

Contents

Acknowledgments	vii
1 Rouhani's First Two Years in Office: Opportunities and Risks in Contemporary Iran <i>Shahram Akbarzadeh & Dara Conduit</i>	1
2 Iran and the Changing Regional Strategic Environment <i>Amin Saikal</i>	17
3 Iran's Janus-Faced US Policy: The Rouhani Administration Between Continuity and Change, Opportunity and Constraint <i>Morgane Colleau</i>	33
4 Brothers or Comrades at Arms? Iran's Relations with Armenia and Azerbaijan <i>James Barry</i>	59
5 The UAE and Iran: The Different Layers of a Complex Security Issue <i>William Guéraiche</i>	75
6 How Foreign Is the Kurdish Issue in Iran's Foreign Policy? <i>Costas Laoutides</i>	93
7 Mesopotamian Nexus: Iran, Turkey, and the Kurds <i>William Gourlay</i>	111
8 Charting a New Course? Testing Rouhani's Foreign Policy Agency in the Iran–Syria Relationship <i>Shahram Akbarzadeh & Dara Conduit</i>	133

vi • Contents

9	<i>Bonyads</i> as Agents and Vehicles of the Islamic Republic's Soft Power <i>William Bullock Jenkins</i>	155
10	Future Prospects <i>Shahram Akbarzadeh & Dara Conduit</i>	177
	Selected Bibliography	183
	Notes on Contributors	195
	Index	197

CHAPTER 1

Rouhani's First Two Years in Office: Opportunities and Risks in Contemporary Iran

Shahram Akbarzadeh & Dara Conduit

President Hassan Rouhani surprised onlookers in June 2013 by winning the first round of the Iranian presidential election outright. Rouhani had campaigned on a platform of moderation, promising to form a “government of prudence and hope,” and raising expectations of an imminent shift in Iran’s international engagement.¹ On the campaign trail, Rouhani broke a number of political taboos. He criticized media censorship in a live television interview, questioned the need for heavy-handed state security, and declared that the 2009 postelection protests were “natural and popular.”² These statements were seen as potentially significant given that the two reformist candidates from the 2009 election (Mir Hossein Mousavi and Mehdi Karroubi) remained under house arrest, accused of carrying out a foreign plot against the Islamic regime.

On a symbolic level, Rouhani’s election represented more than a changing of the guards, because the polls came at a time of considerable domestic and regional crisis. Iran’s failure to resolve the nuclear dispute with the international community left Iran facing debilitating economic sanctions that were crippling the economy. Meanwhile, Iran was involved in a war in Syria to prop up its long-term ally, Bashar al-Assad, and facing increased sectarian animosity across the region. In the context of these challenges, Rouhani put forward a compelling argument for change, and as the only reformist candidate to run on the day of the 2013 poll, these policies stood him in stark contrast to his

competitors.³ Rouhani's electoral success could therefore only be seen as a strong mandate that reflected a popular desire for change.

Many questions have emerged during Rouhani's first term. Has Iran's new president created meaningful foreign policy change? Can Rouhani achieve a lasting rapprochement with the United States? Does Rouhani's experience of the presidency add greater depth to our understanding of Iranian foreign policymaking? And indeed, are presidents able to initiate meaningful foreign policy change in Iran? This volume addresses these questions by looking at Rouhani's foreign policy toward Iran's neighbors, as well as the high-profile Iran–US relationship. At the time of writing, Rouhani had been in office for only two years, but these were tumultuous years, rich in challenges and possibilities. Rouhani's record to date has been checkered, and therefore offers a revealing display of the strengths and limitations of the powers wielded by the incumbent president.

A Historic Opportunity for Change

Rouhani came to power at a key moment in Iranian history. The previous Iranian administration had been characterized by its tough stance on Israel and the United States, and inflexibility on the nuclear issue. President Ahmadinejad's provocative style had brought Iran to the brink of catastrophe. On more than one occasion, Washington or Tel Aviv threatened military intervention, while economic sanctions and fiscal mismanagement reaped havoc on the oil-rich Iranian economy. On the eve of the 2013 presidential election, annual inflation sat at 44 percent, while conservative estimates put youth unemployment above 25 percent.⁴ Furthermore, Ahmadinejad's disputed re-election in 2009 had undermined the legitimacy of Iran's Supreme Leader, Ali Khamenei. The subsequent demonstrations rocked the very foundation of the Islamic Republic—at the height of the protests, known as the “Green movement,” three million people had taken to the streets of Tehran.⁵ By 2013, therefore, frustration in Iran was palpable, especially among the country's burgeoning youth.

Hassan Rouhani came to office at a time when Iran's regional reach had expanded quite unexpectedly. In spite of Ahmadinejad's brash style, which had seriously damaged the country's international image, Iran had re-emerged as a regional power. The 2001 US intervention in Afghanistan saw Iran provide crucial support to the United States

by providing permission for search and rescue missions. At the first international donor conference on Afghan reconstruction in Tokyo in 2002, Iran pledged US\$560 million over five years, becoming one of the largest and most influential donors.⁶ The 2003 US invasion of Iraq represented another opportunity for Iran. Iraq's President Saddam Hussein had long been a thorn in Iran's side. The US decision to overthrow Saddam and back Iraq's Shi'a was music to Iran's ears. Iran, with obvious justification, expected the post-Saddam government to be friendly.

However, the spread of the Arab Spring in 2011 proved a mixed blessing for Iran. Iran had loudly touted its revolutionary credentials as the Ben Ali and Mubarak regimes fell in North Africa, but was silent when the uprising spread to Syria. The Syrian regime had become Iran's firmest ally in the wake of the 1979 revolution, so the collapse of the Assad dynasty would have dealt a considerable geopolitical blow to Iran. It would also have brought into question the viability of Hezbollah and Hamas. As a result, Iran became quietly embroiled in the Syrian conflict, and by the time Rouhani came to office, Iran was well and truly entrenched in the Syrian civil war. This involvement pitted Iran against its long-term rival, Saudi Arabia, who interpreted Tehran's role in Syria as a bold maneuver to seize regional hegemony and was committed to countering it. As a result, while Iran's influence on select states was at an all-time high on the eve of Rouhani's election, tensions and skepticism of Iran's intentions made it more isolated in the region than ever before.

Rouhani was widely hailed as a Reformist that could improve Iran's international position. As the former chief Iranian nuclear negotiator, he enjoyed a high profile on the international stage. Rouhani had garnered respect for his conduct in the role—the former-British Foreign Secretary, Jack Straw, described him as “warm and engaging . . . a strong Iranian patriot [who] was tough but fair to deal with and always on top of his brief.”⁷ Straw added that, “Rouhani was plainly anxious to bring about a settlement of the long-running conflict between Iran and the West.”⁸ The same year, Rouhani broke ranks with his colleagues by thanking the United States for the humanitarian aid it provided after the disastrous Bam earthquake.⁹ This marked a sharp divergence from the “Great Satan” moniker that dominated the official Iranian discourse on the United States at the time. Likewise, while Rouhani was educated in Qom alongside much of the Iranian political and religious elite, he also studied abroad, receiving a Master's

degree in Public Law and a PhD from the secular Glasgow Caledonian University in the UK.¹⁰

However, for all of Rouhani's moderation, it would be naïve to expect that he would fundamentally undermine the Iranian theocratic system. Rouhani is a "regime insider," deeply embedded in the Iranian political system. Rouhani was a key opponent of the Shah, having spent time with Ayatollah Khomeini and former President Hashemi Rafsanjani while they were in exile in Paris before the 1979 revolution. He had been forced to flee Iran himself in 1977 after declaring that Khomeini was an Imam.¹¹ Rouhani also played an important role in the Islamic state's first decade. During the Iran-Iraq war, he commanded Iran's air defenses, and in 1986, led the Iran–Contra negotiations between Iran and the United States as Deputy Speaker of the parliament.¹² Rouhani served on the Supreme National Security Council between 1989 and 2005, and became a member of the Expediency Council in 1997 and the Assembly of Experts in 1999.¹³ These credentials make Rouhani a clear insider with extensive knowledge of the strengths and weaknesses of the regime, and an unquestionable commitment to its survival. Simultaneously, these qualities make Rouhani uniquely placed to embark on rejuvenating the Islamic Republic of Iran.

Goals, Opportunities, and Challenges

The combination of Rouhani's significant political credentials, international reputation, and the scale of his popular mandate endowed him with considerable political capital. Rouhani himself hailed his win as "a victory for wisdom, moderation and maturity . . . over extremism."¹⁴ Early in his Presidency, Rouhani even appeared to enjoy the support of Khamenei, who argued that the time had come for Iran to exercise "heroic flexibility" in foreign policy.¹⁵

Rouhani set out an ambitious plan for foreign policy reform in the lead-up to the election that was defined by three inter-related themes: rebuilding the economy, resolving the nuclear issue, and ending Iran's international isolation. A paper penned in June 2014 by Iran's Foreign Minister, Mohammad Javad Zarif, in *Foreign Affairs* magazine confirmed these objectives, and in many ways read as a foreign policy manifesto for Iran's new government. It was quite clear that Rouhani and Zarif sought to improve Iran's economy and fix its international relations with a broader goal in mind: Reinstating Iran to its historic position on the world stage. Indeed, Zarif referred to Iran as a regional

“power” no fewer than four times in his landmark *Foreign Affairs* article, noting that “it is imperative for other states to accept the reality of Iran’s prominent role in the Middle East and beyond and to recognize and respect Iran’s legitimate national rights, interests, and security concerns.”¹⁶

Economic Recovery

Rebuilding the Iranian economy was Rouhani’s top priority. This would require not only dismantling international sanctions but also countering Iran’s reputation as an international pariah. Rouhani indicated the scale of these ambitions in a speech to the World Economic Forum in February 2014, proclaiming that: “Iran’s economy has the potential to be among the world’s top ten in the next three decades.”¹⁷ Many of Rouhani’s first moves as President were an extension of this push to rebuild the economy. He advocated opening Iran’s economy internationally, which he promised “doesn’t mean letting go of the nation’s ideals and principles.”¹⁸ He also counseled against past mistakes, which he perceived had led to a situation whereby the economy “pays for the politics . . . It would be good for once to act in reverse and have internal politics and foreign policy pay for the economy.”¹⁹ For Rouhani, foreign policy reform was a precondition for Iran’s economic recovery.

Rouhani was able to show tentative success in rehabilitating the economy. His international credibility and willingness to compromise on the nuclear issue led to a softening of international sanctions within months of coming to office. The IMF expected the Iranian economy to expand by 2.2 percent in 2015, a significant improvement after two years of recession in 2012 and 2013.²⁰ This was boosted by Iran’s automotive industry; car production increased by 53 percent between 2013 and 2014.²¹ By February 2015, Rouhani proudly announced that “we were able to bring down inflation from 40 percent to well below 16 percent . . . Iranian and foreign experts say what the government has done is more like a miracle from the economic viewpoint.”²² This was no small achievement given that the global oil price contracted sharply in the same period.

Rouhani’s electoral victory and his civil approach to the international community were welcomed by some international investors. India signed a memorandum of understanding on the Chabahar Port project in May 2015, despite US warnings against making deals with Iran in haste.²³ The project had been held up for more than

a decade because of international sanctions and represented a major achievement for Rouhani. As part of the deal, India has committed US\$85 million to set up a container terminal and multipurpose berth at Chabahar and a further US\$22.9 million annually for operating expenses.²⁴ India will also build a railway line between Chabahar and the Iranian city of Milak, which will significantly expand the volume of Afghan and Central Asian products transiting Iran. In March 2014, Rouhani also signed a US\$60 billion, 25-year deal for the supply of Iranian gas to Oman.²⁵ Although returning Iran to its former prosperity will also require major domestic reform—especially in targeting corruption—it is clear that Rouhani’s new foreign policy approach was able to relieve some pressure on the Iranian economy. However significant, these achievements remain tentative and reversible. President Rouhani is aware that full economic recovery is reliant on major restructuring of Iran’s foreign policy to end its international isolation. The gains made to date are revealing indicators of the potential for change in Iran and the significant benefits entailed in shedding its international pariah status.

Nuclear Issue

Iran’s nuclear ambitions and the question of a clandestine nuclear weapons program have been at the heart of the dispute between Iran and the international community. The string of international sanctions used by the United Nations, the United States, and the international community to enforce compliance proved unbearable for the Iranian economy, given its reliance on oil export revenue. Consequently, resolving the nuclear issue has been the centerpiece of Rouhani’s agenda. During the election campaign, Rouhani told a television audience that, “you should know the nuclear issue and the sanctions will also be resolved, and economic prosperity will also be created.”²⁶ He was later filmed in a campaign documentary saying, “it is good for centrifuges to operate, but it is also important that the country operates as well and the wheels of industry are turning.”²⁷ Upon election, Rouhani quickly moved to quash the nuclear issue, resuming negotiations and committing Iran to the interim agreement in November 2013. After attaining sanctions’ relief alongside the agreement, Rouhani even received a rare showing of support from Khamenei, who wrote an open letter to Rouhani, sending his “gratitude to the negotiating team and other officials” and proclaiming that “divine blessings and the prayers

and the support of the Iranian nation have brought about this achievement.”²⁸ Zarif went so far as to suggest that nuclear weapons were “detrimental to the country’s security and to its regional role.”²⁹

The nuclear issue became the ultimate test for Rouhani’s presidency. The July 2015 nuclear deal was therefore greeted with jubilation by his supporters, and quickly endowed Rouhani with reputation of the man who could change the course of history.

International and Regional Re-engagement

President Rouhani’s efforts to rewrite Iran’s foreign policy and bring Iran out of isolation were comprehensive and included the normalization of Iran’s external relations at the international and regional levels. Rouhani pledged to rebuild relations with countries near and far, with Iran–US relationship as his top priority. During his election campaign, Rouhani had said that, “the relationship between Iran and the United States is a complicated and difficult question. There is a chronic wound, which is difficult to heal. However, it is not impossible provided there is goodwill and mutual respect between the two countries.”³⁰ He also told *Asharq al-Awsat*, the London-based Arabic language newspaper with a predominantly Arab audience:

It seems that extremists on both sides are determined to maintain the state of hostility and hatred between the two states, but logic says that there should be a change of direction in order to turn a new page in this unstable relationship and minimize the state of hostility and mistrust between the two countries.³¹

Rouhani quickly put this pledge into action. Within two months of inauguration, Rouhani had held a historic phone call with US President Barack Obama, becoming the first Iranian and US presidents to speak directly since the Iranian revolution in 1979.³² Over the following two years, Rouhani and Obama fomented an unprecedented thaw in US–Iran relations, leading to a resolution of the nuclear issue and a significant improvement in Iran’s international reputation. Iran began welcoming Western dignitaries to Tehran—in March 2014, the EU’s foreign policy chief Catherine Ashton became the first EU official to visit Iran since 2008.³³ In April the following year, the Australian Foreign Minister, Julie Bishop, became the second Western political leader to have visited Iran in a decade.³⁴ It is difficult to overstate the significance of this shift.

Rouhani also reached out to Iran's neighbors in an effort to rebuild trust in the region. He told the World Economic Forum that "we intend to re-open trade with all our neighbors . . . and begin cooperation."³⁵ Rouhani was quick to extend a hand to his neighbors, although the historically frosty Iran–Saudi relationship proved difficult to improve. However, many of Iran's Gulf neighbors seemed open to rebuilding ties, with Oman's Sultan Qaboos visiting Iran in the first month of Rouhani's presidency. In doing this, Qaboos' message was loud and clear: The future of the Iran–Oman relationship would be bright on Rouhani's watch.³⁶ Likewise, Rouhani appeared open to engaging on Iran's historic territorial disputes with the UAE, including the status of the islands of Abu Musa and the two Tunbs. In late 2013, Foreign Minister Zarif toured the Gulf states with a view to improving Iran's relationships with its neighbors.³⁷ Before embarking on the trip, Zarif wrote an op-ed in *Asharq al-Awsat* titled, "Our Neighbors are our Priority," announcing that Iran "recognize[s] that we cannot promote our interests at the expense of others. This is particularly the case in relation to counterparts so close to us that their security and stability are intertwined with ours."³⁸ He added that,

Iran, content with its size, geography, and human and natural resources, and enjoying common bonds of religion, history and culture with its neighbors, has not attacked anyone in nearly three centuries. We extend our hand in friendship and Islamic solidarity to our neighbors, assuring them that they can count on us as a reliable partner.³⁹

Rouhani and Zarif quickly undertook a charm offensive across the region, visiting neighbors, discussing friendship, and presenting Iran as the region's elder statesman. The Iranian Ambassador to Azerbaijan, Mohsen Pak Ayeen, implied Iran's willingness to again negotiate a settlement of the long-running Nagorno–Karabagh conflict between Armenia and Azerbaijan, stating that the conflict has the potential to be resolved "using the regional capabilities."⁴⁰ This outreach was often complimented by soft power initiatives, especially through the country's extensive regional network of charitable trusts (*bonyads*).

Barriers to Success: Rouhani's Outreach amid Internal and External Challenges

Rouhani came to power with clear foreign policy goals, and while he began his presidency on firm footing, he faced enormous obstacles.

The international arena has presented a number of challenges: the deteriorating situation in Syria, increased sectarian tensions across the region, the persistent security challenges in Afghanistan, and the hardening of Israel's stance on Iran have combined to create an inhospitable environment for Rouhani's planned détente. Furthermore, Rouhani has faced powerful domestic detractors, particularly among the Iranian Revolutionary Guards Corps (IRGC) and Iran's conservative elite. Indeed, the interaction between Iran's domestic politics and the international environment has imposed considerable limitations on Rouhani's foreign policy agenda.

Hassan Rouhani walked into the presidential office facing a challenge to his foreign policy vision in the shape of Iran's involvement in the Syrian conflict. The Syrian regime's use of chemical weapons on civilians in August 2013 brought this into sharp focus. While Rouhani gave some indication of disapproval and suggested a possible shift in policy toward Syria, it soon became clear that his government had very little control over Iran's policy on Syria. Iran's continued support for Bashar al-Assad in Syria effectively undermined Rouhani's stated foreign policy goals of repairing Iran's relations with its neighbors. Iran's ongoing military and materiel support for the beleaguered Assad regime, especially after the failure of the Geneva II peace talks in January 2014, reaffirmed Iran's image as pariah state in the region and internationally. The worsening conflict, however, served the interests of hardliners in Iran, in particular the IRGC, who were running Iran's Syria policy. The IRGC's increasingly bold approach to Syria has drawn serious questions about whether there are some aspects of Iran's foreign policy that are "off limits" for the president. Zarif purportedly told the US Secretary of State John Kerry at the Munich Security Conference in February 2014 that he did not control Iran's foreign policy toward Syria.⁴¹ In this vein, the IRGC Chief, Qassem Soleimani, is reported to have sent a message to the former-CIA Director David Petraeus in early 2008 claiming that same applied to Iran's interactions with Iraq, Lebanon, Afghanistan, and Gaza, which were the IRGC's playground.⁴²

Rouhani's foreign policy agency was further undermined after the meteoric rise of the Islamic State of Iraq and Syria (ISIS) group. ISIS's sudden declaration of a caliphate across Iraq and Syria in June 2014 enforced hardliners' claims that Iran needed to take a firm line on combating *Takfiris* in Syria and now Iraq. This saw Soleimani, who had previously kept a low profile, take on an increasingly public role.

Soleimani was frequently photographed on the sidelines of the battlefields in both conflicts, demonstrating the new boldness with which the IRGC was willing to pursue its objectives. It also sent a strong message to Rouhani that the IRGC's role in its immediate neighborhood was not negotiable. In many ways, the IRGC's response was successful—Iran became one of the most effective actors in the fight against ISIS, undertaking targeted airstrikes and backing Iraq's militias to take a lead in the fight. ISIS's retreat after the battle of Tikrit in March and April 2015 was widely attributed to the success of Shi'a militias under Soleimani's instruction, and in May 2015, Iraq's Shi'a militias were painted as the only force capable of pushing ISIS from Ramadi. These developments merely compounded Rouhani's marginal role in the Iraq portfolio.⁴³

The conflict with ISIS had consequences beyond the Iranian domestic sphere. The IRGC's assertive response has raised significant concern among Iran's neighbors. Saudi Arabia, in particular, interpreted Iran's behavior in Iraq as a move to establish the long-feared "Shi'a Crescent" across the region. The state-based sectarian tension escalated following the Houthi coup in Yemen in February 2015. Saudi Arabia views the Houthi movement as an Iranian proxy and blamed Tehran for the unrest. Demonstrating the depth of Saudi animosity and suspicion of Iran, Saudi Arabia quickly mobilized a regional force to quell the Houthi rebellion and reinstate President Abd Rabbuh Mansur Hadi. The swift and decisive nature of Saudi's response to the coup—as opposed to its response to ISIS—demonstrated just how poor Iran–Saudi relations had become by mid-2015. It also suggested that while Rouhani had been trying to present himself as the "Diplomat Sheikh" for nearly two years, he had barely made inroads with some of Iran's neighbors.

The rise of ISIS also emboldened the Kurdish Regional Government (KRG) in northern Iraq. The fall of Mosul in June 2014 had demonstrated the woeful inadequacy of the US-trained and equipped Iraqi army, leading Iran and Western countries to provide weapons directly to the more-capable KRG *peshmerga*. Although this proved an effective policy as it prevented the ISIS push north, it also emboldened the KRG, leading to calls for independent statehood from key members of the Iraqi Kurdish community.⁴⁴ The KRG's independence would represent a significant conundrum for Iranian policymakers, who had long been concerned about the influence that Kurdish claims for independence in Iraq and Turkey might have on Iran's Kurdish population.

Index

- al-Abadi, Haider, 26
 Abdullah bin Zayed Al Nahyan, Sheikh, 78, 79–80, 87, 88
 Abdullahian, Amir, 145
 Abu Musa, 8, 77, 78, 89
 Afghanistan
 bonyads in, 163
 consequences to US, 23–4
 US intervention, 2–3
 Afghanistan-Iran relations, 26
 Afkham, Marzieh, 69
 Ahmadinejad, Mahmoud, 2, 23, 68, 83, 102
 Armenian and Azerbaijan policies, 65
 economic conditions under, 42–3
 exclusionist Kurdish policies, 96–7
 Iran-Syria relations under, 135–9
 letters to US presidents, 37–8
 nuclear program, 77, 79
 relations with Turkey, 114
 support for Syria, 133
 Akhundov, Javanshir, 66
 AKP, *see* Turkish Justice and Development Party (AKP)
 Alawite sect, 135
 Aliyev, Heidar President, 59, 66, 67, 70
 American embassy hostage crisis, 19, 35–6
 Anglo-Iranian Oil Company, 18
 Ansari, Ali, 162–3
 Anti-Money Laundering and Suspicious Cases Unit (AMLSCU), 85
 Arab League Ministerial Council, 78
 Arab Spring, 3, 20, 89, 117, 129, 135, 177
 armed forces, 21, 27
 Armenia, allies, 63
 Armenia and Azerbaijan conflicts, 8, 59–60, 61–2
 Armenia-Iran relations, 62–3, 65, 66
 artash (armed forces), 27
artash (armed forces), 21
 Asaib Ahl al-Haq, 138
Asharq al-Awsat, 7, 8
 Ashton, Catherine, 7
 al-Assad, Bashar, 1, 9, 24, 114
 Ahmadinejad support for, 136–9
 al-Assad, Hafez, 137
 Assembly of Experts, 4, 21, 65
 Assoudi, Mohammad Ali, Colonel, 138
Astan-e Qods-e Razavi, Komiteh-ye Emdad-e Emam Khomeini (Imam Khomeini Relief Committee), 157, 159, 162, 163
 transnational activities, 164–5
 automotive industry, 5
 Avadisians, Hamayak, 61
 Al Awadi, Abdul Rahim Mohamed, 85
 Axis of Evil, 36, 37, 120, 178
 Ayeen, Mohsen Pak, 8
 Azerbaijan, 179
 alliances with Israel and US, 64
 allies, 62
 relations with Israel, 67
 separatist conferences, 68

- Azerbaijani Soviet Socialist Republic, 62
- Azerbaijan-Iran relations, 59–62, 63–5
obstacles for engagement, 67–8
- banking sector sanctions, 85
- Barkey, Henri, 124
- Barzani, President, 122, 125, 126
- Basij-e Mosta'zafin* (Organization for Mobilization of the Oppressed), 21, 27, 49
- BBC, 87
- BBC Persian*, 145
- Beeman, William, 36
- Behravesht, Maysam, 38
- Bengio, Ofra, 123
- Bishop, Julie, 7
- Bolshevik Revolution 1917, 65
- Bolukat, Mehdi, 11
- Bonyad-e Farabi* (Farabi Foundation), 157, 162, 166
- Bonyad-e Mosta'zafin va Janbazan* (Foundation for the Oppressed and Disabled), 157, 162, 165, 166, 168
- Bonyad-e Panzdah-e Khordad* (15 Khordad Foundation), 157, 166
- Bonyad-e Resalat*, 156
- Bonyad-e Sa'adi*, 157
- Bonyad-e Shahid va Isargaran* (Martyr's and Veterans' Foundation), 157, 160, 162, 165
- Lebanese school system, 167
- bonyads*, 8, 21, 26, 101, 118, 155–71
distribution of aid, 165
influence over foreign and domestic policies, 162, 168–71, 180
support for hard power initiatives, 167–8
transnational activities, 163–8, 168
types of, 157
as vehicles of soft power, 162–3
- Bourdieu, Pierre, 61
- Bush administration, 36, 37–8, 83, 120, 178
- Bush, George, 120, 178
- Cameron, David, Prime Minister, 121
- Caspian summit 2014, 66–7
- Centre for Strategic Research, 42
- Chabahar Port project, 5–6
- charitable trusts, *see bonyads*
- China, 37
- chogan*, 65
- Clinton administration, 39, 81
- Cohen, David S., 87
- co-optive power, *see soft power*
- Council of Guardians of the Constitution, 21, 28
- cultural capital, 61
- cultural diplomacy, 101, 106, 166
- Davidson, Christopher, 81
- Davos summit 2014, 66, 67, 144
- Dehghan, Hossein, Brigadier General, 67, 141, 162
- Demiryol, Tolga, 115
- Al Dhakil, Khaled, 87
- al-Doueiri, Fayez, Major General, 145
- Dubai, 75, 76
- Dubai Customs, 82, 86
- Dubai Exports, 86
- economic foundations, *see bonyads*
- economic rebuilding strategies, 5–6
- Eftekhary, Asghar, 161
- Ehteshami, Anoushirvan, 162, 167
- Elchibey, Abulfaz, President, 64
- elections protest, 2
see also Green Movement
- Emirati Central Bank, 85
- Emirati National Bureau of Statistics, 81, 82
- Erdogan, Prime Minister, 114, 115, 117, 126
- EU-3, 39
- Eurovision, 65
- Expediency Council, 4, 21, 28, 43
- Facebook, 45
- al-Faisal, Saud, 48
- Farabi Foundation, 157, 162, 166
- Fars News*, 145
- Feltman, Jeffrey, 142

- 15 Khordad Foundation, 157, 166
Foreign Affairs, 4–5, 143
Foreign Policy, 180
 Foundation for the Oppressed and Disabled, 157, 162, 165, 166, 168
 Free Syrian Army, 136
- Gancavi, Nezami, 65
 Gates, Robert, 84
 Gause III, Gregory, 180
 Geneva II peace talks 2014, 142, 145
 Iran rebuke, 144, 146, 147, 178
 Georgia, 62
 Ghaani, Ismail, 138
 Global Society for Reconciliation between Islamic Schools, 157
 Gorbachev, Mikhail, 70–1
 governance structure, pluralistic
 theocratic, 22, 26
 Greater and the Lesser Tunbs, *see* two
 Tunbs
 Green Movement, 2
 Gulf Cooperation Council (GCC), 75, 76, 114
 requests to ease sanctions on Iran, 87–8
 Gulf Wars, 99, 102
- Hadi, Abd Rabbuh Mansur President, 10
 Hajizadeh, Amir Ali, 144
 al-Halqi, Wael, 146
 Hamas, 158, 167, 169
 Hamedani, Hossein Brigadier General, 145
 hard power, 27, 117, 158, 167–8
 Heydarov, Kemaluddin, 68
 Heydemann, Steven, 157
 Hezbollah, 114, 136, 139, 158, 160, 167, 168, 169
 Iranian backing, 24
 Syrian backing, 134
 Hezbollah-Israel War, 160, 164
 Hijab, Riyad, 137
 Hitti, Nassif, 166
- Hobsbawm, Eric, 61
 Hojati, Afshin, 60
 hostage crisis, 19, 35–6
 Houthi coup, 10, 25, 119, 169, 179
 HSBC, 85
 Hussein, Saddam, 3, 99, 116, 118
- ibn Talib, Ali, 134–5
 Imam Khomeini Complex, 166
 Imam Khomeini Relief Committee, 157, 159, 163
 transnational activities, 164–5
 IMF, 5
 Immami, Mohammad, 144
 interim nuclear agreements, 7
 International Atomic Energy Agency, 39
 International Crisis Group, 41
 international re-engagements, 7–8
 Iran, *see* Islamic Republic of Iran;
 Pahlavi dynasty
 Iran-Azerbaijan People's Republic, 123
 Iranian Revolution 1979, 17–18
 Iranian Revolutionary Guards Corps (IRGC), 104, 134, 158, 169
 influence over Syrian policies, 9–10, 137–9, 142–4, 145, 147–8, 180
 Quds Force, 136, 138, 145
 Iranian Students News Agency, 138
 Iraq and Iran's influence post 2011 in, 118–19
 Iran-Iraq War, 19, 81, 98–9, 116
 Iraq invasion, 3, 19
 consequences to US, 23–4
 Iraqi Kurdish movements, 26, 97, 98–103, 116
 see also Kurdistan; Kurdish Regional Government (KRG);
 peshmerga
 Islamic Charitable Emdad Committee (ICEC), 165
 Islamic Propagation Organization, 157
Islamic Republic News Agency, 144

- Islamic Republic of Iran
 ‘20-Year Economic Perspective,’ 43, 50, 161
 anti-American and anti-Zionist stance, 160
 anti-Western discourse, 38–9
 attempts to reduce US antagonism, 37–8
 Azerbaijani nationalism in, 64
 Azerbaijani population in, 69
 creation of, 18–20
 governance structure, 20–2
 historical and cultural connection with Kurds, 101–2
 influence and leverage in post-2011 Iraq, 118–19
 internal and external threats, 112, 127
 Islamic pragmatic factors, 24–6
 Kurdish nationalism in, 116
 military potential, 27
 non-interference in Caucasus region, 59
 proxy war with Turkey, 99
 re-engagement with US, 120–1
 reintegrating into international community, 142
 relations with KRG, 99, 105
 resilience factors, 20–6
 response to Kurdish request against ISIS, 126
 support to Iraqi Kurds, 26, 98–9, 116
 tourism infrastructure, 167
 trade and commerce with KAR, 100–1
 US sanctions against, 39–40, 81, 83–6
- Islamic Republic of Iran Broadcasting, 144
- Islamic Revolution Guard Corps (IRGC), 37
- Islamic Revolution of 1979, 33, 35–6, 94
- Islamic State of Iraq and Syria (ISIS), 20, 93, 112–13, 120–2, 177
 consequences of rise of, 9–10, 47
 impact on Kurdish dynamics, 122, 125–6
 impact on Kurdish priorities, 102–3
 impact on UAE relations with Iran, 75, 88–9
- Israel, 18
 concerns about US-Iran relations, 27, 28
 relations with Azerbaijan, 67
 Israeli intelligence, *see* Mossad
 Israel-Palestinian conflict, 29
- Jahan News Agency*, 11
Javan, 143, 144
 Jaysh al-Sha’bi, 138
 Joint Plan of Action (JPOA), 45, 48
Jyllands-Posten, 166
- Karabagh dispute, *see*
 Nagorno-Karabagh conflict
- Karroubi, Mehdi, 1
- Karzai, Hamid, President, 25, 26
- Kataib Hezbollah, 138
- Kataib Sayyid al-Shuhada, 138
- Kayhan*, 28, 65, 144
- Kerry, John, 9, 47, 48, 86, 146
- Khalid Mohammad Qawasim, Sheikh, 77
- Khalifa bin Zayed Al Nahyan, Sheikh, 76, 78, 87
- Khamenei, Ali Ayatollah, 2, 4, 6–7, 11, 25–6, 96, 180
 approval of talks with US, 49–50
 attitude towards ISIS, 121
 condemnation of Armenia, 63
 response to Obama’s Nowruz message, 40–1
 support for Rouhani, 28, 143
 support for Syria, 136
 on US-Iran relations, 35
- Khan, Reza, 18
- Khatami, Mohammed President, 11, 22, 68, 166
 diplomatic gestures towards US, 37, 120
 Kurdish inclusive policies, 96, 101
 rekindling Turkish relations, 114

- Khomeini, Ruhollah Ayatollah, 95, 143, 160
 exile, 4, 18
 fatwa on Rushdie, 166
 transforming Iran into Islamic Republic, 18, 20–2
- Kirkuk, 103, 122, 124–5
- Komala Party of Iranian Kurdistan, 104
- Komalay Jiyanaway Kurdistan* (Society of the Revival of Kurdistan), 94
- Kurdish agendas, evolving, 93–4
- Kurdish Autonomous Region (KAR), 97, 98, 99, 102
 trade and commerce with Iran, 100–1
- Kurdish Democratic Party of Iran (KDPI), 94, 98, 99
 assassination of leaders, 95
see also PDKI
- Kurdish militia, *see peshmerga*
- Kurdish Party of Democratic Unity (PYD), 124
- Kurdish Regional Government (KRG), 10, 97, 102, 103, 105
 relations with Turkey, 112, 119
 strive for independence, 122–3, 125–6
- Kurdistan, 99, 105, 123
see also Kurdish Autonomous Region (KAR)
- Kurdistan Democracy Party of Iran (KDPI), 124
- Kurdistan Worker's Party (PKK), 97, 98–9, 100, 112, 117
 bases in Iran, 116
 peace talks with Turkey, 102, 105, 124–5
- Kurds, as allies against ISIS, 122
- Kurds in Iran, 94–8, 101–2
 assassination of leaders, 95
 Kurdish state, 94, 116
 new wave of civil disobedience, 97
 sentiments towards Rouhani, 98, 104–5, 124
- Kuwait, 75
- Lausanne framework, 23, 89
- Lebanese Martyrs Foundation, 167
- Lebanon War, 135
- Levey, Stuart, 83–4, 85
- al-Mahdi, Mohammad, 135
- Majles-e Khobregan* (Assembly of Experts), 21, 65
- Majma'-e Jahani-ye Taqrib Beyne-e Mazaheb-e Eslami*, 157
- Majma'-e Tashkhis-e Maslahat-e Nizam* (Expediency Discernment Council of the System), 21, 28
- Maloney, Suzanne, 142
- Marashi, Reza, 39–40, 41–2
- Martyr's and Veterans' Foundation, 157, 160, 165
 Lebanese school system, 167
- media
 coverage of Karabagh conflict, 70
 criticisms about Rouhani's approaches, 144
 criticisms about US-Iran relations, 28
- Mehdi Army, 26
- Mehr News Agency*, 166
- Memorandum of Understandings, 5–6, 77, 86–7, 100
- MFA Anthology, 167, 169
- Mistura, Staffan de, 146
- Mohammed bin Rashid Al Maktoum, Sheikh, 75, 77, 85
- Mohammed bin Zayed Al Nahyan, Sheikh, 77, 84, 87
- Mohtadi, Abdullah, 104
- Mojahedin-e Khalq, 64
- Al-Monitor*, 139, 143
- Mosaddeq, Mohammad, 18
- Mossad, 64
- Mousavi, Mir Hossein, 1
- al-Mu'alem, Walid, 146
- Muhammad, Qazi, 94
- multilingual populations, 61
- Munich Security Conference 2014, 9, 146

- Nagorno-Karabagh conflict, 8, 59–60, 62, 69
 balance of media coverage, 70
- Nalbandian, Eduard, 67
- Nasrallah, Hassan, 135, 141
- NATO, 24
- neoliberal paradigms, 119
- neo-Ottoman approach, 114, 117–18
The New York Times, 177–8
- Noor Islamic Bank, 85
- Nuclear Non-Proliferation Treaty (NPT), 28
- nuclear program, 6–7, 23, 44–7
 interim agreements, 7
 under Ahmadinejad, 77, 79
 progress with, 178
see also P5+1
- Obama, Barack President, 7–8, 20, 28, 30, 120–1, 178
 improving relations with Iran, 23, 27
 meeting with GCC, 179
 Nowruz 2009 message, 40
 withdrawing troops from Afghanistan, 24
- Obama administration, 38, 46–7, 48–9, 84
- Olson, Robert, 124
- Oman, 75, 78, 86
- omnibalancing perspective
 Iranian internal politics, 120, 127
 ISIS issue, 121–2
 Kurdish issue, 112, 116–17, 125
 Turkish, 118, 126
- Operation Desert Storm, 81
- Organization for Culture and Islamic Relations, 166
- Organization for Mobilization of the Oppressed, 21, 27
- P5+1, 11, 42, 44, 50
 joint statement, 46, 48
- Pahlavi, Pierre, 60
- Pahlavi dynasty, 18, 77, 81, 106, 113, 157
see also Shah
- Pakistan
bonyads in, 165–6
 ties with Saudi Arabia, 29
- Paris Agreement 2004, 45
- Party of Free Life of Kurdistan (PJAK), 97, 100, 104–5, 116
- Patriotic Union of Kurdistan (PUK), 98, 99
- PDKI, 94
- peshmerga*, 10, 26, 103, 105, 122
- Petraeus, David, 9, 137
- PJAK, *see* Party of Free Life of Kurdistan (PJAK)
- PKK, *see* Kurdistan Worker's Party (PKK)
- pluralistic theocratic governance, 22, 26
- pragmatist politicians, 22
Press TV, 115, 122
- prudential realist approaches, 60
- PYD, *see* Kurdish Party of Democratic Unity (PYD)
- Qaboos, Sultan, 8, 86
- Qasimlu, Abdul Rahman, Dr, 95
- Qatar, 75
- Quds Force, 136, 138, 145
- Rafiqdust, Mohsen, 166
- Rafsanjani, Hashemi, President, 11, 22, 81, 96, 166
 exile, 4
Raja News, 144
- reformist politicians, 1–2, 3, 11, 22
- regional re-engagements, 7–8
- regional territorial disputes with UAE, 8, 77–80
- Republic of Mahabad, 94, 116, 123
- Republic of the Mullahs, 75, 76, 79, 83, 84
- Reuters*, 136
- Revolutionary Guard, 21, 27
- revolutions, history of various, 17–18
- Rezaee, Mohsen, 137

- Rouhani, Hassan President, 22
 approaches to Armenia and Azerbaijan, 66–70
 approaches to Assad regime, 119
 approaches to Syria, 139–47
 approaches to US foreign policies, 33–51
 attitudes towards Kurdish issue, 93–4, 103–5
bonyads influence in policies, 168–71
 challenges ahead, 180–1
 as chief nuclear negotiator, 3, 42, 45
 internal and external barriers to success, 8–12
 key aims and priorities, 42–4
 limits of presidential power, 142–4, 147–8
 media criticism of, 11
 obstacles to foreign policies, 177–9
 political credentials, 4, 42
 prioritising nuclear talks, 44–7
 reaction to Syrian use of chemical weapons, 141
 recognising minorities and languages, 68–9
 relations with GCC, 87–8
 relations with Turkey, 115
 response to Syria, 133
 success at 2013 elections, 1–3
 support from Khamenei, 4, 6–7, 11, 28
 support from Kurds, 98, 124
 UN General Assembly 2014, 121
 use of social media, 11, 45, 141
 using moderate language about Syria, 140–2
- Royal Oyster Group, 85
 Rushdie, Salman, 166–7
- al-Sadr, Muqtada, 26
 Safavid-Ottoman wars, 113
 Salehi, Ali Akbar, 38
 Sargsyan, Serzh, President, 66, 69
 Saudi Arabia, 3, 76
 concerns about US-Iran relations, 27
 defense spending, 179
 ties with Pakistan, 29
 Saudi Arabia-Iran relations, 8
 state of, 10, 19–20
Sazeman-e Tablighat-e Eslami (Islamic Propagation Organization), 157
 Security Council Resolution 1696, 79
 Security Council Resolution 1737, 79
 Security Council Resolution 1929, 84
Sepah, 145
 Sepahan Company, 85
Sepahi-e Pasdaran-e Enghilab-e Islam-e (Revolutionary Guard), 21, 27
 Shah
 exile, 19
 reinstatement of, 18
 suppression of Kurds, 94
 Sharafkandi, Sadiq, Dr, 95
 Shi'a Islam, 18, 20–1
Shora-ye Negabban-e Qanun-e Assasin (Council of Guardians of the Constitution), 21, 28
 Simko, Ismail Agha, 94
 social media, 11, 45, 141
 Society of the Revival of Kurdistan, 94
see also Kurdish Democratic Party of Iran (KDPI)
 soft power, 101, 114, 155, 158–62
 forms of, 160
 Kurdish policies, 102
 sources, 158
 Turkish, 117
 Soleimani, Qassem, 9–10, 137, 145, 147
 South Korea nuclear contract with UAE, 83
 Soviet Union, 61
 Steinberg, James, 85
 Straw, Jack, 3
 Sunni extremist groups, *see* Islamic State of Iraq and Syria (ISIS)
 Sunni Islamist insurgencies, 134
 Supreme Islamic Council, 143
 Supreme Leader, *see* Khamenei, Ali Ayatollah

- Supreme National Security Council, 4, 42, 76
- Syria
 Alawite sect, 135
 Iran's support of, 9, 133
- Syria-Iran relations, 133
 under Ahmadinejad, 135–9
 background, 134–5
 level of Iranian influence, 142–4
 under Rouhani, 139–47
 scale of military cooperation, 136–9, 145
- Talabani, Jalal, President, 102, 119
- Taliban, 25, 121
- Tehran Statement 2003, 45
- Tehran Times*, 166
- Tlass, Munaf, 137
- Tlass, Mustafa, 137
- Treaty of Zuhab, 113
- Treaty on the Non-Proliferation of Nuclear Weapons (NPT), 44
- Turkey
 Azerbaijan ally, 62
 Kurdish insurgency, 98–9
 Kurdish movements, 97
 Kurdish nationalism in, 116
 neo-Ottoman approach, 114, 117–18
 omnibalancing perspective, 118
 peace talks with PKK, 102, 105, 124–5
 relations with Azerbaijan, 64
 relations with KRG, 112, 119
 relations with Syria, 117
 as reliable US ally, 113–14
 slow reaction to ISIS, 121, 122, 127
see also Kurdistan Worker's Party (PKK)
- Turkey-Iran relations, 111
 common interests, 114–15
 dynamics, 117–20
 rivalry and political trajectories, 113–14
 strengthening trade, 115, 126
- Turki bin Faisal al-Saud, Prince, 179
- Turkish Justice and Development Party (AKP), 115
- Turkmanchai Treaty 1828, 65
- Twelver Shi'a Islam, 134
- Twitter, 11, 45, 141
- two Tunbs, 8, 77, 78, 89
- UAE Central Bank, 85
- UAE-Iran relations
 after emergence of ISIS, 75–7, 88–9
 history of territorial tensions, 77–80
 trade and commerce, 81–2, 83
- UN General Assembly 2007, 80
- UN General Assembly 2013, 78
- UN General Assembly 2014, 121
- UN Security Council, 79, 84
- United Arab Emirates (UAE), 75
 commerce with US, 83
 dealing with Iranian sanctions, 83–5
 history of Iranian migration, 81
 impact of Iranian sanctions on economy, 86
 nuclear contract with South Korea, 83
 regional territorial disputes, 8
 scales of analysis, 80–3
- United Nations Security Council, 39, 79, 84
- United States
 anti-Iran discourse, 38–9
 'Balancing Iranian Influence' (BII) strategy, 163
 commerce with UAE, 83
 decline of influence in Middle East, 23–4
 intervention in Afghanistan, 2–3
 Iraq invasion, 3
 sanctions against Iran, 39–40, 81, 83–6
 support of Shah regime, 18
 War on Terror campaign, 37, 120
- US-GCC meeting, 48

- US-Iran relations, 7, 19, 25–6
 - countries opposed to, 27–8
 - diplomacy and interactions, 47–50
 - implications for improved, 29–30
 - improving, 20, 23
 - reasons for strengthening, 40, 47, 178
- Rouhani's motives and
 - characteristic policies, 33–51
 - state of, 35–6
- Velayati, Ali Akbar, 38
- War on Terror campaign, 37, 120
- The Washington Post*, 11
- Western official visits to Iran, 7
- Wilde, Andreas, 163
- Wilson, Harold, 77
- World Azerbaijan Congress, 65
- World Economic Forum 2014, 5, 8, 43, 144
- Yemen, 40, 51
 - Houthi coup, 10, 25, 119, 169, 179
- Zarif, Mohammad Javad, 7, 9, 45, 59, 113, 142, 147
 - Foreign Affairs* article, 4–5, 143
 - Gulf tour, 8, 76, 86–8
 - The New York Times* article, 177–8
 - relations with Azerbaijan, 66–71
 - visits to Turkey, 115
- Zayed bin Sultan Al Nahyan, Sheikh, 78