At the outset, one point must be made clear: regardless of who emerges victorious in the June 12 presidential election, neither Iran’s foreign policy nor its geo-strategic posture will dramatically change. Although the president is the human face and representative of the Islamic-based regime in Tehran, he is not the top executive decision-maker or commander-in-chief. He does not make decisions of war and peace. Rather, his authority lies in the domestic arena, particularly in managing the economy and framing the moral debate, and communicating Iran’s message(s) to the world.

The most powerful and influential man in today’s Iran is the unelected Supreme Leader, Ayatollah Ali Khamenei, assisted by a National Security Council that includes dozens of political leaders. Khamenei and the National Security Council are in charge of constructing the country’s regional and foreign policies, including the nuclear portfolio and relations with Western powers. They set the broad parameters of Iranian foreign policy and strategy, leaving the president with a limited margin of maneuver in determining the country’s international relations.

Nevertheless, the president’s personality and discourse play an important role in Iran’s foreign relations, either heightening tensions with the world or presenting a more ameliorable stance, as clearly shown by the contrasting style of President Mahmoud Ahmadinejad, a confrontationalist, and his predecessor Mohammad Khatami, an accommodationist. While Ahmadinejad’s aggressive rhetoric has caused a further rupture with Western states, Khatami’s stress on civilizational dialogue and co-existence was warmly welcomed in European capitals and many U.S. circles.

IRANIAN FOREIGN POLICY: CONTINUITY

1. RELATIONS WITH THE WEST

Regardless of who wins the election, continuity will be the hallmark of Iran’s foreign affairs and nuclear programme. A consensus exists among the ruling elite, including reformists and conservatives that on balance Iranian foreign policy has been successful in maximizing the country’s national interests. Iranian officials are convinced that the current foreign policy approach has earned the Islamic republic prestige and universal recognition: taken seriously by friend and foe alike, Iran is a key player in world politics.

Seen from Tehran, the country has achieved most of its foreign policy priorities: after three decades of animosity and active opposition the U.S. Has finally recognized the legitimacy of the Islamic republic and its role as a pivotal regional power. The Obama administration has reversed its pred-
ecessor’s goal of regime change in Tehran and has sought to re-engage diplomatically with the ruling mullahs. In the last three years, in particular, Iranian leaders have demonstrated their regional weight and clout in Iraq, Lebanon, Palestine, Afghanistan and Pakistan – a testament to the emergence of Iran as a leading regional player.

None of the presidential candidates challenges the basic tenets of the country’s international relations, even though leading reformist and conservative contenders criticize Ahmadinejad’s extreme rhetoric, particularly the denial of the Holocaust, which antagonized the West and provoked international condemnation of Iran.

“Extremism [denial of the Holocaust] has damaged us greatly,” said Mir Hossein Mousavi, one of Ahmadinejad’s two reformist opponents in the upcoming elections. “We have to actively work to earn trust at the international level.” Another reformist challenger, cleric Mahdi Karrubi, slammed Ahmadinejad for his confrontational approach that has done more harm than good to Iran: “He calls U.N. resolutions ‘worthless papers’… and causes trouble for Iran but it is all Iranians who have to pay price,” the former parliament speaker told reporters in Tehran. “The president’s statements have harmed Iran’s interests.”

Both reformist candidates have said they would pursue a foreign policy of détente with the West and would be willing to meet with President Barack Obama if it would help advance Iran’s national interests. However, neither of the leading reformist contenders has proposed to deviate from the broad contours set by the Supreme Leader Khamenei and the National Security Council.

Asked if he was ready to negotiate with President Obama after Mousavi had criticized Ahmadinejad’s provocative tactics toward the U.S., he said he was hearing a different tone from Obama and that Iran would benefit from having peaceful and cooperative relations with the great powers. “But this cannot be at the price of our values and principles. We cannot pay unbearable costs for such relations,” said Mousavi, who served as prime minister from 1981 to 1989 under then-President Khamenei and who is backed mainly by Tehran’s educated urban elite, reiterating a principle that has been faithfully adhered to by all Iranian presidents.

It is doubtful if the next president would be able or willing to re-examine this deeply-held strategic principle, one that has been vindicated in the eyes of the ruling elite. The Islamic Republic has survived overwhelming pressures and threats by the U.S. and its role has been acknowledged as important, in particular with respect to the ongoing challenges in Iraq, Afghanistan and the Arab-Israeli arena.

Bush’s global war on terror brought high dividends to the Islamic Republic. By overthrowing the pro-Sunni Taliban in Afghanistan, bitter enemies of Tehran, and the Sunni-dominated Saddam Hussein regime in Iraq, a historic rival of Iran, the Bush administration swiftly turned Iran into the unrivaled superpower in the Persian Gulf. The US-led invasion and occupation of Iraq structurally changed the balance of power in Baghdad and empowered a Shia-led coalition friendly to Tehran. Iran has now replaced the United States as the most influential actor in Iraqi politics by virtue of its co-option of most of the leading social groups there, particularly the Shia, who represent more than 60% of the population, and the Sunni Kurds, 20%.

Iranian political influence has spread far beyond Iraq. Today Iran holds the torch of “defiance” and “resistance” to the U.S.-Israeli alliance in the Middle East; it has invested considerable capital in aiding “resistance” movements in Iraq, Lebanon, and Palestine like Jish al-Muhdi (Muqtad al-Sadr’s
militia), Hizbollah, and Hamas. Shia-based Iran has appealed to many Sunni Arabs and Muslims over the head of their rulers, despite a concerted campaign by pro-Western “moderate” Sunni-based Arab states to whip up anti-Shia (anti-Iranian) sentiment amongst their population.

The United States needs Iran to ensure an orderly withdrawal of its troops from Iraq as well as a smooth political transition afterwards. American officials also acknowledge that Iran’s assistance would help stabilize a war-torn Afghanistan and reduce hostilities in the Arab-Israeli conflict. As America’s regional position weakens, Iran has gained the upper-hand and has effectively leveraged its influence by raising the ceiling of its demands from the Obama administration.

In my interviews with Iranian officials and their allies in the Middle East, they stress that a settlement with the U.S. (they hardly list other Western states) must explicitly recognize Iran’s pivotal role in the Gulf and end efforts to isolate and undermine the Islamic-based government in Tehran. What they mean is that Iran must be factored in as a key player in any future settlement in Iraq, the Israeli-Palestinian conflict, Lebanon, and Afghanistan. Iranian leaders believe their defiance and perseverance have earned them high political and strategic assets, and whilst prepared to cash these in at the same time they are aware of their value. Agree or disagree, rising Iran is here to stay for the foreseeable future.

For all these reasons, the next president will be unlikely to rethink or take stock of Iranian foreign policy and strategic posture. At most the international community should expect minor changes in tactics and style, particularly if a reformist contender like Mousavi or Karrubi defeats the conservative incumbent.

A plausible scenario of change rests with how Khamenei and the mullahs deal with the grave socio-economic crisis faced by Iran (more on this point later) and whether a rapprochement with western states would be viewed as advantageous to resolving the country’s pressing social problems.

2. IRAN’S NUCLEAR PROGRAMME

After meeting with Israeli Prime Minister Benjamin Netanyahu, President Obama said that Iran’s obtaining a nuclear weapon would not only threaten Israel and the U.S. but would be “profoundly destabilizing” to the international community. He said he would not let the proposed talks with the Islamic Republic go forever, but the June presidential election would reveal whether there is a chance for progress by the end of the year. If Obama thinks that the election of a reformist president will bring about a shift in Iran’s nuclear policy, he will be surprised to learn that there is little or no difference in the positions of leading candidates on the nuclear programme. Furthermore, the decision to open talks with the U.S. rests with Khamenei and the National Security Council.

In fact, Iranians of all persuasions agree that their country should be allowed to develop nuclear technology and acquire the scientific know-how for further advancement. Asked if he would agree to suspend uranium enrichment if he were elected president in a revealing interview in the Financial Times in April, the reformist challenger, Mousavi, put it bluntly: “No one in Iran would accept suspension.” Pressed to elaborate on how much weight the president exercises in nuclear decisions in comparison with the Supreme Leader, Khamenei, Mousavi conceded that the Supreme Leader has the final say, concluding that his role is “very determining”.

Indeed, presidential contenders have labored hard to convince the public that Ahmadinejad should
not get sole credit for progress achieved on the nuclear front. Even former President Khatami has criticized his successor for taking all the credit for and boasting of Iran’s nuclear achievements. “Do you really think that the technological advances in the nuclear field only have been reached during the last couple of years?” Khatami asked, while addressing a crowd in the southern port of Bushehr.

Indeed, while Iran has made critical strides in its nuclear programme under Ahmadinejad’s term in office, the country’s uranium enrichment programme made its greatest advances during Khatami’s eight years in power. Both Ahmadinejad, a conservative, and Khatami, a reformist, want public recognition for the progress in Iran’s nuclear activities, reflecting the national consensus in support of the programme.

Not to be undone, Mousavi, who hopes to unseat Ahmadinejad, warned the public against buying his rival’s tactics of using recent nuclear achievements for electoral gains: “Everyone agrees that while nuclear achievements are necessary for the country, they should by no means be exploited for political reasons and publicity gains,” said the former prime minister in a campaign appearance in Ahwaz University.

The point to stress is that Iran’s establishment is united over the country’s “inalienable nuclear rights,” as expressed by the speaker of the parliament, Ali Larijani, a rival to Ahmadinejad and a former nuclear negotiator. It is unlikely that the next president will be willing or able to accede to the demands by the Western powers to suspend uranium enrichment. The supreme leader and the national security council are determined to advance the nation’s nuclear programme at all costs, while stressing that enriching uranium is for peaceful purposes rather than developing nuclear weapons.

President Obama’s most recent statement - that he expected to know by the end of the year whether Iran is making “a good-faith effort to resolve differences” in talks aimed at ending its nuclear program – could mean that the two camps are heading for a showdown, unless, of course, the ruling Mullahs rethink the strategic value of the country’s nuclear programme.

To avoid a confrontation and find an acceptable solution to Iran’s nuclear programme, Western leaders must take the security dilemma of their Iranian counterparts seriously. At heart of Iran’s drive to develop nuclear activities lies a quest for deterrence against a nuclear Israel and a menacing America. Iranian leaders believe that possessing a nuclear deterrent will ensure the survival of their Islamic Republic by dissuading America from overthrowing their regime along the lines of Afghanistan and Iraq. America’s invasion and occupation of Iraq was a wake-up call for the mullahs, who understandably felt threatened by the presence of 150,000 U.S. troops in their backyard.

Long before the global war on terror, as Joost R. Hiltermann shows in his excellent book, A Poisonous Affair: America, Iraq, and the Gassing of Halabja, the ruling mullahs were traumatized by Saddam Hussein’s repeated use of sophisticated chemical weapons against Iranian soldiers during the Iran-Iraq war, as America looked the other way. According to Hiltermann, the seeds of Iran’s non-conventional programme were sowed in that prolonged and bloody conflict when Iranian leaders concluded that only a deterrent force could protect Iran’s national security.

Only by recognizing the legitimate fears and concerns of the Iranian leadership can a solution to the country’s nuclear programme be found. The challenge is to address Iran’s security dilemma and provide its leaders with alternative means and assurances to going nuclear. But that may be too little, too late because Iran already possesses the scientific know-how and is on the verge of clearing the
last technological hurdles to building a nuclear weapon. Iranian scientists are racing against time to reach a nuclear breakthrough and present the world with a fait accompli.

THE DOMESTIC ARENA

1. THE ECONOMY

In Iran, like in all other countries, all politics is local. While there exist hardly any substantive differences among leading presidential contenders over foreign and nuclear policy, the most contested issue is the economy. With uncertain and declining oil revenues and a global financial crisis, Iran has fallen on hard times. The economy suffers from high inflation and an unemployment rate that tops 30 percent, one of the highest in the region, despite the country’s huge oil exports. Public discontent over the faltering economy has seen Ahmadinejad become increasingly unpopular. His reformist and conservative opponents alike have criticized him publicly for spending too much time agitating the U.S. and Israel and not enough trying to fix the crumbling economy.

The leading reformist contender, Mousavi, accused Ahmadinejad of what he called the “expansion of poverty under the excuse of administrative justice.” He said that the president ignored economists who warned that his plan to make direct cash contributions to the people would worsen inflation and burn through the oil revenues that account for 70 percent of the government’s budget. “Unfortunately, we think that we can solve the problems of the poor through donations, while we should create jobs and spread money where the people need it,” added Mousavi, a former prime minister admired for the way he managed the country’s economy during the Iran-Iraq war, a conflict which cost Iran over $500 billion.

Elected in 2005 on a populist agenda that promised to share oil revenues with every family, eradicate poverty and lower unemployment, Ahmadinejad has defended the cash handouts, saying they will create jobs. But there has been little evidence of the policy succeeding and his rivals have hit him hard where he is most vulnerable.

“When economic experts warned that liquidity resulting from oil revenues would cause problems, nobody heeded the warning,” said Mousavi, who has positioned himself as capable of straddling Islamic values and having the skills and reformist sensibility to liberalize Iran’s ailing economy and politics. Mousavi has emerged as a formidable challenger of Ahmadinejad and has co-opted an important conservative segment in his favor.

The one conservative candidate challenging Ahmadinejad’s re-election bid, Mohsen Rezaei, also blamed him for Iran’s economic woes. A former Revolutionary Guards’ commander, Rezaei says he has joined the presidential race to save the country from the “path of destruction”, taken by Ahmadinejad, a damning indictment from a fellow conservative. “The Truth is that our nation has two very different paths at hand. If President Ahmadinajed has his way, we will fall off the cliff ... we will be defeated,” he said in his first press conference after announcing his presidential bid.

Aware that the economy is his biggest vulnerability, since last year Ahmadinejad’s government has handed out cheques to poor families – most of them in rural areas and small towns - and in recent weeks broadened the distribution to include students and teachers. In May the government announced that it had begun making $80 payments to 5.5 million people throughout Iran.
Once news leaked of the cash distribution, Ahmadinejad’s opponents on both sides of the country’s reformist-conservative political divide accused him of trying to buy votes before the election and said such payments promote a “begging culture.” The leading reformist candidate, Mousavi, said the latest payments are an affront to the dignity of Iranians on “the eve of an election” and said the money would be better spent on infrastructure projects. “Don’t hand out cash to the youth,” said the conservative, Rezaei. “Give them jobs with good income. The current economic conditions are harming the dignity of Iranians.”

Knowing that the election will ultimately be decided on bread-and-butter issues; officials accompanying Ahmadinejad on trips around Iran hand out cash to citizens appealing for financial help. In March they distributed $50 cheques to students when the president visited their dormitory. Students reportedly protested that they found $50 insultingly paltry.

In recent weeks, the government has also distributed free potatoes in small towns. Students at a campaign event for Mousavi in the central town of Yazd chanted: “We don’t want a potato government” and “death to potatoes,” a play on the “Death to America” slogan that is common at hardliners’ rallies.

The cash and potato distribution indicates the gravity of the economic crisis facing Iran, a country rich in oil and gas. The ruling mullahs have mismanaged one of the rising economies in the developing world and bankrupted the country. Economically, Iran today is a shadow of its former self, a struggling nation of 70 million people and where 70 percent of the population is under 30.

The question is, to what extent does Iran’s deteriorating economic situation influence motivate its leadership to improve relations with western powers, and at what costs? The historic evidence on the relationship between the economy and foreign policy of a revolutionary state is not reassuring.

Going on the offensive against reformist rivals, Ahmadinejad has attempted to shift the blame onto the sanctions imposed on Iran by the Western powers, a burden worth carrying, he says, because of Iran’s regional leadership and defiance of the American-Zionist alliance. Ahmadinejad aims to turn the table on his reformist contenders who criticize him for inflaming Western opinion with reckless statements casting doubt on the Holocaust and calling U.N. resolutions “worthless.” The incumbent wants to shift the debate from the domestic arena (where he is most vulnerable) to foreign policy (where he thinks his greatest achievements lie).

Lending a helping hand to Ahmadinejad, the supreme leader urged the public not to vote for pro-Western candidates, a coded warning against reformists. “Do not allow those who would throw their hands up and surrender to enemies and defame the Iranian nation’s prestige to get into office,” Khomeini said in a televised speech in Bijar, in Western Iran. “(Don’t vote for) those who would provoke the greed of the enemies of the Iranian nation and be used by them to create divisions within the nation and take people away from their religion, principles and their revolutionary values.”

Although Khomeini did not directly ask the public to support Ahmadinejad, his terms speak for themselves: vote for values, identity, and defiance of the West, as opposed to interests, liberalization, and openness towards the West.

Nevertheless, regardless of which candidate wins on the 12th June, he will inherit a grave economic
crisis and a restive population. Foreign affairs is likely to be some way down his list of priorities.

2. THE MORAL DEBATE: WOMAN AND PERSONAL FREEDOM

At his first press conference after announcing his presidential candidacy, Ahmadinejad’s main opponent, Mousavi, pledged to increase freedoms for Iranians and curb controversial restrictions that require women to cover their hair in public. Criticizing the president’s rhetoric and the strictures he has imposed on daily life and public discourse, Mousavi, who appeals to the youth vote and women, said social controls are the domain of the people, not the government, a radical departure from the dominant orthodoxy of the ruling mullahs.

“Can a security patrol save our youths?” Mousavi said of the increase in the moral police operations to prevent women from allowing their hair to show in public. “Or can they be saved by the words of a grandfather who talks to his granddaughter?” he asked rhetorically. The patrols began after Ahmadinejad became president, though his government denies responsibility, and many women claim that his administration has institutionalized discrimination against them.

Careful not to come across as too liberal a reformist, which he is not, Mousavi said his proposed reforms are deeply rooted in Islamic principles and that his goal is to reclaim those forgotten values. He has laboured hard to portray his proposals as an extension of the Islamic system in order to disarm conservative critics, even denying that he is a mainstream Reformist candidate in the hope of winning the support of both reformers and moderate voters.

Accordingly, he frames his reforms as an affirmation of Iran’s constitution, which has been “violated and undermined” by Ahmadinejad. “We must create the constitutionally mentioned freedoms – freedom of thought, freedom of expression, freedom of print, freedom of media and press – all of course within the framework of our [Islamic] laws,” said Mousavi.

Why the stress on the morality police and personal freedom? The primary target is women and young voters, who could tip the balance of power in favour of Mousavi. Some important facts: there are 46 million eligible voters in Iran, half of whom are women. In 1997 more than 60 percent of the votes that brought Khatami to power were cast by women, and in 2000 women voters were instrumental in giving reformists a sweeping majority in the Parliament. Promising greater individual freedoms to the youth was instrumental in the two landslide victories by Khatami in 1997 and 2001.

Ironically, during the 2005 presidential election candidate Ahmadinejad said he would loosen state control over people’s personal affairs. Trying to garner support among women and young voters, in one of his pre-election television interviews he questioned the role of the morality police: “Let our children arrange their hair any way they wish. It does not concern you and me. . . the government should fix the economy of the nation and improve its atmosphere. . . people have variegated tastes.”

Ahmadinejad’s broken promises to women voters could cost him the presidency on 12 June. A reformist woman and a former member of Parliament says that the president’s days are numbered: “The women’s movement in Iran is gaining momentum and these elections may be the first step towards Ahmadinejad forced out.”

Indeed, women have become a critical player in Iran’s electoral map. More women activists are making their voices and demands heard and have formed coalitions to defeat the incumbent. Almost 600
women have registered for the forthcoming 290-seat Majlis (parliamentary) election which will be crucial in determining the future of the ultra-conservatives who broadly back Ahmadinejad. There are currently only two women in secondary cabinet positions and 11 in parliament, but these numbers seem certain to rise.

It is no wonder then that leading reformist contenders have appealed to women by pledging to give them a greater say in the political and social order. Karrubi, the former parliament speaker, said he has always supported women rights and that if elected, he would appoint a female minister to his cabinet. “Having a female minister will make no major changes but it will be a major step toward removing the obstacles to the active participation of women in Iran’s politics.”

Although women have been appointed presidential adviser and vice president, there has never been a senior female minister in the cabinet. Karrubi’s proposed appointment would dent the iron wall of discrimination against women and break another barrier.

So although the June presidential election is unlikely to cause a rupture internationally, either for the better or worse, the result could have a critical impact on the domestic arena in Iran, particularly in terms of the empowerment of women. As such, the election will provide a glimpse of how far Iran has evolved and how far it has to travel.

All direct quotations from Iranian leaders are sourced from media outlets, including AP, Reuters, Al Jazeera, Washington Post Foreign Service, and Iran’s Press TV.