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QI Panel:

Will Iran's New President Forge a New Foreign Policy?

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Trita Parsi 0:43

All right. Welcome to the Quincy Institute's panel titled will Iran's new president forge a new foreign policy? My name is Trita Parsi. I'm the Executive Vice President of the Quincy Institute of transport and think tank in Washington that promotes ideas that move US foreign policy away from endless war and toward rigorous diplomacy. We favor a national security strategy that is centered on diplomacy and military restraint. Iran snap elections following the death of former Iranian President Ebrahim Raisi have delivered an unexpected result, though voter participation was very low, low, Iran's reformist have made a comeback with Massoud position on defeating the hardline candidates side jelly. How will positionally on a heart surgeon by training impact Iran's foreign policy? Will it continue the orientation towards Russia and China manifested in Iran's membership in the BRICS and the Shanghai Cooperation Organization? Or will he also try to complement that with renewed outreach to the United States and to Europe? Can he revive it serious nuclear talks with the United States in order to be able to redirect the Iran nuclear deal? And what what impact will it have on Iran's posture in the Middle East in particular, Israel's ongoing war on Gaza and the potential risk of that war spilling over into Lebanon and beyond.

To address these questions, we have a fantastic panel with Adnan Tabatabai, Azadeh Moaveni, and Muhammad Ali Shabani. For those of you who are joining us via zoom, as always, please use the q&a function to ask your questions. If you're watching this on Twitter, on Facebook or other platforms, you can ask your questions by adding comments and we'll try to get to those as well. So without any further ado, let me introduce our excellent panelists, Adnan Tabatabai. He is the co founder and CEO of XARPO, a German Think Tank focused on Middle East politics. He travels regularly to Tehran and is consulted by European policymakers and businesses on Iran's domestic and external affairs. He is also regularly featured in the international media, commenting on developments on Iran, as well as the Middle East as a whole. Azadeh Moaveni is a journalist, writer and associate professor at NYU, where she directs the global journalism program. As a correspondent for both the LA Times as well as Time Magazine, she covered Iran as well as the wars in Afghanistan and Iraq. She has authored several books on Iran, including one together with Shireen Abadi, the Nobel Peace Prize winner from Iran, as it was in Iran during the protest movement in the last couple of years, and has written several excellent articles looking at that very historical development inside of Iran. Last but not least, we have Muhammad Ali Shabani, he is an award winning Middle East expert, and scholar. He is the editor of unwatched media, a leading London based site focusing on Iran, Iraq, as well as the countries of the Arabian Peninsula. I have to say it has become one of the absolute must read sites for anyone who is interested in following developments in the Middle East, particularly in the Persian Gulf. He has been published in prominent outlets such as the New York Times

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foreign affairs as well as the guardian. So let's get started. My question is, my first question is for you as a that this was quite a surprising outcome. Masoud Pezeshkian, not necessarily a very known reformist managed to make a comeback that no one expected that the Reformers once again would be able to clinch the executive branch in Iran. And it happened even more surprisingly, while turnout in the elections were almost at an all time low, at least in the first round. Azadeh, how do we explain this or that and what does it tell us about the state of society state ruling elite relations in Iran right now?

Azadeh Moaveni 4:58

Thank you Trita, and they, thank you for convening this. It's really a pleasure to be with you. And these excellent colleagues. I think we have to really understand the Pezeshkian victory with whatever degree of turnout he's security very much in the aftermath of the of the historic and profound for the Islamic Republic women life freedom movement, and and the uprising that it turned into the protests that were initially about, about women's citizenship rights and security on the streets. visa vie had job laws, as as everyone knows very well, by now transformed into a nationwide uprising that became a rejection of the Islamic Republic, its leaders and its management of the country. This created I think, and I've reported on Iran since the late 1990s. I've reported many different moments of uprising and protest over very many different issues. But this movement and this uprising was very different. It created what to my mind was an unprecedented breach in State Society relations. That was that has, you know, that has that shifted away the Islamic Republic's relationship with its citizens fundamentally in a way that had not occurred in in its entire history? I think Never before have such a great variety and majority of Iranians rejected and oppose the system in a fundamental way. You know, I was there for stretches of the protest movement in September, and in October, and then the following summer, and moments when it was sort of flaring up, sort of six months in, it was tremendous and astonishing to see the breadth of people's dissatisfaction. It transcended any of the kinds of divides that we're used to seeing. Around polarization in Iran, people in provincial towns, rural areas, people of different class backgrounds, people of different social backgrounds, I remember sitting with, you know, a group of quite conservative religious women who would have been considered sort of part of the sort of society that had this sort of societal sort of strata that would ultimately sort of be in the camp of the system. Tremendously dissatisfied seeing their daughters, in many instances out on the streets, part of those protests, families divided, of course, the religious and ethnic ethno nationalist dimension of those protests in the Kurdish Baluch and Arab areas.

So you had really a great, mid a great, I would say the majority of Iranians expressing their grievances, myriad grievances in multiple ways, you know, shattering for a theocracy, I think, to see the women who were wearing chador, chador, women today are wearing women being harassed on the streets, a kind of inversion that that was almost sort of unthinkable in the Iran of the Islamic Republic that we've known for so many years. And so this sort of great outpouring of alienation, you know, these ways in which Iranians alienated aggrieved in sort of deep and intersecting ways, I think it was an outpouring of rage, that the system that that the ruling elite, you know, had been had been buffered from for so long. Whether it was about street

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harassment or state neglect, crumbling infrastructure, you know, increasingly inept and nepotistic bureaucracy, isolation, and at the same time, sort of seeing an elite within the system, secure affluent, buffered from all of this, you know, ordinary Iranians living with the crumbling reality of their state shortages of electricity in the summer, shortage of gas in winter. You know, the ways in which the sort of economic precipice of the Islamic Republic was touching people's lives, and then the sort of profound humiliation of the way that these protests were suppressed.

So I'm just trying to sort of paint a backdrop of the kind of reckoning that the system faced at the at the sort of, at the twilight of the women life Freedom Movement, which was, you know, it retained a very small, very core set of supporters, but had lost a lot of its fellow travelers that in the 45 years of the Islamic Republic had never sort of been so deeply alienated from the system. So, you know, the accountability for this state of affairs sort of with laying at the feet, or late was laid at the feet of the RHIC government. He was a polarizing president, his presidency was a failed presidency. He was not able to deliver on anything that he promised. And he sort of embodied the divide between this sort of vast majority of Iranians that I'm describing and their system. And so, you know, we ended up with position Qian, sort of partly because of this backdrop because of who he was and what he himself embodied. And and I'm sure we'll talk about that, who he was up against, you know, the status quo figures who seem to promise, an extent an extension of the status quo or worsening of the status quo, really, because one of the one of his rivals was was a very extreme figure. And then people's desire to mitigate harm from the state of affairs that I'm that I'm describing. So I'll stop here. But I think we really have to sort of see in his his surprise when the culmination of or the or the wish or the aspirations for change protection from this parlous state of affairs that Iranians had sort of arrived at in the sort of aftermath of of this terrible sort of reckoning between society and its rulers.

Trita Parsi 11:02

Very interesting I was at and I assumed that then that also, as you explained, it is not limited just to certain specific segments of society, we saw that despite very low turnout, which completely breaks with previous patterns, it did not benefit. The conservative voters, conservatives traditionally have been much more disciplined in terms of always voting. I'm not how do we explain this? Why couldn't the Conservatives unite around one candidate? And what does that tell us about the divisions that exist there? And what does that tell us about the Divisions more broadly within the ruling elite?

Adnan Tabatabai 11:43

Yes, thanks, Trita, and thanks to your colleagues for setting this up. I, I would really say building on what other they outlined already. We saw during those protests, that some figures from the very center or from the very heart of the conservative or we should say principals camp, openly spoke about their discontent and how this crisis around the tragedy of the death of Massa I mean, the Masters, you know, I mean, he was was handled. And interestingly, Massoud position, Qian was among those with the most explicit statements on on live TV. And I think this

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play to his benefit in the campaign now that in this very critical moment, of just less than two years ago, he found the right words on TV, back then criticizing how this whole catastrophe is handled. One other thing is that he really spoke about we being the reason for the crises of the country, he really took the burden on the political elite, something that we haven't heard that often. And in the conservative camp, or let's speak more, more precisely about the principles camp. We saw already during the Ahmadinejad presidency, and during his second term from 2009, to 2013, that there were parts of that political camp that saw the emergence of a very radical current within this principle camp as a problem. And one of these currents is the so called poderi, a faction which is this different have different names, the different forms of translation, resistance from this one thing steadiness from this another.

So the groups that one very, very radical group within the principles camp, that and this, we know from all party politics around the world, who are very ideological, very zealous, and this helps them to have the necessary discipline to further their agenda, for example, in the parliament, where they are the minority, with 3040 MPs, but a very effective minority, and they have been pushing the principles camp into a very, very radical line. And I think what we have seen in the past three years have been attempts, from the more, let's say, pragmatist factions within the practice principles camp, to sort of tame these radicals to try and de radicalize, the principal is counted as such, we could actually see priority the first round of these elections that there had been attempt more or less explicit attempts to stop Jalili from actually running and have Qalibaf as the sole principles. Candidate because they also knew that the duality of position Qian versus jelly li would be so clear that people who would actually opt to abstain from voting, actually then see a difference between candidates and then run for for position. Qian. I think a lot and this will be my last point a lot of the appeal that the principal is used to have by being the one political camp that looks more into issues around social justice. This theme has now been really taken over by Masoud Pezeshkian and I could say he As the first reformed politician of popular character, who is really seen as someone who cares about social justice, discrimination between women and men has been a part of the reformist agenda. But he brings it on in a very different more down to the core way with appeal to the working class, so to speak, also when it comes to issues around social justice. So I think this is part of the reason why divisions within the principles camp occurred, some failed elite alienated through the radical ways of the poderi current, and therefore weakened generalist bid. And we can see that even now in the aftermath of the elections. And in the end, that's I think the reason why Jalili couldn't couldn't really stage a win against British Steel.

Trita Parsi 15:51

That's fascinating Adnan. But what you're saying is that, you know, he possessed him for the first time as a reformist that speaks more to these social concerns of the populace. But at the same time, he didn't manage to get more than 50% voter participation. So clearly, quite a few people were still very, very skeptical of that of his line there. You recently came back from Iran, you were there when all of this was happening? How do you explain that? And I want to get to Muhammad as well to talk a little bit more about the changing demographics in Iran, which

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seems to be a critical element of understanding why all of these old models seeking to explain and predict elections in Iran have turned out to be wrong, but first you add them?

Adnan Tabatabai 16:38

Yeah, look, I think most importantly, we also should add that not only only 50% Roughly participated, but only those that participated didn't do so with enthusiasm. There was no euphoria. Many voted with a heavy heart, they were, they have lost hope, in many instances about things really becoming better. But there was one line that I heard over and over again, and that was by some who assured it. If I have to choose between the possibility of improvement of life and the certainty of the deterioration, deterioration of life, I'll choose the former. So the new position at least gives them the hope to for for better times, because he was basically finding the right words in some of the many issues. But you're absolutely right, he still has to work hard to win over the 20, sometimes 30 additional percent that participated in elections.

Trita Parsi 17:36

Very good Mohammed, what do you think of this and tell us a little bit more how the changing demographics in Iran may help understand these very interesting shifts?

Mohammad Ali Shabani 17:47

Thank you so much, Trita and Quincy for organizing this timely event. I co panelists have brought up excellent points about the bigger kind of societal backdrop what's going on in Iran, I think, to understand what went on in the elections and truly grasp the element of foreign policy, and the calculations of voters, those who did take to the polls, it's vital to look at what were the priorities in these elections. And one anecdote, I think really stands up between 2013 2021 We had a government of what preferred what was referred to as prudence and hope anyone was headed by Hassan Rouhani, a moderate backed by reform, it's one of his main kind of policy items was something referred to as a civil rights charter. This was something quite big on the Iranian political agenda at the time to something unprecedented unheard of in the country. Right? before the elections he listed 10, policy priorities and civil rights came number nine. What does this mean? It refers to not just changing priorities within the elite, but also within society. So the number one thing I think, on people's minds these days, anyone has the economy, and it's about their livelihoods. And why need to be familiar with the kind of stat the data. So for the first time in a while in login history, we've seen around 40% inflation for almost four consecutive years. This has really crushed a lot of households. Here in Europe, in the United States, we had, I think, about 18 months over 10% inflation, and we saw the effects of that on society. Imagine over 40% for almost half a decade. And that's that's really, I mean, astounding, poorly managed. So the bigger picture here is that the engine for change in society, which has been the middle class, which has been the millennial middle class, they've been pummeled by sanctions. And this has been going on for one or two years going on for decades now. Many have emigrated among the elites, those who are left have become greatly downward, socially

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mobile. And I think also the demographic change in society in addition to these kind of economic factors matter quite a lot. So the First kind of great waves of unrest that we saw anyone after revolution, they were led by millennials, right? So people born between 1981 1996 These are people who are referred to almost as a burnt generation you want they did the 9098, student protests, 2009 Green Movement, all of these guys were millennials, right?

So if you can kindly display graph one, I think that would really be telling for the audience. So this gives you an idea of the median age of Iran's labor force. And not just in the past, but up until the end of this decade, what you see is that around now, the average the median age is almost 40. And this median age of the labor force corresponds with the average age of the Iranian voter. And this isn't something new in 2013, the Interior Ministry announced that the average age of the median age of one voter was 38. Now we should be well around 40. What does this mean? It means that the millennials, they used to drum up the tropes about Iranian 70% are under the age of 30. Right? And then it became 70%, around the age of 35. And I think now we're at a completely different stage. Right? Now, if you look at again, this chart, if you look at the average, the median age of the wanting border, Gen Z, anyone is a rather small segment of society. The number one demographic to look at is millennials. And when you look at millennials, how old are millennials right now? The oldest Millennials around 43 years old. It means that millennials have different priorities. It's not the same as before. It's about livelihoods. It's about getting that house, it's about getting married, taking care of your family, etc. And this is why the economy is so important. So if foreign policy mattered in these elections, which I think it did, it's because it's so tied to livelihoods and the economy, which were the main thing. So it's also about polarization, right?

Because positions main rival was the JCPOA opponent, if you could kindly show graph number two here, I think this will nicely kind of explain why the JCPOA matters in this kind of debate. This shows the estimated crude oil and condensate export revenues. It's been prepared by economist Peter foger, pool, really premier expert on Iran's economy. And he looks at the revenue and different scenarios in case GSP will collapse in case it doesn't collapses through 2026. And we see here that there's been kind of after the Trump years a stabilization of all export revenue, they found paths to maintain a certain baseline of exports, they become less reliant on oil income that you want an economy is growing, and it's growing mainly on the back of services. Right. So no longer energy exports, this has changed a lot. However, you can see the opportunity, the opportunity cost here that's been lost, that the people of Iran are really paying for with their pockets. So the economy is doing better. But the kind of five year development plans that we have anyone which outlined things like 8% annual growth, which stipulate that basically more or less need to generate at least 1 million jobs a year just to maintain unemployment. That's not going to happen as long as you have this extensive sanctions regime. And it's not just a sanctions regime. There's also things like, for instance, the anti money laundering elements of what's referred to as the Financial Action Task Force F ATF related restrictions, which have placed the one on a so called blacklist also impede the ones economic relations with China and Russia. Right. So when come candidates such as Jalili go into these elections, and they're known as JCPOA falls, they are known for denigrating the F ATF. That's a huge problem, not just in humans relations with the West, but also with the east.

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And I think the problem is one camp was quite adept at kind of trying to signal and this is exactly what I've done. And also they were saying signal to the public that this is this is far worse. We're not great, but this is far worse. And they kept the expectations low. But they said this is far worse. So going back to foreign policy, I think there's a there's a Bangladesh anecdote, which goes around in Tehran since years years back about a decade ago. And I don't know the extent to which this is 100% true output accurate zero 80%. Is that prior to the initiation of the JCPOA talks in 2013. A presentation was made to the upper echelons of the leadership. They had a PowerPoint presentation, a McKinsey style presentation of Iran's economy and the future of it. And the essence of that presentation was that unless you reach some kind of deal with the United States and get rid of the sanctions, we're headed towards the Bangladesh scenario for the economy. Me. Now that hasn't transpired, he managed to get past that they managed to grow the economy in a different direction. But I can imagine that these days, some people in Tehran must be preparing another PowerPoint. It may not be as dire, but it has the same precise aim. And I think that's one element of foreign policy within these elections.

But I think more importantly than that is, I think the experience of the JCPOA. The experience of the Rouhani presidency, the experience of, of rice, has been that commonly as a person is decision maker is very risk averse. And because of his Rick's risk aversion, he prefers channeling initiatives through the presidency, whenever it's held by another branch of power. What I mean by another branch of power, it's another camp of power is more accurate. So whenever there has been a reformist in charge has been easier for him to show flexibility in a face saving manner. Because if something goes wrong, which it has consistently, in 2018, it was the US fault, which pulled out of the GSP way, he could blame the president. But when you have a situation where all branches of power, the judiciary, the legislative branch, the presidency, all of them are dominated by loyalist accommodate when they're controlled by the conservative camp, it makes him a lot more inflexible, because that forces him to take responsibility. And in this dichotomy, I think racy, he didn't just make homenaje, more inflexible, more rigid, but racy himself and his team. They didn't want to use the limited mandate, they had to engage. This is really key. They were also risk averse. So while the stories that we did, basically pointed out, and this sources we have were credible, these were high ranking sources, saying that Alibaba had Kenny had a mandate to enter direct negotiations with the United States, he himself didn't want to, not because he's ideologically opposed the United States. In fact, he said in public that he's done a U turn, when the JCPOA was being negotiated, he was totally against it, he and his mentor, his ex mentor, Jalili were opposed to it. But then he realized as a negotiator, you know, I have to put on my big boy pants. And then you know, reality is different. I understand that, right. But the real real thing to look at here is what's what's the was the risk aversion that we saw in the previous team? What's the risk aversion of the current team, the personnel? What are the personnel that are going to negotiate potentially something new with the United States?

Trita Parsi 27:34

So I'm gonna get back, this is very helpful. Not I want to get back to both the personnel as well as the dichotomy you're pointing out, which then would suggest that if I understand you correctly, that there may actually be more, the more flexibility now because the supreme leader

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can keep a certain distance from the president who would engage in those negotiations. But before we go there, I want to talk a little bit about the extent to which this is actually openly discussed and debated in the Iranian media environment. And also, if you've been following that quite closely, what is the media environment right now inside of Iran? And to what extent are they're having reasonable conversations about these type of aspects that clearly are quite complex, both on inside Iran, as well as with the international media that is beaming into Iran? To what extent has that actually elevated the understanding of the public about these different issues?

Azadeh Moaveni 28:31

Um, that's, that's a great question. And especially because Muhammad's point about demographics is is really important too, because because, of course, every media outlet is whether it's domestic, or we're foreign based, is seeking to engage Iranians, whether it's on mobile or on sort of digital social media apps, trying to engage them on the platforms that that they are most active on. I was in Iran, just as the campaign period was kicking off, and I'd known might have some thoughts on this too. But I was really, I was struck by and of course, you know, space always opens in Iran before elections in ways that it in in ways that are not consistent with space preceding the election, because that's part of the that's part of the dynamic of generating turnout is to just sort of electrify people with this sudden openness and ability to have, whether it's sort of media personalities or academics or journalists or independent newspapers talking about the country's sort of existential problems in, in a tone and explicitness and in a directness. It's sort of not always unusually not sort of accepted or tolerated in the Iranian media sphere. So I found the level of debate within Iran whether you know journalists who are using social media platforms as essentially they're sort of self publishing tribunes or different chat rooms, clubhouse overall, quite vibrant and places where, exactly what what we're talking about the link between women citizenship rights, foreign policy, the economy and how these things are all like intricately connected in ways that I think Iranians were debating and talking about in a quite sophisticated way. Was Was, was striking. And I think that was, you know, reflective of the sort of desire of the system to encourage turnout, even though the mood was I have to say, very, very bleak. You know, people as I think Adnan was saying, you know, sort of coming to the discussions with a real degree of, of Bleak reluctance, but sort of energized, I think, in the final phase, I think one point that that's worth talking about too, though, is, is the sort of strategic, the strategic nature of the sort of foreign language media. So there's not foreign language, Persian language, television networks based abroad. I mean, these are players in the Iranian domestic scene in ways that are sometimes hard to perceive from the outside.

But you know, when I go to Toronto, and everyone is sort of watching the news in the evenings, you turn on BBC, Persian or Iran International, another one of these major networks based in London, and there's a real sort of spectrum of types of content. But some of them, Iran International, in particular, I would say, and I say this with my journalism professor hat on, is is a real player on the Iranian scene in a quite destructive way, I would say because often, it's a channel and it's a network that runs disinformation, very much presents regional news, whether

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it's about the fighting in Israel, and Gaza, from a very much an Israeli perspective. It carries political news of the region from, you know, what we could call a sort of us client state perspective, and it has a huge viewership in Toronto. So if that's a channel that wants to discourage voter turnout to run, to run this information, and to essentially present Iranians with information about regional politics, and the country's sort of foreign policy horizon in a way that discourages turnout in a way that, you know, sort of moments in which Iran has really been destabilized, if there are, if there are sort of violent separatist activity that's targeted civilians over time, these are networks that are this particular network can can really be destabilizing for Iran. So as part of the media picture, as if we're sort of sort of zooming out to look at the sort of array of media platforms where Iranians consume news about about the elections, that they're sort of deciding whether to participate in whether they're considering what role their country is playing in the region at a time of real volatility, and who is accountable for that volatility. Some of these networks that are very much appear to be sponsored by a Ron's opponents in the region are actually quite influential players and being able to shape public opinion and sort of key moments also play a destabilizing role.

Trita Parsi 33:30

That tells us something, though, isn't it because in the case of your own international, there's credible reporting on its Saudi funding, which then brings us to the importance from the Iranian perspective in the last couple of years to try to improve relations with some of its regional neighbors, particularly Saudi Arabia. In an earlier conversation we have with you Anon, you pointed out that the racy government strategy has not been to lift sanctions, but rather to neutralize sanctions by investing in improved relations with the bonds, immediate neighbors trading and non dollar amounts with those neighbors in a way that couldn't really be prohibited by sanctions in the same way. How would you assess the degree of failure or success of that strategy and is positioned yawns position having clearly stated that he wants to lift sanctions and an open up dialogue with the United States a clear sign that the Iranians are moving away from that strategy, or are they trying to complement that strategy with additional outreach to the US?

Adnan Tabatabai 34:38

Yes, thank you Trita. I think that this policy of neutralizing sanctions rather than trying to lift them, and seeking regional integration with immediate neighbors is certainly a policy that has been successful in the sense that it helped the country to open up new diplomatic channels and new Other news for the economic relations, these economic relations, they didn't go through the roof because obviously also with those countries, there is a ceiling to these relations. And that is all the problems that come with US sanctions, or the FATF issue Mohammed alluded to. So I think there is an understanding in Tehran, that for the pure survival of the Islamic Republic of the Islamic Republic's economy, and therefore, for its political order, it may be sufficient to simply have a neutralization strategy when it comes to sanctions. But since there has been this discourse, that the opportunity costs Mohamed referred to earlier, the loss of potentials and possibilities if Iran continues to not seek some sort of easing of sanctions. And this, this

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understanding has grown stronger. And I would expect or I would assume, that the position Qian government will now try to reconcile both strategies to on the one hand, continue relations with immediate neighbors. And I don't know whether you and your audience saw the op ed that Pezeshkian wrote in Arabic and the new Arab, which can also translate it into English recently, the an outreach towards our neighbors, that the path towards improved relations will continue. And this is certainly something that the Islamic Republic's political establishment as a whole is viewing as a necessary strategy to have to have sprang stronger ties in the region to seek regional integration. But at the same time position. Qian has said over and over again during his campaign, that domestic improvements, particularly on the economic front, will come with the necessity of improved relations with the West and I believe here, really, the key focus will be on the US against all odds. That will be the priority. The Iranians have learned the hard way that relations to Europe can only be as good as relations with the US are more or less, and that there is a clear limit to Iran Europe relations, and that is Iran's relations with the US.

But I think that the priority and we have seen the congratulation or the congratulatory messages coming from the region, be it from the UAE and other countries to mess with positions. election victory, we should look at his inauguration ceremony on third on 30th of July, whether heads of state from these countries will attend. And let us not forget my final point here that The snap election came in came about after a deadly crash of the President and the foreign minister that was a major event which shook the country, it could have also been the reason for what we saw what we just saw in the elections, that it was necessary to see such a big event to shake the country to awaken some political minds that there is a time to really come back and think more strategically about the immediate and long term future of the country. But in short, I would say relations with the region will continue while at the same time putting more efforts into Iran US relations

Trita Parsi 38:18

Quick follow up on what you said about Europe. So clearly, the Iranian conclusion has been there is no substitute for dealing directly with the United States, rather than thinking that working through the Europeans, which had been part of the strategy in the past, but presumably there's going to be some diplomacy with European states as well. Do you foresee that to still be within the format of the E three, talking to Iran? Or will the Iranians start doing more direct outreach to individual states in Europe that they have slightly better relations with compared to for instance, what they have with Germany or the UK?

Adnan Tabatabai

We have to say that the European Union as an institution has had some stamina, trying to keep relations functional and trying to keep channels open. And there has been a message coming from Brussels towards president position Qian with the three and in particular Germany and France. The climate is really not conducive for any sort of meaningful outreach. That doesn't mean that against all odds, again, that will be there will be some effort invested into it. My sense from following conversations in Iran following publications of think tanks in Iran is really that

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there has to be some new approach towards dealing with the US regardless of whether it's a second Biden term or a return of of President Trump and a new government led by Him. I think, my sense is that that will be the priority over outreach to Europe.

Trita Parsi 39:57

The geopolitical situation of course has changed quite dramatically compared to what it was when the JCPOA talks were taking place with Obama administration, particularly mindful of the current war in Gaza, as well as the risk of a spill or we have several questions from the audience lower Ben Hamida, as well as Archer Hagerty on our asking questions in relation to that. And I'm going to rephrase some of them. But there is an outreach, as you said, to the Arab states, potentially on wrote an op ed, published an Arab publication. Where do you see changes taking place in Iran's posture towards what's happening right now in Gaza. And in a historical perspective, the profile has actually been quite low. rhetorically, in particular, obviously, the Iranians are in support of Hezbollah in support of Hamas. But they do not seem to have taken a very strong diplomatic initiative to take advantage of this. So for instance, to increase the gap between the Arab ruling elites and the Arab STS, which was a strategy that they use extensively in the 1980s and 90s. And even more recently than that, Muhammad, how do you see this evolving? Do you see the position on presidency bringing about any change in your approach towards what's happening in Gaza right now?

Mohammad Ali Shabani 41:17

So when approaching Palestinians foreign policy priorities, I think it's useful to consider how you want in foreign policy has evolved over the years. So it's not just that, say the IRGC, what force is more influential when it comes to policy towards Lebanon or Syria versus the Foreign Ministry. It said the role of Syria and nuance doctrine has changed. And what do I mean by this? I think, currently, the presence of Iran in the region has, over the past decade turn more and more into what's in the mainstream kind of debate anyone referred to as a forward defense. And in more recent years, we've seen more and more discussion of the region, and he wants presents and as a security priority. So if we think of it as previously, a political objective to make a statement that you want is influential in the region that you want is a recognized power, that it should be a recognized power. And even this influence is a kind of bargaining chip, I have a hard time at this point. For instance, thinking of our grand bargain style scenario, where we saw in 2003, some Iranian elements were thinking about, I don't know, dropping support for x and y group in exchange for grand deal with the US. I don't really see something like that happening, at least anytime soon, because these priorities have changed. These groups have changed, these relationships have changed, right? So Iran, the way things have evolved right now, the question number one arises, I think, for many people in the region is how is everyone going to approach its regional alliance network known as the Axis of Resistance? Because of performances in power? Anyone gonna drop support for Hezbollah? No, it's going to drop support for its allies within the Rockies take note, because today in Iraq, for instance, it's not just that these groups play a very important role in Iran security doctrine. They also play an important economic role, right? You walk in many ways is part of Iran's economic lungs. Right? So when you consider

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these changing rules, I think it becomes much more complex than just saying that well IRGC controls regional policy, and that's that now you have to understand why have things become the way they have.

And I'll give you one very specific example. Prior to 2018, when Trump reimpose sanctions, only one nuance priority has always been to reach international markets, right? Europe has always been the big consumer market, if you want always wanted to reach Europe for its energy exports, you wanted to build a pipeline through pipe all this world's second largest natural gas reserves. I mean, imagine if Iran right now had a huge pipeline to Europe, they would have our competitor, Russia, they would never have been a situation where Europe would be this dependent on Russia, right? So Europe has always been this space for economic collaboration and massive market technology transfer. When these sanctions were re imposed on one. One was caught off from international markets, right? Not just through the banking system, but also physically, how do you actually ship products? How do you build a pipeline through somebody else's territory when they don't want to deal with you? Right? So Iran was confined to its immediate geographic neighbors, because there is no possible way for the United States or any other power to prevent Iran from doing trade? Because physically, they're just, you know, there's a proximity that cannot be changed. So Iran right now, the way it's been stuck in there, it's almost pushed into the region, right? And here and here, in kind of lies the the contradiction here because the sanctions were imposed, ostensibly, partly to push push Iran out of the region, but what they did through their economic logic was to compel the world to go even deeper into the region. So if I was a US decision maker, I want to get Iran out of Iraq, what would I do? I would provide alternatives. I would tell why Hold on a second, let's be a bit smarter, maybe push Iran towards India, or Pakistan or Malaysia, instead of forcing you on to go deeper into Syria deeper into Lebanon deeper into your work, to secure go after his National Security go after its economy, etc. Oh, that makes sense.

Azadeh Moaveni 45:34

I'll pick up very briefly on on your, on your points about Iran not taking the opportunity to, to engage with Arab publics in the way that it has done at other moments. I mean, in a way, October 7, has changed the regional dynamics and attitudes amongst civil society and societies in the in the region on its own. So effectively, that Iran almost is in a position of not having to do that, you know, the the internal unpopularity and foment in countries like Egypt and Jordan, the street protests in Morocco, these are these are already happening without any sort of Iranian insertion of itself into sort of Arab public space to sort of, to sort of make itself relevant or to gain traction. You know, Israel is a country that's deeply unpopular in those societies. And those governments are the ones that are having to deal with the potential security repercussions of their positions on on the war, the possibilities of, of triggering militancy of anti regime mobilization, are very real in places like Jordan, in Egypt and Morocco. So in a way, Iran finds itself as is often the Islamic Republic has found itself in the last 2030 years, sort of accidentally, in a fortunate position of seeing some of its rival their opponents in this sort of post October 7 reality already contending with sort of deep discontent about regional politics and the government's position on Israel in a way that it sort of can sit back. I mean, I was really struck

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when I was in Tehran, two or three weeks ago about the total absence of, of gloating of, of murals of rhetoric. I mean, it was as though this Axis of Resistance is as a support for Hamas of as the sort of the culmination of the Islamic Republic's sort of regional posture, you know, that we're sort of sort of witnessing, as though none of it's happening. It was really, really striking to see to see and it's sort of public messaging, an essential sort of disengagement with what's happening in the region. So I think that does reflect something about, you know, where Iran finds itself with that question of, you know, should it is it inclined to should it take advantage of the moment to, to undermine its rivals, or to try and gain some leverage over or over Arab countries like Egypt, that it's considering some sort of rapprochement, where I think it's just sitting back, because the reality is such that, that it can.

Adnan Tabatabai 48:27

Just a brief point about improved US relations really also been important for Iran's regional relations. If I, for the moment focus on the GCC states, the improved relations to the Saudis to the Emiratis. And to Bahrain, which took the longest in among the GCC countries to improve relations with or to restore diplomatic ties. These countries remain very concerned about Iran US relations. So I think they will also be a genuine push, if we can call it that from regional neighbors of Iran to try and improve or ease tensions with the US be it in a transactional way, in short term, I agree with Muhammad, it's too difficult to even think about the grand bargain here. But maybe it's a it's a small step approach that could that could help this would be very welcomed in the region.

Trita Parsi 49:22

Mohammed you mentioned that Europe was a very important market for the Iranians, which now by and large has been lost. But you political circumstances have also deteriorated because Iran is now supporting Russia in Ukraine in various ways, which is much, much more important to the Europeans than anything that the Iranians did in the past in the region itself. So the question and we have several questions from Harris Gruman as well as Eldar Mamedov in the chat, what will happen in terms of the bonds orientations towards Russia and China and put Particularly with Russia, do we foresee that the relationship between Iran and Russia will evolve in such a way that perhaps the proximity of Iran in terms of assisting Russia will be far less than it has been in the last three years? You want to take that for?

Mohammad Ali Shabani 50:21

Sure. I think Russo Iranian relations have always been very tricky topic, anyone, there has always been one camp, which has been far more skeptic or skeptical of relations with Russia. And that's been the probably foreign camp. Having said that, I think at the very top of power, anyone, there is a skepticism there as well, they have walked into an unprecedented partnership with Russia since February 2022. After the invasion of Ukraine, partly because of the bigger international environment, they saw what happened under the Trump years. And they understood that, you know, the geopolitical moment that the US had is over, the world is

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changing, and they want to diversify. And this was a systemic decision. This wasn't reliant on any one, political currency, anyone. Now with a different camp, in charge of the presidency in Iran, and again, looking at the personnel involved, looking at the head of the transition currently being somebody like foreign, former Foreign Minister Zarif, who has stated that he will not accept any official cabinet position, still, he's probably gonna have some kind of advisory role, either formal or informal. You look at other members of the foreign policy kind of advisory team opposition. Clearly, these are skeptics of Russia. They are not in favor of cutting ties with Russia, but they want to balance them far more than we've seen in the past two years or so. And I can give you one very specific example of how they may want to leverage those ties to get what they want, and also to press the Russians. So there's been a lot of talk about the cooperation between you and Russia and drones or UAVs, which are in many ways, basically just guided missiles. But so far, Iran has refrained from transferring ballistic missiles.

NATO recently at its meeting, you know, issued another warning to you on that this is a big red line for us, right. And Iranians understand that they understand the bigger complications in relations with Europe more broadly, if they were to take such as the on the other hand, we've seen that the Russians have withheld some equipment, some military gear that you want, has wanted. So one of those things are Russian Su 35 million. Also they brought up Egypt. Interestingly, there are two squadrons of then there were supposed to be delivered to Egypt, that was cancelled, and now Iran has been trying to get its hands on those warplanes, they haven't been delivered. And the bigger backdrop for the lack of that delivery, of course, is the renewal of the Iran Russia Strategic Cooperation Agreement, which upon positions, election reports emerge, that talks on that app installed for at least a month, they've been halted. And position is probably gonna take a sweet time to think about what he is going to do is going to want to try to play Putin, he's going to want to try to play the US president, which I think any statesman in the reading probably should already is doing. That's not a surprise. But I think because we have this kind of somewhat of ideological shift in the presidency, anyone is going to be more skepticism of Russia, and how that may impact things down the line. I mean, we're just gonna have to wait and see it's it's far too early. As a final anecdote, I will just mention that Zadie. The person of the leave, is quite toxic, not just in Tehran, but also in Moscow. He's gone out publicly setting a multiple location that the Russians specifically labral didn't want the JCPOA. He didn't want a revival of the JCPOA. Russia is very content with Iran being locked into conflict with the United States and Israel, that provides Russia with a lot of bargaining chips, right. So Russia is not interested in the rapprochement between Iran and West at least that's the argument has already been made.

Trita Parsi 54:20

So what you're describing in some ways is that with a potential shift by positioning on Iran may start behaving a little bit more like other middle powers, such as Saudi such as Turkey in terms of trying to play various great powers against each other rather than what we've seen in the last three years, which has been a much more monotone. singular focus on improving relations with Russia and China in particular, but this nevertheless raises a question that has been asked in the chats here by Kevin Parker, Vaughn, and others, which is at the end of the day. Let's say

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that these are some of the desires that physician Qian has his team, very established team most likely will try to pursue, but to what extent will the Supreme Leader nevertheless be willing to give them leash in order to be able to pursue this mama, you mentioned earlier on that will be greater flexibility. How great will that flexibility be? Will there be a permission for the Iranians to directly talk to the United States, as was as Sean had suggested he would want to during the debates, even for instance, if there is a Trump presidency, I'll leave that up to everyone either. Why don't you go first?

Azadeh Moaveni 55:38

Um, I mean, it seems to me that the specter of a Trump presidency is is looming over this entire discussion and was part of the calculations in Teheran. Potentially revive compact between state and society would strengthen Iran in the event that it does need to go back or sustain some sort of major conflict with the United States. People if we can say that position, Qian has a popular mandate, it's a popular mandate to reengage and to end people's economic misery. It would be very surprising to see that. I mean, of course, there will be politicking over it. But it would be very surprising. And I think it might be the kind of ultimate annihilation of of peoples. And by that I mean the majority of Iranians who those who voted for possession and otherwise, if if that was blocked in the ways that it conventionally has been in the last 20 years. So I think that the costs to any kind of vestige of legitimacy in the system would be extreme, but maybe add on or Muhammad will have a sense of the power calculations within within the elite.

Trita Parsi 56:53

Adnan, why would you go first, and then I'll leave the last word to Mohammed.

Adnan Tabatabai 56:57

Okay. Just very quickly, I think what we will see now is how will Masoud Pezeshkian composed his cabinet, if he manages to go to think beyond political camps, and have more of a quote unquote, unity government, then there will be less infighting that will also force the supreme leader to at times give more eggs into the basket of one camp rather than the other. I think if Masoud's position is smart, he will try to keep some people in government during his tenure. And then that will also help him to have a more consensus based backing and political establishment that could enable him to be more bold on the foreign policy domain.

Mohammed Ali Shabani 57:44

Think the mandate and the permission for engagement is already there. It was issued over a year ago. And it's It takes two to tango, right? So just a few months ago, before his tragic death in the the helicopter crash, we reported that, for instance, the Iranian foreign minister at the time, Abdullah Yan wanted permission from the US State Department to visit Washington. Ostensibly, it was to inspect the intersection of Iran in DC, that visa was an issue. We know for a fact that there have been meetings between Iran and US officials, not just indirect meetings to

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have indirect meetings, whether they're continued to take place or not. I think at this stage is not just about choices that you want to make. It's also about the choices that the US may make. And most of all, I think we need to keep an eye on the time span. There's not much time until November. And if you are a decision maker, and you won, and you had the experience Trump in the past, saying that he will not honor anything signed by his Democratic predecessor. what guarantee do you have that history will not be repeated again? And if you have that experience in mind, how will that affect your decision making? Right? So I think my message is it takes two to tango, I think the US also needs to need to consider its options and so forth. And a final point. This dance has has begun, as expected, with each side going the opposite end. The first thing Petoskey on did for domestic reasons, was to send a message to Hassan Nasrallah to say we're not going to change anything. The first thing the US sided Kirby went out and said, Yeah, I'm not interested in talking to you. And this is completely to be expected they have to begin on diametrically opposed ends, right. But time is short. I don't know how much time we have for this dance. Right? So let's just have to wait and see and see work on decisions on me.

Trita Parsi

Thank you so much, and Adnan as you said, Time is short and this hour was too short for us to go into all of the different issues we wanted to talk about. But thankfully, we will have another webinar on July 25 at 1:30pm that will actually go further into exactly what these last questions we're about we're gonna have Aaron David Miller Valley Nast and Suzanne DiMaggio come and talk to us about exactly what you as options may be in terms of dealing with Iran under this new leadership in Iran, what options exist, what options perhaps should no longer exist, and the directions that whether it is Biden or Trump or perhaps someone else may want to take into account please join me in thanking none other than Marlon for a fantastic conversation. We look forward to having all of you back again and for all of those of you who have joined us over the internet thank you for being with us. If you haven't signed up for the Quincy mailing list, please go to www.quincyinst.org. Sign up for our mailing list that you get invitations to all of our different panel discussions, webinars, as well as all of the different reports that our think tank produces. Thank you all so much, and hope to see you soon again, particularly on July 25th. Thank you/