
Iran and its Revolution after 27 years

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March, 6, 2006

Different Approaches to Iran's Islamic Revolution

- ☐ Conspiracy Theory
- ☐ Economic Approach
- ☐ Theory on Modernization
- ☐ Autocracy
- ☐ Religion

My View

- ❑ Revolutions means uncertainty
- ❑ Religion had a critical influence to Iran's Revolution
- ❑ Autocracy, Modernization and Open political situation were accelerators.

Iran's Strengths

- ❑ Culture
- ❑ Geopolitics
- ❑ Religion
- ❑ Politics
- ❑ Mineral Resources
- ❑ Human Resources

Culture

- ❑ Iran's Long History
 - 7000 years of written history
- ❑ Iran's Social Attitudes
 - honesty
 - hospitality
 - anxious to knowledge
- ❑ Iran's Civilization
 - architecture
 - art
 - Literature



Iran and its Subregions

- ❑ Middle East
- ❑ Persian Gulf
- ❑ South West Asia
- ❑ Central Asia, Caucasus, and Afghanistan
- ❑ Caspian Basin



Religion

- ❑ Islam, Christianity, Judaism, Zoroaster
- ❑ Most of Iranians are Muslim
- ❑ Among Muslims, majority are Shi'ia, minorities, Sunni

Islam Definition by Koran

- ❑ Etymologically, Islam means surrender and obedience
- ❑ Islam is the religion which invites men toward this end
 - since its general purpose is the surrender of man to the laws governing the Universe and men,
 - with the result that through this surrender he worships only the One God and obeys only His command.

What is Shi'ia

- ❑ Means literally partisan or follower
- ❑ Refers to those who consider the succession to the Prophet Muhammad, to be the special right of his family.
- ❑ in the field of the Islamic sciences and culture, Shi'ia follows the school of the Household of the Prophet.

Shi'ia Belief

- On returning from the last pilgrimage to Mecca on the way to Medina at a site called Ghadire Khumm, the Prophet chose Ali as his successor before the vast crowd that was accompanying him.

Tradition (*Hadith*)

- In Thaghalayn tradition Prophet says, "I leave two things of value amidst you in trust which if you hold on to, you will never go astray:

- Koran

- Members of my household

These will never be separated until the Day of Judgment."

The History of Shi'ia (1)

- ❑ **First caliph** was selected through the vote of the majority of the companions,
- ❑ **Second caliph** by the will and testament of the first,
- ❑ **Third caliph** by a six-man council whose members and rulers of procedure were organized and determined by second caliph,
- ❑ During the third caliph, his relatives in Damascus (Umayyad), began to be lax in applying moral principles in government.
- ❑ In 656, people rebelled and after a few days of siege and fighting, **third caliph** was killed.

The History of Shi'ia (2)

- ❑ Ali became Fourth caliph
- ❑ Caliphate of Ali lasted about 4 years and 9 month
- ❑ During his period he followed ways of Prophet and brought conditions back to their original state.
- ❑ He forced the resignation of all incompetent political elements
- ❑ He began a major transformation of a revolutionary nature which caused him innumerable difficulties.

The History of Shi'ia (3)

- ❑ Ali continued his radically different type of government based more on righteousness than political efficacy
- ❑ His oppositions claim they wanted to revenge the death of third caliph, instigated bloody wars during all of Ali's caliph.
- ❑ Finally, Ali was assassinated in Kufa Mosque. His shrine is in Najaf in Iraq.

The History of Shi'ia (4)

- ❑ His son, **Hasan**, was recognized by the Shi'ia as second **Imam** and **caliph**.
- ❑ But **Mu'awiyah** (Umayyad) marched with his army toward **Iraq**, and began to wage war against Hasan.
- ❑ Finally, he was able to force **Hasan** to hand the caliphate over to him on the condition caliphate would be returned to him after the death of Mu'awiyah.
- ❑ **Hasan** was killed by poisoning.

The History of Shi'ia (5)

- ❑ Hasan brother, Hussein became Imam
- ❑ Mu'awiyah's son, Yezid, became caliph at 680
- ❑ Yezid massacred Hussein in the most atrocious manner along with his children, relatives and friends in Karbala (Iraq)
- ❑ He displayed the heads of grandson of Prophet in different cities.
- ❑ The element of martyrdom is referred to this event which was happened in 10th of Muharram 680 (Ashoura)

The History of Shi'ia (6)

- ❑ Tragic death of third Imam, Hussein, played a major role in the spread of Shiism, especially in regions of away from caliphate center, such as Iraq, Yemen and Persia.
- ❑ Before the end of first Islamic Century and 40 years after death of Hussein, Shi'ia took advantage of the internal differences in Umayyad Empire and began to organize themselves.

The History of Shi'ia (7)

- ❑ In 13th century, **Abbasid** gained the caliphate in the name of Prophet's family, and at the beginning showed some kindness to Shi'ia.
- ❑ But soon they began to follow unjust ways of the Umayyad.
- ❑ Shi'ia learned to live for the most part in hiding and followed their religious life secretly without external manifestation.

The History of Shi'ia (8)

- ❑ In 14th century, Shiism able to breath once again,
- ❑ Many scientific and philosophical books were translated from Greek, Syriac and other languages into Arabic.
- ❑ People eagerly studied intellectual and rational sciences
- ❑ Shi'ia theologians and scholars did their utmost to further scholarly activities and propagate Shi'ia teaching.

The History of Shi'ia (9)

- ❑ In 15th century, Abbasid government declined, the Buyids, who were Shi'ia had the great influence in Persia and Baghdad.
- ❑ Most of the Arabian peninsula was Shi'ia except big cities.
- ❑ The Fatimids, who were Ismaili, conquered Egypt and organized a caliphate for 2 centuries.
- ❑ But, Shi'ism never became the official religion of any Muslim State.

The History of Shi'ia (10)

- ❑ In the 16th century, **Ismail**, a Shiite youth, began a revolt in **Ardabil** (**Iran**), with the aim of establishing an independent Shi'ia country.
- ❑ He succeeded in forming **Iran**, piece by piece in to a country and in making Shiism the official religion in his kingdom

Divisions within Shiism

☐ Twelve-Imam Shi'ia

- Majority of Shi'ia
- Alavis

☐ Ismailism:

- Nazariah (Agha Khan)
- Mosta'liah

☐ Zaydism

☐ Doruz

☐ Moghanna

Twelve-Imam Shi'ia

- ❑ There are 12 Imam
- ❑ The first was **Ali**, son of the law of **Prophet**
- ❑ The 12th is **Mahdi**, who was born in 872 in **Samarra (Iraq)**,
- ❑ He was hidden from public view.
- ❑ His occultation will continue as long as God wills it.
- ❑ **Mahdaviat: Doctrine of Hope in Shi'ia**

Religious Thought

- There are three methods of religious thought in Shi'ia:
 1. The path of external and formal aspect of religion (Shari'a)
 2. The path of intellectual understanding
 3. The path of spiritual comprehension achieved through sincerity (Ikhlas) in obeying God

The path of external and formal aspect of religion (Shari'a)

- Verbal expressions such
 - Believe in God and his Prophet
 - Perform the prayers

The path of intellectual understanding

- The intellectual path can discover the problems connected with faith, ethics, and general principles governing practical questions

The path of spiritual comprehension achieved through sincerity

- ❑ Men who have reached this knowledge have cut themselves off from everything and forgotten everything but God
- ❑ The nature of man has tendency to "divine attraction (Jazabeh)"
- ❑ Ali was the first Gnostic man (Sufi)

Imitation (Taghlid)

- ❑ Acquiring knowledge of the principles of religion is possible to a certain extent for everyone
- ❑ But acquiring detailed knowledge of the injunctions and laws is not possible for every Muslim.
- ❑ Only a few persons have the capacity for demonstrative jurisprudence.
- ❑ The duty of rest of the people is to seek guidance from capable and worthy men of learning, who are called *mujtahids* and *faqih*s.
- ❑ This act of following Mujtahids is called imitation or *taghlid*

Jihad (Holy War) in Shi'ia

□ There are only two types of Jihad:

I-Preliminary Jihad:

- expansion of Islam to other regions
- It is the responsibility of Prophet and 12 Imams to do that.
- It is rejected in occultation.

II-Defensive Jihad:

- prevent enemies to attack to the State
- Permitted in occultation period

Terrorism and Suicide

- ❑ Terrorism is prohibited because of the **Koran** Verse: "If you kill one person, it likes to kill all of society".
- ❑ Suicide is forbidden again by **Koran**: "Don't destroy your life by your hands"

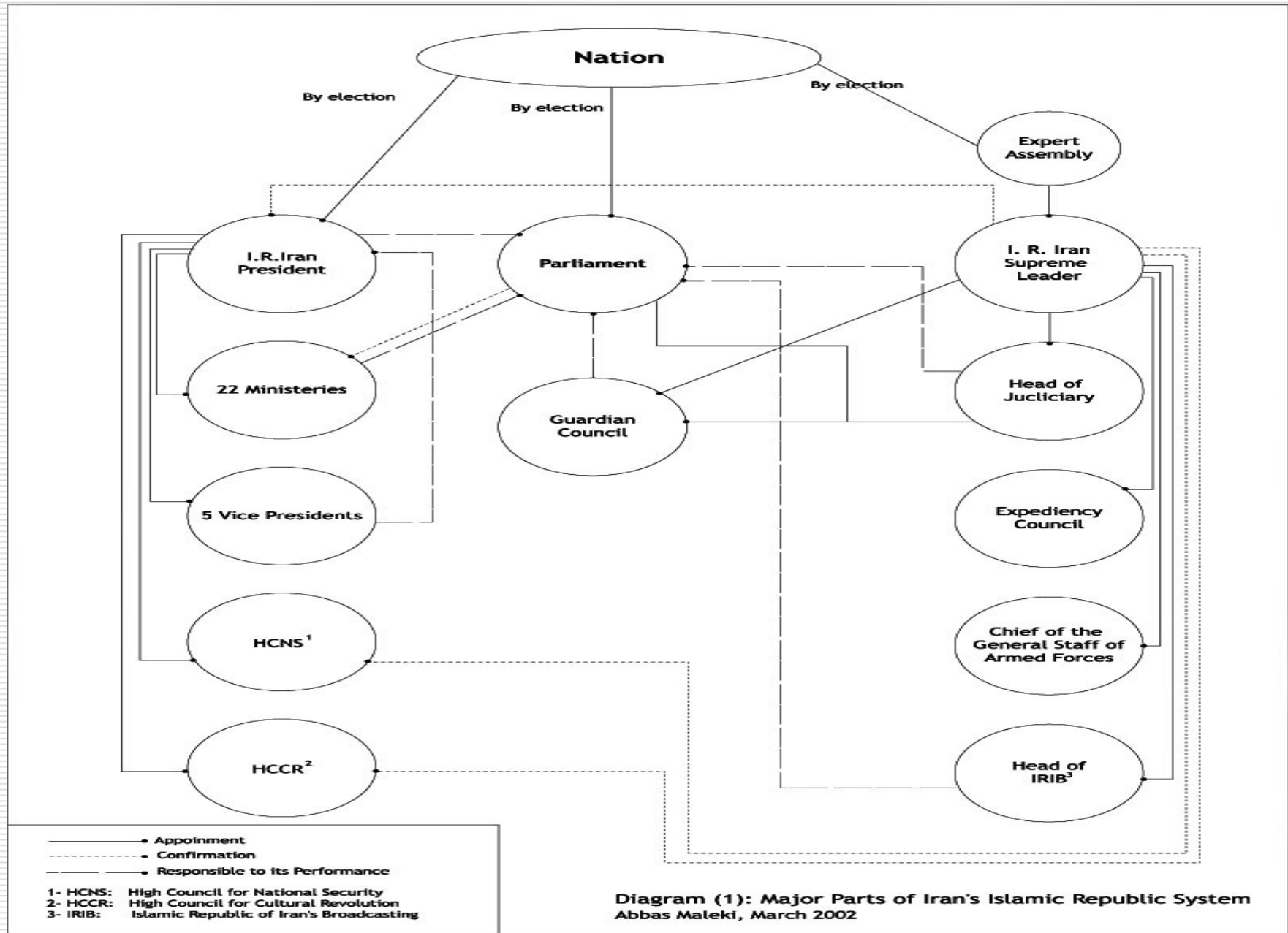
Shi'ite Concepts influenced on Iran's Revolution

- ❑ **Aashoura: The element of martyrdom**
- ❑ **Taghlid: Following Mujtahids or imitation**
- ❑ **Mahdaviyat: Occultation, Doctrine of Hope in Shi'ia**
- ❑ **Defensive Jihad: Protection of Dar ul-Islam**

politics

- ☐ Political System
- ☐ Foreign Policy
- ☐ Internal Policy
- ☐ Defense Policy
- ☐ Security Policy
- ☐ Energy Policy
- ☐ Economic Policy

Political System



Iran's Foreign Policy Decision Making

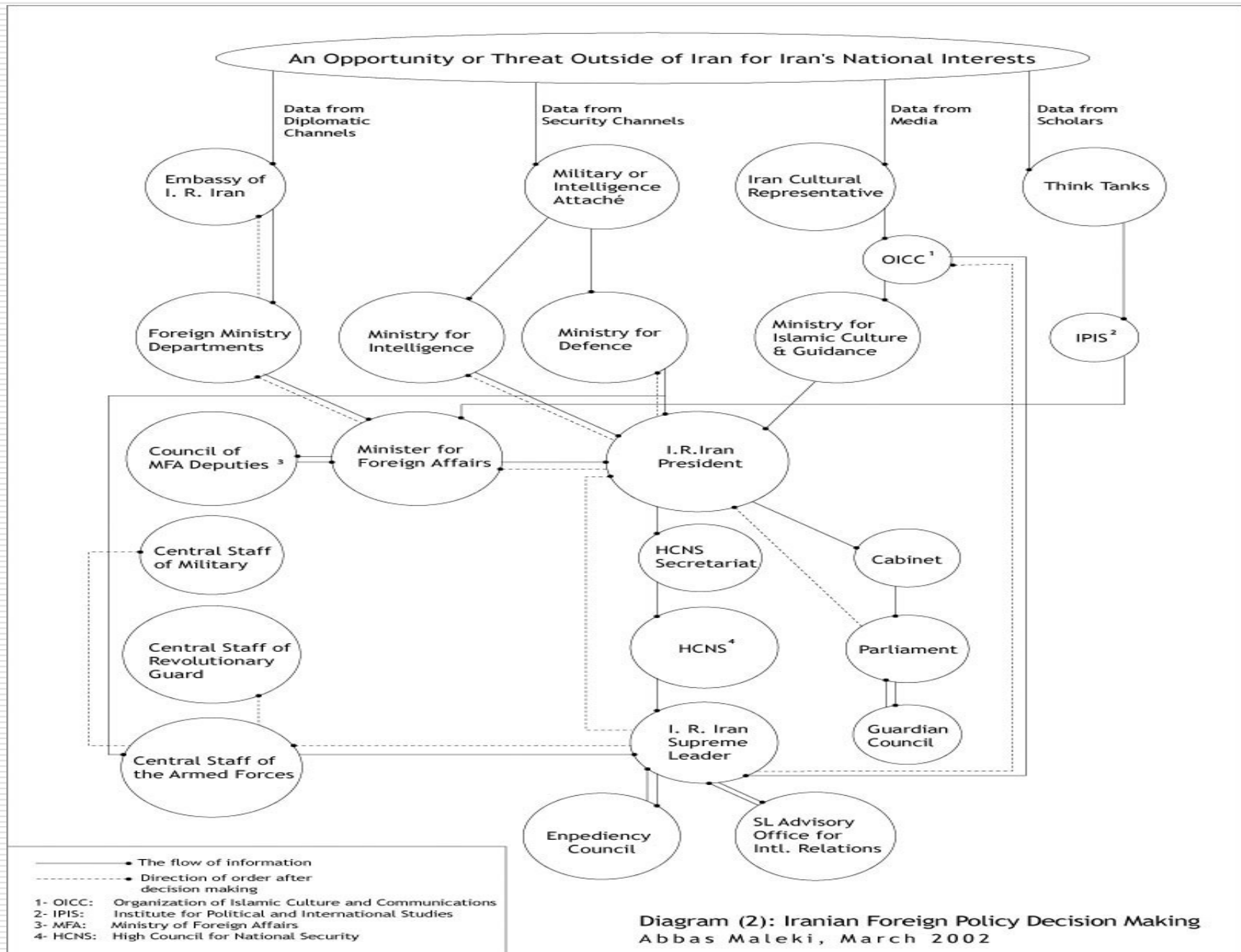


Diagram (2): Iranian Foreign Policy Decision Making
Abbas Maleki, March 2002

Islamic Foreign Policy

- ☐ Protection of Dar ul-Islam:
- ☐ Glory, Protection of Independence and Rejection of Dominance:
- ☐ Interest and Rules of Ability, No Harm and Avoidance:
- ☐ Establishment of Relations, Coexistence and Cooperation with other
- ☐ Countries:
- ☐ Support for the Rights of Muslims and the Oppressed of the World and
- ☐ Struggle against Oppression:
- ☐ Invitation and Propagation:
- ☐ Gaining the Endearment of others

3 Scenarios for Iran's Future

- ❑ Expansionism
- ❑ Isolationism
- ❑ Pro Development

Expansionism

- ❑ Hegemony in the region
- ❑ Intervene in the neighboring countries
- ❑ Crisis oriented policies

Driving Forces:

- Radical forces inside
- Extremists in the region
- Growing of authoritarian school of thoughts inside

Results: -Consensus against Iran
-Military attack on Iran
-lack of confidence with the Islamic states

Isolationism

-
- ❑ Cut of vital links with abroad
 - ❑ Deterioration of economic situation
 - ❑ Return to pre-information age

Driving Forces:

- US administration's behavior
- Europe's pressure in diplomatic negotiations
- Anti-reformist ideology inside

Results: -Increasing gap between Iran and the rest of the World

- Lack of access to the Iran's resources
-
- advantages as: Minerals**
Human

Pro Development Scenario

- Showing Iran as a developing country with huge enthusiasm to be a developed country.

Driving Forces:

- Intention of the peoples
- Historical and social backgrounds

Results: Iran would be an Islamic Country with

- modern technology
- social maturity
- democratic political system
- interactive foreign policy

What would be Iran after 20 Years?

Iran's 20-Year Perspective Document Says:

- ❑ The first country in the region at economic, scientific and technology levels
- ❑ line of thinking, i.e. the prioritization of becoming an “economic and technological power” over other policy areas, is very evident in Iran's 20-Year Perspective Document

Desired Iranian Society

for the year 2025:

- ☐ Secure, independent and powerful
- ☐ Progressive
- ☐ Knowledge-based
- ☐ Economic growth based on a large portion of social capital
- ☐ Growth of social capital through education
- ☐ Society capable of steady economic capacity building

IRAN has

-
- ❑ 1% of the world's population,
 - ❑ 7% of the world's natural reserves including
 - 10% of the global proven oil reserves
 - 16% of the world's natural gas resources.

130 b barrel oil (17 billion tons)

27 trillion cm gas

which means \$3000 billions

Iran's Foreign Relations: Conceptual Challenges to 2010

- ☐ Iran-US Relations
- ☐ Iran-EU Relations
- ☐ Iraq
- ☐ Afghanistan
- ☐ Persian Gulf States
- ☐ Regional Crises
- ☐ Caspian legal regime
- ☐ Oil price

Iran-US Relations

- ☐ Leadership
- ☐ Isolation
- ☐ Engagement
- ☐ Sticks and Carrots
- ☐ Sticks
- ☐ Military Attack

US military around Iran



Iran-EU Relations

- ☐ Trade and Cooperation Agreement (TCA)
- ☐ Nuclear Negotiations
- ☐ Energy Charter
- ☐ INOGATE
- ☐ TRASCECA

Iran and Europe

- ❑ Membership of each central or Eastern Europe countries to EU means a new demand for Energy.
- ❑ Europe is surrounded by the sea of gas, most important of them: Russia, Iran and Qatar.
- ❑ In the Cold War era, with political motivation, Europe preferred to follow the Soviet gas pipeline instead of the cheap and costless Iranian gas.

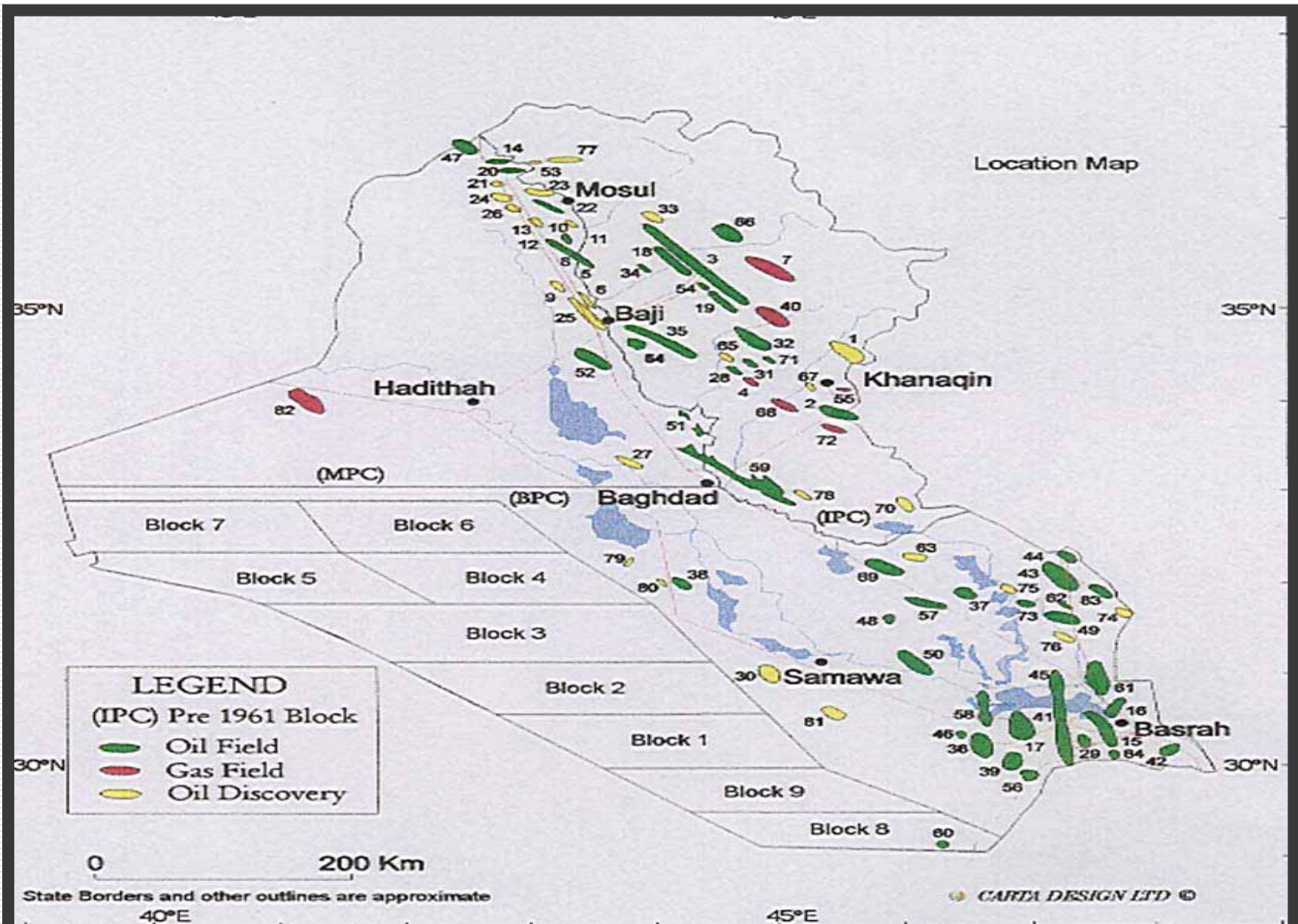
Iran and Europe (2)

- ❑ -An expanded pipeline consortium with governments participation in the Caspian
 - Kazakhstan, Turkmenistan and Iran (KTI) is one option (TotalFinaElf Project)
 - Azerbaijan, Iran (Tabriz), Turkey (Ceyhan).
- ❑ Dialogue on Human Rights
- ❑ Collective Security in Iran's Subregions:
 - Persian Gulf

Iran-Iraq

- ❑ Treaty of Neighborhood and Governmental Borders between Iran and Iraq (1975)
 - Oppositions
 - Border delimitations
 - Thalweg
- ❑ Shared oil reserves
- ❑ Pilgrimage
- ~~❑ Regional Security: GCC+3~~

Iraqi Oil & Gas Fields



Iraq is the world's best resource play, though with political risk

- ❑ Iraq is the lowest cost oil producer
- ❑ Political difficulties give others access to the Iraqi oil opportunity
 - Now dangerous for oil majors
- ❑ Iraq is crucial to the world's energy future
 - Only question is how and when reserves are developed

Iraq is critical to the world's energy future

- ❑ Iraq is the third largest oil province worldwide with 115 billion barrels of proven reserves and up to 300 billion barrels of possible reserves.
- ❑ Post-war production collapsed to circa 2 million barrels daily, despite the UN lifting sanctions, but may rise to 9 million barrels within a decade.
- ❑ Operating costs in Iraq are about \$1 per barrel.

Persian Gulf States

- ❑ 3 Iranian's islands
- ❑ The problem of Identity
- ❑ OPEC Cooperation
- ❑ Oil and Gas Cooperation:
 - Shared Fields
 - New Pipelines

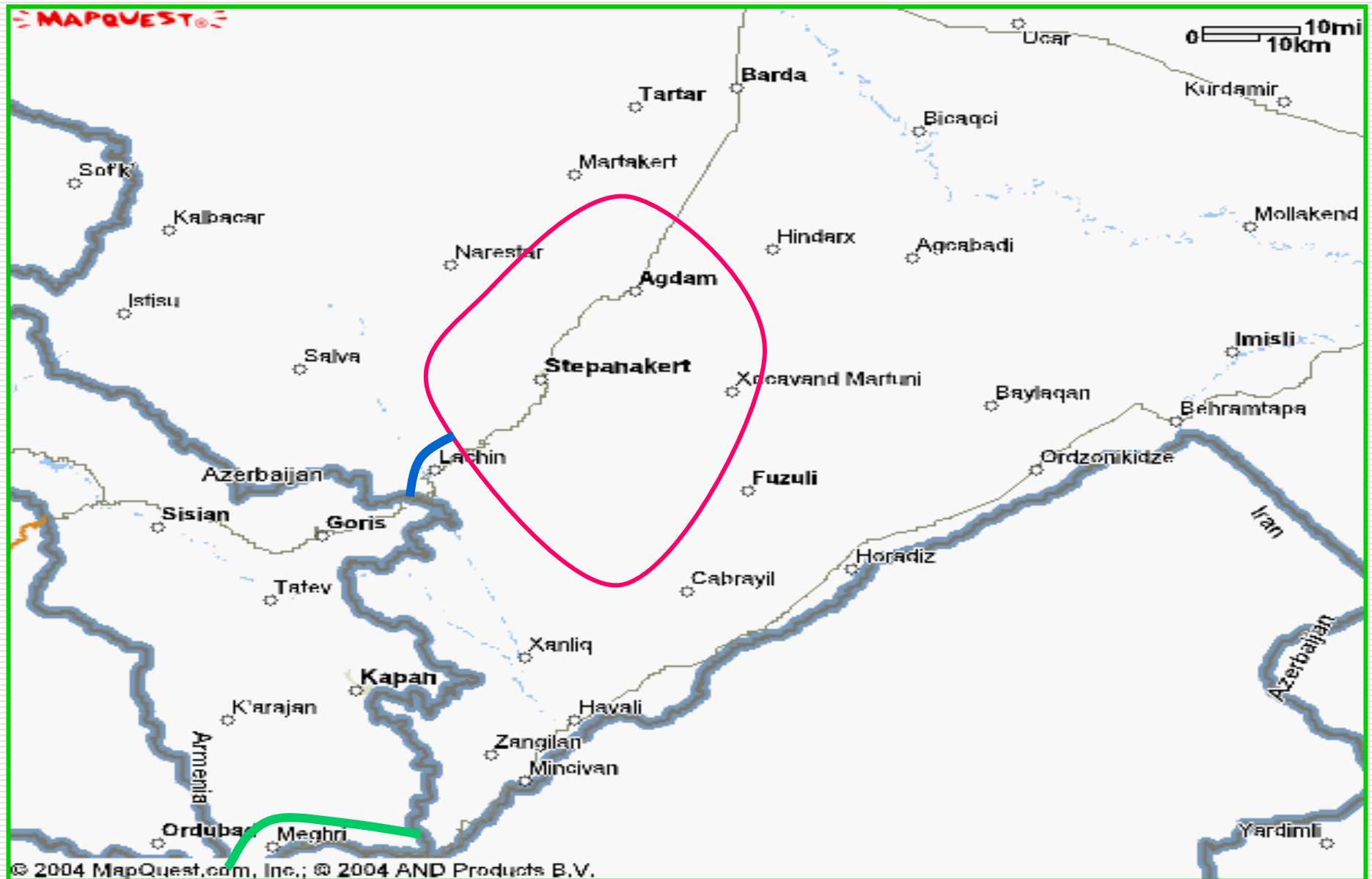
Afghanistan

- ☐ Iran's share of **Hirmand** river
- ☐ Shi'a Community
- ☐ Persian Civilization
- ☐ Persian Language countries
Organization
- ☐ Access to China

Regional Crises

- ❑ Nagorno Karabakh
- ❑ Extremists activities in Pakistan, Afghanistan, Iraq and...
- ❑ Local development in Azerbaijan, Turkmenistan,...

Paul Gobel's proposal on Nagorno Karabakh



Caspian legal regime

- ☐ Caspian Seabed Resources
- ☐ Environment
- ☐ Fishery
- ☐ Transportation
- ☐ Aviation
- ☐ Demilitarization

PIPELINE ROUTES: AN IMPRESSION

Bottlenecks and Pipelines

- 11 oil pipeline projects/ 6 operational
- 6 natural gas pipeline projects/2 operational.
- Of particular notice:
 - CPC
 - BTC
 - TCP



Neka-Ray capacities

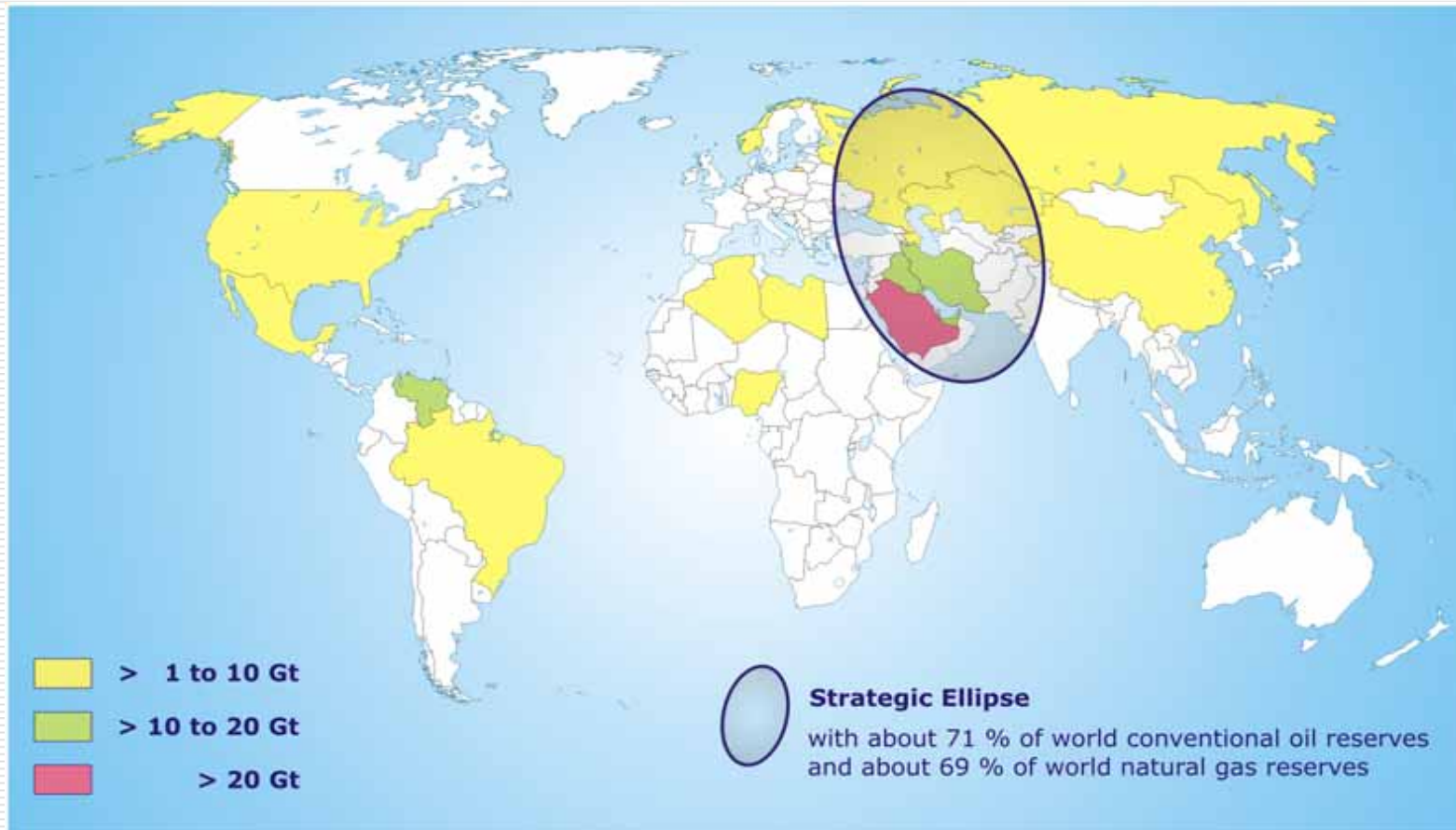
(barrels per day)

- ❑ First Phase: 40 000
- ❑ Second Phase: 170 000
- ❑ Third Phase: 370 000
- ❑ Fourth Phase: 500 000

Caspian Oil Terminals and Neka



Counties with Oil Reserves > 1 bill. t and Strategic Ellipse



The Main Targets of the Fourth Five-Year Plan (2005-2010)

- ❑ To achieve surplus oil production of 1 million bpd by 2010
- ❑ Replacement of additional capacity to annual depletion rates (350 000 b/d)
- ❑ As well as a daily gas production of 250 mcm by 2010.
- ❑ Reducing domestic consumption, so that more crude can be opened up for export.
- ❑ To maintains the Oil Stabilization Fund (OSF).
- ❑ In pursuit of long term goals, oil recovery factor is due to increase to 27% by 2010.

The Main Targets of the Fifth Five-Year Plan (2010-2015)

- ❑ Reaching a crude oil production capacity of 5.5 mbb/d by 2010 and 7 by 2015
- ❑ Producing 900 mcm per day of natural gas by 2015
- ❑ Producing annually \$20 billion petrochemicals
- ❑ Concentration on energy-intensive industries (with the aim of them consuming a minimal 100 mcm per day of gas), so as to promote added-value production.
- ❑ Attracting foreign investment and resources and providing them with the support necessary to achieve the needed \$100 billion investments in the petroleum sector by 2015.
- ❑ Increasing refining capacity by about 1 million bpd, with a concentration on gas condensates and very heavy crude, with the ultimate goal of reaching 2.3 million bpd of refining capacity

The Ways for Increasing Capacity

- ❑ Since early 2004, NIOC has started a process which will eventually lead to the tendering of 100 oil exploration blocks through international tenders.
- ❑ From an economic point of view, successful exploration projects will increase the country's total reserves and in turn promote its international status.

A look at the energy sector

- ❑ Iran has very ambitious plans in oil, gas and petrochemicals;
- ❑ Though the strategy on oil production capacity increase remains a key debate topic, major investments in this sector are inevitable;
- ❑ The legal framework remains an issue, though slow changes are taking shape;
- ❑ Iran's focus in the next decade will be on gas and also gas-intensive industries;
- ❑ Next important event: Restructuring of NIOC and consequent corporatization of the energy sector companies.

Investments needed in

Iran's energy sector 2005-2020

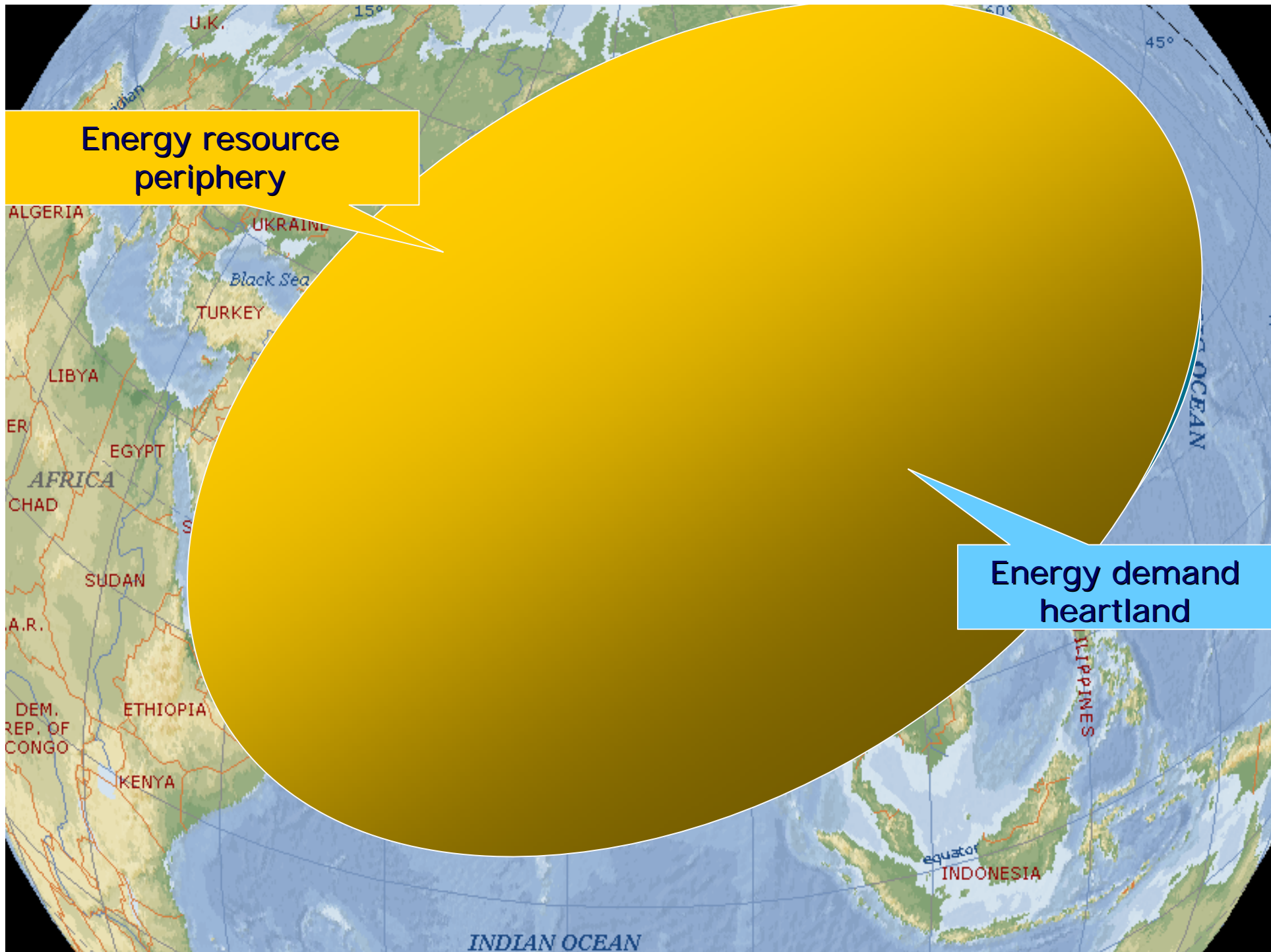
Sector	Investment Volume (in \$ billion)
Oil	40
Gas	45
Petrochemicals	25
Power Generation	20

Conclusions

- ❑ Iran's future is related to the perception of Government and also Nation to the realities of the new world.
- ❑ International situation is not proper for countries who are lazy to attract investment.
- ❑ The world main powers become more security oriented than economic or development oriented
- ❑ Foreign Policy is "Politics among Nations" don't forget it

Conclusions (2)

- ❑ The Persian Gulf contains over 65% of the world's "proven" reserves, and stability in these countries, **security** of oil fields and routes of transportation in the region are of paramount importance to oil market.
- ❑ **Pacific Asia's** growing energy needs suggests that its close energy ties with and dependence on the Gulf will further grow in the foreseeable future.
- ❑ The growing energy interdependence between the two regions is likely to have **political and strategic ramifications**.



**Energy resource
periphery**

**Energy demand
heartland**

Conclusion (3)

- ❑ Iran needs three major issues:
 - Investment
 - Technology
 - Management
- ❑ Increasing oil and gas capacity
- ❑ Renewables and substitution to the domestic oil consumption
- ❑ Reviewing framework of oil contracts
- ❑ Privatization

The major concerns on Iran's future

-
- ❑ Priority of other scenarios than development scenario in Iran
 - ❑ Number of uncertainties could slow the trend of development in Iran such
 - foreign threats (US or Israel attack)
 - domestic turmoil
 - discouragement of new investment (improper contract frame)
 - Unattractive situation for human resources
 - ❑ Deterioration of Iran's Image in world public opinion⁷²

Thank You

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