

Introduction - High Expectations

On the 12th June Iranian voters go to the polls in what amounts to a referendum on Mahmoud Ahmadinejad's presidency. With the Iranian economy in dire straits, instability in the border states of Iraq and Afghanistan, tense relations with the West and domestic agitation for social reform, this may be the most significant Presidential election for twenty years.



All of which has created expectations in the West of the promise of reform in Iranian society and its dealings with the world that could result from an Ahmadinejad defeat. Hopes abound of a 'liberal', 'reformist' victor who would unite Iranian society around values of toleration, ushering in a new age of domestic equality and freedom and a benign foreign policy.

Such hopes are of course utopian, as all of the contributors to this Strategic Update confirm. The centre of political power in Iran remains with the Supreme Leader, Ayatollah Khamenei, who hand-picked the electoral candidates as head of the Guardians Council, and political sentiment in Iran remains conservative and nationalistic. When Iranians go to the polls, they are voting for a President who will have significant power in both domestic and foreign policy, but the constitutional system of the Islamic Republic is not on the table, nor is there a great appetite for any such change.

Yet this election does present something of an opportunity to revise relations with the West, and it may be the first step on a long slow road of domestic liberalisation. The Presidency is a platform from which a successful candidate can mould the political discourse and shape policy. If women and young men get to the polls in sufficient numbers they may set in motion an agenda of modernity that enacts real changes in Iran, not fundamental or systemic reforms, but significant changes nonetheless.

We in the West however are however unlikely to see any change in the most pressing aspect of Iranian policy, its nuclear programme. Iran's progress towards nuclear weapons capability is now so far advanced that it seems inconceivable that any arrangement of carrots or sticks could convince the Iranian leadership, or the broader population, that achieving nuclear power status is undesirable. Whilst the United States and Europe appear prepared to go to any lengths to prevent Iran succeeding, the basic fact is that there is little they can do to stop Iran if it is determined to acquire nuclear capability. With little coming from Obama's meeting with Netanyahu the prospects of Arab-Israeli peace negotiations look bleak. And with the offer of significant input into that kind of region-defining diplomacy perhaps the only element of any grand bargain that may significantly interest the Iranians the prospects of arresting Iran's nuclear ambitions look bleaker still.



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The West learnt, however reluctantly, to live with a nuclear India and Pakistan, and it may have to learn to live with a nuclear Iran as well. Indeed, it can be argued that a nuclear Iran, its regime’s sovereignty guaranteed, may turn out to be a more responsible regional actor than the insecure state that sabre-rattles at Israel and supports terrorists groups in Lebanon and the Palestinian territories.

In this Strategic Update we look at the Iranian elections and assess the prospects for progress on a range of issues. **Zhand Shakibi** provides a rundown of the candidates and the key electoral issues, concluding that the prospect for a reformist victory depends on whether Iran’s young voters turn out in enough numbers.

Azadeh Akbari reflects on the progress the women’s movement has made since 2005, arguing that the consolidation of previously disparate groups in reaction to Ahmadinejad’s ultra-conservatism has forced women’s issues onto the agenda of the major candidates. Despite this progress, **Shirin Sadeghi** warns against undue optimism, noting that the candidates are all establishment figures, and that this election is more than anything else about a concerted attempt to rehabilitate Iran’s image in the world.

It is to those external relations that **Fawaz Gerges** directs the first half of his analysis, exploring the likelihood of a change in Iranian foreign policy and expecting shifts in tone rather than substance. In a election that will be decided on the bread-and-butter issues of the economy, with the attitudes of women voters key, he argues this presidential election may prove to be highly significant domestically, but that the West shouldn’t hold its breath on any progress on the nuclear issue.

Anoush Ehteshami builds on that analysis and traces the evolution of Iran’s nuclear programme and the West’s response, to show precisely why President Obama has such a tough task on his hands attempting to strike a ‘grand bargain’ with Tehran that would fundamentally alter American relations with the region.

Iran - Key Facts

Economy:

GDP (PPP):	\$842 billion (2008 est.)
per capita:	\$12,800 (2008 est.)
Labour Force:	24.35 million (2008 est.)
by occupation:	agriculture: 25%
	industry: 31%
	services: 45% (June 2007)
Unemployment:	12.5% (official, 2008)
Literacy:	male: 83.5%
	female: 70.4% (2002 est.)

Budget:	revenues: \$51 billion
	expenditures: \$103 billion
Inflation rate:	28% (official, 2008)

Demographics:

Population:	66,429,284
Age Structure:	0-14 years: 21.7%
	15-64 years: 72.9%
	65 years and over: 5.4%
Median Age:	27 years
Birth Rate:	17.17/1,000 population
Death Rate:	5.69/1,000 (2008 est.)
Pop’n growth:	0.883%

Society:

Religion:	Shia Muslim 89%, Sunni Muslim 9% other 2%
Ethnicity:	Persian 51%, Azeri 24%, Gilaki and Mazandarani 8%, Kurd 7%, Arab 3%, Lur 2%, Baloch 2%, Turkmen 2%,

Source: CIA World Factbook (2009 unless stated)