and strong voice; the question is, can it sustain that. The second question is, for the moment the policy of engagement that was set by Obama is now put on hold, but what next? You can't put on hold something for an indefinite time – you need to redefine your policy according to the new circumstances on the ground. To answer this second set of questions, we have with us Christoph Bertram.

I'm going to introduce our speakers and then I will leave the floor to Shahram and then to Christoph for ten minutes each, followed by Q&A.

Shahram Chubin is the non-resident senior associate at the Carnegie Endowment for International Peace, based in Geneva. Before that he was Director of Studies at the Geneva Centre for Security Policy, from 1996 to 2009. Shahram also worked as a consultant for the US Department of Defence for the RAND Corporation; and also, if I'm correct, at the IISS, the International Institute on Strategic Studies, which is my transition to Christoph, because Christoph, if I'm correct was Shahram's boss, or you even recruited Shahram...

CHRISTOPH BERTRAM: Both.

FABRICE POTHIER: So, Shahram you are Christoph's favourite, I guess.

Christoph Bertram was, as I mentioned, the director of the IISS from 1974 to 1982, and then headed the famous leading German think-tank, SWP. Now you are the Political Editor of the very respected – and I wish I could read German – German Weekly Die Zeit.

We will start with Shahram – if you could share your insights on how you read the situation in Tehran and in the other major cities in Iran. We have been reading about the struggle of legitimacy, because the crisis is not only the street versus the regime, it's also apparently within the regime itself, within the religious elite. If you could bring your insights on that, and then we'll turn to Christoph on the question of the International Community. Thank you.

SHAHRAM CHUBIN: Thank you. You're using up my valuable time. I did an earlier presentation today, which took 40 minutes and that was barely covering it. Ten minutes is... Even if you're interested only in the foreign affairs... There must be some understanding of the background and history and so on, but I don't have time to talk about that – I'll simply talk about the consequences.

What I'll just simply talk about, and I'll just make these bullet points, because there's really no way to describe it in detail. The first point that I would make, that was made by Fabrice, is that societal polarisation is now reflected in elite polarisation; in fact, it has been for some time.

Khamenei says on the 19th June that these two men, meaning Rafsanjani and Ahmadinejad, have been in competition with each other for the last five years and disagreed on, and he enumerated, in this order: foreign policy, economic policy, social policy and political issues. My position of Khamenei, Ahmadinejad's position is closer to my position. That suggests that the feud at least has been going on for five years, and, in fact, it's much longer. So the elite polarisation you now see very visibly since the election in society itself.

The second point I want to make, and I really don't have time to go into this detail, but it's very important, is, it's not a question of North Tehran versus South Tehran, or Tehran versus the rural areas. It's not a question of the younger generation against the older generation. It's not an educated versus uneducated, rich versus poor. They're all elements of that, but mainly it's much more crosscutting; it's a much more cultural division.

Again, I won't go into it, but you can't really talk intelligently without saying it, but these two groups have, for simplicity's sake, two tendencies, have very different assumptions about what Iran should be. The political institutions of Iran reflect a serious dichotomy, because an Islamic Republic, Islamic and Republic, there's a democratic element to it and there's also an Islamic element, which is to say, you have a supreme leader who's unaccountable, who's chosen for life, who has a direct line to God and therefore he doesn't account to the people.

The extreme conservatives in Iran say Islamic democracy is a contradiction in terms. Islam doesn't have to be a democracy, Islam is God's way, it doesn't matter what the people think.

Now, what's happened basically is the two groups: one group emphasised the republic, popular accountability, with democratic institutions, and what I call performance legitimacy – the government has to perform, it has to be efficient, it has to be effective. The other basically emphasises the religious/revolutionary legitimacy, and really lives on crises; lives on crises, lives on confronting the world, pursuing the revolutionary agenda, the revolutionary duty. Both elements of this are in the institutional set-up, but we've seen a real difference.

Now, let me just jump ahead very quickly to these other issues. This, I think, and I'm not going to understate it, massive and implausible rigging of the election, both the size of the majority and the percentage of the popular vote was intended two-thirds for Ahmadinejad, 85% turnout, was intended to put Ahmadinejad ahead of Khatami, who got a very, very high turnout when he ran.

They wanted us to do two things: one, to eliminate the reformists that they weren't factors anymore; you couldn't have an election that was 50/49 or 45/55 - that would have been too considerable. So they massively rigged it so that it was two-thirds and one-third, which is already still a lot: one-third of 70 million people is a lot of people – and they did this in order to basically eliminate the moderates.

I don't have time to go into this again, but they were very upset with the eight years of Khatami, they weren't going to repeat it and they weren't going to allow the popular vote, which is always uncertain in Iran, to dictate to them the possibility of living again with somebody who had taken the country down the path of ending the Islamic Republic as they saw it. Popular accountability, democratisation, normalisation with the West – you do all of that and what do you have? Down

the road you have a normal state. So they wanted an overwhelming and a definitive result, and that accounts, I think, for the massive rigging rather than the slight rigging.

They have a contempt for the opposition which is borne of their experience with Khatami, where he got a popular vote, a very large popular vote, and basically they stymied him on every front, domestically and foreign. They impeached, intimidated, imprisoned and harassed his associates and tried to kill some of them, like Hajarian. They thought this time around the reformists would lie down and take it. Well, they were surprised, we were all surprised, the people went out on the streets and said, we're not going to take it. So they misjudged their opponents, they misjudged society.

The use of the foreign bogey, in this case Britain, was a transparent attempt to keep their constituency mobilised, to keep them mobilised against the embattled Islamic Republic fighting for virtue against a corrupt world, and I think it has had limited resonance in Iran.

Foreign policy played a much more prominent role in the presidential debates and hence the election than has happened before, and it was very clear there were two different views of foreign policy.

Again, to summarise, one view said that Iran has now more self-respect, it stood up, it's been resisting for Iran, Iran is now more self-confident and more self-aware; and the other said that the policy of confrontation needlessly creates enemies, imposes cost on the country, and that Iran should basically focus on its national interests, not its revolutionary duties, whatever they are.

So you have very different views and these things were drawn out very clearly in the debates. You can see them on YouTube with an English translation. It's actually fascinating to see them. It means that the country is going beyond the era of revolutionary slogans to asking, yes, but is this policy in our interest and what does it cost? I mean our interests, not revolutionary interests. So those are a few things.

The consequences now: one, the democratic pillar that I mentioned, the popular accountability part of the Islamic Republic's legitimacy has been eroded, has been repudiated by the leadership basically; and a major casualty of that is, I think, a weakening in the faith in the electoral process.

So in the future Iranians will be very sceptical about any electoral process. They can see it can be rigged any time; it's been rigged massively before. It's rigged in different ways. In 2004 the Majlis elections, 200 reformers were banned from running, that's one way to rig. Another way to rig it is not read the ballots and simply come up with a statistic that is consistent everywhere of two-thirds and one-third.

So it's a very, very, I think, most unfortunate situation where the democratic pillar has been weakened and popular accountability no longer is part of the legitimacy. Popular support is no longer an element, they're really emphasising their right to do what they want. The legitimacy of the system has correspondingly been weakened; the legitimacy of the Islamic Republic has been weakened. This is why some of the elite, some of the Ayatollahs, and many others who were not necessarily supporting Mousavi, are unhappy with the situation because the regime has weakened itself, it's an own-goal.

The supreme leader has chosen one faction. He jettisoned his role as arbiter. He did that some time ago, but it became very clear, that 19th June speech, when he made, that I quoted to you, that Ahmadinejad is closer to me. He basically has said, Khamenei, that two two-time presidents, eight years of Rafsanjani, eight years of Khatami, two two-time presidents and one ten-year prime minister are history, and not only history, but they're irrelevant. The Islamic Republic, as it were, starts today. That's really what he's saying. He's repudiating the last 25 years, which is an extraordinary statement and an extraordinarily risky thing to do.

The other thing is the guide, the supreme leader has eroded his own position and his credibility, he's raised all sorts of questions amongst the other elites as to who defines the Islamic Republic if two two-time presidents and a ten-year prime minister, who managed the country during the war, if these people are rabble, what's left?

The emergence of a deep state, the phrase we use about Turkey, I think, is something else that's notable. That is the increasing importance of the security services, the guards. This was true before: the Revolutionary Guards have become much more a conglomerate, active in politics, lots of the ministers are ex-Revolutionary Guards, very active in the economics, but now you've got their offshoots, the thugs, the Basij, the Ansar-i Hezbollah, the vigilante groups who are now... Well, the regime is now dependent on them. So the question is, do they just become an interest group or do they have veto power? How do they convert this into political?

In the paper often, people often refer to this as Tiananmen Square; I think a better analogy might well be the cultural revolution, where a younger generation come and just walk over the previous generation of revolutionaries, and revolution literally getting rid of the Old Guard. Even Tiananmen Square was a shock to the regime, and, as you remember, it was followed by reforms.

International consequences, very briefly: as I say, the regime has lost legitimacy at home, but it's lost credibility abroad: it's not a republic, it's not stable, it's not united, it's not democratic and it's model is tarnished. It assumed it had a model, an export model, a model that others would say, independent, self-reliant.

Well, the very phrase, resistance, has a different connotation today than it did a month ago. Who's resisting whom? If two million people are out on the street getting attacked for peaceful protests, the resistance seems to be inside the country. The allies, like Hezbollah and Hamas, were clearly concerned about the level of commitment and the focus that will be present in the future.

How will this effect Iran's front policy? I will just end with three scenarios.

One, Iran will seek to shore up its home base and will focus on domestic issues, or will be forced to focus, because the divisions amongst the ayatollahs, amongst the military, amongst the elite are such that there's no energy left for activities abroad; that's one.

Another one is the opposite, which is to keep the hard line, in fact, to say that Ahmadinejad's re-election was an endorsement of these policies, which is what Khamenei basically says; attribute the problems to the West, to the velvet revolution; to continue to see the US in decline and see to see themselves as on a roll regionally; and to lead the resistance front, and that particularly plays to the supreme guide's vanity about being popular in the Arab street; and to keep up, this is the key point, the mobilisation of that constituency in Iran that feeds on embattlement and resistance - people who regime likes and depends upon are the people who believe the country is surrounded by enemies and that the country's revolutionary duty is to fight for the oppressed, whoever they are

In which case, the nuclear file will remain closed in Ahmadinejad's terms; the programme will continue to have, as he said, it will be like a train without any brakes; and the election will be seen as an endorsement of his policies; and you just simply ignore the others, and you keep up doing what you're doing. This would suggest that Iran would not see itself as being in a weaker position.

Now, the third scenario – it's always the third scenario that's the most interesting, the last one – is that Iran might seek a tactical accommodation with the West. It would do so, I think, for several reasons: one, clearly, what's happened in the last month is a turning point in the life of the Islamic Republic. The Islamic Republic doesn't undertake strategic initiatives; it's very, very bad at making decisions, partly because there are so many centres of power and so on that cancel each other out. It may be that this strategic event, this turning point will lead them to make a decision.

Well, the decision, I think, would be to seek a tactical accommodation with the West, with the US, and it would do a number of things: one is, it would defuse the pressures for stronger sanctions, certainly would make it harder for those who want strong sanctions on Iran if Iran starts playing at the diplomacy. There are a number of countries, including Germany, elements in France, as well as Russia and China who, with the economic situation as it is, are not terribly keen to go to sanctions. It will dishearten domestic opponents; it will basically say to the opposition, look, these people are dealing with us, you don't have any foreign supporters. I think that that would have a palpable effect.

I didn't mention the Obama effect on what happened in Iran. I think there was an Obama effect; a friend of mine, an Israeli, David Menashri, says playing on the Iranian words, Obamast: in Persian, Obamast means, he is with us. So the Obama effect for the Iranian crowd, the spontaneity of the people going out on the streets and continuing to go out in spite of the dangers.

So it will dishearten domestic opponents if the Iranians deal, and the Americans are willing to deal with them; and they might do it for that reason. Of course, it would legitimise the regime because implicitly it would say, the Americans accept this regime. They would be unwilling, however, to make subsequent concessions, that I'm quite sure of, on the nuclear issue, but they might want to muddy it up and appear to push the diplomatic card.

These are the three scenarios I thought I'd put on the table and I won't make any suggestions about Western policy.

FABRICE POTHIER: Thank you very much, Shahram. Before I turn to Christoph, I just would like to press you on one aspect, which I'm sure will interest our audiences: the question of the internal fight or struggle within the religious leadership: what's your take on this discussion of part of the religious establishment being in favour now of the opposition and obviously the other part supporting the current ayatollah? So Qom will be a divided city, as so far it was seen as one block behind the 1979 revolution.

SHAHRAM CHUBIN: No, I think it's never been one block. First of all, the whole idea of the supreme leader, Velayat-e faqeh, Imam, and all this, is a departure from Shiite doctrine as well as anybody else's doctrine; it was totally invented out of the blue by Khomeini, and it probably shouldn't have outlasted him. He had the right qualifications: revolution, and so on. He was the arbiter, there were many elements, secular, non-secular, and he could be the arbiter.

This wasn't something you'd pass onto somebody who's not an ayatollah, who is basically a jumped-up Islamist, somebody who got his degree... Well, he didn't get his degree, but it just reminded me of one of Ahmadinejad's ministers got his degree from Oxford, London, and they found out, of course, there was no such place. In any case, Ayatollah Khamenei is basically an ayatollah only in name, by courtesy; he doesn't have religious credentials.

So lots of people were against, first the supreme leader, and secondly Ayatollah, so-called, Khamenei's ascendancy to that position in the clerical ranks. Many people think the clerics, many clerics think the clerics should not be involved in politics to the extent they are. It's very intriguing if you look: Rowhani, who is a cleric and a moderate; Karroubi, the most liberal candidate, much more liberal than Mousavi, is a cleric. So don't get the notion that the clerics are all fundamentalists.

Ahmadinejad's style, I couldn't go into that, has been very abrasive, very rude, very personal: about people's wives, people's families, about the dignitaries of the revolution; lots of people don't like that. His style has been polarising. So I'm not surprised that there are a lot of people

in Qom, as in the rest of society, and I daresay, through the guards, through the various ministries, that have been polarised along the lines of the elite, along the lines of the society.

Now, if I were more of an expert, and I think this is where you miss perhaps, Kareem, and many others who follow domestic politics carefully; I could give you a long list of ayatollahs, and there are a number of them, at least half a dozen come to mind, who have come out in favour, but there'll be many more who won't say anything, and who just won't endorse Ahmadinejad.

So the other point is that Ahmadinejad is a threat to the clerics as well, because since he's come, he's more extreme on the religious front than most of them, so he's been flanking them, and in some ways he's a threat the supreme leader himself, since the supreme leader has now, or the leader, he's not really supreme, has identified with him, the question is now: who is leading whom?

FABRICE POTHIER: Thank you very much, Shahram. Christoph, let me turn to you. You have written widely about what the international community has to do towards Iran. So how do you see the current situation, both on what the international community's response has been so far, and, I think more interestingly, what are the perspectives for engagement or non-engagement in the long run? Thank you.

CHRISTOPH BERTRAM: Fabrice, thank you very much. This is a marvellous occasion to see my old friend, Shahram. We've been on different fronts of this debate, different sides of this debate, but we've had moments when we met, and I think this may be another one.

The international problem, of course, whatever happens, Iran is not going to go away, it's there. It has a nuclear programme, which is a worrying one; it has a regional position, which is counteractive to Western interests. I don't really like the term International Community so much; I like to say, this Western interests and the West.

So the country is not going to go away, and it is the most important country in the region, the most important country in the region: by size, by resources, by development; and what's happened in recent weeks has not fundamentally changed that. It's still there and it still has all these attributes. Indeed, one can even say, there should not have been, for anyone, any surprise in this.

This has been, Shah, in a way, we knew for a long time that this regime was trying to do everything to prevent reformers to make any real inroads. There has been a move towards a much more authoritarian state in Iran since 2005, and that these guys would not allow an election which they can fiddle with, to a very large extent, to produce reformers, must have been quite clear from the advance, no surprise; so even the Iran that was there before the elections is still there after the elections, and if it was a good idea, before the elections, to say, we'll have to work out a different policy towards this country, I think that hasn't changed.

Now, while it was, of course, much easier a year ago, when I first started to write on a different strategy towards Iran's, it's much more difficult to say that the strategy is wrong. It was wrong, and to maintain the strategy, which was to say, we'll only talk to you about the nuclear issue if you stop enrichment; and, in any case, we reserve the right to punish you in all sorts of ways; and we limit our contacts basically to the nuclear question; we may have an appendix of other things; we're willing to include in talks; but it's the nuclear issue that's the decisive one: that has been proven to be a dismal failure as a strategy, because while it was being maintained, nuclear development went on and the regional influence of the Islamic Republic was not in any serious way curtailed.

So one has to think of a new strategy; what makes it difficult now is that Obama thought of a new strategy, it doesn't seem to get much of a response. Moreover, and I'm interested, as I think we all are, in Shah's views on this, my own sense would be - and some of you may have seen an excellent study out by the International Crisis Group on Iran and the domestic situation in Iran; it just came in June, a really first class study - which makes it quite clear that for the Iranian people in government at the moment, the incentive for really opening up to the United States is very low. Indeed, one may say that the events of the elections decreased that incentive even further, because of the concern that contact with the West, opening up to the West, engaging with the West, would weaken the regime itself.

So I think we have a situation today where it's much more difficult to criticise the Americans than it was a year ago - it was relatively simple to do that a year ago, and when it was also possible to think that if they were a different strategy by the West, Iran might engage.

Now, what does this mean? Does it mean we should simply now say, okay, that's it, and we'll close the dossier, and say we'll wait until a regime change comes and suddenly that nice guys are coming forward in Iran? I would suggest that that amounts to non-policy, non-policy towards a problem which is so physically there. Therefore, I think the case for a very active engagement with Iran, a unilateral declaration of détente and the desire to have a good partnership relation in the long run with Iran, is necessary, to stop focussing everything on the nuclear issue.

It's amazing to me, as someone who's been dealing with nuclear issues for much of my life, and strategic deterrents, that people thought they could deal with a country that was pursuing a nuclear programme by addressing a nuclear programme. Nuclear issues tend to be strategic issues. You have to really deal with a whole range of issues and you have to be ready to do that.

Now, the Obama group, since then, says, we, now, even after these elections, even after what we've seen in Iran, will continue to want to engage; but they seem to have believed, as perhaps is natural for a new team, that just by saying, we're willing to engage, that's enough to get the other side to move forward, and particularly the other side which is basically opposed to entering the dangerous embrace with the West that détente would produce.

That mean, it seems to me, one thing above all: if the Iranian government doesn't want to play, there are lots of things one can do unilaterally to make it quite clear that we want a different relationship with that country, and make it so clear that, not just the leadership knows it, but the country knows it as well.

Don't forget, most of the restrictions imposed on Iran have been unilateral restrictions. We can lift unilateral restrictions; we can say, okay, let's accept that you have a right to enrich and let's talk about the way in which we might, we no longer insist on you stopping it, but besides we can't do that anyway. Let's talk about ways in which we can build this up through the monitoring process of the International Atomic Energy Agency; let's think of ways in which we accept that, secondly, all the sanctions are unilateral sanctions.

These are not just sanctions of the past few years, when the Security Council imposed rather modest sanctions; these are sanctions that go back to '79, to a series of executive orders. If you look at the list, it's quite daunting, and there's a recent one that's been added by the US Senate which...

Clearly, these sanctions have not worked in terms of helping the political leadership to see the light that we wanted them to see. What they have done, they have steeled political leadership against sanctions. Yet, if you look even at the Obama policy, there is the implied threat of sanctions: if you don't do what we want, then there will be enormously tough sanctions. A, we know they're not going to work, and, B, we know they're not going to be agreed upon.

So we really have to start thinking, what can we do unilaterally to open up that country to the dialogue we want to do with it? Clearly, we all know about the economic problems that Iran is under; one of the most effective ways would be to say, okay, we'll make it possible to have very close economic interaction, which we don't have at the moment. It's what we can do unilaterally.

Now, and perhaps the last remark in these ten minutes, I realised the *consulté* [?] is not there. It's going to be very difficult for, in the light of Israeli and American domestic opposition, to opening up to Iran for the president of the United States to continue what has been a very bold departure.

To add flesh to what he's said so far, because so far what he's been saying is, let's talk, he's given some signs that he moves away from positions of the past as the pressure, diplomacy under pressure will not be conducted. Regime legitimacy, in inverted commas, is going to be recognised; regime change is no longer a policy. He's been doing a number of things, removing positions of the past, but what has he actually offered Iran so far?

To go beyond what he said, which is already a matter of considerable criticism among those who have always been opposed to it, will take an immense amount of courage; and whether he will want to invest political capital in this, is, I think, a big question. On the other hand, I can't think that all the man wants to do is return to the policy of Bush, which was to say, okay, we'll put pressure on you on the nuclear issue, and we promise you that if you behave in the nuclear field, we're going to be willing to do other things with you. I don't think that's reading Obama, I don't think that can be the full story.

Now, so we are in that process in which it's very important to encourage, I think, the US administration to be much bolder than it's been so far, and I say this although I know that this is

going to be very difficult, it will take a lot of courage. I disagree with Shah that a policy of declared unilateral détente is going to strengthen the regime and weaken the reformers. It seems to me the regime is really worried about that, deeply worried about that, and the risks for this policy, for us and for the West, are really relatively modest.

If we can get to some basis in which we can gradually talk, and it will be a very, very long and difficult way, results will be meagre and negotiations will be frustrating, and the Iranians, as Shah knows from his own experience, have this marvellous way of complicating any dialogue, and those of you who have been talking with Iranians about this or that, realises that they pull out every possible theme at the same time and throw it on the table, declaring: none of these can be dealt with, not before they're all being dealt together; so it's going to be very tough and difficult.

If we pursue it, it offers what is today probably the only, and perhaps last chance, to try and catch the nuclear programme, not stop, catch it; and to establish a relationship with that important country in the region, which actually serves our interest in the region.

Finally, whatever we do, and I've said very clearly I think we must do, we have to get a more realistic sense of what Iran is. We've gone through a period in which Iran seemed to be - I mean, this was Condoleezza Rice - the greatest danger to the United States. Israelis have been telling us, well, the Iranians want world government, world domination. We tend to be mesmerised by a nuclear programme, which is unpleasant but, even if the Iranians get the bomb, it's not going to be the end of the world; it's not something that they can use. We've been dealing with a nuclear power which had aggressive designs against us and our territory, in the Cold War rather successfully, by trying to get things into proportion; and I think we should do that in Iran as well. Thank you.

FABRICE POTHIER: Thank you very much, Christoph. Before we take questions, I just wanted to pursue on two points that you touched on in your very interesting presentation. The first one is, I do understand the rationale of saying, well, once things come down we do have to deal with the reality on the ground and with what we have in terms of leadership in Tehran, and this is pretty much the point that was made by Robert Cooper later last week, but how do you have a diplomatic engagement with Iran when you have a permanent legitimacy crisis within this leadership? That means, whatever deal you make may actually collapse from one day to another or may be irrelevant because of the next crisis. So that's the first question.

Then the second question is, you hinted on that, mentioning Israel, the clock of diplomacy is ticking, and Obama set a kind of calendar or timeline for engagement, not specifying obviously what will be next, but they can't even put everything on hold. Your knowledge of US politics, where do you think Obama's patience can stretch: beyond this year, beyond next year? If you could share your insights on both points. Thank you.

CHRISTOPH BERTRAM: That's really a problem, because I don't think you're going to have, very soon, negotiations on specific points on specific concessions.

Now, the Iranians have a point at which they say, well, if you Americans say you want to have a basis of respect for us, well, how can you at the same time constantly deprive us of taking part in the international communication, imposing sanctions on us? How can you do that? Don't you have to do something in order to establish that you mean it, that you're serious?

There are lots of things we can do to show that we're serious and that actually can provide a better basis for influence. So I'm not too worried about the leadership; there are leaderships that are divided in most countries, even the United States, not to talk about the 27 European countries who also have sometimes difficulties in getting together. So I think that's not the main problem.

On the second one, I think Obama made a mistake there: he announced to his meeting with Netanyahu that he would expect, and would see by the end of this year, whether the process of engagement should be continued on as an assessment, and I think that's really just not very serious. He probably wanted to make a little gesture to the Israelis on this, but if you think you can, in six months, remove all the debris that's been piling up in 30 years and more, that's very unrealistic.

So he has to make it quite clear to his country this is a long-haul; only if he gains credibility, and credibility is not important, as Navarro's video has been, it's been a very remarkable initiative, but credibility is not just gained by these words, it has to be translated in concrete acts, and I think the Iranians have a point. Why should they? Why should they at this time engage, particularly when they're worried that engagement means threats to their regime?

FABRICE POTHIER: Thank you, Christoph. Let me take the questions now. The gentleman in the front row, and I owe a question to the gentleman in the second row because he was the first to be here.

AUDIENCE MEMBER: Pascal Melee from the Agence France-Presse, AFP, in Brussels. What strikes me, as I am not an Iran expert, is, in fact, most of you have described Iran with a lot of historical references to past experience in European or world history. For instance, what you are describing as *détente* makes us think of the Cold War. And what you described about this regime, with its vested interests, it's important of maintaining a certain kind of bureaucracy. Plus there are interests among the so-called dignitaries of the Islamic Revolution that makes us think of the degradation or decline of the ideals that the Bolsheviks entertained in Russia.

So the question is, do you think that the most relevant thing to do is to offer a *détente* to a regime, which in a way follows the same trend as the Stalinist regime in the worst period of it, even if a comparison is no reason, as we say in French? As your colleague, Shahram Chubin, said, maybe support, now that Mr Bush is gone, this regime would be totally misunderstood and interpreted incorrectly by the Iranian public opinion, with all the bad consequences.

AUDIENCE MEMBER: Thank you, Fabrice. I've got two questions for Shahram. One is a small one, one is an important one. The small one has to do with this remarkable series of numbers concerning the votes, which I heard on the 15th of the month and which were two days later presented at the European Parliament – getting down to the last single vote, Mousavi is getting 13 million-plus; Karroubi, I've forgotten; and Ahmadinejad getting 5.3 million or something. These numbers, do you know where they came from?

SHAHRAM CHUBIN: [tape break] the end, when somebody phoned him and said that you've won and here are the results?

AUDIENCE MEMBER: I don't know. What I heard was that they came from, quote: a loyal civil servant.

SHAHRAM CHUBIN: Yes.

AUDIENCE MEMBER: But I didn't know they were linked with Mousavi, so that's my first question, which probably isn't important again.

The more important one is that on his voice's arguments, that what has in fact happened de facto is a coup d'état where the clergy has been actually shunted aside, if they don't agree, and the power in the country is now with the Basiji and the Revolutionary Guards. So this is my second question. I'm Carl Kovander from the European Commission.

FABRICE POTHIER: Thank you. I was just about to ask you to introduce yourself. Then the gentleman on the second row with the blue shirt.

AUDIENCE MEMBER: It's Ivmalalah Buyeb from the European Commission. In one way, the question I wanted to raise has been answered by Christoph Bertram, since he insisted a lot on the last 30 years where the Western countries have made, at the minimum, important mistakes, and could explain the present situation even on the domestic situation in Iran, which could have been very different if we didn't make these mistakes in the past.

I'm also very amazed not to see more often what I consider as the three main points of the public opinion in Iran, as far as we could understand it, which is the memory of the war against Iraq, which is, I could say, as enormous in the collective memory as the 1914-1918 World War was for the French or the Germans or for others, and which is very underestimated on our perception with public opinion in Iran, since this war was fought against an enemy who was our ally in one way: we furnished armaments and political support to Iraq.

The question, the second, is sovereignty, which is underestimated. I think that in the public opinion the question of sovereignty is very important, not only because they fought the war, which I mentioned before, but also because foreign policy plays such a big role.

The third is what I call the historical humiliation this country had to suffer for decades. All those three elements are very, very central in the position of the Iranians today. I would like you to elaborate a little bit on those questions, please. Thank you.

FABRICE POTHIER: Thank you. Shall we start with you, Christoph, if you want to answer the questions, and then turn to Shahram?

CHRISTOPH BERTRAM: Let me just take the views first that was directly addressed to me. I don't think détente is something that has a sort of registered patent for relations with the Soviet Union. What it is, is the recognition that one has different interests, but one wants to try and find ways to reduce the tensions and build up a relationship without tensions, where one can, where one can, the simultaneity of opposing interests and approaching interests. I think that combination works very well with Iran, if you look at the number of areas in which we do have approaching interests. Afghanistan is one, Iraq is another, and we have at the same time considerable opposing interests.

So that's what détente is, and to make an offer of détente saying, we want to have a relationship with you which will look for common interests, notwithstanding that we still have different interests, and to make this clear policy directive, I think is what I would advocate.

The interesting thing is, of course, and that's where history plays a role, it's been a very successful policy; it's been tried. Now, what is it: history never repeats itself except as farce, or Mark Twain never repeats itself except at rhymes? You make all these clever remarks about analogies in history, but the policy has a great plausibility that it may also work in other circumstances. So I feel it's been proven to be a useful tool of policy which we should not do without.

Similarly, the tool of deterrence, which we have not usually been talking about in relation to Iran, is a very useful tool of policy. It's been shown to be a useful tool of policy in relationship with the Soviet Union, and we forgot very often that it's a useful tool of policy vis-à-vis Iran, rather than saying, if you continue nuclear enrichment we might have military action against your installations; that's not really deterrents; but to say, if you ever were thinking of using nuclear weapon, you're going to get it; that's deterrents.

It seems to me, it would be very wise, if indeed, and it remains an if, if indeed the Iranians were serious of going down the nuclear military road, that we will have to emphasise these elements of deterrents much more strongly.

Now, on the other points I think you made, my argument about the historical baggage that's there: it's there, of course, on both sides. Remember that American Embassy raid in 1979 after the Americans gave, not asylum to the Shah, but accepted the Shah.

So there are lots of memories that are there, and that's why the argument that you can actually remove that by a few words and then say by Christmas we'll see whether we have success, does not make sense to me.

FABRICE POTHIER: Shahram?

SHAHRAM CHUBIN: I don't want to get into this question of competing narratives; of course, one should understand where they're coming from, they should also understand where you're coming from; there can be a long list of things that we can put on the table on both sides.

I do think, whether it's the imposed war, the failure of the Security Council to condemn chemical weapons, the supply of arms to Iraq and intelligence to Iraq, etc, etc; there are lots of thing on one side. There's Vincennes: the Iran Air that was shot down by the Vincennes, and so on and so forth. On the American side, I can think of a long list too – that's not very helpful, I don't think.

What's important is, Iran is deeply disliked in the United States; it's a very difficult change policy because the image people have of Iran is such. On the Iranian side, the United States is not disliked; on the contrary, it's liked. The government manipulates this narrative of humiliation, suffering. The United States had nothing to do with humiliating Iran; it was Britain and Russia that imposed themselves in 1907 and who came in again in World War II and kicked out the Shah's father. It's very much a constructive narrative, it's an instrumentalised narrative.

The revolution took a year and in the course of that year, '78 to '79, how many Americans were killed? Precisely one: that was the Los Angeles Times correspondent, Alex Morris, who was shot in battle; there weren't attacks on Americans. Americans are not disliked; Iran has had a very good interaction with the United States, starting with the Azerbaijan Crisis, in diplomacy and education and other ways much before. In fact, there was an American involved in the first constitutional revolution of Iran in the early 1900's.

So I don't think we should get... A lot of this is just... As Perez says, there's too much history in the region and not enough geography, but he's talking about his part of the region. There's plenty of geography in the Gulf, there's lots of space; but we don't want to cultivate those things, and I don't think one side is more culpable than the other. If you think of the hostage crises, the attacks on American embassies, attacks on others, I think both sides have been at fault, and the question is how we get beyond that.

The question here on... I think a lot of people say it's a sort of journalistic shorthand, and there's been a coup d'état by the military/the Basij and so on; to some extent it's true. When I say that... Look, let's assume that the election was not rigged. Let's assume that the figures the government gives are correct – that there was two-thirds for Ahmadinejad, one-third for Mousavi, plus a little bit here and there for the others. There's still a very large number of people in Iran who represent the current opposed to Ahmadinejad; 70 million people, 30-something percent, that's quite a lot of people. They go out on the street and protest.

From the beginning, before the revolution, I didn't have time to build this up, the Pastoran was saying that we will not accept the velvet revolution; this is before the elections. As soon as the elections take place, both of the offices of Karroubi and Mousavi are infested with Revolutionary Guards who block them. This is before the results have been announced; internet is down, all sorts of things are down.

These people go out on a demonstration, and according to the Press who were still there at the time, not been expelled, let's say hundreds of thousands, forget about 1 million or 2 million, because that's the figures that you get, that scope - they policed themselves, they were peaceful. What did the regime do? It started cracking down, it started cracking down with thugs.

Is this the activity of a regime that believes it had two-thirds of the vote? I mean, I ask you, simply, then say the whole thing has been administered by the foreigners, the British of all people. It defies credibility that they won, and the only thing that upsets them is the peaceful demonstration of people who say, what happened to my vote? So, well, look, we can show you what happened to your vote. It's all aboveboard; but when the Council of Guardians is stacked with, and the members expressed support for Ahmadinejad before the election, and they're the ones who're supposed to look into the election – one must suspect a rat, and I think that's what the Iranian people suspected, that they'd been taken for a ride.

So it is shorthand, in a way, to say that these people, the security forces, the enforcers, the vigilantes, thugs, basically, have become the constituency on which the regime now depends. In the last five years, as Christoph said quite rightly, the regime has gotten harder; under Khatami you had a Press, you had books being published, you had a cinema; all of these things have been repressed, and you've had the placing - and there're some very good studies on this, one in which I participated in for RAND on the Revolutionary Guards, Pastoran - that they've placed these people in all the ministries and in all the foundations, all over the place.

So the notion of a sort of deep state or security state, Iran moving toward a traditional Middle Eastern security state with an Islamic cover on it - isn't that farfetched? It's a bit of a caricature, but it's not that farfetched. If you repudiate the popular element, the democratic pillar that existed in the system, and you simply go down the route that the supreme leader can decide, basically, with his people - popular vote doesn't count - that the military will enforce what he wants, then you're getting very close to the sort of systems we've had before; it's just a slightly different colouration.

AUDIENCE MEMBER: The vote card?

SHAHRAM CHUBIN: The vote card that you mentioned; one heard that Mousavi had been called, as you say, by somebody in the civil service and been told he'd won, and then within a couple of hours, as I say, they rang his offices and they said, no, Whatshisname's won by two-thirds and Whatshisname, Ahmadinejad's, been won by two-thirds everywhere. So they were consistent in every single precinct, which is a little bit difficult... There are some anomalies that make no sense.

Karroubi, who got a very large turnout last time, had a risible turnout, whereas he's popular, he even lost in his hometown. I mean, there are all sort of things that make it implausible. I obviously don't have proof, but it's implausible. The way they behaved before, the way they behaved after, the way the figures themselves, they don't tally.

Look, I'm not saying Ahmadinejad doesn't have support in the system, he does. The people, there are a large number of them - this is the key point, really, and we can't get into it: the country's divided, not just the elite, the country is divided. There are a lot of people who believe

in this, that the revolution should go back to its roots; that the marginalised have not benefited from the revolution, and so on. It's hard to put a figure on it, but it is a substantial figure. Let's say it's one-third; it's a very significant amount. The question is how do you deal with it?

I didn't quote Rowhani, who said a couple of years ago, he said, look, we're not just divided on the nuclear issue, and the visions on the nuclear issue were quite serious before the National Intelligence System report, he said, we're not just divided on that, on the wisdom of going down this road and confronting the international community, but we're divided on such basic things as whether social justice comes first or economic efficiency and pro-activity, and that in a way encapsulates the differences between the two groups. There're many others.

When Khamenei says that these gentlemen have been in competition for five years, and he enumerates everything: foreign policy, economic policy, social policy and politics - it shows you that this elite polarisation really goes back; as Christoph says, it's just gotten worse, but because of his personality, the way he behaves, he's very abrasive. This goes back to the Khatami period, and if I had the time, what's fascinating about the Khatami period, in retrospect, is how much it was a warning, in a sense, the harbinger of what we're seeing now, which is that they didn't like this new guy, he was going down a path they didn't like, they spoiled his policies, his foreign policies, they kept sabotaging, and his economic policies, they then rigged elections, and finally they got to the situation where they did not want Ahmadinejad, whom Khamenei identified before the elections as his preferred person.

He was very clear; he was not an arbiter in this. He said to him in September, to Ahmadinejad, I want you to continue to act as if you're going to get a second term; and then before the elections he kept saying that the person who is the ideal president is a short gentleman who's squinty-eyed, who wears a windbreaker and the others are all foreign agents; basically, that's what he said. So if Ahmadinejad had become the first president to be rejected for a second term, what would that have meant for Khamenei? It was inconceivable, it couldn't happen otherwise the supreme leader would have been repudiated.

AUDIENCE MEMBER: Sorry, can I ask you...? I don't know want to interrupt, but...

SHAHRAM CHUBIN: No, I've finished.

AUDIENCE MEMBER: The question is this. If it was a coup d'état [tape break] recognition by the regime, then it has to broaden its base again, that in fact it's seen the abyss of what could happen if it loses a large section of the population, and while some people may be convinced by money and force to support the regime, others may have to be brought into it. Is that totally excluded?

SHAHRAM CHUBIN: Maybe after the crackdown, we've got many people killed and many jailed, many beaten up and intimidated, maybe after that there'll be a softer approach; and that's the first scenario, where they focus on fixing their domestic base, it may well happen. But their tolerance for dissent and debate and freedom of expression and social liberties and some of the things that the reformists want, is very limited, because they see a slippery slope everywhere, so if you start here soon it'll be out of control, Gorbachev and so on and so forth. They have that model in mind and they don't want to do it.

There's one thing that's very important, is the difference between regime change and regime evolution. I don't think, well, I'm going to put it that strongly, I was going to say, I don't think anyone in their right mind really believes a regime change is likely or possible, either from outside or from opponents within. I think the thing that one hopes for is regime evolution, which will in time constitute regime times. I think that's why the reformists and the moderates and others...

Somebody said Mousavi was prime minister. Yes, he was prime minister when there was a war going on, he was prime minister when the Mujahideen got killed in the jails, when the students were beaten up. Somebody asked his spokesman, Atrianfar, who's now in jail, he said, but, Mr Mousavi did all these things, Mr Mousavi did the things that you accuse Ahmadinejad of; and he said, look, at the beginning of the revolution we were all like Ahmadinejad. I thought that was a very fine comment, because all of these people are challenging the system from within, but by misjudging their response, the hardliners, I think, are making it a challenge to the system.

FABRICE POTHIER: Thank you, Shahram. Let's take a last round of questions. We start with the lady [tape break].

AUDIENCE MEMBER: ...what are his views, and he has kept silent for days until, I think, a couple of days ago when he made statements which are not very clear. So what is your view? Where does he stand in this game? Thanks.

[tape break] AUDIENCE MEMBER:...Answer from the University of Antwerp for Mr Bertram; you said at the end of your talk that nuclear weapons for Iran is not the end of the world. Now, for one state in the region, nuclear weapons for Iraq and for Syria apparently was perceived as being the end of the world. So in other words, will Israel accept the logic of living with Iran if Iranian nuclear weapons is our only hope?

FABRICE POTHIER: And to the gentleman at the front.

AUDIENCE MEMBER: Kas Artil from the Commission. After what you have said, do you see any opportunity or way for the West to engage with the opposition, the moderates or the people on the street?

Or secondly, is it really that we have now to go back to business as usual because all this was an episode and there is more at stake than the democracy in Iran which never existed, and therefore we should just forget about what happened for the last two or three weeks?

FABRICE POTHIER: Shall we start with you, Shahram, and then we will close with Christoph? Thank you.

SHAHRAM CHUBIN:[tape break] ...one and then he's got two.

That's a good question about what Rafsanjani's been doing, but obviously his silence speaks volumes; he didn't turn up at the speech on the 19th, he's not saying anything. As you said, there were reports he'd gone to Qom. There's a very good article today, I think, in the Le Monde, which I was reading on the train with Fabrice, which reinforced my belief that the ayatollahs are divided, and that their claim of religious legitimacy is going to be weakened. The revolutionary one will replace it, it's been interchangeable, but now I think Rafsanjani and a lot of the...

Don't forget, as I said, Khamenei doesn't have much clerical credentials, doesn't have serious credentials, there are many more senior ones. He's sort of moving into the political domain away from that, and to some extent, alienating the ones who already weren't really supportive of him or who were quiet.

So I think that Rafsanjani and the Expediency Council and others, if there were a clear vote, I think you'd find the polarisation would be very evident, and I think that they're trying to patch things up in the background, which may lead to a situation where they try and widen their base; but again, it seems to me that they limit themselves, they've committed themselves to things that will be very hard.

Again, there was talk about not having a replacement for Khamenei after he left; basically this whole office is, as I said, unique to the Khomeini in a way. It would be very contentious, obviously, as to who would replace him, who'd be his successor. There've been rumours that he's been trying to cultivate his son, Mojtaba, as a successor; and clearly that is also going to be seen in the current situation as part of a plan by Khamenei to take more power so that he can pass it on.

So I think all of these things will play, and I think it's worth focussing very much on that, on the way that the clerics go, because in a sense, that's another part of the legitimacy of the system to some extent. As I say, there've been lots of dissident clerics and lots of people opposed to the whole idea of the supreme guide as an institution.

CHRISTOPH BERTRAM: On the nuclear issue, I think that those in Iran who want the bomb, and one is not quite sure whether there are very many who want the bomb, will want an option rather than a warhead. They'll want the capacity rather than the ability, because for all the things that a nuclear weapon might be useful for, that is quite sufficient. Besides, it avoids the immense counter-pressure that is likely to come.

I think the implied Israeli threats of military counteraction should be taken seriously, but they are a sign of madness, because there's no way in which by military action you're going to make any fundamental change in the situation except to convince those who, so far, in Iran are reluctant to want to go the nuclear military road; they will all then want to go down that road. We have to make efforts to try and impress the Israelis with this idea.

There are a number of interesting studies out there, and there are a number of rather respected Israeli think tanks, who actually make the case that deterrence is an instrument which the Israelis can use too. Remember, the Israelis to this day pretend they don't have a single nuclear weapon, and if the Iranians want to have a nuclear weapon, that's what the worry is, that's how they're going to go about it too; and they will not have the good fortune that they can test their weapon in South Africa, as the Israelis have been able to.

On the other hand, a nasty question, how do you want to influence the situation? How do you influence the situation? You have to address those that are in power. What do you do in order to make it more difficult for them to counteract your own interests? No, I don't think it makes much sense for us to have special relationships with the opposition, I don't think it would be very good for the opposition. We could, of course, be much more active, and I think that's what [unclear] has been preaching now for years, that we should really raise the issue of human rights much more aggressively than we have done.

We have, for the sake of the nuclear negotiations, looked the other way all these years, and I think we can highlight the acts in Iran that we think are despicable, and that we should do, but not have a special relationship between the West and the opposition, that is a kiss of death for the opposition and also for any other interests one might have to influence those that are in power and to precisely encourage the kind of debate within the leadership that Shahram has been referring to and that one wants to see happening.

There are some people, and I've been talking around this town today, who say, well, you know, this is the death knell of the regime; a regime which cannot adjust like the Iranian Islamic Republic will go down the drain very quickly, in a year's time. So let's not engage at the moment. It strikes me as being a rather stupid idea, because it would be surprising if Shahram has not been made any prediction on this, that the idea that the people who actually are able to get control of the country as they have would be pushed aside in a relatively short time, strikes me as being highly unlikely.

We're going to see an erosion, that's what you mentioned too; we're going to see counter to the erosion. There are a lot of instruments available to the people who are in power to make sure that they stay in power for a long time. So we have to deal with this regime as it is. Mind you,

those who advocated opening up to the regime, offering it a relationship, a different relationship from the past, have done so to the regime before the elections, and it's behaved exactly in the elections as people who are highly critical of the regime before said it would do.

Let's not pretend that this has really changed very much, except in terms of political opportunism. It's much more difficult for political leaders to say, yes, that's happened, but we have to address the issue, we have to solve it, we have to try and find the answer to the problem because if we don't, Churchill's nice dictum: a problem delayed is a problem half solved; a half-solved Iranian problem is going to be a very nasty problem for all of us.

FABRICE POTHIER: Christoph, before we close I just wanted to press you because I think that's a fundamental point, and that's the tension that most Western governments are going to face when dealing with Iran, is, yes, it's obviously sensible to keep on engaging and trying to negotiate, especially on this nuclear issue, but surely you are also going to also send a signal to the Iranian people that you are dealing with a regime that today is seen as less legitimate than yesterday.

So you were saying, well, actually we were talking about talking before the elections, and we should keep on talking about talking and talking, but things have changed also since the elections, there's a real legitimacy crisis, so you're not dealing with the same regime as before, at least, we are not dealing with the same perceptions among the Iranian people of this regime. So how do you balance this kind of conundrum?

CHRISTOPH BERTRAM: Making the essence of a policy, one which is related to Iran rather than only to the leadership, you have to say you want to establish a relationship with Iran. Look at Navarro's message that Obama made in March, addressed to the leadership and the people of Iran; you can say things in détente, we know. Don't forget, again perhaps a historical analogy might be useful, in détente policy people in the West, we're criticising publicly what the Soviet Union was doing and continue to do that.

If I look at the way in which we've dealt with Iran, we've so monopolised, we've made the nuclear issue the monopoly issue, and human rights activists in Iran have very often said, you people, what happens in human rights, you don't care because you think it might undercut the negotiation of the nuclear issue, which is another point where just focussing on the nuclear issue

is wrong – it has to have the whole basis of the relationship and made quite clear that this is based on the respect.

I think Obama is right, I think they'll go down well with the public, even those in the opposition, that here is an America which wants to respect Iran, that wants to accept an Iran, which is capable of entering the international norms of behaviour. So that's all the things you have to signal at the same time, rather than saying, we agree with you guys, whatever you do; that's not what you do. You say, we want to establish a totally different relationship with you, and if you don't engage, you guys, it's going to be difficult for you, domestically and internationally. That's the objective we should have in order to influence their behaviour.

FABRICE POTHIER: Thank you very much, Christoph and Shahram, for your insights, coming at such an important time. If you could join me in thanking our speakers and again, thank you to everybody for coming. Thank you.