

CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE

**AHMADINEJAD'S UNCERTAIN
FUTURE: ASSESSING IRAN'S
PRESIDENTIAL ELECTIONS**

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HALEH ESFANDIARI: Can I ask you to take your seats, please? I'm Haleh Esfandiari, the director of the Middle East program at the Woodrow Wilson International Center for Scholars. We are delighted to be the co-sponsors of this meeting on the Iranian presidential elections. You have the bios of our two speakers: Robin Wright, former Washington Post correspondent and currently a fellow at the Wilson Center; and Karim Sadjadpour, an associate at the Carnegie Endowment for International Peace.

We are exactly, as you all know, 10 days away from the presidential elections in Iran and this is a most unusual election; for the last quarter of a century, every president has won a second term. But this time, the incumbent may lose.

President Ahmadinejad has come under fire for mismanaging the economy and foreign policy for contributing to Iran's international isolation and for clamping down on civil liberties. The president has even complained that all the other candidates have focused on his record and ignored one another's records. And his aides have suggested he may even not take part in the debates planned between the four candidates. The first debate in Iran is going to be tonight – actually probably as we are talking – and the second debate which is the most interesting one is between Ahmadinejad and Mousavi is going to be tomorrow night.

Ahmadinejad is facing three strong candidates: Mir-Hossein Mousavi, a former prime minister who has been out of politics for the last 20 years but has managed to appeal to the unhappy middle class, women and the youth; Mehdi Karroubi, a former speaker of parliament who has been vocal on the need to protect individual rights, curb the morals police and appoint women to the cabinet; and Mohsen Rezaei, a former commander of the revolutionary guard who has said he will negotiate with the Americans and appoint, as he put it, a female counterpart to Hillary Clinton and might announce his cabinet choices before the elections.

All three candidates have stressed Ahmadinejad's mismanagement of the economy and promised jobs and better relations with the outside world. President Ahmadinejad has the obvious advantage of incumbency; he has distributed money and even potatoes to the rural poor, he has engaged in largesse in the provinces and he promises more of the same. He has the power to close opposition newspapers, blogs and Facebooks. He can, and in some instances, has denied the other candidates airtime on national radio and TV. Conservative newspapers have launched vicious attacks on the other candidates.

But there is a sense of malaise in the country and unhappiness with a president who has seemed to move the country from crisis to crisis. The election has generated interest and we may well witness a large turnout.

I personally know of many people who, unhappy with all the candidates, stayed home in the previous elections four years ago and who plan to go this time. Some 30,000 people turned out for a Mousavi rally in Tabriz last month and a few days ago, a huge crowd turned out in Esfahan for Mohsen Rezaei.

But as it has been the case in recent Iranian presidential elections, we will probably have no good feel for trends until the moment when the Iranians actually go to the polls. To enlighten us on the issues and intricacies of the Iranian elections, on the candidates and their platforms, I now turn to our two speakers. Robin, we'll go first with you please.

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ROBIN WRIGHT: Thank you very much, Haleh. I've organized a PowerPoint. I think they can hear me. The 10th presidential election is arguably the most interesting in 12 years since the election of President Khatami in 1997 and for the United States the most important since the revolution in 1979. It's a revolution that involves many firsts. For the first time, the Council of Guardians allowed women to register and 42 did, including several former members of parliament. For the first – although women have registered in the past, the Guardians Council said they could actually run this time and then, of course, turned around and disqualified all the women who registered.

It's also, as Haleh mentioned, the first time you have a debate and this is the schedule. Their candidates will be confronting each other two by two so there will be six presidential debates. There will be no event at which all four candidates will be facing questioners, redressing the same questions in any single venue.

Of the 475 candidates who registered to run, the Council of Guardians only approved four and, as Haleh mentioned, President Ahmadinejad, former Prime Minister Mousavi, former speaker of parliament Mehdi Karroubi and former revolutionary guard commander Mohsen Rezaei.

This is – I wanted to talk a little bit for a minute about the spectrum because we talk a lot about reformers and principalists and hardliners and so forth, and I want to give a little bit more definition to the political spectrum. I group candidates in four basic categories and you can actually develop a good dozen of them because they go in lots of conflicting directions depending on the issue. But the principalists are the most hard-line and these are reflected most of all by President Ahmadinejad and some of his media outlets. Then there are a group of pragmatic conservatives who include Mohsen Rezaei, one of the candidates, as well as former President Rafsanjani.

Then there are a group of conservative moderates and this is where I think former Prime Minister Mousavi fits; he's not a reformer and I think we need to, as we look at the future and the possibility of him as an alternative to Ahmadinejad, take that into account. The only real reformer is Mehdi Karroubi and that's relative.

This election is first and foremost about Ahmadinejad, as Haleh said. He is the biggest issue. All other candidates define their agendas in terms of his failures and on the economy and the controversies over his foreign policy. And here's another first: As Haleh pointed out, no other – no incumbent has ever lost a reelection campaign but Ahmadinejad is indeed in real trouble. He is the lonely incumbent.

His campaign has also been troubled by accusations that he has used state funds to travel, bussing in supporters from one district to another so he looks like he has big crowds at many events. Local papers have also reported that his government has handed out gold coins, cash and 400,000 tons of potatoes to rally support.

He also faces challenges even from of his own former staff. This is the former interior minister Mostafa Pour-Mohammadi, who publicly came out and announced he would not be voting for Ahmadinejad and accused him of a wide array of shortcomings. But Ahmadinejad does remain popular among rural voters, the lower middle classes as well as traditional or religious families. He

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also has the backing from a healthy chunk of the revolutionary guard crowd. In the final run-off in 2005 when he faced Rafsanjani, he won 62 percent of the vote.

The big question, of course, that's looming in the background is the preference of the supreme leader and whether Ahmadinejad really has his support. In the spring – in a factor that works in Ahmadinejad's favor – Ali Khamenei said voters should not elect a pro-Western president and this was seen as indicating support for Ahmadinejad. Some in Iran contend that Ahmadinejad is the most accurate voice of the inner circle but there are a growing number who also argue convincingly that he's gone too far politically, that he has mismanaged too much economically and that the supreme leader is, at the end of the day, willing to see him lose.

He's basically running on his agenda, his past record and he is best noted for his clamp-down on all forms of dissent – on press, on women, on bloggers, on, as Haleh knows, dual nationals and for strengthening the role of the revolutionary guards and the revolutionary guard culture that's developed with the former commanders and former members, strengthening their role in government, the economy, in the provinces and the private sector.

In terms of the economy, he has proposed cutting subsidies that are essential to many people in daily life in Iran and instead to give cash only to the poor. He's had such disputes that he's fired six cabinet ministers with economic portfolios and two central bank governors because of differences over how to manage the economy. Inflation is at 28 percent and the budget he organized is based on \$90 a barrel of oil and of course, Iran's income now is \$45 to \$60 a barrel.

In terms of foreign policy, he's claimed credit for Iran's nuclear program even though ironically, it was started in the 1980s when Mousavi was prime minister. He also has lashed out at the international community on – whether it's U.N. resolutions or questions about the Holocaust and Israel's right to exist. He has said he's willing to talk to the United States but only if Iran's rights are respected and at the top of that list is Iran's right to enrich uranium. Ahmadinejad's comments on the Holocaust have interestingly enough become an issue in this campaign over the past week with sometimes surprising and blunt criticism from other candidates.

The second candidate is Mir-Hossein Mousavi and the interesting thing about him in the campaign is that he's become known popularly as Mir-Hossein, a little bit like Saddam Hussein was referred to as Saddam. All the polls now indicate that he is indeed, as we've long anticipated, become the leading opposition figure. He was prime minister between 1981 and 1989 before the constitution was changed to introduce an executive presidency. He also is a sayyid which gives him religious credentials as – since his family is from the Prophet Muhammad's bloodline.

He's been out of power for 20 years and his record is largely unknown to the largest bloc of voters. I was in Iran in March during his first press conference and the general reaction was that he is very boring, he is very bland and that he lacks the kind of charisma needed to get people to turn out and vote. His speeches elicited polite applause but not the kind of ecstatic warm response that someone like President Khatami got in the early stages.

Mousavi has promised to follow in the line of President Khatami and in a letter to the former president, he wrote: "I, like you, believe that the correct path lies in reforms and include a return to principles and a rebirth." He's been cast as a reformer, but as I said, beware that label.

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The current campaign in Iran involves another first and that's making widespread use of Facebook, blogs and the Internet. Mousavi has particularly used technology to his advantage to the point that the government filtered out Facebook after the campaign began officially on May 22nd, which led to such a popular outcry that the government was forced to restore it. More than 1,000 bloggers have come out in favor of Mousavi.

His agenda slogan is, "A Return to Stability, A Return to Rationality." In announcing his campaign he said: "Our people are looking for stable management skills and stable policies that can bring them a sense of relief and freedom." And his campaign is the only one with an official color and you see it all over Tehran and the major cities today; it's the color green with many meanings from Islam to the environment.

His platform politically has included releasing prisoners who call for political freedoms, – but he has not called for release of all political prisoners – to disband morality squads and greater social freedoms and to improve the role of women. His economic agenda calls for economic management – it's rather vague – but he has created Ahmadinejad's policy as alms-based or charity-based.

In terms of his foreign policy, he calls for an end to adventurism and he said he would negotiate with the United States if Iran is not required to pay a heavy cost. On nukes, he has indicated that he wants to end tensions over Iran's controversial program. He used some rather interesting language. He said: "Having nuclear technology for peaceful purposes without being a threat to the world is our strategic objective." One of the interesting factors is that former U.N. Ambassador Zarif is now serving as one of his advisors.

One of the most interesting things in this election is Mousavi's relationship with the supreme leader because they have a different relationship than with any of the other candidates. Mousavi was prime minister when Khamenei was the titular rather weak president before the constitution was changed. And they – Mousavi and Rafsanjani – had many confrontations with Khamenei, particularly during the war years over policy and whether to accept a ceasefire. In one of the other subtle indications about what the supreme leader may be willing to accept, he went and visited Mousavi when his father was ailing in March and that was widely seen as a sign that he was willing to do business with Mousavi.

One of the most unusual aspects of any Iranian presidential election is the emergence of a wife in the campaign. This is Mousavi's wife, Zahra Rahnavard, who's become a fixture at campaign stops and in campaign posters. She's written campaign op-eds, calling for an end to discrimination against women even though she's also written essays about the beauty of the veil. The press has started comparing her to Michelle Obama. She has a doctorate in political science; she was an advisor to President Khatami and was at chancellor at Alzahra University. She once invited Shirin Ebadi, the Nobel Peace Prize winner, to give a lecture on campus and she also reportedly – and I don't know whether this is true – spent time in the United States in exile during the shah's era.

As Haleh pointed out, Mousavi's crowds have been increasingly impressive. There was one poll last week that indicated he may have a three to 4 percent lead in 10 major Iranian cities and 70 percent of Iran's population today lives in the cities so that's an important number. So far, he has won support from important groups that are close to Rafsanjani, indicating again some conservative support, leading filmmakers and clerical reformers like Mohsen Kadivar.

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The third candidate is Mehdi Karroubi, the former speaker of parliament. He ran in 2005 and came in third. He is the oldest candidate at 72 and that's two years older than the supreme leader. Iranian analysts this week described him as a fire-brand cleric, a cross between Muqtada al-Sadr and Santa Claus. (Laughter.)

Karroubi, as I said, is the only cleric and the only reformer. In some ways, he's kind of the anti-cleric cleric; he would take the strongest positions against those of the hard-line clerics and he has some interesting support from Iran's leading philosopher and the intellectual father of the reform movement, Abdolkarim Soroush. He also has support of both the largest student group and the largest group of university graduates who came out of that activist student group. He is clearly the dark horse. I've talked to some people who, because he's taken very strong positions including a series of policy papers, have been attracted to voting for him.

Politically, he calls for freedom of speech for all and says he would welcome criticism – public and open criticism – of his administration. He talks about releasing all political prisoners. He's promised to appoint women to cabinet and to ease social restrictions. He's very critical of the Islamic courts, particularly on the issue of the death sentence and the types of death sentences passed on young offenders. He's also very critical of the Council of Guardians and has indicated that he would change some of their powers or would favor change. On economic policy, he's talked about offering shares of the petroleum industry to the people and on foreign policy, he talks about ending Iran's isolation through détente with the West and being both more transparent and more rational about Iran's nuclear program.

His campaign manager, a vice president under Khatami, has been quoted as saying, "Iran should not waste the opportunity of dealing with the Obama administration because Obama would be capable of rallying greater worldwide support against Iran if diplomacy fails." Karroubi has also acknowledged the Holocaust as a fact, and he said, in a slight against Ahmadinejad, that "denying it is of no benefit to Iran." But Karroubi also reflects the limits of the reform agenda. He talks only about political and social and economic modifications, and not about any serious overhaul of the Islamic system.

The final candidate is Mohsen Rezaei, who registered to run as a presidential candidate in 2005, but withdrew on the eve of the election to avoid splitting the right-wing vote. He also has political credentials because he is secretary of the Expediency Council. But, he's also one of six people – five Iranians and one Lebanese – wanted by Interpol for connections to the 1994 bombing in Argentina of the Jewish center, which killed 85 people.

In a bold attack on Ahmadinejad, Rezaei said the presidency had made him hallucinate and think that he could lead the world, while being ignorant of the immediate problems in the country. Rezaei represents the opportunity for conservatives to remain loyal to their principles but not vote for Ahmadinejad.

His agenda includes criticism for the current president for taking Iran to the precipice. He wants to formalize political parties, which today remain quite informal and quite prolific. There are over two dozen conservative parties alone; over 18 reformist parties. He wants to reduce military service from two years to one, and to incorporate ethnicities in his cabinet. His economic agenda is

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less squandering of oil revenues and better economic planning. And he wants to develop Iran by easing relations with the West.

In terms of his foreign policy, again, he talks about less confrontation with the West, and he said, on the issue of the United States, that he advocates “neither surrender nor adventure,” and noted that the two countries share many regional objectives. On nukes, he talks about the idea of a consortium – very vague – but the idea of trying, again, to come up with some kind of compromise.

Rezaei had a meteoric rise in the military. He became a general at the age of 27, and before he was 30, became commander of the revolutionary guards, a position he held for some 15 years. He is part of the broad revolutionary guard culture in Iran, and we should not assume that the revolutionary guards will automatically vote for Ahmadinejad, because Rezaei played an active role in leading the war effort, whereas Ahmadinejad was a trainer and teacher during that period.

One of the things that struck me in reading over all of their positions was how nationalist so much of the language is, and there have even been references to Mossadegh in the campaign, which I found very interesting. You don’t hear a lot of talk about the revolution.

The issues beyond Ahmadinejad center around three major ones. Obviously, the economy – inflation is 28 percent; unemployment, officially, is 13 percent, but probably at least 18, and maybe 20 percent. Sanctions – especially over the past two years during the banking sanctions – have taken a real toll in Iran. The price of produce has tripled under Ahmadinejad and housing prices have at least doubled. Iran has earned 75 percent of its oil revenues since the revolution during Ahmadinejad’s term in office – in another words, the vast majority of income.

But Ahmadinejad, calculating that the price of oil would remain high, spent most of the oil reserves. And there are controversies over how much he’s down to, but over 80 billion he’s estimated to have spent somewhere – all of it except for eight to 25 billion – and probably closer to the lower amount.

Another issue is women – one of the two most important voting blocks in Iran. Each candidate has staked out a definite position on women. And that’s, again, another first. Women are very active as campaigners and several groups have formed a coalition to demand that the candidates pay attention and to demand for legal equality.

The third issue is Iran-U.S. relations, and all four candidates, again, have staked out positions that favor negotiations with the United States – again, another first. They all want better relations with Washington and to get beyond the tensions of the past 30 years that are reflected in the fading graffiti on Tehran’s walls. The difference among them is, really, how to get there and how far to go to achieve them.

There are two issues that are non-issues in this election. And the first one is Iran’s controversial nuclear program. For all their differences on Ahmadinejad’s policies, all the candidates back continuation of uranium enrichment. Iranians are adamant about that right. But it is true that the emphasis, the atmospheric, the climate, the style and the civility of both foreign and domestic policy could change enormously depending on who wins.

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The second issue on which there is no dispute is the form of government and the survival of the Islamic Republic. Over 30 years, there has been a shift from the rhetoric of revolution and the billboards showing martyrs from the eight-year war with Iraq, which have been increasingly replaced by advertising billboards, many of distinctly non-Iranian products with non-Iranian actors.

But all the parties want maximum voter turnout, not just to help their own cause but as a signal that – as an endorsement – of the Islamic system itself. The election factors, again, as I mentioned earlier – there are two voting blocs of importance. And youth will be, arguably, one of the big ones despite government attempts to limit their impact. The government has now twice lifted the voting age. In the early days of the revolution, it was 15. It was raised to 16 and now it's 18 because of the huge demographics.

Many of the young back Mousavi – particularly the students. But there is a controversy in Iran about the issue of the Basij – the young volunteers, the paramilitary forces. The current revolutionary guard chief said last week that Basij participation in election activities was legal and to be encouraged, and this is clearly a boon to Ahmadinejad.

The second bloc, as I said earlier, are women voters, who are increasingly voting independently. Women were a major factor in the election of Khatami and supporting the reformists. Iran's very brief – oh, this is one of, again, one of the women campaigning at a Mousavi rally – her green hands, and saying, females are equal in rights to males.

Iran's two-week campaigns are always very intense, and this campaign already features more diversity and open criticism than any previous election campaign. At one Mousavi rally, the supporters chanted, "Death to the Taliban, whether they're in Kabul or in Tehran." The government has actually set up banners around town – this is a first – for people to write graffiti. This one happens to say, "Ahmadi, our love."

But, let me conclude by saying, beware assumptions. All clergy, for example, are not either hard-liners or necessarily going to vote for Ahmadinejad. Karroubi is a cleric. Many in the establishment in Kolme don't like Ahmadinejad and disagree with the supreme leader. There are 46 million voters in Iran. Ahmadinejad can probably count on 13 million. Karroubi has, probably over four million – based on past voting patterns.

The higher the turnout will help Mousavi and the others; the lower the turnout, it will help Ahmadinejad. And I suspect that for Ahmadinejad to win, he will have to win in the first round. If there's a runoff, I would bet that he will probably lose. But nobody's gotten the election right.

And I got this analysis from the Council on Foreign Relations on the eve of the vote in 2005. And if you notice, all you have to do is read the red part – "considered by polls and pundits to have little or no chance of winning" – and the person at the top of the list is Ahmadinejad.

The run-off is likely to be on – well, Haleh and I have different dates – my understanding was it was on the 19th – Haleh thinks it will be on the 26th – but anyway, it will be soon after – Sorry? Yeah, it's the 19th – after the election. And then they have to face the very tricky business of dealing with the United States. And I will end by saying there are many obstacles ahead. And I think in this one, Obama has his work cut out for him because I think the Iranians have the trump card. And with that, I'll hand it over to Karim.

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KARIM SADJADPOUR: Thank you, thank you very much for coming. I think we've tried to recreate Tehran for you today by turning up the temperature in this room. (Laughter.) What I thought I would do is attempt to address four or five questions. I'll touch a little bit on the candidates, but I think Robin's analysis on regards to the candidates was spot-on. Then I'll attempt to address this question of how democratic these elections are, what impact they might have, what role is there for the United States – how should the United States react – and predictions.

In terms of candidates, just very briefly – again, I thought Robin's analysis was spot-on – and Mousavi, as we all know, is the primary challenger to Ahmadinejad, and over the course of the last couple weeks or so, I've often seen analogies calling him Iran's Obama, which I think, as Robin said very accurately, he's certainly not Iran's Obama when you look at his political views, his temperament, his character – he's certainly, I think, not capable of inspiring that type of movement.

To put him in the context of domestic U.S. politics, I think of him as Iran's Bob Dole – (laughter) – in the sense that he is someone generally well-regarded but not really able to inspire a massive popular movement, and he's also Iran's Bob Dole in the sense that he's considered a two-for-one package. As you remember, Bob Dole's wife, Elizabeth, was considered a two-for-one package, and as Robin mentioned, Mousavi's wife has turned out to be a real asset for him in terms of being able to attract female voters.

I would mention one thing, and that is that Mousavi is the only ethnic Azeri in this race between the four candidates. And as we saw in 2005, there was a candidate from Iranian Azerbaijan who turned out – he had a very good following, a very good turnout in the Iranian Azerbaijan, which is, – Azeri is composed of about 24 percent of Iran's population – so that could help propel Mousavi to the second round, if he has a strong turnout from Iran's Azeri community.

Now, Mehdi Karroubi. I thought Robin's description as a maverick is right-on. He's kind of a combination of a maverick and a populist. If you want to be accurate, I would argue that he does have bolder reformist positions than Mousavi. When you look at a lot of his positions with regards to human rights and democracy, he's taken a bolder position than Mousavi. I think Mousavi's main asset has been the endorsement of President Khatami, but I think had President Khatami endorsed Karroubi, the race could be much different right now.

In terms of how I would see Karroubi in the American context, I think, both considering his age – he's 72 – and his temperament – I kind of see him as an Iranian John McCain. He's someone who is known to challenge – one of the few politicians in Iran known to challenge Ayatollah Khamenei – and he has this reputation as an Iranian from Lorestan – from the central part of the country – who are considered quite headstrong.

And, I would just add, I wouldn't count Karroubi out. I think he's someone interesting to keep your eye on. And last time, in 2005, everyone counted him out, and I think had it not been for improprieties, he probably would have beaten Ahmadinejad in the first round and gone on to the second round.

Now, Mohsen Rezaei is a highly ambitious, former commander of the revolutionary guards. Of the four candidates, he's the one with the least amount of popular appeal. He has kind of an intimidating demeanor, and, given, again, his background as a revolutionary guard commander, I

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think he doesn't inspire young people in Iran. A lot of my friends in Tehran say he's very aesthetically unappealing. As we say in the media, he's got a face for radio – (laughter) – although that didn't count Ahmadinejad out in 2005.

And, you know, in the U.S. context, I see him somewhat akin to – some of you may remember Alexander Haig, Reagan's secretary of state, who was also a very highly ambitious former soldier. But Rezaei could have an interesting role in this election in terms of – similar to the role that Ralph Nader had in the 2000 elections. No one expects Rezaei to win, but I think a lot of reformists are happy that he's running because he could steal votes away from Ahmadinejad.

Lastly, when it comes to Ahmadinejad, as Robin said, he has lost ostensible support of the leader. He has, essentially, the backing of state television. A lot of Iranian analysts and even a few officials I've spoken to say that he has a huge advantage in terms of his access to state funding for his campaign. His constituency is the pious poor so, you know, the urban sophisticates in Tehran that have access to satellite television and the Internet and are not going to vote for him – he's not interested in courting them, either. He's visited the provinces more than any other Iranian president since the revolution. And he's banking on the fact that voter turnout in the provinces is often times much higher than in the capital.

I think last time around, voter turnout in the provinces was somewhere along the lines of 75, 80 percent, whereas in Tehran, voter turnout was 50 percent. So he's banking on the fact that in the provinces, his constituents are going to come out in droves.

Again, if I want to follow the pattern of putting Ahmadinejad in a U.S. domestic political context, it's very, very difficult to think of who he compares to in the U.S. context, but I was reminded of this old joke from Jon Stewart, who was talking about Dubai, and he said that Dubai is what happens when Las Vegas and Saudi Arabia have a baby. (Laughter.) And I thought that Ahmadinejad is kind of what happens when Ayatollah Khomeini and Sarah Palin to have a baby, kind of a populist Islamist. (Laughter.)

Now, all three opposition candidates – as I mentioned and Robin mentioned, Ahmadinejad has the ostensible support of the leader – there've been several statements from the leader in the last couple weeks which are fairly unambiguous in terms of their support for Ahmadinejad. And these three opposition candidates have all butted heads in the past with Ayatollah Khamenei.

Mousavi when he was prime minister did it in the '80s oftentimes butted heads with Khamenei. Rezaei was then the commander of the revolutionary guards in leading the war against Iraq and he had a contentious relationship with Khamenei. And Karroubi in 2005 after he lost the first round of elections to Ahmadinejad wrote a fairly stern letter to Khamenei, a public letter alleging improprieties from Khamenei's son and Khamenei issued a fairly stern rebuke – public rebuke – of Karroubi as well.

So I think this could also play a factor, that the three challengers to Ahmadinejad have all had this contentious relationship with Khamenei. I think Khamenei certainly sees that he has a dog in this fight.

Now, how democratic are these elections? This is a question which is oftentimes asked, and I suppose it depends on your metric. A lot of people, if you're looking at the glass half full you say

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well, these elections are more democratic or Iran's system is more democratic than many countries in the Middle East.

You know, in Egypt, Hosni Mubarak oftentimes wins 101 percent of the vote. Many countries – Persian Gulf countries – you don't even have elections and so by those standards Iran's system looks fairly democratic. I think this is – I would compare this to what President Bush once said about affirmative action; this is, in my opinion, the soft bigotry of low expectations and I wouldn't compare Iran's history and its culture and its civilization to some of the other countries in the region which don't have any elections. I think a more interesting model, comparing apples and apples, is Turkey. And by that standard, I think that these elections in Iran are unfree. They're unfair, but they're unpredictable and they're not totally rigged, but certainly, I think that if the regime higher-ups, specifically Ayatollah Khamenei, decide to throw their weight behind one particular candidate, it can make a difference. But again, as Robin said, these results are quite unpredictable.

Now, what impact might these elections have? We all know that Khamenei is the most powerful official in Iran. The constitutional authority of the leader dwarfs that of the president. He has control over the main levers of state – the judiciary, the military, the media. And when I kind of visualize how power is wielded in Iran, I picture a long table of 15 bearded men with Khamenei sitting at the head of that table. And when someone like Ahmadinejad is president, all 15 of those men surrounding Khamenei have a very similar revolutionary, Islamist, anti-imperialist worldview. And I think they one-up one another with kind of bombastic rhetoric.

And if you do have a different president – a more moderate president – someone like Mohammad Khatami, or potentially, Mousavi or Karroubi, around the table of 15 individuals, I think you replace maybe five or six of these hardliners with more moderate voices, reformist voices. Their impact, I think, is not enormous, but it's certainly not negligible. And just a word on – I've been thinking about what I call the Khamenei model of governance, which is a great system for him, because it's power without accountability.

And I often think about Hamid Karzai in Afghanistan who is oftentimes called the “mayor of Kabul.” He's someone who gets all of the accountability; all of the blame in Afghanistan is often placed squarely on his shoulders, but a lot of the constitutional authority – or a lot of the authority – is not in his hands.

And I think it's the inverse in Iran, in the sense that over the course of the last two decades that Khamenei has been leader – he took over for Khomeini in 1989 – I think Robin and Haleh can probably attest to this – that when you engage people about politics in Iran, it's the president who oftentimes bears the brunt of their grief.

When the economy isn't going well, people say, you know, Ahmadinejad hasn't done anything for the economy. If social freedoms and political freedoms haven't been delivered, people say, well Khatami didn't do anything for us. But in reality, Khamenei is the man behind the scenes, who has the last word on a lot of these issues. And despite this, because of his low profile, both domestically and internationally, a lot of the power – a lot of the accountability that usually comes with power, he doesn't have.

And I think if the dynamics change – you know, if Ahmadinejad does get re-elected – and now, Khamenei has kind of very visibly tied his fate to that of Ahmadinejad – you may see this

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dynamic starting to change somewhat, that people start to hold Khamenei a bit more accountable for some of the political, economic and social malaise in Iran.

Now, what about the United States? How should the United States react to this election? My first instinct is obviously to say that the United States should refrain from making any comments about these elections. I was based in Tehran in 2005, and I remember President Bush made a statement along the lines of saying that Iranians deserve to vote in a free and fair democratic election, and official state media in Tehran had kind of changed his words around, and said that George Bush says that Iranians shouldn't vote in these presidential elections. And I think people reacted negatively to it. So I think that, you know, given the fact that the majority of Iranians still get their primary – their primary source of information is still official state television, I don't think the United States gains anything from making any comments.

On second thought, I was recalling something an Iranian official once said to me. He was talking about the debate in Iran about the WTO – the World Trade Organization. And he was saying to me that – he was an economist and he said, for many years, we were trying to convince the hardliners in Tehran that it was a good idea for Iran's economy to join the WTO. And he said, you know, finally, after a decade or so, they relented and they said, okay, it's a good idea for us to join the WTO.

And then he said in 2005, the United States finally lifted its opposition to Iran's joining the WTO. And suddenly, the hardliners in Tehran said if America wants us to join the WTO, then we don't want to join the WTO. (Laughter.) So given that logic, I think it's maybe not a bad idea for President Obama to endorse President Ahmadinejad in his upcoming speech in Cairo. (Laughter.) Those of you who are reading the transcript of these remarks know that that's tongue-in-cheek.

Now, predictions: I always tell people that my litmus test for, kind of – my faith in someone's skills as an Iran analyst – those who make bold predictions, I always think that they don't have a long history of doing this, because as we've been talking about throughout the afternoon, these elections are very, very difficult to predict. But what I would look at is the last 30 years – last three decades in Iran – there have been several trends, in terms of individuals that we've focused on, groups which we've focused on, themes which we've focused on, which may allow us to kind of make some predictions moving forward.

And going back to the first decade of the revolution, the individual focus was obviously on Ayatollah Khomeini; the group focus was on the clergy; and the themes were these themes, obviously, we all remember, of revolutionary radicalism – I would say excess – martyrdom, the war with Iraq. And after the first decade of the revolution, Khomeini passes away and, obviously, war fatigue sets in, and I think there's a new era of postwar reconstruction, which was associated with the individual of Hashemi Rafsanjani. And the group focus was on this notion of Islamic technocrats rebuilding the country.

And as I said, the theme was postwar reconstruction – rebuilding Iran. And what happens after that, after about eight years, from 1989 to 1997, when Rafsanjani was president. Then we see, nearing the end of the second decade of the revolution, these “children of the revolution,” as we call them – the young people who were born around 1979 – were starting to reach their late teens, and they were chafing under the political and social restrictions of the Islamic Republic. And I think it created a very fertile ground for a movement like the reform movement – Mohammad Khatami.

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And again, the individual focus was on Khatami; the group focus was on the student movement; and the themes were democracy and civil society.

Now, after eight years of the Khatami era, from 1997 to 2005, I think the focus of these young people – as someone once said to me, you know the children of the revolution – Khatami – if you were a young person and you voted for Khatami and you wanted social restrictions lifted, you wanted to be able to walk in the streets with your girlfriend and not face the brunt of the Basij. And as he put it to me, Khatami helped these guys get the girl; but now, they wanted to marry the girl and settle down and there wasn't improved economic circumstances during the Khatami era.

So the theme shifted from political freedoms and social freedoms to economic deliverance. And enter Mahmoud Ahmadinejad in 2005, again, with a theme of populism and economic deliverance, and the group movement was the revolutionary guards. And what I'm getting at now is obvious in the sense that, after four years, what we've seen is profound mismanagement, both in the economic realm, the political realm, the policy realm. And I think there is a general sense among many that one theme which is coming to the fore increasingly – and I think we see this with Mousavi's candidacy – is this theme of management, you know, that this country has been profoundly mismanaged and we need a proper manager.

And there's very few politicians in Iran that have a reputation for being a good manager. But judging by the last thirty years, what we've seen is that it usually takes two presidential terms for Iran to correct itself. We've seen it correct itself over the last three decades, but it usually takes two presidential terms. So things may have to get worse before they get better. So I'll leave my comments there. Thank you.

MS. ESFANDIARI: Okay, thank you very much. We now open the floor to questions, please. And yes, please – could you wait for the mike and identify yourself? Thank you.

Q: Sure, Babak Yektafar with "Washington Prism" and World Security Institute. I want to go back – and this is a question to any of the panelists – I want to go back to reading Khamenei. Obviously, the three candidates, other than Ahmadinejad, have an issue, and as you mentioned, they have butted heads before in the past, and yet, there is the issue of Khamenei being in line with Ahmadinejad, yet having these four years of mismanagement. Knowing how he's managed to survive in the past 20 years, will he be willing to accept any of the other three candidates and just bide his time for the next round of elections, or will he still support Ahmadinejad?

MS. WRIGHT: I would say a couple of things. First of all, the endorsement of the supreme leader has, in two critical cases, been the kiss of death for the leading candidate. In 1997, Natic Nouri, then the speaker of parliament, had the endorsement of not only the supreme leader, but the entire conservative clergy. There was no deep split, as there is today. And he lost overwhelmingly to the unknown head of Iran's national library system. And I don't think that Ahmadinejad went in the last election with the supreme leader's endorsement. After all, Rafsanjani was running and, despite the bitterness between the two, I think there was a widespread belief that he would win.

So it's not an issue of, can he accept it – this is the one thing that's kind of interesting about Iran – the supreme leader doesn't have a choice, even though there may be, you know, rigging of the election. I mean, people speculate about a million votes, three million votes – what's the maximum that can be manipulated. I don't know whether it's ever happened – I mean, a lot of people in Iran

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talk about conspiracy theories. But they haven't been able to rig two important elections in a way that would have gone along with what the supreme leader wanted, or was thought to want.

MR. SADJADPOUR: If you asked me that question two months ago, I would have said that Khamenei is not an idiot. He's been in power for 20 years and he understands that the country has been profoundly mismanaged. When oil was at \$150 a barrel, Iran was having difficulty economically; now, with the contraction of oil prices, they're going to face far more difficulties. So I would have thought that, you know, he would think it's time to move on. And what I saw when I read Khamenei's response to President Obama and his Nowruz message, I thought the spirit of Khamenei's speech was much closer to Mousavi's message than Ahmadinejad's; he wasn't talking about populist themes, he was talking about the need for proper management, et cetera.

But over the last two weeks, three weeks, the statements from Khamenei have been very unambiguously in support of Ahmadinejad. And your question whether, you know, is that the kiss of death for a candidate or is it potentially helpful, again, I would go back to what I said earlier, that his access to state funds – Ahmadinejad's access to state funds in his campaign, I think, has the potential to make a big difference. And look at who is running – who is carrying out the campaign. The campaign is carried out by the ministry of the interior, as you know, The interior minister is an individual who is directly selected by Ahmadinejad – Sadegh Masouli.

So he's in charge of making sure this is a free and fair campaign – one of Ahmadinejad's selections as interior minister. Then, the group which is supervising the interior ministry is the guardian council, whose head – the head of the guardian council, Ayatollah Ahmad Jannati – has actually publicly supported Ahmadinejad – has publicly endorsed Ahmadinejad's candidacy. So you know, the past is some reflection of the present, but I would say in this case, if I would make one prediction about this election, I think that we're going to see a lot of accusations of electoral improprieties taking place, because I think that Ahmadinejad really wants to desperately be president again, his people desperately want to be president again. And I see this as a real fight.

Q: Thank you. Max Kendrick with the Project on Middle Eastern Democracy. Mr. Sadjadpour, you're talking about how external observers – you know, glass half-full, half-empty – are looking at the Iranian presidential elections and the legitimacy of this democracy. Would you or anyone else sitting up there be willing to comment on how the Iranian people themselves view the validity of their electoral process?

MR. SADJADPOUR: It's a very good question, and it depends on where we choose to focus. And I think certainly, some of the urban sophisticates in Tehran, or where you have high levels of satellite television penetration and Internet penetration and newspaper readership, whose primary source of information is not official state television, I think they certainly would question the legitimacy of these elections. And as Haleh said in her introduction, in the past, they've simply refrained from voting, because they say that voting is a vote of legitimacy for this regime, and if you don't provide me any of the candidates which appeal for me, why should I vote?

But I think in the provinces, again, where voter turnout is much higher, they may have a different view of things. Especially, in many of these provinces, the only source of information, or people's primary source of information, is official state television. If that's their only source of information, I think they see things much differently.

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I would also add one important thing which oftentimes is not mentioned, and that is that when you go and vote in Iran, you get your identification card stamped and many people believe – it's kind of an unspoken rumor – that if you don't have your ID card stamped, it can be detrimental for you in your place of employment, especially given the vast majority of Iranians are somehow either directly or indirectly employed by the state. This, I think, compels many people in the provinces to go out and vote.

MS. ESFANDIARI: Robin, do you want to add something? Arji (sp), just wait for the mike, please. Is there a mike here, please? Thank you.

Q: Arji Baki (sp) at Carnegie. I'm assuming that Ahmadinejad will be one of – if there's a second round, he will be one of the two candidates. Do you think the margin of victory will make a difference in terms of – with the margin of victory, if it's a very, very close second round, would create tensions in society? Would there be any problems resulting from that because, after all, in the previous election, he had a fairly convincing win.

MS. ESFANDIARI: Robin, do you want to –

MS. WRIGHT: I don't think that it's going to lead to any kind of visible tension. I think it might lead more people, particularly among the young and the educated, to try to leave Iran if Ahmadinejad wins by a close vote. I just don't see the tension.

I want to say one thing, though, about, you know, when we make the assumptions about why Ahmadinejad may win reelection, I think we ought to look at why he was elected in the first place.

Q: (Off mike.)

MS. WRIGHT: Yeah, I just don't see it. You know, I think there will be a lot of disgruntlement, a lot of accusations of fraud, but I don't think visible tension. I mean, breaking something, breaking out in streets? I don't see it. The state has too close a control and that's why the student movement has never made a comeback really since the late '90s.

But I was just going to say one thing about all of this talk about Ahmadinejad. I mean, the Economist has now labeled him, you know, that he is predicted – and they may be right – that he wins. People went to the polls to vote as much against the clerics and as much against Rafsanjani as to vote for Ahmadinejad, who was a little-known mayor, considered Mr. Clean, not corrupt and he was the first non-cleric elected president since –

MS. ESFANDIARI: Since Banisadr.

MS. WRIGHT: Well, no, but that's when, after that, Khomeini then said that the clerics can run for president. Before that he said they couldn't. And they've been clerics ever since. And I think that the Iranians went out and voted on issues of corruption, the clerics and everything else and that we need to understand why he won the first time when we consider whether he may get re-elected – although, when I was in Iran in March, I did ask a number of Iranians whether they thought he could win given how unpopular, how much grumbling there was, about his various

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policies. And they said, wasn't George Bush unpopular at the end of his first term? And he won re-election.

MR. SADJADPOUR: There was a comment from a guy called Ali-Reza Alavitabar, who is one of the main kind of intellectual architects of the reform movement, someone very close to Khatami, who said that if the reformists want to win this election, they'll have to have 5 million more votes than the conservatives to compensate for any improprieties.

So what I would say is that Ahmadinejad won't lose a close election in the second round. If it's close, they'll somehow manage to get him over the top; this is my own prediction. So if he loses, I think he'll have to lose by a sizeable enough margin that they're not able to bridge that gap with various improprieties.

And, you know, how will people react if he were to win? I think that his opponents are not the types of people that are prone to go out into the streets and fight street battles and do things like that. So I think people will certainly be crushed; there will be a lot of people who will be crushed if he serves a second term, but I don't see any major tumult as a result of it.

MS. ESFANDIARI: Arji, I think if he loses by a relatively narrow margin, they will ask for a recount and then there is always the possibility of some sort of impropriety and this might happen. Yes, please in the back Mr. Faradah (ph).

Q: Thank you very much. Heribuz Faradah (ph) from CSIS. My question has to do with intimidation. There's been rumors that there's been some thugs going into Rezaei's and Mousavi's demonstrations – rallies – and there was also rumor that gases has been used in some of these rallies. Have you heard any of this? Do you think intimidation is going to play a major role in the elections?

MS. WRIGHT: Two things: There are all kinds of shenanigans going on. There was a torching at Rezaei's, one of his facilities. There have been damage, small attacks on some of the campaign stations in different parts of the country. One of the interesting things was this bomb they found on the flight of Kish Island Airways from Ahvaz to Tehran; they found a bomb in the bathroom about a week ago and they've just announced in the last day or two that President Khatami, who was on a campaign stop for Mousavi, was supposed to have been on that flight. You know, I don't know – clearly there's some thuggery going on. The scope of it I think is unclear.

MR. SADJADPOUR: I don't have any specific information; I just would say that I'm not worried about Rezaei being able to take care of himself. He's quite a thug in his own right, but certainly in Mousavi's camp and Karroubi and maybe others who are not prone to these thuggish tactics, it's more effective.

What I am always concerned about is what takes place outside of our, outside of what we can see, meaning in Tehran and Esfahan and Mashhad. It's very difficult for massive intimidation or massive improprieties because they're fairly – they're urban areas and there's informal monitoring taking place. But, again, in a lot of the provinces where it's out of eyeshot, I think that that's where they have more leeway to use some of those tactics.

Another point I would make is the role of the Basij. This is what we saw in 2005; I think the Basij played a decisive role. Basij militia played a decisive role in helping Ahmadinejad get to the

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second round in 2005. And I had some friends who were in the Basij and they told me an interesting story, that it was almost like a calling tree.

The head, I think the leader helped to mobilize the senior Basij commanders behind Ahmadinejad and they called their subordinates and employed them to vote for Ahmadinejad and their subordinates called their subordinates and employed them to vote for Ahmadinejad and there was a calling tree which I think was able to mobilize a lot of people.

So in a country where you don't really have organized political parties, I think the role of the Basij and elements of the revolutionary guards can really play a decisive role, not in getting – delivering them the election outright because we're not talking about a huge percentage of the population, but certainly in helping propel candidates to the second round.

MS. WRIGHT: Can I say one small – add one small thing? The revolutionary guards is a very interesting phenomenon and Karim's very right about the Basij, that they're the Hezbollahis of Iran. But the revolutionary guards – many young men prefer to serve in the revolutionary guards because if they have to do their military service because they get off at 2:30 in the afternoon and the guys can then go off and get a second job which is important economically. And remember, a lot of the revolutionary guards are just rank and file; it's the commander, the commander corps officers that you have to worry about as that hard-line element.

In 1997 during – when Khatami won, a ministry of Islamic guidance official told me that they had taken a look at how the revolutionary guards voted and canvassed and found that 84 percent of them had voted for Khatami, which you know again, this is beware assumptions about who's going to vote for whom.

MS. ESFANDIARI: And I think that's when the leader decided this would not happen ever again. Mr. – just wait for the mike, it's coming here.

Q: Arnaud de Borchgrave, CSIS. Could you speculate a little on what kind of a deal you think is possible on Iran's nuclear ambitions with Ahmadinejad and without him?

MS. WRIGHT: I wish I had a really good accurate assessment of that. I think they're all willing to talk to the United States. I think the problem with Ahmadinejad is, as we've seen already during his first term – whether it's an 18-page rambling letter he sends to Bush or his recent initiative to offer to debate Obama at this fall's opening of the general assembly – that they're kind of wacky ideas and that they're not within the framework of conventional diplomacy and as a result, they're not likely to go any place or make the process itself difficult, let alone the substance.

But it's clear to me that all four of them – whoever, in other words who wins – would insist on Iran's sovereign right to enrich uranium and it's the compromise. I think Karroubi, maybe Mousavi, would be willing to talk about some arrangement, in different ways – Karroubi more open-minded about a role for the foreign community; Mousavi taking a pretty tough line I think; Rezaei, you know, this is where his hard-line stripes come out, although he's the one who did talk about a consortium. I don't think they're there yet. I think that's something that they've put on the table, they're willing us to talk but have no indicated in any way that's reliable, how far they're willing to go.

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MR. SADJADPOUR: David Frum, who was President Bush's former speechwriter, as you know, once said something which I agree with very much. He said, "You can enrich uranium and you can call for Israel to be wiped off the map, but you can't do both at the same time." And I think that if Ahmadinejad is elected, I don't see him – based on the last few years – as someone who's prone to reflection or introspection.

So I don't think him changing his tune when it comes to the Palestinian-Israeli conflict. And I think given that continued belligerence on that issue, I fear that his mere presence could present an insurmountable obstacle to confidence-building with the United States on the nuclear issue.

Now, what Iranian officials often say is, they oftentimes invoke this double standard that you know, India, Pakistan has had these nuclear transgressions. Even other countries like South Africa and Brazil have pursued uranium enrichment and the U.S. hasn't had a problem with it. But I always point back again to their rhetorical belligerence and I say to them that, essentially they speak loudly and carry a small stick.

They're their own worst enemy with this rhetoric; so I do fear that Iran's nuclear policy may not change profoundly given a change in the presidency. At the end of the day, I think that something, a decision which – portfolio which Khamenei really controls but certainly a change of rhetoric could have a major impact on the ability to reach some type of a modus vivendi with Iran and I think Ahmadinejad doesn't understand that.

MS. WRIGHT: And just the personnel that would be involved in diplomacy would make a huge difference.

MS. ESFANDIARI: Yes, please. We'll get to everybody because we have a lot of time.

Q: Thanks. Gary Mitchell from the Mitchell Report. I think this sort of follows up on Arnaud's question and I've got to put it this way which is that we have a saying here that American politics is played between the 40-yard lines. And the question that I'm interested – we had a really interesting, Robin's taken us through this very interesting analysis of each of the candidates and where they stand on issues – in Iran, there's got to be a better sports analogy but are politics in Iran played between the 40-yard lines?

Is it narrower than that? Does it make a substantive difference – not rhetorical – who is elected in this next election on the key issues that are of interest to us beginning with nukes and support for terrorism, et cetera? Or are we really looking at an Islamic republic that is not going to move much in one direction or another?

MS. ESFANDIARI: Karim? Or Robin? Karim, you want to –

MR. SADJADPOUR: What I would say is that I think the kind of distinction between Ahmadinejad and Khatami's presidency is even broader than that 40-yard football analogy. I mean, Khatami was calling for dialogue of civilizations; Ahmadinejad denies the Holocaust.

And, you know, when you look at, as Robin was saying, the personnel they have working for them – a lot of us interacted with people who worked in Khatami's camp and you could tell that they genuinely were interested in reaching some type of a modus vivendi with the United States.

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Some of them, their children are even citizens of the United States and they certainly recognize – they may not have articulated this oftentimes publicly – but they would certainly recognize behind closed doors that this “death to America” culture of 1979 is obsolete in the 21st century.

Ahmadinejad’s personnel I would put in a totally different league in a sense that many of them believe that enmity towards the United States was a fundamental pillar of the 1979 revolution and it remains essential to the identity of the Islamic Republic. So I oftentimes talk to Javier Solana’s nuclear negotiating team and they tell me how profoundly different the interaction was with Khatami’s nuclear negotiating team, that really genuinely seem to want to reach some type of a modus vivendi and Ahmadinejad’s team which simply shows up and repeats talking points.

MS. WRIGHT: Let me just say one thing: If he’s re-elected, I think he believes he will then have carte blanche to do what he wants and that the Jalili and the kind of hard-line staff around him will become ever tougher or more entrenched in terms of their position.

The thing that was so interesting in the early part of Ahmadinejad years with Larijani – and Rowhani stayed for a little while – that you had people who had a worldliness. And the thing that strikes you about all of Ahmadinejad’s people is that fear, that early revolutionary paranoia still defines their attitudes on so much.

And whereas, Larijani knows the world; his brother went to Berkeley, likes to claim he has a Ph.D. but he never did his thesis. You know, there’s just a very different category of people who are part of the debate and there is a debate. Even though Khamenei has the last word on everything, he also listens and that council – that national security council – is tremendously important in crafting policy.

And so I think it makes not just the president, but it’s the people who are part of the debate make a huge difference. And even some of the conservatives like Larijani would contribute a lot because they’re willing to engage in conventional diplomacy and not this wild stuff.

MS. ESFANDIARI: Larijani has tried to also take some of the responsibility on these discussions to parliament and has come out and said that for parliament to be involved in the nuclear issue so that might also be the policy if Ahmadinejad is re-elected.

Yes, please. And then I’ll move to the back, sure.

Q: Ricardo Alfared (ph) from El Mundo. One of the most maybe subtle ways to manipulate the elections is through the selection of candidates. I think that in the past elections, there were many more than this time – only four. Can you tell me what is the – if you know it – what’s the criteria to make this selection? Why these four people were there? Do you think that it was a political decision? They were trying to bet who’s going to make it in the second round or, I don’t know, what do you think? Why do you think we have now these four candidates and not like 10 or 12 or 20 or something like that?

MS. ESFANDIARI: God and the Guardian Council know what the criteria –

MS. WRIGHT: Yeah, I mean it’s totally – every election, the selection of candidates, the criteria seems to vary. Any number of incumbents in parliament has been disqualified from running

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again. It's, you know, really almost whimsical sometimes. And that's of course what leaves Iran's political system open to enormous criticism.

MR. SADJADPOUR: If you recall, the parliamentary elections of 2008 was it? Parliamentary elections of 2008 – Khomeini's grandson was originally prohibited from running by the Council of Guardians and so this Council of Guardians, they're a group of 12 individuals. They – Khamenei likes to project this façade that they're independent of him but six of them are directly appointed by him and the other six are essentially indirectly appointed by him. So I think that I very much view the candidates who are allowed to run as those who are palatable to the leader.

MS. ESFANDIARI: In the last presidential elections, the candidate – the frontrunner of the reformists, Moeen – was disqualified by the Guardian Council and then the leader had to step in and said, just withdraw the disqualification and he had to run. But he didn't make it so that – there in the back. Yes, please.

Q: Thank you. Dave Pollock from the Washington Institute for Near East Policy. Thanks very much. Very interesting. I'd like to go back to the statement that Khamenei made, that Iranians should not vote for any candidate who wants to have good relations with the West. I think that was what I heard. What does that tell us about Iran's foreign policy, no matter who wins this election? And about the prospects for Iran's accepting an offer, you know, the carrots that we always talked about. It sounds to me like they don't want the carrots or at least Khamenei views the carrots – that is the offer of better relations with the West – not as a promise but actually as a threat.

MS. WRIGHT: I think he made the statement in context of anyone who he believes is going to sell out to the West, not in terms of not dealing with the West at all. I don't think that – I mean, he's indicated and even you know, you get some politicians who quote Imam Khomeini as saying we can deal with the United States – under certain conditions but we can deal with the West. So I don't think it rules out – but it's clearly a caution about how far you go, how fast you go and how much you protect Iranian sovereignty and Iranian interests.

MR. SADJADPOUR: First, I would commend your ability to pronounce Khamenei. Which, he would be very impressed that, yeah.

MS. ESFANDIARI: It's very good.

MR. SADJADPOUR: Very impressive. What I would say is that, many of us throughout the years have made this argument that if you engage Iran, you try to reintegrate it into the global economy, you try to reintegrate it into the international community – this is going to facilitate and expedite political reform. And the conclusion I reached after I did this long study of Khamenei is that, he understands that argument quite well and for precisely that reason, I would say he's at best deeply ambivalent if not downright opposed to some type of a rapprochement with the United States.

Now, I think he's not in the easiest of positions because he's presiding over a very young population which he knows is overwhelmingly in favor of some type of a rapprochement with the United States. Two-thirds of Iranians under 32, 33, they have no particular enmity towards the United States. They have no particular loyalty towards this revolutionary Islamic Republic. And again, at the level of the political elite – my years based in Tehran – the vast majority of people

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behind closed doors amongst the political elite, even conservatives would tell you, it's time to move on. This "death to America" culture of 1979 is always going to prevent us from fulfilling our enormous expectations – our enormous potential as a nation.

So I think that despite the fact that Khamenei may not be interested in having an amicable relationship with the United States or he sees it as inimical to his own interests and the interests of the Islamic Republic, I think we in the United States should continue to do so, continue to try to engage him in an effort to expose him basically, both domestically and internationally because during the Bush administration, the argument which many people adopted was that the United States was the unreasonable actor in this equation and you know, Iran is very reasonable but it's kind of the hostile policies of the Bush and Cheney administration which was the cause for the animosity between the two countries.

And now it's very difficult for the Iranians to continue to hold onto that pretext with Obama's inauguration speech, the Nowruz message – all of these things I think are going to be very difficult for the regime and for Khamenei in particular to continue to justify this animosity towards the United States.

I was in Dubai actually when Obama issued the Nowruz message and I just remember interacting with several young Iranians there to see what they thought of Khamenei's response to Obama and they were very disappointed. They said, you know, the leader of the most powerful nation on Earth acknowledge our new year, the Iranian Nowruz. Do you think that Sarkozy knows when Nowruz is? Do you think that the British prime minister knows when Nowruz is? And all our leader said was first change your behavior then we'll talk?

They were very disappointed in this response and I know politically in the United States it's going to be difficult for the Obama administration to continue to justify these overtures to Tehran if the Iranians are not reciprocating. I do think it's the right thing to do though, to continue to move forward and make it clear to again, both Iranians domestically and our allies internationally, that they're being the unreasonable party in this equation.

MS. WRIGHT: Can I add just one thing real quick to that?

MS. ESFANDIARI: Yes.

MS. WRIGHT: I was actually in Esfahan when Obama made his Nowruz message and I went around asking Iranians what they thought. And I was struck by how many of them were aware of the fact that Bush had also issued Nowruz messages and that this one was different and that he'd reached out to the leaders but that again, it was a greeting and there was no substance.

And the bottom line was, they were all asking, where's the beef? And this gets back to the earlier question about nuclear issues and that the public is deeply behind the regime when it comes to the right to enrich uranium and they want to know, what's the compromise the United States is prepared to make on this issue? The idea of direct flights between New York and Tehran or World Trade Organization – all this stuff doesn't really interest them as much as this sense of respect and achievement and having the right to do something that they feel is important, not just for energy but for development.

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MS. ESFANDIARI: Yes.

Q: Farah Simone (ph), American University. To what extent do you think the regional tensions, such as the recent clashes in Zahedan, could have impact on the election? Or if Ahmadinejad is re-elected, can we see more of this kind of regional tensions and clashes?

MR. SADJADPOUR: I don't see clashes – this happened actually in 2005 as well in the runoff. There was some tumult in Zahedan and also in Khuzestan. I didn't see it having a discernible impact on the results of the election and this time around, they may have some small impact but I don't think it will be discernible. If we start to see some tumult in a place like Azerbaijan, then – and you know, suddenly there's some incident which takes place which Azeri's of discrimination or pride is amplified, then you see maybe more of an outpouring for someone like Mousavi.

But, otherwise, I don't see it having a discernible impact and I think more of this tumult probably we can expect to take place, especially in places like Zahedan where there's so much economic malaise and social problems.

MS. ESFANDIARI: Yes, in the back. And then – yes, yes.

Q: Hi, my name is Ali Gharib. I'm with Inter Press Service. I'm just wondering – you talked a little bit about the nuclear issue and if you could address some other areas of Iranian foreign policy which recently there's been the line taken up by a lot of Iran hawks and people who prefer hard-line with Tehran that that's also sort of the realm of the supreme leader. And if you could talk about some other areas of foreign policy, whether – Karim already hit a little bit upon Israel and Palestine – but the so-called proxy groups and the Levant as well as in Afghanistan and Iraq. Thank you.

MS. ESFANDIARI: Robin?

MS. WRIGHT: Go ahead.

MR. SADJADPOUR: What I would say in terms of – first to talk a little bit about the region, the Middle East: When you look at these groups like Hamas and Hezbollah, what's quite interesting when you delve into Khamenei's world view is – if you were to ask him, what's the best vehicle for Iran to assert its ambitions and its hegemony throughout the Middle East?

The answer wouldn't be a nuclear weapon. The answer would be democratic elections; that's the best vehicle for Iran to assert its hegemony throughout the region because he would say, Hezbollah gets elected in Lebanon, Hamas in Palestine, our Shi'ite co-religionists in Iraq, the Muslim Brotherhood does well in Egypt.

So the point I'm trying to make is that Iran's support for these groups, I think that Iranians see as – especially Hezbollah – one of the crown jewels of the revolution and I think their mentality is, why should we stop supporting them? Because these groups also have quite legitimate indigenous support; they're not merely Iranian puppets. So I don't see Iran's foreign policy changing in that realm.

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When it comes to Israel-Palestine, I think I'm very much in the minority on this when it comes to people who think about Iran. But you oftentimes hear this adage that Iran, quote, unquote, "uses the Palestinian card" in order for them to transcend the Persian-Arab divide and the Sunni-Shiite divide in order to project regional power.

And that suggests using this support for the Palestinian cause as a means to an end. I don't think that this is Khamenei's world view. I think he's actually much more earnest than that in his support for the Palestinian cause, which goes back two, three decades even before the fall of the shah; this is something that a lot of these senior revolutionary elite, they cut their teeth as revolutionaries on this issue and I don't see them abandoning their support for the Palestinian cause or their opposition to Israel any time soon because, again, I think that their reading of the Arab Street is that the – I think the current of history is moving in their direction, that far more people are sympathetic to Iran's world view on these issues and on the Palestinian issue in particular on the Arab Street than certainly to the U.S. world view.

MS. WRIGHT: I'd just add something very quickly. I don't think the Arab-Israeli conflict is in any way an issue in this election, only the U.S. and the nuclear program I think in terms of foreign policy. And, in fact, I agree with Karim very much on the Palestinian issue. Khamenei may feel – hardliners may feel – committed to it ideologically but the majority of Iranians really don't care that much. I was in Egypt during the Gaza war and then shortly thereafter in Iran and the reaction was very different. You know, you get a very emotional reaction on the streets in Egypt and Iranians really don't care at all.

The one interesting thing is Afghanistan and that's, I think, an area where there is potential for cooperation. They'd really like cooperation with the United States because of the drug issue and so forth, not so much Iraq, but again, Afghanistan's not an issue. The regional issues really don't – are not playing this time around. It's the economy, the U.S. and women.

MR. SADJADPOUR: Just one quick point I forgot to mention: There's an interesting poll which recently came out from Shibli Telhami, the University of Maryland and the Brookings Institute (ph). It's a survey of the Arab Street which he does on an annual basis and this year's findings recently came out.

And the good news in this year's finding were that Hassan Nasrallah and Mahmoud Ahmadinejad are no longer the most popular leaders in the Arab world. The bad news is that Hugo Chavez is the new most popular leader among Arabs.

(Laughter.)

MS. ESFANDIARI: Okay, I'm going to take two last questions. Ms. Sadeghi (ph) and Bruce Laingen. Yes, if you wait for the microphone. It's coming.

Q: Hossein Ebneyousef, International Petroleum Enterprises. One question for each of the speakers. For Robin: What do you think Mousavi should do for you to consider him as a reformer? I'm not talking about liberal, but a reformer.

And a question, comment on what Karim said, he correctly pointed out a comparison between Turkey and Iran. I wanted to mention that Turkey has actually had almost a century of

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uninterrupted democratic process. For Iran, it's been actually only two decades after the end of the Iran-Iraq War that Iran had that opportunity to do anything.

But are we really satisfied with how the Kurds, for example over 12 million Kurds, are treated? They're certainly a second-class citizen in Turkey. There are other problems, major problems: invasion of Iraq a number of times, the role of the army, how they treat the issue of hijab for ladies – are we really happy with the whole process? Thank you.

MS. ESFANDIARI: Now, let's take the last question, too and then take – Bruce Laingen. Bruce?

Q: Hi, I'm Bruce Laingen, retired Foreign Service officer.

MS. WRIGHT: (Chuckles.) And so much more.

Q: This has been a very useful discussion and we thank you all for it. You've all alluded to what I'm asking, in one way or another. I'd like to ask each of you to send us away from here today with some indication of what you each think could happen – could be done – that would dramatically contribute to resolution of this dead heat and see us again talking to each other.

Thirty years of non-talking – it is appalling, it makes no sense. We all know that; everybody in this room knows it and yet we can't seem to get beyond it. Maybe this election will help? God willing, it will help, whoever wins. But just off the top of your heads, send us away from here with what you'd like to see happen to turn this thing around.

MS. ESFANDIARI: Okay, thank you. Robin?

MS. WRIGHT: A couple things. First of all, on Mousavi: The fact is that he takes a line of the traditional conservatives, easing on the economy, on social freedoms but he says nothing about curbing the powers of the Council of Guardians like Karroubi does. He says nothing about changing the political system. He talks about rationality and stability and that, you know, there's nothing about a single political opening and the furthest he goes is that he would free some of those prisoners who were engaged in statements or activities involving demands for greater freedoms. You know, this is – he is not a reformer and I think it's very important to understand that.

In terms of, Bruce – if there's anybody in this room who doesn't know this, Bruce Laingen was a senior American hostage held for 444 days at the American embassy in Tehran and deserves our thanks and gratitude. What do we do about breaking the cycle? Look, it's not about what I want or suggest.

I will tell you my impression coming away from this trip in March was that an incremental approach, trying a strategy that expands the process we had started in Baghdad where our diplomats engaged with each other and talk about confidence building is no longer enough, that we may be – particularly given the time frame – I suspect it will take some bigger, bolder, more imaginative initiative in saying whether it's on uranium enrichment and let's figure out a way that you can have your sovereign right but that the world feels confident that you're not going to develop a nuclear weapon – that that's the kind of thing that will pull the rug out from under the likes of Khamenei who may be reticent about engaging, force them then to, because they understand that the

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population and the world then will see the United States as having made a big enough effort, an imaginative effort you know using Obama's real promise of outreach. And it would force even the hardliners hand.

I think anything that begins kind of small-scale, getting a response from the Iranians, yes, we'll meet you, and they meet some place in Geneva or whatever – even if it's bilateral, that we're going to begin a process that the Iranians, and again it depends on who's elected, but that they will play us until we actually get to the point where we have to deal with enrichment action to make progress. And the longer that incremental process takes, the further they get along in the process and the more difficult it will be to find a common ground because they will get closer and closer to the threshold.

MR. SADJADPOUR: With regards to Dr. Ebneyousef's question, the comparisons between Iran and Turkey: I in no way meant to imply that Turkey is a perfect model but I would love to have the luxury of dealing with the problems Turkey has to deal with as compared to some of the issues we face in Iran, both in terms of its social development, political development and economic development and I think it's really decades ahead of Iran and it's a country with very little natural resources and it shows you the real difference that proper governance makes.

And, you know, Iran – you mentioned Turkey has 100 years of this process. Iran's constitutional revolution, which just completed its 100th anniversary not long ago – and one thing I would say and this is certainly meant as no disrespect but one thing I have noticed is that my generation of Iranians I think focuses far more on the Iranian shortcomings in explaining the country's underdevelopment rather compared to many of the other generation who looks as outside powers with the United States or the British or others as the primary culprit in Iran's underdevelopment.

Now, when it comes to Ambassador Laingen's question about what can we do to help break the impasse, I think a great start would be Ahmadinejad not getting re-elected – (chuckles) – in a couple weeks; that would be a great start. But otherwise, I unfortunately don't see any silver bullets. I don't subscribe to this notion of a quote, unquote, "grand bargain" simply because I don't think that the Iranians have reached an internal consensus that they're interested in a grand bargain.

We in the United States may have finally reached a consensus after three decades that it's time to try to turn the page with Iran. I don't think the Iranians have necessarily reached that, the Iranian regime has reached that same internal consensus and what I would simply say is that we need both top-down and bottom-up approaches, I think, to make it clear to the Iranians that were interested in a broad agenda, broad strategic agenda with them – discussing everything from the nuclear issue to Iraq, Afghanistan, energy security, et cetera – but also a bottom-up approach in terms of allowing U.S. diplomats talk to the Iranian counterparts throughout the world and there was just news of that today that the United States is going to invite Iranian diplomats to Fourth of July celebrations around the world.

MS. WRIGHT: Can I just say I don't think a single one will show up – especially for hot dogs and Kool-Aid. But I also was not talking about a grand bargain. I don't want to be confused in saying –

MR. SADJADPOUR: No, I didn't think you were.

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MS. WRIGHT: – because I think that’s an idea of the ’90s and that’s just not on the cards as a viable solution either.

MS. ESFANDIARI: Robin, the Iranians are very good at surprising everybody. One person might show up at one celebration. (Laughter.)

Thank you. With that note, I’d like to thank my guest speakers.

(Applause.)

MS. WRIGHT: He would then deny that he was there.

MS. ESFANDIARI: No, it’s going to be a French Iranian or an Afghani Iranian and say, hi, good to see you.

(END)