



## Iran, a partner for the future

Earth Thought Notebooks

le Chef de bataillon Thomas GRASSER

Published on 15/05/2018

Histoire & stratégie

**The Islamic Republic of Iran (IRI) is not yet a strategic partner for the countries of the European Union. Despite legitimate reservations against its authoritarian political regime, marked by its ideological legacy and the legacy of the 1979 Islamic Revolution, Iran remains a player of the future in the stabilisation of the Middle East. Indeed, it constitutes one of the keys to mitigating the instability that is shaking the region, whose epicentre straddles Iraq and Syria.**

The election of Hassan Rohani as President of the Islamic Republic of Iran (IRI) in June 2013 has improved Tehran's relations with major Western powers. Moreover, the civil wars in Iraq and Syria remind us every day of the importance of Iran in the search for a solution to the crisis caused in large part by the American and British intervention in 2003. This widespread crisis is at once an institutional crisis (the inability of the Iraqi and Syrian states to control their territories), a crisis of political representation (a democratic balance that fails to impose itself) and a social crisis (religious and ethnic tensions against a backdrop of economic disaster). The jolts of this generalised crisis are even reaching the European continent, as part of the Western youth is giving in to Sunni Islamist propaganda and participating militarily and/or ideologically in the destabilisation of Iraq and Syria.

In this complex crisis, and more generally in the context of the economic and security policy of western European countries, Iran has important assets that make it a potential strategic partner. It is a question of seeing how Iran and Western Europe have many common interests that call for better mutual understanding. But closer rapprochement with Tehran also has drawbacks. It is therefore necessary to take stock of the economic, political and cultural factors involved in analysing the lines of convergence.

**The Iranian economy, a sector with great potential but over which the regime exercises heavy control**

Iran, with a potential market of nearly 80 million inhabitants [1], has significant economic assets. Its population is young, even if its low fertility rate (1.9 children per woman [2]) leads to a progressive ageing of the society. Moreover, the level of education of these young people is generally good. Many are also looking to Western countries: "This young country, with two-thirds of its population under the age of 30, aspires to openness and change. (...) Even if the United States is hated by its leaders and designated as the Great Satan, the young Iranians aspire to know Western culture; many have studied in Western universities, especially American ones" [3].

Moreover, Iran has important hydrocarbon resources which are unfortunately not optimized. Indeed, the equipment of the oil and gas industry is obsolete, if not non-existent. The embargo is not the only cause of this industrial backwardness, which has not been sufficiently taken into account by the authorities. The country thus lacks refining capacity. Dependent on its crude oil exports, Iran has not managed to diversify sufficiently. The situation is therefore mixed, all the more so as the economy is run by influential groups, such as the Revolutionary Guard Corps (the Pasdaran), which are linked to the regime: "A whole economic and political network has thus been formed in relation to the companies directly owned by the army of the Revolutionary Guards (...)" [4]. 4] All economic operators, whether Iranian or foreign, are subject to this reality, which requires them to deal with oligarchic influence groups linked directly or indirectly to the regime.

It should be noted that, from the beginning of the Islamic revolution, Imam Khomeini took into account the importance of the economy in the control of society. The Constitution of the Islamic Republic of Iran of 24 October 1979 thus lays down very precise guidelines for organizing economic activities under the close control of the State, which is itself regarded as an entrepreneur, if not the main entrepreneur. This centralisation of the Iranian economy was accentuated during the years of war against Iraq (1980-1988), but President Rafsanjani put in place reforms moving towards greater liberalism from 1989 onwards. The national economy nevertheless remains under supervision and remains dependent on the price of hydrocarbons. While the oil and gas windfall keeps the public debt at a very low level, Iran has been suffering for several years from worrying inflation.

In view of the situation described above, it is therefore in Iran's interest to open up to foreign investment, particularly European investment. Above all, it needs partners it can trust to help it modernise its productive apparatus, and it is precisely on this point that the most industrialised countries of the European Union have a significant role to play. Iran still has considerable mistrust of the United States and has at times been disappointed by the lack of elegance of its Chinese economic partners, who are quick to exploit a dominant position in an embargoed context. There is therefore, clearly, an economic point of convergence between Iran and Europe that should not be overlooked. Nevertheless, the Iranian economy remains for the moment less attractive than that of the Gulf countries, which have close economic ties with Europe, America and Asia. In the medium and long term, however, the benefits of a strengthened partnership with Iran will become clearer, both from a strictly economic and political point of view. This will be even more true when the Gulf's hydrocarbon reserves reach critical thresholds. As a dynamic nation with a large and skilled population, Iran offers interesting opportunities for European companies in any case.

While Iran's economic potential holds out the prospect of enhanced cooperation with Europe, it should not, however, obscure the difficulties linked to political issues.

### **A regional power policy compatible with European interests?**

The nature of the Iranian regime remains an important obstacle to a deeper partnership. Its locked political system is far from European standards. Supreme Guide Ali Khamenei, whose advanced age leaves him at best only a few years before he is replaced, is the authority defining the country's strategic orientations. But the Guide does not decide alone. He relies on complex institutions that aim to maintain the political status quo, as long as the very nature of the regime is not questionable. Assemblies such as that of the Council of the Guardians of the Revolution participate in this lockdown, which has contributed to the emergence of apparatchiks. The presidency of the Republic plays only a rather marginal decision-making role, but its symbolic role is important. President Ahmadinejad (2005-2013) thus aroused in his time reactions of repulsion both abroad and in Iran. His last years as president were also marked by his conflict with the leadership, which sidelined him. Ahmadinejad's foreign policy initiatives have been criticised, among other things. In fact, Iranian foreign policy only evolves if the Supreme Guide decides to do so, even if the President proposes solutions and then conducts the policy developed at the higher level. It is currently difficult to know whether this political system will last. It can be noted, however, that Iranian society, although very critical of this system, could nevertheless make the choice of the stability it embodies and the smooth changes it tolerates.

To complete the reflection on the possible evolution of this authoritarian system articulated around the unassailable notion of *velayat-e faqih* [5], one should not lose sight of the fact that political debates are lively and widely reported by the press. The authoritarian nature of this system therefore does not limit reflection on the management of the city. Even the body of the Guardians of the Revolution, which is rightly regarded as the armed wing of the regime, should not be seen as a monolithic bloc. It represents the various political and social trends active in Iran, as Bernard Hourcade reminds us: "(...) Their diversity is in fact as great as that of Iranian society, ranging from pro-Western liberalism to Islamic radicalism". This tolerance for the measured expression of plural political tendencies perhaps augurs well for an evolution towards a less rigid system. While the Iranian institutional system remains for the moment compartmentalised, civil society is more open than in the majority of neighbouring countries. If we look at the indicator of the place of women in society and their level of education, it is clear that Iran is more similar to Western countries than many other Middle Eastern nations. In any case, the regime remains on solid ground and Iran's policy of regional power is set to continue and even expand. Indeed, since the early 2000s, the country has been observing the changes brought about by the intervention in Afghanistan and then Iraq. These interventions have a priori had positive consequences for the relative power of the country, but they also place it faced with choices and risks. The current context is therefore both beneficial and painful for Tehran. The country has thus opted to strengthen its position as a regional power, as evidenced by the significant support given to the Syrian State and Lebanese Hezbollah. These regional ambitions are of great concern to the Sunni monarchies and Israel. This situation also presents a certain form of irony, insofar as Benjamin Netanyahu is opposed to any agreement on the nuclear issue and is becoming the objective ally of countries such as Saudi Arabia on this issue.

The political factor is therefore very complex, but nevertheless militates in favour of a measured rapprochement between the European Union and Iran. First of all, this rapprochement is made indispensable by the geopolitical importance of Tehran. It is not a question of favouring the Iranian partner over the Arab and Israeli partners, but of showing the players in the region that no peace policy can conceal Iran's role. Secondly, this rapprochement would make it possible to encourage a relaxation of the regime's internal and external policies. Finally, it would make it possible to re-engage with a country with a considerable cultural heritage, which has always been a dynamic player in the region.

## **The importance of Iran's cultural heritage**

Iran is heir to a brilliant culture. After the fall of the Sassanid empire, which fell in 642[7] under the blows of the Arab invasion, Persia achieved a surprising synthesis between its initial cultural identity and the changes implied by the new political and religious configuration. The Iranian world then partially incorporated Arab and Islamic culture by associating it with its own. Contemporary Iranian language preserves numerous traces of this synthesis through its numerous borrowings from Arabic. However, this movement was not a one-way street, and Persian culture itself influenced the Arab Caliphate, for whom the administration of an empire was an unprecedented experience. While reviving its literature and its great founding myths, Iran is putting its literates at the service of the central power. Persia provides the caliphate with an impressive number of administrators, historians, lexicographers, compilers and commentators of the prophetic tradition. These men then participate in the building of this magnificent classical culture, of which the language of Koranic revelation is an essential element. Many eminent figures associated with Arab culture are in fact Persians, such as Avicenna [8] whose discoveries influenced European medicine until the seventeenth century.

Today, the Iranian state claims to be Shi'ism, the Islamic revolution of 1979 having made this current of Islam the core of the new political and social system. It was the Safavid dynasty which, at the beginning of the 16th<sup>century</sup>, made Shi'ism the religion of the state. However, Iran has experienced several alternations between Sunnism and Shi'ism throughout its history, depending on the political ups and downs. For the original split between Shiites and Sunnis was above all a conflict of succession which arose in the early years of the Arab Caliphate. The first Shiites were the supporters of Ali (chi'at Ali in Arabic). Mohammed and Ali are cousins and were raised in the same household. Ali was one of the first to embrace the revelation carried by Mohammed, who also offered him the hand of one of his daughters (Fatima). On the death of Muhammad (632), a caliphate was established which became the governing authority of the community of believers. Several caliphs succeeded one another, including Ali, but the latter faced strong opposition led mainly by 'Aïsha, one of Mohammed's widows. In this troubled context for the Muslim community, Ali was assassinated in 661, when the Umayyad dynasty came to power. Two competing currents, Sunnism and Shi'ism, each claiming to be based on the Koran and its messenger, developed a posteriori. In its theology, Shi'ism, unlike Sunnism, gives a predominant place to the clergy. The Shiite clergy gradually acquired legitimacy in the field of theological interpretation (bâb al-ijtihâd), and religious centres developed, such as that of Qom. The Shiite clergy became structured and institutionalized until it became an active political force in contemporary Iran, despite the initial refusal of Shiite doctrine to interfere in temporal power. The interference of clerics in political power was one of the major innovations of the 1979 revolution, which broke with the quietist tradition that had dominated until then.

Beyond the theological debates on which it is obviously not a question of ruling, it should be noted, however, that the place accorded by Shiism to its clerics leads to a narrower framing of doctrine, unlike what happens in Sunnism. Sectarian tendencies are therefore muzzled. Being the standard bearer of Shiism, Iran is currently paying the price for the propaganda orchestrated by radical forces in countries claiming to be Sunni. In return, the country maintains its own propaganda through references linked to the secular opposition to Sunnism. This outrageous exploitation of religious referents is very regrettable, but it is no less true that Iran absolutely needs to curb the radicalism raging on its doorstep if it wants to prove that it is a major regional power. Iran therefore has both the reasons and the means to combat this scourge. A dialogue with Iran and the Arab



countries on the issue of armed Islamist movements would therefore make it possible to combat this threat more effectively, despite the risk of exploiting the problems.

Iran remains a stable country within the "complicated Middle East" and is certainly one of the few whose politics and ideological configuration do not entail direct risks for Europe. Moreover, it has no means of pressure or influence to seek to destabilise the old continent. Moreover, its economic potential and political weight make it an essential partner. It would therefore be a serious mistake to turn away from it. It is not a question of abandoning the other states in the region, but simply of rebalancing a partnership that may ultimately prove beneficial for Europe, for Iran and for the Middle East as a whole. The Geneva Interim Economic Agreement of 2013 is an encouraging first step towards the normalisation of relations with Iran. The nuclear issue, however, risks jeopardising these good prospects unless Tehran and its partners come to understand where their real interests lie.

1) As of October 2014, Iran's population reached 77.8 million. Source: Ministry of Foreign Affairs

2) Source: United Nations Development Programme (UNDP).

3) Aymeric de Montesquiou, "Iran: Le dialogue indispensable", in *La revue internationale et stratégique*, published by the Institute of International and Strategic Relations (IRIS), 2008, p. 149.

4) Bernard Hourcade, "La prise du pouvoir par les Gardiens de la révolution", in *La revue internationale et stratégique*, published by the Institut de relations internationales et stratégiques (IRIS), 2008, p. 73.

5) "The power of the jurisconsult", or the recognition of the political legitimacy of the Shiite clerical authorities in the conduct of the Iranian state.

6) Bernard Hourcade, "La prise du pouvoir par les Gardiens de la révolution", in *La revue internationale et stratégique*, published by the Institut de relations internationales et stratégiques (IRIS), 2008, p. 75.

[7] «Islamic milestones7]", ed. Librairie Larousse, 1990, p. 14, Robert Mantran; Arabs win the decisive victory of Nehâvend in 642.

8) Avicenna, or Ibn Sina in Arabic, was born near Bukhara (present-day Uzbekistan) in 980 and died in Hamadan (present-day Iran) in 1037.

Battalion Commander Thomas GRASSER comes from the Engineer Army. He is studying Arabic and Persian at the National Institute of Oriental Languages and Civilizations (INALCO) within the framework of higher military scientific and technical education.

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**Title :** le Chef de bataillon Thomas GRASSER

**Author (s) :** le Chef de bataillon Thomas GRASSER

**Release date** 20/02/2018

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