

The Iranian presidential election, EU sanctions and the regional perspectives

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The article takes its point of departure in the upcoming Iranian presidential election. The internal rift between the Supreme Leader Ayatollah Ali Khamenei and President Mahmoud Ahmadinejad and the in many ways problematic Iranian national economy make the election challenging for the regime – regardless of the fact that due to the constitution Ahmadinejad cannot get reelected. The Iranian regime is on collision course with most regional players and with the US and the EU. The EU has launched a relatively far-reaching set of sanctions against Iran, which are aimed directly at Iran's foreign trade, hereunder the oil and gas sector. The restrictive measures create serious problems for Iran, which – despite being one of the largest producers of oil and gas – radically needs modernization and investments in order to meet the domestic demand. It cannot be ruled out that we in connection with the upcoming presidential election will see demonstrations and unrest like in connection with the 2009 presidential election – and in the Arab world since early 2011.

Introduction

A few months before the upcoming Iranian presidential election, which is going to take place 14 June 2013, many Iranians consider if it is worthwhile taking part in finding a successor to Mahmoud Ahmadinejad, who has been president for two periods altogether lasting eight years and therefore cannot be reelected. The last Iranian presidential election in June 2009 was heavily criticized for fraud and manipulation and this is probably the most widespread reason why the Iranian electorate will think twice, before they show up at the polling stations (Tabaar, 2013, Kadivar, 2013).

The election in Iran comes at a time, where the Iranian regime is under pressure. Internally Iran's Supreme Leader Ayatollah Ali Khamenei has for a long time been on collision course with Ahmadinejad, whose ascendance to power was orchestrated by Khamenei in 2005 in order to stop the long lasting rift between the religious and the political leader and secure a loyal and stalwart supporter of the religious leader himself. Khamenei's apparent backing of Ahmadinejad in the first years after 2005 demonstrated this in a very obvious way, but over time the pattern changed, not the least due to an increasingly independent president, who especially in his foreign policy rhetoric has presented the international audience for a radicalism beyond what Khamenei wanted.

The question is if the election this time will produce a solid and uncontroversial political ally for the religious leader. Several conservative politicians have been mentioned as candidates for the election, among whom the parliamentary speaker Ali Larijani is meant to have a good chance, as are Tehran's mayor, Mohammad-Bagher Ghalibaf and the secretary of Iran's Supreme National Security Council and chief nuclear negotiator, Saeed Jalili. First of all Khamenei wants to avoid a repetition of what happened in 1997, where the reform movement leader Mohammad Khatami was elected with an overwhelming majority against the "official" candidate, and maybe especially a situation like in 2009, where the widely criticized reelection of Ahmadinejad gave rise to the Green Movement and a massive wave of protests in Iran's larger cities. In an attempt to block the influence of this movement two of its main leaders, Mir Hossein Mousavi and Mehdi Karrubi, both candidates of the 2009 presidential election, have for long time been held in house arrest.

A main reason for the growing domestic dissatisfaction with the Iranian regime is the poor national economy. The to some degree isolated Iran is suffering from a low economic growth, which cannot keep up with the demands of the large population. The Iranians leaders are promoting the controversial nuclear programme not the least in order to compensate for an inefficient and poorly maintained oil production. Inflation has over the last year reduced the value of the wages for the Iranians causing trouble for the families in making ends meet. Added to that a plethora of deficiencies in public life like in Tehran the ageing and inefficient fleet of public transport, which encourages commuters to use their own – gasoline driven – means of transport, causing the pollution to rise to more than problematic levels (Behbudi, 2013). The situation contributes to the general feeling of discontent and frustration as the international sanctions against Iran contribute to the domestic economic difficulties and to the international isolation of Iran.

The international sanctions with a focus on the EU restrictive measures

The in many ways unfriendly relation between the EU and Iran goes at least back to the dramatic days in 1997 following the Mykonos-affair, where the EU countries withdrew their ambassadors to Iran claiming that the Iranian Intelligence Minister had ordered the killing of three Iranian-Kurdish opposition leaders in a restaurant in Berlin and that the Iranian leaders knew of this international scandal. The diplomatic crisis lasted until November 1997. Generally speaking, however, the relations between the EU and Iran improved after the election of the reform-oriented President Khatami. The EU wanted to encourage the newly elected moderate leaders in Iran and therefore in 1998 the EU revoked its ban on high-level ministerial contacts (2012).

Khatami was in 2001 reelected for another four year period – a period which was marked by both the 9.11 attack in New York, the US War on Terror and the US-led invasion in Iraq in 2003. Maybe some of the reform-oriented Iranian leaders actually hoped that the US-war on terror, which started with fighting Taliban and al-Qaida in Afghanistan, could open for better relations with the US. The hopes were frustrated; however, by President George W. Bush's State of the Union address (29 January 2002), which connected Iran with Iraq and North Korea in an "axis of evil". The Iranians, who had taken part in

bringing the new Hamid Karzai administration to power in Kabul and played an active role in a fundraising conference in Japan the same year with the purpose of providing funding for the new regime, were aggrieved, but probably any idea of a rapprochement disappeared in late 2002 with a growing belief in Iran, that following an invasion in Iraq which was anticipated in early 2003 Iran would be put under mounting pressure.

The expected invasion in Iraq came in March 2003 and took place at a time where the Bush administration became more and more convinced that Iran in all secrecy were trying to develop nuclear weapons. Gradually the IAEA came on collision course with Iran, which faced a dilemma. On one side compliance to the demands would lead to admitting to the US acquisitions, on the other side resistance to deal with the international nuclear regime might lead to further isolation. With the election in 2005 of hardliner Mahmoud Ahmadinejad a more confrontational approach was launched and from "late 2005 and into 2006 the tensions surrounding Iran's nuclear issue escalated" (2012). In early 2006 Iran removed the IAEA seals on its uranium enrichment facilities and declared that it would restart the programme.

By March 2006 the EU declared the talks with Iran to be at a "dead end" and it is hardly an exaggeration to claim that this low developed into a situation, which became even worse. In April 2006 Ahmadinejad announced that Iran successfully had enriched uranium, yet mentioning that the production was not meant for nuclear weapons. The reaction from the EU came when Javier Solana on behalf of the EU Common Foreign and Security Policy (CFSP) suggested limited sanctions against Iran, including visa bans on leading individuals.

This reaction was later in 2006 followed by a proposal, according to which Iran was offered a package making it possible to maintain some enrichment activities by reaching agreements with the US, the EU, Russia and China on its nuclear programme. This time, however, Khamenei refused the proposal by referring to Iran's "unalienable right to develop nuclear technology". Thus the year of reelection for Ahmadinejad became at the same time a year, where the relation between Iran and IAEA got worse. The agency highlighted the continued refusal from the Iranian side to allow control visits to the nuclear facilities.

Gradually the EU's restrictive measures vis-à-vis Iran have been added new dimensions. The list of the recent sanctions as shown at the European Commission homepages comprises a variety of measures from sanctions directed against individuals (travel bans, freezing of funds and economic resources), restrictions on sale of important equipment for trade and transport, IT-hard- and software, and more general bans on Iranian products, most significant of course crude oil and petroleum products (EU-Commission, 2012). Iran has to some degree become a test case for the CFSP – in the case of Iran under the directorship of France, Germany and the United Kingdom (the EU3) – as claimed by Shirin Pakfar (Pakfar, 2011).

However, if the idea is to pressure Iran to accept the demands from the IAEA, the test so far has failed, to put it simple. As an answer to the EU import bans Iran threatened to mine the Straits of Hormuz in order to prevent the transport of oil and gas. This led to responses from the US, who deployed a number of naval vessels in the area – a measure which hardly is an option for the EU. There is hardly any doubt that the sanctions work, but still no progress can be seen in the Iranian willingness to live up to the demands, as mentioned in the most recent EU Council assessment of the situation, where it is stated that “The EU has urged Iran to take concrete and practical steps aimed at building confidence in the exclusively peaceful nature of the Iranian nuclear programme” (but the EU...) regrets that Iran has not yet given formal agreement to the structured approach document, discussed with the IAEA on 8 June 2012” (Council, 2012).

Despite self-confident pledges that Iran will withstand international pressure, the economic isolation takes its toll and leads to stagnation and attempts at emigration. The EU sanctions aimed directly at Iran's foreign trade, financial services and the oil and gas sector is a serious problem for Iran, which – despite being one of the largest producers of oil and gas – radically needs modernization and investments in order to meet the domestic demand. The nuclear power facilities under construction can in the nature of the case not compensate for that. According to an EU Council Press Announcement in December 2012 further restrictive measures were added, raising the numbers so that entities and persons subject to sanctions are 490 and 105, respectively.

Regional perspectives

For the leaders in Iran the situation is problematic. The country is heading for the upcoming presidential election in a state of international isolation, domestic economic problems and potential internal turmoil. The Iranian electorate can on one side choose to stay home in fear of repression and (understandable) apathy. On the other side it can choose to take part in an election, where no real alternative to the regime are allowed to share the vote. Despite the harsh repression it seems unlikely that the Iranian voters will skip the chance to demonstrate their dissatisfaction with the conservative religious leadership, and it can certainly not be ruled out that we again will see demonstrations and unrest like in 2009.

Recent developments in the Middle East have strengthened Iran's opponents in the MENA-region, not the least the Gulf-states, which only to a moderate degree have been affected by the Arab revolts. The "traditional" alliance between Iran, Syria, Hezbollah and Hamas (Samii, 2008) appears weakened, first of all because of the tragic situation in Syria, making it more and more difficult to uphold a strong strategic relationship with the regime in Damascus. And the disastrous development in Syria is not only weakening Iran, but is also leaving the strong non-state actors Hezbollah and Hamas in a relatively marginalized situation, thereby indirectly weakening Iran.

The regime is on collision course with the other regional players and with the US and the EU. The EU which in relation to Syria has gone relatively far in tightening its sanctions (Seeberg, 2012) has, as shown, launched a relatively far-reaching set of sanctions against Iran as well. At the rhetorical level it seems not to affect either Khamenei or Ahmadinejad. Most probably, however, the difficult situation adds to the obvious rift between them – which is one of the very good reasons to follow the upcoming Iranian presidential election closely.

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