

Editorials/Op-Ed

June 30, 2005

The Silver Lining in Iran

By ABBAS MILANI

Stanford, Calif.

THE hottest book in Iran these days is Bill Clinton's "My Life." There are three unauthorized translations on the market and at least two more on the way, Iranian newspapers report. By all accounts, a George W. Bush memoir might do just as well. And that is only the most recent indication of the overwhelmingly favorable disposition of the Iranian population toward the United States.

The same newspapers that reported the Clinton book sales last weekend also covered, with much fanfare, President-elect Mahmoud Ahmadinejad's defiant attitude toward the United States at his first press conference, on Sunday. Mr. Ahmadinejad stepped on a painting of the American flag as he went to vote. He dismissed the idea that Iran needed to build any relationship with the United States and vowed to continue Iran's nuclear program, which Washington opposes. As for the haughty Europeans, Mr. Ahmadinejad proclaimed, they must leave their ivory towers and speak to the Iranians as equals.

In fact, it is Iran's supreme leader, Ayatollah Ali Khamenei, and a cabal of conservative mullahs and Revolutionary Guards who have absconded to ivory towers with their dogma and greed for power. Ignoring serious signs of crisis, they masterminded Mr. Ahmadinejad's victory. According to three of Mr. Ahmadinejad's opponents, members of the Revolutionary Guards and the basij militia, who together number in the millions, were told whom to vote for and to bring up to 10 family members along with them to the polls. The same sources allege that millions of dollars from public coffers were distributed among militia members in order to bring out the hard-line vote.

Nevertheless, contrary to the common perception, this election is not so much a sign of the Iranian system's strength as of its weakness. Last week's presidential election is only the most recent example of the tactical wisdom and strategic foolishness of Iran's ruling mullahs. All the reformist candidates, particularly Ali Akbar Hashemi Rafsanjani, as well as the approximately 70 percent of the electorate who voted for reformists or boycotted the election, sought above all to limit Ayatollah Khamenei's increasing despotism. Rather than accepting this possible outcome, Ayatollah Khamenei and his allies made a grab for absolute power. In the process they may have unwittingly opened the door for democracy - because their hardball tactics have created the most serious rift in the ranks of ruling mullahs since the inception of the Islamic Republic. The experience of emerging democracies elsewhere has shown that dissension within ruling circles has often presaged the fall of authoritarianism.

Mr. Ahmadinejad's presidency will force a crisis not only in Iran's political establishment but also, and even more important, in its economy. Only a huge infusion of capital and expertise, along with open markets, can even begin to address the country's economic problems, which include high unemployment, a rapidly increasing labor force, cronyism and endemic corruption.

Such an infusion requires, more than anything, security and the rule of law. It requires a fairly elected president who inspires the confidence of investors and governments around the world. Instead, through a dubious election, Iran's kingmakers propelled a man into the presidency who has publicly opined that the stock market is a form of gambling with no place in a genuine Islamic society.

Not surprisingly, Mr. Ahmadinejad's election brought about the single greatest plunge in the Iranian stock market's history. The day is already known as Black Saturday, and the president-elect has been scrambling to undo the damage since. Indeed, Mr. Ahmadinejad hastened to promise that he would not shut the stock market, and the intelligence agencies set about "proving" that rumors of the market's closing were a conspiracy of the enemies of the state.

Instead of finding a sound strategic solution to Iran's economic woes, Ayatollah Khamenei and his allies have trotted out the old populist slogans of revolutionary justice, economic autarky and pseudosocialism. When that formula fails, as it did in the 1980's even with the charisma of Ayatollah Ruhollah Khomeini to help it along, the mullahs will be denied their last bastion of support among the country's poor, whose piety and deprivation they have long exploited. In the short term, the right wing has scored a major victory. In the long run, they have helped bring Iran one step closer to democracy.

Abbas Milani is director of the Iranian studies program at Stanford and co-director of the Iran Democracy Project at the Hoover Institution.