



Beyond the Headlines
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Iran: What Can We Expect from a Rouhani Presidency?

Patricia Ellis: Good afternoon, everyone, and welcome. Thank you all so much for joining us, especially on this very hot day; we definitely appreciate it. Today we're going to have another one of our Beyond the Headlines events with one of our favorite speakers, Barbara Slavin. She's a senior fellow at the Atlantic Council's South Asia Center and a Washington correspondent for Al-Monitor.com. Check it out; it's a very active website on news about and from the Middle East. She's going to speak today on what we can expect from a Rouhani presidency in Iran. He will be taking over in early August, so this is extremely timely, and we're just very happy to have Barbara back again. She's been a regular guide for us in understanding the implications of developments in Iran, be it related to sanctions; relations with the US, of course; the departure of the old and the coming on of the new president following the recent election.

I'm Patricia Ellis, president of the Women's Foreign Policy Group. We promote women's leadership, women's voices on pressing international issues of the day. I'd like to begin by recognizing two of our board members who are here with us today: Gail Kitch and Diana Negro Ponte. And a warm welcome to everyone, including our diplomatic colleagues.

Before I say a few more words about Barbara, then turn it over to her, I just wanted to mention two very interesting upcoming events that we have. On Monday evening, we will have an event at the residence of the Swiss ambassador—beautiful place, very interesting discussion. And then, the following day, on Tuesday at lunchtime, right back here in this room, we will be discussing Egypt with one of Barbara's colleagues, Michele Dunne, who is a real expert on Egypt, and we've also had her a number of times. So we hope you all can join us for both of these events, or one, or whatever you can do.

In terms of Barbara, for those who don't know her, she's a career journalist and she's worked for many different publications. She was assistant managing editor for world and national security at *The Washington Times*. I think when I met her she was senior diplomatic reporter for *USA Today*; she was the Cairo correspondent for *The Economist*; she's been editor for *The New York Times Week in Review*; [a] frequent commentator on Iran and US foreign policy. And, as I mentioned, she's currently at the Atlantic Council. A few years ago, we had Barbara when she had written her book—this was 2007—*Bitter Friends, Bosom Enemies: Iran, the US, and the Twisted Path to Confrontation*. So—relevant to today's discussion—she's been to Iran eight times, she was the first US newspaper reporter to interview President [Mahmoud] Ahmadinejad, and she also interviewed the president-elect in 2005. So, after Barbara speaks, I will open it up with some questions, and then we'll go to the audience, and we look forward to a very rich discussion and dialogue today. Thank you all so much for coming.

Barbara Slavin: Thank you so much, Patricia. Thank you so much for having me back. It's a nice way to sort of mark the changes in Iran. I think the last time I spoke to this group was in the summer of 2009, when Iran had just had disastrous elections marred by fraud, followed by huge protests—demonstrations—which were brutally crushed by the government, and I remember saying at the time that the Iranian regime had been shaken to the core, which I think was indeed the case. What I didn't

really anticipate at the time was that the rest of the region was going to start to rumble and shake as well, and it really has been an extraordinary period. I think, when we talk about Iran, we do have to talk about it in the context of what has been happening in the region as a whole, particularly since 2011.

In the midst of this turmoil, which has affected North Africa, the Levant, countries on the Persian Gulf, Iran held its presidential elections on June 14th. Iranian authorities were extremely nervous about these elections in light of what had happened in 2009 and also in light of the ferment, generally, in the region, where you've seen these massive examples of people power coming out to protest various regimes. So the Iranian government used a template that they perfected in 2012 parliamentary elections to try to control the process. They carefully vetted the candidates that would be allowed to run. There is an organization called the Guardian Council that vets all candidates for elected office and, out of nearly 700 people who registered to run, only eight, in the end, were approved. Among the people who were disqualified was a former president, [Ali Akbar Hashemi] Rafsanjani, which struck people as odd. They also banned large outdoor rallies, they slowed the Internet to a crawl, and they flooded Iranian cities with police and paramilitaries. As a result of this preparation, most of us—many of us—expected that the turnout would be quite low, and that probably there'd have to be a second round in the elections, that nobody would get 50% of the vote and they'd have to move to a second round.

Well, the Iranian people surprised us, as they are wont to do, and showed surprising forbearance and—dare I say—maturity. They made the best of their limited choices. What happened was that the centrist and reformist camps in the country, which had been somewhat beaten down over the last eight years under Ahmadinejad, they decided to coalesce behind one candidate, and that candidate was Hassan Rouhani, who is a veteran member of the Iranian regime, someone very closely associated, in particular, with former President Rafsanjani. He was considered sort of a stand-in for him, and when Rafsanjani was barred from running, Rouhani was allowed to run. Then a reformist candidate who had made it through the vetting process, Mohammad Aref, dropped out at the last minute so that the vote would not be split between Rouhani and Aref. On the other side, though, you had four conservative candidates who all stayed in the race, so, of course, they split the vote. Each one of them got just a small fraction, and Rouhani emerged with slightly more than 50% of the vote; he did not have to go to a second round. And the turnout—now, you know, we can't be entirely sure of these figures; this is what the Iranian government says, but they claim the turnout was over 70%, which was certainly quite respectable.

I've been following Iran for more than 30 years, but very, very closely for the last 17 years, and so I've learned never to get too enthusiastic about the possibilities for US–Iran reconciliation and bringing Iran back into the fold and so on, so I'm not going to be waxing hugely optimistic about it. As we all know, and as I wrote about in my book, there have been repeated opportunities to solve some of the differences between our two countries, and they've been missed because of activities on one side or the other. We've been very good at missing opportunities. I've said that there's a curse on US–Iran relations, that whenever one side is ready for reconciliation, the other is not, and vice versa.

But, with that preamble, I'm going to give you a few reasons—I'm going to talk about four reasons—why I am cautiously optimistic that at least things may not get worse in the near term, and we might actually be able to see some prospects for diplomatic progress between the two countries on the nuclear front and maybe some other issues as well. Why should we be a little bit optimistic?

Well, Rouhani is a very interesting figure. He is a regime insider. He is very, very close to the Supreme Leader, Ayatollah Ali Khamenei, who makes all the final decisions on foreign, defense, security policy in Iran. Rouhani has represented Khamenei on Iran's National Security Council for the last 23 years, and he was the head of that body for 16 years up until 2005. Because of this status, Rouhani is better placed to negotiate a nuclear deal than his predecessors. He actually was Iran's chief nuclear negotiator from 2003 to 2005, and during that period he agreed to suspend elements of Iran's nuclear program—other parts continued—but he did reach some agreements with Europeans at the time. So he has shown that he is someone who is more flexible, he's able to reach agreements with outsiders,

and he also knows what the Supreme Leader can and cannot support. There were reports just this week that Rouhani is now going to take responsibility for the nuclear talks into the president's office, away from the National Security Council, where there is still an Ahmadinejad and Khamenei holdover named Saeed Jalili who's been running the talks for the last few years. So this suggests that Rouhani will be very much hands-on in terms of future talks, which are likely to happen after he's inaugurated, in the fall. So that's reason one: he's an insider, he's an experienced former negotiator, he's really close to the Supreme Leader.

The second reason I'm a little bit optimistic is that Rouhani, I think, has a better chance than his predecessors of bridging the often paralyzing differences among Iranian factions that have doomed prior confidence-building measures with the United States. Some commentators call him a moderate; I don't really like that word—I think it's very wishy-washy, even in an Iranian context—but I'd call him a pragmatist. He manages to be close to the Supreme Leader, but he's also close to former President Rafsanjani and former President Mohammad Khatami, both of whom fell out with Khamenei during their presidencies. I think Rouhani will be able to bring in experienced technocrats from prior administrations—he may even keep a couple of people from Ahmadinejad's regime, but probably not that many, because most of them were very incompetent, dare I say. But he'll reach back, particularly to the Rafsanjani and Khatami era, and bring back some of these individuals. Some of the names mentioned for cabinet positions—these are people who—interestingly enough, all educated in the United States, many of them, and we haven't seen that with Ahmadinejad.

The third reason why I'm a little bit optimistic is that Rouhani understands just how deep a hole Iran's economy is in, and that the only way to stop it from getting deeper is to acknowledge the crisis and make some progress on the nuclear front that could bring sanctions relief. That's really the only hope. The outgoing president, Ahmadinejad, wouldn't even admit there was a hole, so he was in no position to alleviate the crisis. He was delusional or in denial; whenever you would ask him about the economic situation in Iran, he would say everything was just wonderful.

The fourth reason that I'm a little optimistic about Rouhani is that I think that he or a close aide will likely be authorized to hold direct talks with the United States on the nuclear issue and other matters. President Obama has said repeatedly that he's ready for such talks, and I think that it's pretty clear by now that this P5+1, this six-nation process that has been in effect since the George W. Bush administration, has not produced results. The only agreement—tentative agreement—that has been reached since Obama came in with the Iranians came in the fall of 2009, when then-Under Secretary of State Bill Burns met with Saeed Jalili one-on-one for 45 minutes in Geneva. They did reach a confidence-building measure, but it fell apart because Ahmadinejad was so unpopular after the 2009 elections that, when this agreement was announced in Tehran, everyone opposed to Ahmadinejad dumped all over it, basically, and the Supreme Leader had to withdraw it. Many in Iran saw it as an effort by Ahmadinejad to rebuild his tattered legitimacy and they simply did not want to give that to him. So this agreement fell apart and we haven't seen anything similar since the fall of 2009.

Now, I think that Rouhani—and if you read the Iranian press, you see that they've been sort of preparing people for this; he's made a number of comments about wanting a constructive relationship with the United States and trying to heal the wounds, etc., etc., so I think it would not be terribly controversial—or it would be less controversial—for some sort of direct channel between Iran and the United States to open up now.

Now, of course, there's plenty that can go wrong, and it usually does. There are domestic constituencies in both the United States and Iran that do not want to see any improvement in ties. There are major questions about whether the Supreme Leader wants any improvement in relations with the United States, since he sees the biggest threat to his regime, frankly, being a—what he calls—a “velvet revolution,” the influence of the West undermining the Islamic Republic and so on. But I think even he understands—and he said something extraordinary before the elections. He made an appeal the day before the elections; he said, “Even those of you who do not support the Islamic Republic,

come and vote, please, as Iranians.” This was huge; it was a recognition that the system has become very unpopular, and he was appealing to Iranians as patriots, not as Shia Muslims or supporters of the Islamic Republic, but as patriots, because Iran—the country—is under threat from sanctions and so on. So I think he recognizes the depth of the crisis, and it is indeed a crisis. Rouhani gave a speech before parliament on Sunday where he spoke truth; it was so refreshing. I mean, Ahmadinejad always lied, he always said everything was fine; it’s worse in Europe, it’s worse in the US. He would have these incredible ways of trying to spin things, but Rouhani came out and said, “Well, inflation is terrible.” He said, “It’s 40%, it’s the worst in the region and maybe the world.” Actually, it’s worse in Syria, but it’s pretty bad: at least 40%. He said that, on average, only 14,000 new jobs had been created each year for the last eight years, which is nothing when you consider how large the youthful population is, how many jobs they need to create: 100,000 to 150,000 jobs a year just to supply the young people coming out of Iranian universities each year. He also, during the campaign, linked Iran’s poor economic performance to the lack of progress in the nuclear negotiations. He said several times that, while it was very nice that Iran now has 10,000 centrifuges spinning away, wheels need to spin in people’s lives, wheels need to spin in factories. It’s not enough just to have centrifuges running. So this is going to be a major preoccupation for him.

But, as I mentioned, there is still, perhaps, a small faction of folks in Iran who might be opposed. And, of course, in the United States we have a great deal of skepticism about Rouhani, which I think is justified. I’ve been to a couple of congressional hearings on the subject where members of Congress are patting themselves on the back over the sanctions that have been imposed, and the sense is, “Well, if these sanctions have pushed Iran, perhaps, toward compromise, well, we should have more sanctions, and destroy the economy, and bring the country down completely.” I think we have enough sanctions right now, and that what we’re looking for now is a little bit of flexibility and creativity on both sides in terms of the negotiating process, to see if we really can get some sort of deal that will trade verifiable curbs on Iran’s nuclear program for the beginnings of sanctions relief, which is what Iran really needs.

The other sense I have is that we may be at the peak of our leverage now. With Ahmadinejad leaving—you know, he was a huge asset for the campaign to isolate Iran. The man denied the Holocaust; he regularly said Israel should be wiped from the pages of history. You’re not going to have him at the United Nations, disgracing himself and disgracing Iran, in September. You’re going to have Hassan Rouhani, who’s an experienced diplomat, who smiles a lot, who has a pleasant demeanor, and who knows how to behave. So this suggests that this campaign to isolate Iran may have reached its peak with Ahmadinejad on his way out.

Obviously, there are other players in this, and we can get into this in the Q&A, but I’ll mention Israel, since Israel always comes up. If you watched television last weekend, you saw [Israeli Prime Minister] Bibi Netanyahu—I think he was on “Face the Nation”—and he warned that Rouhani was a “wolf in sheep’s clothing,” compared to Ahmadinejad, who—Netanyahu said—was a “wolf in wolf’s clothing.” He expressed a lot of anxiety that, with everything else going on in the Middle East—Egypt [is] coming unglued, the Syrian civil war and so on—that the world would somehow forget about Iran’s nuclear program. He made a series of demands that Iran would have to give up its entire nuclear program, essentially, for him to be satisfied. I thought it was a little bit of chutzpah there, given that Israel has about 100 nuclear weapons and is a far bigger existential threat to Iran right now than Iran is to Israel, but, be that as it may, I think Netanyahu is sensing, also, that the tide may be turning. The Israeli threats to use military action, which he again repeated, have been very useful over the last couple of years in terms of getting Europeans, in particular, to enforce very tough sanctions on Iran. But Netanyahu has also been crying wolf for a very long time, to repeat the wolf metaphor; he’s been warning every year, I think, for the last 20 years that Iran would get the bomb next year, and so far that has not happened.

I put out on the table some copies, and you can also find them online—this is a report that the Iran Task Force at the Atlantic Council put out in April [\[link\]](#). I wrote it, even though my name is—you know, the

names of the Task Force members are on it, not mine—but it calls, among other things, for a credible military option against Iran as a last resort. I know that we always do have that option, but, frankly, I don't—I think it's too late for a military option against Iran's nuclear program. The knowledge of how to enrich uranium and build a bomb is already there in the heads of all of Iran's many nuclear scientists and even if part of the program were destroyed, they could reconstitute it and perhaps would have even greater justification for reconstituting it after an attack. So I think, as our intelligence services have all said, this is a political decision that the Iranian government needs to make, whether or not to go forward with making nuclear weapons, and we need to try to influence that decision. That means, yes, pressure—but it also means incentives, creativity, and I'm hoping that we will see a little bit more of that from both sides. So maybe I'll stop there. I'll be happy to talk about Syria, about other aspects of the regional picture, if you like.

Ellis: Well, I'm going to open things up and I have questions on a few different topics. One—and I'll just give you the areas and we can start with them. One is about the expectations. The expectations are so high, both within Iran and in the rest of the world, that things are going to change. Can he deliver on these expectations? So that's one area I'd like to start with. And could you talk a little more about how different he is from the person that he is succeeding, in terms of personality, style, and policy?

Slavin: The two are actually—the answers to the two are actually related, in a way. The expectations are actually not that high, I think. I was in Iran last August, and what people are looking for is a little bit of relief; they want things not to get worse and they want things to stabilize. And his mere election has already helped stabilize the currency, which was essentially in free fall over the last couple of years. They want—and this is something he promised during the campaign—they want honesty. As I mentioned, Ahmadinejad—you know, I've interviewed him three or four times and been in sessions with him three or four other times, and he was infuriating, from a journalistic perspective, because you would ask him a question, he would reply with a question. You would suggest something was going wrong in Iran, he would tell you no, it was worse in your country. I remember, at the height of the financial crisis in the US in 2008, he said this was great; it proved the superiority of the Iranian economic system. Well, of course, the idiot didn't realize that if the rest of the world was in recession, the price of oil would drop, and that might have an impact on Iran, as a major oil exporter. The last time I saw him at the UN, last September, I asked him: was there anything he regretted over his eight years? Anything he would do differently? No. He said people's conditions were better now than they were in 2005. I don't know if he actually believed this, or [if] he just felt that it was incumbent on him as a representative of Iran abroad not to criticize his own country at all when he was overseas, not to go on an "apology tour" or something. But it was just incredible. So Rouhani has already started by saying, "The situation is terrible, and we're going to do our best to start to address some of these issues," and he's also said that he's going to have a more constructive relationship with the United States, [and] that he's going to deal with the region. He made a big point in his first press conference, after he was elected, to say that he was going to go to Saudi Arabia and try to do something about that relationship, which is, of course, in tatters. And that would suggest we might see some shifts on Syria as well, because Iran and Saudi Arabia are fighting a proxy war now in Syria. So that, plus the fact that he's going to bring in experienced technocrats—people who've been in government before, who have some experience, particularly dealing with outsiders, and who are also more competent in terms of the economic management of the country internally—suggests that all he has to do is a little bit to start to turn the tide, and people will feel better about themselves.

Iranians have been ashamed of having Ahmadinejad as their president. You cannot imagine what it's been like for the majority of people in that country to know that this nincompoop was out there at Columbia University denying that there were any gays in the country, saying that 9/11 was something that the US did to itself. You know, just not having him in the picture anymore is going to be huge.

Ellis: You talked a little bit about priorities and you said the economy is a big priority. Is it jobs that he really has to deliver on? How much time does he have? And, also, what kind of clout does he have? He is an insider, but there are a lot of constraints on his internal actions. And then, on the other side, we'll

then turn to his international priorities, and deal with the constraints—both with the United States and in terms of the region, because I want to throw out: when he looks at Egypt, what does he see? What kind of message does this send to him?

Slavin: In terms of the economy, jobs, certainly. Inflation, I think, is actually a bigger issue right now. He said 40%; for a lot of goods, it's a lot higher than that. Because the currency is now worth—I think it's officially now worth about 24,000 to the dollar, it was 10,000, and on the free market it's more like 30,000 to the dollar. So, as a result, if something is imported, it's two, three times the price. If it has imported components, it's two, three times the price. I think inflation is the first thing he has to get a handle on. In terms of jobs, that means investment, and that means reestablishing confidence, so that Iranians invest their money, but it also means sanctions. The sanctions regime is killing the country. They export less than half the amount of oil that they did two years ago; foreign investment in their oil and gas infrastructure is almost nil, it's way down; they can't use the international financial system. They do everything via barter, essentially, now, with the countries that they still sell oil to, and US legislation obliges the countries that are still buying oil to continue to cut those imports of oil by about 20% every six months. So it's a really bad situation. He needs to get, I think, some kind of at least partial nuclear deal to start to roll back these sanctions. That's the only thing that's going to stabilize the economy, and he made that very explicit during the campaign. In terms of his clout?

Ellis: He is an establishment person, even if he's a pragmatist. At the same time—I don't know, in terms of the power of his office, there definitely are constraints.

Slavin: There are large constraints. But he's very close to the Supreme Leader. He has been the Supreme Leader's representative on the National Security Council for 23 years. They came up together through the revolution and the Iran–Iraq war and so on. He has trust in the Supreme Leader. Whatever he does he will clear with the Supreme Leader in advance; he won't be springing things on him the way Ahmadinejad did. You know, Ahmadinejad misinterpreted his reelection in 2009. He thought that the Supreme Leader was stuck with him and so he could do anything he wanted and the Supreme Leader would back him. And he started firing cabinet ministers who were close to the Supreme Leader. And he went so far as to try to fire the intelligence minister, who, traditionally, is—you have to clear that position with the Supreme Leader. And then, you know, he had all sorts of ideas that he—he just simply went too far, and the Supreme Leader essentially cut him off. Ahmadinejad's been a lame duck for the last two years, in terms of his ability to really do anything. So Rouhani won't make the same mistake. And because the situation is so dire, I think he will be given some freedom, at least in the first few months, year, whatever, to try some different techniques. The Supreme Leader can be sitting back there thinking, "Go, talk to the Americans, you'll fail just like everybody else has," and maybe that's his view, but I think he'll give him an opportunity.

Ellis: So what options does the US have? Because there are very strong sanctions on right now and a lot of people in Congress, as you mentioned, are big supporters of these sanctions. So how difficult is it going to be, not just from the Iranian side, but from the American side?

Slavin: Well, my understanding is that a lot of this legislation—most of this legislation has waivers built in, so if there were a deal, the president could justify some sanctions relief on grounds of US national security. But I would look for the first steps to come from the Europeans because it would be, probably, easier for them to lift some of the sanctions, or maybe resume buying Iranian oil or something like that, make some of the banking transactions a little bit easier, perhaps. So we might see the first steps come from them. But this would only come in return for significant Iranian concessions on the nuclear front, including, I think, a very firm cap on the level of uranium enrichment that they are allowed to conduct.

Ellis: Just on the oil front: doesn't Iran have a big customer in China and some other countries?

Slavin: They're selling less than a million barrels a day now. They used to sell two and a half million barrels a day. It's been a drastic reduction, and the Chinese now are buying more oil, or will soon be

buying more oil, from Iraq than they are from Iran. Their major supplier is Saudi Arabia; they get a lot from Angola. It's Iran's misfortune that this whole crisis has come at a time when there is plenty of supply—and I haven't even mentioned US unconventional oil, shale oil, and gas and so on. So what could have caused really sharp spikes in the price of oil, now the international community is able to digest fairly well. Which is not to say this will continue forever; I mean, there may be a limit. That's why I say I think we're at the height of our leverage now, because if you keep taking Iranian oil off the market, we may see some increase in price. That will hurt all our economies right now. But so far—and this was part of the legislation: the Obama administration had to do a determination as to whether the sanctions would impact oil prices in a major way, and they decided that it would not, and that they were able to implement the legislation, which required Iran's remaining oil customers to cut back by about 20% every six months.

Ellis: So, lastly, just on the region, and Syria: you said that he talked about reaching out to Saudi Arabia, but at this time, I just read today that Iran is stepping up military assistance to Syria. There's a big division within the region, and how can they have a rapprochement as long as Iran is this big backer of Syria? And what about their views on Egypt? How do you think they are reading Egypt?

Slavin: Well, Iran has had some wins and some losses in terms of its regional posture. I would still argue that the height of their regional prominence and popularity was in 2006 when Hezbollah and Israel had a 30-day war and Hezbollah wasn't defeated—hence it won, in the lexicon of the Middle East—and Iran and Ahmadinejad and [Hezbollah leader] Hassan Nasrallah, they were all very popular, they were all riding high because of the confrontation with Israel. The picture has changed, of course, drastically, because of Syria. Iran is now seen as a narrow sectarian power, a Shiite power supporting the minority Assad regime with the support of Hezbollah, which is a Shiite Lebanese faction, and we have seen a really dangerous rise in sectarianism, with the Sunnis—who are a majority in the region—absolutely up in arms against the Iranians. Hezbollah is no longer as popular. Hamas, the Palestinian movement, has distanced itself from Iran, and from Hezbollah, because it's a primarily Sunni movement.

You mentioned Egypt: even with the Morsi government, which was very heavily Islamic-oriented, relations were extremely poor with Iran because of Syria. Morsi and the Muslim Brotherhood were supporting the opposition to Assad, in contrast to Iran. So this has been very damaging, in terms of Iran's narrative that it sides with the oppressed and that it has a pan-Islamic mission that goes beyond a sort of narrow Shiite Muslim focus. So while Iran may be feeling good about the fact that Assad appears to have regained some territory and the opposition in Syria is increasingly fractured and violent and riddled with jihadis and so on—Iran is happy about this for now—still, this whole conflict is doing long-term damage to Iran's posture in the region.

I'm not optimistic about an end to fighting in Syria anytime soon, but I do believe that, if and when the time comes when there will be a discussion about a ceasefire, that Iran has to be part of that discussion because of its support for the Assad regime. I would imagine we will see, very soon after Rouhani comes in, some back-channel discussions between the Saudis and the Iranians about what a settlement in Syria might actually look like, because this is a bleeding wound in the middle of the Middle East. It's destabilizing Jordan, it's threatening Turkey, it's got terrible potential ramifications for Lebanon, the refugee crisis—there are—what is it? Almost two million refugees now outside of Syria and more than 100,000 dead. So Rouhani said he would reach out to the Saudis, and I noticed that the French made some comments after he was elected that Iran might be invited to Geneva [peace] talks at some point, and this is a switch in the French position, which had been completely opposed to any Iranian participation before Rouhani's election. So I think we'll see a lot of interesting feelers. Whether it will amount to anything—at this point, I'm not sure.

In terms of Egypt, I've argued that the overthrow of Morsi—even though Morsi was not close to the Iranians, I think it's still a blow to Iran, which had been celebrating all of these revolutions in the Arab world as a kind of validation of the 1979 Iranian revolution. It saw them all through an Islamist lens; it

said it was part of an Islamist awakening. Well, one Islamist awakening has now been crushed, at least for the time being, in Egypt, and so that's also a blow, I think, to Iran. I wrote a piece a couple weeks ago saying that this was—that political Islam—I think the title of it was “Islam Is Not the Solution in the Middle East.” It's a huge blow to the concept of political Islam. The Muslim Brotherhood had this historic chance to show that they could actually govern, and they did not do a very good job. In fact, they alienated so many people that Egypt had what they're calling a “coupvolution,” so it's a big blow to the whole concept of political Islam and it's going to be very difficult for folks to recover from it. We've seen setbacks for the AKP party in Turkey, which has an Islamist tinge, and I think Rouhani's election itself was a repudiation of the regime. He's an insider, but he was the least hard-line candidate of the six that were running, and I believe that the vote for him was a protest vote against the Islamic regime.

Question: Diana Negroponte, a board member of the Women's Foreign Policy Group, at The Brookings Institution. Barbara, the Revolutionary Guard: an autonomous institution with a force of its own, or one that is subject to the decisions of the Supreme Leader? And the future of Rouhani's leadership [of the group]?

Question: My name is Shahin Mafi. Originally I'm from Iran, I'm Iranian-American, and I think my question is similar to the question that she had. I want to ask you: in your view, what are the similarities between the former president of Iran, Mohammad Khatami, and the new elected president, Rouhani? The entire world had high hopes for reform and less conservative government when Khatami was first elected. Why did he fail?

Question: Hi, Barbara. Peter Huessy. Simple question: what are Iran's strategic objectives? And what I mean is, not that they want to build x kind of missile, or support Hamas, but what do they want to do with it?

Slavin: Great questions. Diana: the Revolutionary Guard. It is not autonomous. The Revolutionary Guard is not autonomous. It is loyal to the Supreme Leader. It was created by the Supreme Leader. So I wouldn't see elements of it breaking off. What the Supreme Leader says will go, and I would imagine that Rouhani was popular among the Guard. The Guard—the leadership, of course, is an elite, but it is an organization that is largely built up of draftees, about 150,000 who are in the Revolutionary Guard, and I assume that they are buffeted by the same forces that buffet the rest of Iranian society, and they are unhappy about the inflation and unemployment and collapse of the currency just like everybody else. So they will take their cue from the Supreme Leader. Rouhani has good relationships with them; he's part of the national security establishment, as I mentioned—has been for a long time. He was, I think, a deputy commander during the Iran–Iraq war, 1980–88, which is, of course, a formative experience for many in the Revolutionary Guard and in the elite of the country. So I think Rouhani is a guy who will have a lot of support from the Guard.

That's a great question about Khatami. I always remember Khatami coming to the UN and telling us, “I'm not Ayatollah Gorbachev!” And I wrote in my book, “No, he was Ayatollah Khrushchev.” [*Laughter.*] He softened the edges of the system a little bit, but he did not in any way bring fundamental change to the Islamic Republic, and I think that's partly because, although he wasn't an outsider—in a sense, he was part of the revolutionary establishment—he was not an insider, like Rouhani was. His last big job, he was head of the national libraries. He was an intellectual, he is an intellectual. And people got so excited about his election that a lot of the people—his supporters got kind of carried away. And they went crazy, they started attacking all the different elements, all the different pillars of the revolution. They went after Rafsanjani. There were all these newspapers and this guy named Akbar Ghanji, a kind of crusading journalist, who wrote about Rafsanjani's responsibility for the murder of intellectuals. It's entirely possible that Rafsanjani was involved, but they kind of cannibalized each other, so that you had fights between the so-called pragmatist camp and the reformist camp, and they almost canceled each other out, in a way. Then, with a little help from George W. Bush and the “axis of evil,” the conservative wing came back and picked up the pieces of the system in 2004 and 2005. Rouhani won't make that mistake. The country has been through so many traumas now, since Khatami. There's tremendous

nostalgia about Khatami, as that was a much better period in terms of personal liberties. A lot of people remember him fondly now, but Rouhani will not challenge people in the way that a lot of the reformists did back in the late '90s and early part of the last decade. He's already talked about how he's going to try to reach out to all the different factions, that he's going to have a meritocracy, he's going to look for the best-qualified people, he's not going to look for people who are affiliated with a particular ideological point of view or not. His personality is also different. He's a national-security intellectual. He's not an intellectual intellectual.

Question: How do you think he's going to deal with Holy Leader Khamenei?

Slavin: He's close to him. He's going to clear everything in advance with him.

Question: He's going to follow him?

Slavin: He's going to explain to the Supreme Leader why he wants to do x, y, and z. He will get clearance. He also understands what the red lines are, I think—what he can't do. He's not going to make women stop wearing headscarves. He's not going to open up the whole system in the way that we would like to see. But he can make some improvements. I think one of the early indications will be whether they release two former presidential candidates from house arrest. Let me remind you that two of the gentlemen who ran for president in 2009 have been under house arrest for more than two years: [Mir Hossein] Mousavi and [Mehdi] Karroubi. And if these guys are freed—Rouhani talked during the campaign, and since he was elected, about stopping the filtering of the Internet to such a huge—I mean, now it's terrible. When I was last in Iran—it's interesting—in my hotel, I could get *The Washington Post*, but if I wanted to go to *The New York Times*, I would get a "Forbidden," and a redirect. [Laughter.] So they were less afraid of *The Washington Post* than *The New York Times*; I don't know why. And certain sites are blocked and so on, and the speed is very slow, and he basically said, "Look, people will find out about things. Do we want to put up all these silly barriers or do we want them to be aware of what's going on in the world?" Really, quite strong things. And he talked about improving the climate in the universities, bringing back some of the professors who've been sidelined, that kind of thing. So there's a lot he can do just to make people more comfortable in the society, and I'm hopeful he'll do that. But will he be Ayatollah Gorbachev? No. I think we're going to have to wait for Khamenei, for the Supreme Leader, to die before we get that opportunity.

And Peter's question: what are Iran's strategic objectives? Iran wants to survive. The Islamic Republic wants to survive. Look what's happened over the last four years in the region. Look at all these dominoes tumbling one by one. Look at Syria. Look at how afraid they were before this election, how tightly they controlled the process, because they had no confidence that people would not come out in the streets again. In fact, one of the reasons that Rafsanjani was not allowed to run—one of the theories that was put forward in the Iranian press—was that he would run, and he would lose, but the people would not believe that he had lost, and so they would come out on the street and demonstrate again like they did in 2009. That's how frightened they were of their own people. So their strategic objective is to make things a little better and get people to decide that, "Well, the system isn't exactly what we would want, but we can live with it, and we'd rather have that than what Egypt is going through, what Syria is going through. It's okay." That's their main objective. And, I mean, if they could get more, they'd like to keep Assad in power and they'd like to keep their links with Hezbollah. But beyond that, I think, it's still primarily safeguarding the system at home.

Question: Donna Constantinople. I'd love to hear your comments about our new foreign policy team. And how do you see them matched up with Rouhani? In that way, it will take someone on our side whose personality and whose appeal—so we're looking at Kerry, and a newly confirmed [Ambassador to the UN] Samantha Power, and a—shall we say—forceful [national security advisor] Susan Rice, but there may be others. But I would love to hear your views on whether we're positioned—forget them—in terms of what has to happen. What are we bringing to the table, and who?

Ellis: A follow-up to that is: where will the foreign policy be determined, in the White House or the State Department?

Question: Susan Kinsley. I'm wondering how you see Rouhani's presidency affecting Iraq, what his attitude will be in terms of influencing the leadership of Iraq or maybe the more strident Shiite groups, and how all that will affect the relations between the different ethnicities within Iraq?

Question: Susan Pearce. I'm interested if you—do you really believe that Ahmadinejad has gone off the face of the earth, and we're not going to see him or hear from him again? His ego is obviously so strong that I can't believe he's just decided to go take a nap. [*Laughter.*] And the other thing is the Supreme Leader. What are his real objectives? Do you think he's got some positive views toward US-Iranian relationships, and that good things could happen with him?

Slavin: In terms of: are we in good shape? I'm a little worried about that. I mean, look where we are. It's been 34 years since we've had diplomatic relations with Iran. We have no one in the US government who has ever set foot in the country. So, if you've never even been there, it's really hard. It's a very sophisticated country. It's more on the order of a Turkey than it is an Egypt. Well-educated people, clean streets, you can eat the salad and you don't get sick. It's head and shoulders above Pakistan. It's ahead of India—I mean, I just read about this horrible thing where all these kids who ate school lunches died—I mean, Iran is so far ahead. It was fairly far ahead before the revolution, and since the revolution, literacy has now spread to the entire young population, [along with] basic medical care. Obviously Iran would be a lot further ahead if it didn't have this regime and it hadn't been under sanctions and so on, but you have to think of a quite sophisticated country that should be farther ahead than it is. Our American diplomats don't get it because they've never been there. We had John Limbert, briefly, at the State Department, who had been there—he was one of our hostages—but, of course, when he was last there, it was under rather unpleasant circumstances. So we've got nobody, zero, zilch.

I don't know—[Under Secretary of State for Political Affairs] Wendy Sherman's a very nice lady. She's in charge of the P5+1, but she's very cautious, she comes to this from a background of having gotten burned on North Korea, so I don't think she's going to be a risk-taker. I worry that we may blow it by being not forthcoming enough, I really do. I worry about that a lot. I think the decisions will come from the White House, though; I think this will be White House-centered. John Kerry seems focused very much on Arab-Israeli peace talks and, perhaps, Syria. So I would look to Susan Rice, ultimately, on this, and there I'm a little bit hopeful. I think she's a very intelligent and creative lady, and if she sees a possibility for some real progress here, I would expect her to get behind it. I don't know what the channel could be that would open up; as I mentioned, the people who are being talked about for foreign minister or various other positions in the Iranian cabinet under Rouhani—many of them went to American universities, so they're fluent English speakers. It should be easy to set up a channel.

Question: What do you think is the chance of this becoming any kind of a legacy issue for Obama, in that he really doesn't have too many?

Slavin: Obama has—of course, as you know, non-proliferation is very, very important to him. So if he could get some sort of deal that basically assures the world that Iran will not build a bomb for another 5 to 10 years, if ever, that would be a major legacy issue for him. I think it's one he would be very proud of. But he's going to be very careful—as well he should be—that the talks are not a delaying mechanism, that they're not, as Senator Mark Kirk has called them, “rope-a-dope,” and that this really is a good deal. If it's not a good deal, he won't go for it. So I think the Iranians know they have their work cut out for them as well, in that the kinds of proposals they've put forward are crap, and that they will not pass muster. So I'm looking to see both sides show a little leg here, and then we'll see where it goes.

Iraq: Iraq is a success story as far as Iran is concerned. We got rid of Saddam Hussein and gave them Iraq, where the government is Shia-run and it's run by people many of whom lived in Iran during Saddam's period, and they were very close to Iran, and they don't move a muscle without Iran's permission. So they're happy with Iraq. They don't want to see it devolve into sectarian civil war, which is another reason for, maybe, doing something on the Syria front, because, as I mentioned, I don't think Iran wants to see the whole Middle East plunged into Sunni-versus-Shia. There are a lot more Sunni than there are Shia, and the Sunnis have major moneybags like Saudi Arabia and Qatar and the United Arab Emirates behind them that can really fuel things. Hezbollah has experienced some violence in its own backyard: there've been bombings in the southern suburbs of Beirut, a spokesman for the Assad regime who lives in Lebanon was just killed. This is very worrisome for the Iranians, to see that Hezbollah is losing its luster as a major and popular faction in Lebanon because of the sectarian divide. So Iraq is great. They don't want it to collapse, fall to pieces. They want [Prime Minister Nuri Kamal al-Maliki] to stay in power and to continue to have a lot of influence there. That's really important to them.

Ahmadinejad: yeah, he will pipe up from time to time. My line about him is that he's the fourth of seven children; he didn't get enough love as a child. [*Laughter.*] So he's desperate for attention—good, bad, he doesn't care. He just has to have attention. That's why he talked about the Holocaust, because it got attention. He liked that. So he will say things from time to time, but nobody will pay any attention anymore, and—I don't know. He'll be just sort of an oddity, a kind of curiosity, a relic of the regime.

Question: So he won't have any power?

Slavin: No, no. He will have no power. He's been—he managed to alienate just about everybody in Iranian society over his eight years. You know, he did have his supporters at the beginning, and there are still some who are grateful because he introduced subsidy reform that gave people cash payments that they could use, in lieu of the subsidies for things like gasoline and so on. But his economic policies and his nuclear policies were so disastrous that they got the sanctions, the collapse of the currency. So the handouts are worth nothing. And people are really suffering. People just think he's a joke, a bad joke.

Question: And the Supreme Leader?

Slavin: We're not going to see a love affair with the US as long as Khamenei is the Supreme Leader. But we might see a kind of ginger détente that—if it provides some relief for the economy—that he can justify, that he can justify as a win, especially if Iran is able to keep elements of its nuclear program. He can say that the world has recognized Iran's "right to enrich," something like that. He can claim that he's gotten something for all this suffering. But he will never be a lover of the United States. Nor will Rouhani, I think.

Question: Samira Damavandi. I was just wondering: Rouhani also, in his campaign, talked about a potential women's ministry, and that seemed to get a lot of attention in the country. I was just wondering what your thoughts were on that, and what you think this proposed ministry can do, and what—if we've seen anything in the past similar to this, what similarities or differences might there be in that?

Question: I'm Marjan Ehsassi, I'm Iranian, I work at the National Democratic Institute on Asia. I have two quick questions. One was: I read last week in an article a reference to Rouhani's memoirs. And I was on the phone yesterday asking someone in Iran to send it out for me to review. And I was wondering if you've had a chance to read it, or passages, and what they might say about him, positive or negative? And secondly, for organizations like NDI, based on our options in Iran, would you have any thoughts about how we can work with civil society?

Slavin: On the women's ministry: Iran has not had a women's ministry since the days of the shah. So that would be a very powerful signal to Iranian women that he intends to look into issues of concern to them. I wouldn't be surprised if he did choose someone—it would be interesting to see who he would

choose. A more important step would be to let some women who are in prison right now out of prison, like Nasrin Sotoudeh and some of the other really prominent women's rights advocates who are in prison for the mere act of being lawyers and defending other people who've been charged with various offenses against the regime. He could also try to call off the moralities police, who bug you if your hijab is not orthodox enough. Although, I must say, over the 17 years that I've been traveling to Iran, I've seen a dramatic change in the dress code. The way a lot of Iranian women interpret Islamic dress is imaginative, to say the least. Although the only thing you ever see in American newspapers are these dreadful pictures of women in chadors, actually, women in Iran—many of them are very, very fashionable. Headscarves have gotten smaller and smaller, and the tunics have gotten tighter and tighter, and the pants have gotten shorter and shorter—it's almost high fashion now, if you look at some of the outfits people wear. I always have to bring nicer clothes each time I go, not just the drab raincoat I used to wear at first, on my first visits there. So we'll see. There's a lot he can do. There's also—one of Ahmadinejad's more grotesque moves was to ban women from something like 40 different specialties in universities. He could cancel that, so that women can be anything they please! Let's hope he does some of that.

His memoirs: I haven't read all the way through, but most attention has focused on his comments about the nuclear issue, and how clever he was, and how he outfoxed the Europeans because, yes, he did suspend the uranium enrichment program, but while he was doing that, they perfected their ability to convert uranium into a precursor material that you inject into centrifuges to make enriched uranium. I think he was spinning. He was trying to show that he hadn't caved in. He did cave in. It was a huge concession at the time. It was 2003, the US had just knocked off its second adversarial government and the Iranians were quite afraid that they might be next, and they were also looking to see if they might do some sorts of deals with the US. He, with the permission of the Supreme Leader, did actually make some concessions on the nuclear front. That's why I think he might be able to do that again. He has a precedent for it. What I have read of his remarks—what strikes me, again, it's his candor. He's honest. He's honest about the problems Iran faces, about how decisions were made. When you compare him to Ahmadinejad, who really was off in cloud cuckooland, this is just—there's no proselytizing about the superiority of the Islamic system. This is just a very cold, rational exposition of Iran's situation and what it had to do at various times in order to deal with the crises that emerged. You could have been reading the memoirs of somebody from a number of other governments; you wouldn't necessarily know that it was Iran.

In terms of NDI, there isn't much you guys can do at all, given the Iranian government's allergy to "soft coup," "velvet revolution." I would not try to taint exchanges that go on with NDI money, I really wouldn't. You would have to launder it, frankly, through other NGO-type sources. Iranians don't really need education in democracy; they know pretty well what it is because they don't have it. The best—you know, giving them technical expertise so they can communicate among each other; we did actually lift sanctions on certain software and hardware that enables Iranians to access the Web a little bit better, download pictures, things like that. These are the kinds of practical tools they can use. But they don't really need instruction in how to change the government. The change that will come in Iran will come in an evolutionary manner; it's going to be slow. I don't think you're going to see a drastic and sudden shift the way we have in these other countries. And they've had a lot of—you know, sort of false starts. But the experience of 2009 is still very fresh in people's memories. It was a terrible letdown, and so you have a little bit of optimism now about Rouhani. They're going to cut him a lot of slack, to see if things can improve a little bit, and then they'll try to push the envelope in the next elections and try to see if somebody will run who's a little bit better than Rouhani. Rouhani will probably get eight years; typically they do, so maybe during that period the Supreme Leader will die, there will be a new leader who will be better or there'll be a committee, maybe—they'll change the nature of the position. That's the kind of slow change I would anticipate seeing in Iran.

Question: Stanley Kober. We've mentioned Syria. Reports over the weekend of Taliban forces going to Syria; there are numerous stories about this. If that's the case—the sectarian conflict is out of hand,

and I don't see how you're going to get to the close of the threat. You have bombings in Lebanon spilling over, and they're penetrating as well as sectarian. But how you see this conflict—

Question: Allen Keiswetter. Do you think, in the past four years that you had Ahmadinejad, who—a buffoon, perhaps, and who won in 2009 at great expense and because of the Supreme Leader's support. This was followed by a period of what some call securitization of the regime, and now the term that's sometimes used is "we're back to real politics." My question is: is it possible that the Supreme Leader, when he cast his ballot, actually cast it for Rouhani, and that he is sort of a guiding force, as he was in 2009, and with securitization, and now is the guiding force behind the return to real politics?

Question: I just want to ask you what it's like when you're in Iran yourself. Do you have to wear a scarf and a long dress? Do you ever feel threatened and insecure?

Slavin: Taliban: I don't know that there are Taliban there or not. I mean, frankly, there is so much combustible material in Syria now. They don't need Taliban. They don't need more jihadis coming in. They are plenty of Sunni Syrians who are willing to fight the regime. But you do touch on something, which is that this has now become ground zero for the sectarian conflict in the region. It will attract crazies from all sides, and it's one of the reasons why it's going to be very, very hard to get a ceasefire and to tamp it down. I mean, I've even heard some conspiracy theories that the Iranians have encouraged Iraqi al-Qaeda members to go, somehow, to Syria. What it does, when you have al-Qaeda and the Taliban and so on on the other side, it makes Assad start to look, not good, but no worse. He's beginning to look like—"Well, maybe better him than al-Qaeda taking over Syria." So, you know, I wouldn't put it past—the Iranians are notorious for playing all sides against the middle. It suits their purposes that Assad looks less crazy than the other side. I mean, it's a terrible, terrible situation, and, of course, the biggest victims are the Syrian people.

Allen, your question about the Supreme Leader, guiding force: I think the Supreme Leader has power, but there's a limit. I think he also understands which way the wind is blowing. I think he supported Saeed Jalili; I think Jalili was his candidate in these elections, but they have a very brief campaign in Iran—it's only about three weeks, the official campaign—and they had a couple of debates and so on, and the Supreme Leader watched Jalili, and Jalili was a complete flop. He was a total dud. In all his public appearances, during the debates, he was the one who was saying that it was the best of all possible worlds, and he was saying, "Sanctions aren't bothering us," and "We will resist 'til the end," blah blah blah, and, of course, the Iranian people would have none of it. So the leaders saw—and they have internal polling—that, especially in the last 10 days or so, and even more so after the reformist candidate dropped out, that Rouhani was gaining steam, and that he was likely going to make it at least into a second round. Did he then put his thumb on the scale and ensure there was no second round, that Rouhani won in the first? It's entirely possible. It's entirely possible that Rouhani got more votes than that and they pretended he got less because it was too humiliating to all the rest of the candidates who were running: not just Jalili, but there was also a former foreign minister, [Ali Akbar] Velayati, very close to the Supreme Leader; the mayor of Tehran; and one other guy, so it was a total repudiation of those considered really close to the Supreme Leader from the conservative side. He'll go with it, you know? He trusts Rouhani, he knows Rouhani won't surprise him, that Rouhani will tell him what he's going to do before he does it, and he'll go with it for a while. He'll see how it goes; if it doesn't work, well, he can say, "I told you so," like I mentioned earlier.

What's it like to be there? Well, as I mentioned, it's actually not quite as bad as it used to be. The last time I was there, I wore sandals and I had painted toes, which I would not have done a few years earlier. My headscarves were very light and relatively small—although, actually, a bigger headscarf is somehow better because you can put it loosely around your head and it's more comfortable. If it's a small one, you have to tie it tightly so it doesn't fall off—at least, I do, anyway. So I'd go with the very light, colored—you know, it doesn't have to be black—very light, sort of silky, filmy thing that you throw on. Threatened? No, I've never felt threatened there. I did feel, on my last visit, that people were not as pleasant to me as they had been in the past. They are—it used to be said that the Iranians were the

most pro-American people from Marrakesh to Bangladesh: Muslims. I'm not sure that's the case anymore because of the sanctions. They blame their government, but they blame the United States for the sanctions, and particularly for the fact that things like imported medicine are very hard to get now. People are starting to die from cancer and other ailments because they can't get the medicines they used to get from Europe and the United States because of the banking sanctions. These companies will not sell to Iran because they don't know how to get paid legally. It's a big problem and it's one we've been working on and there are some recommendations about that in our Task Force report that I would recommend to you. I mean, if we want to maintain our influence with the Iranian people and their goodwill, we need to do some things to alleviate the impact—the humanitarian impact—of sanctions. We've not done a good job at it, and Congress, frankly, has acted like it doesn't give a damn, and that's very unfortunate. But, otherwise, no. It has been relatively safe. Again, crime is on the rise because of the economic situation—it used to be one of the safest places, now you have to watch it a little bit—and I wouldn't go out alone at night. There's a problem with drug addiction, people breaking into cars, things like that. But still, if I had a choice between going to Egypt right now, or Tehran? Go to Iran in a heartbeat. I really would. I'd feel much safer. I mean, I wouldn't be molested on the street or harassed in the way that a lot of women have been in Egypt, unfortunately, and it's a sad commentary on Egypt, I'm afraid.

Ellis: So, Barbara, we've come to the end of a really great program. You see why we keep inviting her back, because we always learn so much—and this time about what to look for and expect in this new regime in Iran and what it might mean for relations with the US. Thank you so much, again. Thank you all for coming out on such a hot day, and for your great questions, and we look forward to seeing you soon—hopefully next week.