

# Is Iran an emerging colossus, or the next victim in the Gulf?

by Muriel Mirak-Weissbach

When George Bush unleashed the arsenal intended for super-power conflict against Iraq, Muslims in North Africa and the Near East took to the streets, calling on their governments to join Saddam Hussein's forces. Among the most vociferous were the Iranian fundamentalists who, schooled for 12 years to view Washington as "the Great Satan," clamored to join what they viewed as a holy war against the West. Yet President Ali Akbar Rafsanjani, who had consolidated state power in his person upon the death of Ayatollah Khomeini in 1989, seemed deaf to their cries, and remained astonishingly cool and aloof throughout the six weeks of air raids which bombed his neighbor Iraq back to a pre-industrial stage. His official neutrality, in a war which had brought together a motley coalition of regional and foreign forces, seemed to conceal tacit support for Iraq, a perception reinforced by Iran's decision to allow Iraqi planes safe refuge on Iranian territory. Yet, as soon as the war came to an official end, Teheran bared its teeth against Saddam Hussein, supporting both Shiite and Kurdish rebellions against Baghdad.

Many explained Iran's curious behavior in terms of lasting resentments against Iraq, which had defeated it in a brutal war (1980-88). But far more is at play. Iran has seized the opportunity presented by the war to accelerate a bid for hegemony in the region, and is playing a pragmatic game of geopolitics, not only regionally, but also vis-à-vis the super-powers, which is fraught with dangers. Whether the Iranian leadership grasps the intricacies of current world strategic realities and adjusts its course in time, or not, will determine whether it will prosper or perish.

Once the bombing raids had ceased to terrorize and kill Iraqi civilians, Iran made several moves intended to clinch its political, military, and spiritual predominance in the Gulf.

First, Teheran stepped up its support for the Shiites and Kurds, as Foreign Minister Ali Akbar Velayati, echoing George Bush, called out for "the will of the Iraqi people for democracy" to be heard. The calculation was that, were the rebel forces to succeed in removing Saddam from power, a coalition including Iraq's Kurds and Shiites would rule, and strike a regional alliance with Shiite Iran. The military reality of the Iraqi Republican Guards, combined with Gen. Norman

Schwarzkopf's turning the other way as Iraqi helicopters engaged in suppressing the rebellion, however, proved Iran's hopes ill-founded. Politically, too, Iran's attempts to court relations with Kurdish leaders failed utterly, as Saddam Hussein succeeded in engineering an agreement, first with Jalal Talabani, then with Massoud Barzani. The unplanned outcome of the Kurdish uprising, fostered by the Anglo-Americans as well as Iran, was that the latter found itself inundated with refugees, almost 2 million. Furthermore, although it had opened its borders to the Kurds in hopes of politically influencing them, the Iranian government found it had embraced a time-bomb; the project for a Kurdish "enclave" or Baghdad's offer of autonomy could only inflame the aspirations of Kurds within Iran to some form of national homeland.

While losing its political gamble with the Kurdish card, Iran tried to assert its spiritual hegemony. Armed with the knowledge that 90% of Iran's 55 million people are Shiites, and could mobilize Shiite masses in Saudi Arabia against the royal family, Velayati traveled to Riyadh in April to arrange a byzantine deal concerning the upcoming annual pilgrimage, the Hajj, to the Holy Places. This was the first meeting with King Fahd in years, since the two countries broke off diplomatic relations in 1987, after Saudi forces fired on a crowd of pilgrims during the Hajj, killing 400, mostly Iranians. In his discussions with the King, Velayati, who could vaunt the fact that his Muslim country had remained neutral in the war, whereas the Saudi Kingdom had allowed American forces to occupy it, succeeded in forcing Fahd and his interior minister to welcome upwards of 100,000 Iranian pilgrims this year. Furthermore, Riyadh is bound not to repeat its 1987 massacre, even if anti-American demonstrations erupt among the Shiite pilgrims. Thus, Iran believes it can play the Shiite card, as it unsuccessfully tried to play the Kurdish card, to influence Saudi developments.

The pragmatism associated with President Rafsanjani and his foreign minister applies in relations with international powers as well, including the "Great Satan" U.S.A. and the Soviet Union, with its large Muslim population. In an interview with the German weekly *Der Spiegel* in March,

Rafsanjani struck a conciliatory note on Washington, brushing aside the insinuation that continued U.S. military presence in the Gulf could constitute grounds for alarm in Teheran. According to the *Echo of Iran*, secret talks took place between National Security Adviser Gen. Brent Scowcroft and an Iranian security official, during the former's quiet visit to the region, to negotiate release of Western hostages held in Lebanon. More recently, German press outlets have reported that Velayati would mediate the release, on condition that the U.S. release the \$11 billion in frozen Iranian assets. There are indications in recent statements by Israeli Prime Minister Yitzhak Shamir, that Israel would free Hezbollah prisoners in Israeli jails, in return for the release of Westerners held hostage by Hezbollah in Lebanon. Iran has already showed its willingness to purchase political good will through hostage deals, in releasing prisoners to Great Britain. As if to broadcast its change of heart toward Washington, the Iranian diplomat who had negotiated the release of U.S. hostages in 1981, Behzad Nabavi, publicly denied that his government had negotiated to postpone their release, until after the Reagan-Bush ticket had clinched the elections.

What is of substance is Iran's desire to emerge from the international isolation it has been in since the 1979 revolution, and become a leading player in the poker game of geopolitics. This means, concretely, that if the Gulf and Middle East are to be the subject of a superpower-arranged security zone, Iran wants to be a part of the arrangement. It can promise Bush to keep quiet on the Irangate affair, as well as to keep the delicate equilibrium in Saudi Arabia. It can deliver similar promises to the Soviets, that it will not resort to time-tried tactics, of rabble-rousing among Shiites in Soviet Azerbaïdzhan. It can agree, with Turkey, to help Moscow ensure that no Muslim threat will further complicate an already precarious situation.

### **Unemployment at 20%**

Reviewing its post-Gulf war diplomacy, even a Kissinger would have reason to admire Iran's ostensible sophistication. Yet, there is more than one fatal flaw in Rafsanjani's pragmatism. First, and most importantly, such fancy maneuvering in itself will do nothing to alleviate the real problems of the country, which are economic and social. Recent reports in the German press paint a picture not of a regional colossus, but of a basket-case. Unemployment is at 20%. The average income is about 60-80,000 rials (\$60), but a decent apartment costs three or four times that much. Meat costs about 2,000-2,500 rials a pound and rice costs 1,000. Most people depend on food stamps to feed their families, and there is a severe housing shortage. Many desperate Iranians have flooded the cities, in search of better conditions, so that Teheran, which had 4 million residents in 1979, now has 11 million. It is estimated that, if present birth rates continue, the country will have 122 million people by the year 2025. On the other hand, economic development is a term most people still asso-

ciate with the long-gone days of the Shah. Projects initiated under his rule were stopped and never restarted. The skilled labor required to reindustrialize the country has gone into political exile, so regardless of handsome oil revenues, the country is stuck.

This is not to say that Iran's government is oblivious to its economic woes, nor blind to the social discontent it is already unleashing. Indeed, the most positive developments manifested in the last two months involve a series of intensive contacts with European, especially German, delegations interested in investing. Reports say that the government is welcoming foreign investors, and even sending emissaries abroad to try to convince expatriates to return, and help rebuild the country, devastated in the war against Iraq.

The problems of opening to the West are many. Most obviously, a return to the kind of great projects associated with the Shah's regime will ignite political explosions among the Shiite fundamentalists, who represent a parliamentary majority. The problem of political and cultural evolution cannot be left unsolved, if the country is to have a future. There is also the question of economic culture. In his outreach for foreign capital, Rafsanjani reportedly is tending toward a liberal market philosophy, which includes decentralizing the economic structures, privatizing, and lifting state subsidies—precisely what would turn a once-developed Third World country into a looting ground for Western finance.

If the forces in Iran's elite, who recognize the hazards of free market economy, are not afraid to pick up the industrialization process where the Shah left off, particularly by forging strong trade relationships with its erstwhile partners, Italy and Germany, there is every reason to believe that Iran could become a major contributor to ambitious regional development. This, as German Foreign Minister Hans-Dietrich Genscher and Economics Minister Jürgen Möllemann seem to have grasped, in turn provides the only basis for a durable peace. Whether Iranian politicians have grasped this is an open question, given the recent rash of manipulatory games.

In the best of hypotheses, proceeding confidently on the road to industrialization is itself not without its dangers, and this is another factor which Iran's leaders have evidently not grasped. Simply by virtue of its immense and growing population, Iran, if developed, would be construed as a major threat to the United States, in accordance with policies hammered out by the U.S. National Security Council in 1974. There is no room for doubt that an American administration continuing such policies would hesitate to deal out to Iran tomorrow the same treatment it gave Iraq only yesterday. Either Teheran faces up to the real nature of the "Great Satan"—which is not that simplistically depicted by Khomeini—or it will be targeted. One would think that such able tacticians, who certainly have ample, direct experience of methods utilized by the current U.S. government, would play their cards more astutely.