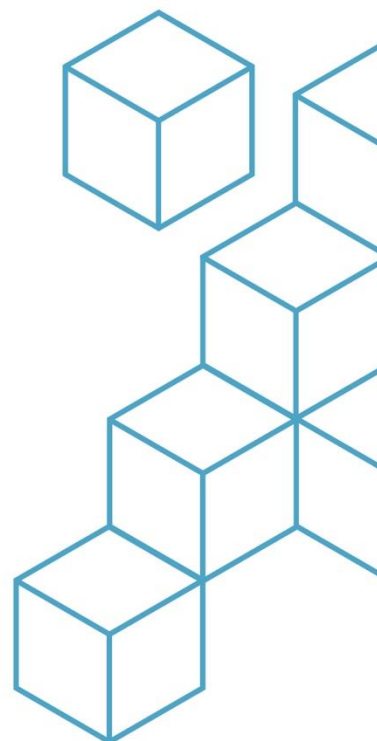


ANALYSES

One Year On: Iran Since President Raisi

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In terms of Iranian foreign policy, Tehran has shifted the focus of its policies towards the East, namely to China and Russia. [REUTERS/Wana News Agency]

It has been a year since President Ebrahim Raisi assumed power in Iran. This has been perhaps one of the most tense and uncertain years an Iranian president has encountered since the establishment of the revolutionary regime in 1979. Major challenges were inherited by Raisi upon assuming office; and these were not outcomes of his administration's policies nor could they be avoided or resolved quickly. The intensifying international power play between an increasingly multipolar matrix of global powers, the growing assertiveness of China (and Russia), and the ongoing sanctions imposed on Iran all comprise features that contour the Iranian political landscape and lie strictly outside of Raisi's control. Raisi has stepped into a seat of national (and regional) power bound by economic, political and security problems, often interrelated and equally often pulling Iran in opposing directions; and comprehensive domestic reform appears to be imperative if Tehran is to expand its influence, legitimise its regime and sustain its economy. The widening gap between the citizenry and the state, [\(1\)](#) multiple and debilitating sanctions, acute economic stagnation, widespread corruption and increasing civic demands for greater social freedoms (particularly vocalised among the youth and women) are just

some of the chronic political crises facing Raisi, who thus far has not responded to them in comprehensive form.

Raisi, representing conservatives in the presidential campaign, was elected in what was arguably one of the least popular elections since 1979. From the moment Raisi came into power, conservatives occupied all three constitutionally vital offices in Iran's political system: the presidency, the judiciary and the parliamentary offices. Having a homogenous, harmonised system characterised by a common ideological vision was initially thought to have the potential to prevent the worsening of political fragmentation within the political apparatus, and many posited that it would result in improved coordination and a better functioning government. [\(2\)](#) Scleroses in communication across the various agencies of the state and tensions in relations between the three offices have both decreased when compared to the Rouhani era, but homogenising the political system and harmonising the ideological interests of the offices has ultimately not enabled the resolution of the major issues that the government now faces, both domestically and externally.

This paper focuses on three discreet but interconnected issues that Raisi has been struggling to deal with in the past twelve months. In terms of Iranian foreign policy, Tehran has shifted the focus of its policies towards the East, namely to China and Russia; and the regime has sought to exploit tensions between global powers and the West as an instrument for building the country economically and politically. The maximum pressure policy and the harsh sanctions still imposed on Iran nevertheless persist in their damaging effects on Iran's economy. Widespread corruption at both the central and local levels and stark mismanagement of economic opportunities by officials have further exacerbated economic difficulties in Iran. [\(3\)](#) As such, the citizenry is increasingly frustrated with declining living standards, administrative corruption, and uncertainty over the nuclear deal. Disenchantment is rife and Raisi has emerged as perhaps one of the least popular presidents from the past four decades.

The changing global power architecture, characterised by the rise of China and Chinese assertiveness, an increasingly diverse "core" of multiple great powers, a shrinking periphery, and Russian defiance and aggression, has empowered Tehran. Iran is in a more comfortable position at this moment, in

which it can perform a balancing act between East and West and exploit and capitalise on regional conflicts and transregional rivalries. Tehran has come to the conclusion that the global rise of non-Western powers will allow Iran to enhance its influence and increase its bargaining power because it no longer acts within a broader international structure wholly dominated by a Western core adamantly opposed to its empowerment. [\(4\)](#) Iran's Look East policy can now be implemented far more effectively since the Conservatives, including the Revolutionary Guard, have always sought to ally themselves with Eastern powers, namely China and Russia, to resist against Western pressure on Iran. [\(5\)](#) Tehran under Raisi has been successful in acquiring membership in the Shanghai Cooperation Organisation, indicating that its eastward looking stance has traction with Eastern powers. Iran has also signed two long-term strategic plan agreements, one with Beijing and the other with Moscow, seeking to strengthen its position as a regional actor capable of working to undermine US hegemony, especially in the Middle East.

Due in part to Tehran's success in allying itself with Eastern powers, Iran has been able to overcome the greatest economic pressures it has experienced since 2018. Resisting the unilateral sanctions imposed by the United States has led to reforms in the agreements between Tehran and Washington in Vienna. This indicates that both sides have thus far found no alternative to the nuclear agreement. Washington had no military option to appeal to in dealing with Iran (because of its military and intelligence failures in Afghanistan, Syria, Yemen and Iraq, and the growing popularity of isolationism among the American electorate). US reluctance to act more decisively is despite the facts that Tehran has increased uranium enrichment up to 60% and stopped complying with some of the IAEA's core demands. Tehran, for its part, could no longer afford to bear the economic pressure resulting from international exclusion, which has been devastating Iran's economy and infrastructure. [\(6\)](#)

The ongoing sanctions and unresolved nuclear talks have worsened the economic situation in Iran, devalued the Iranian currency and increased inflation, and caused significant hardship for citizens, especially the lower and middle classes. These segments of society have been the active participants

in all of the recent civil uprisings; so, disgruntlement among them poses political risks to Raisi. Unfulfilled promises of employment, housing, inflation and economic growth have wrought a tense schism between the people and the state under Raisi's administration. [\(7\)](#)

Raisi's time in office has coincided with President Biden replacing President Trump in Washington. Tehran had hoped that President Biden would reverse or at least reduce Washington's harsh policies against Iran. Two years on, Biden's administration has changed very little, if any, of the US policies towards Iran. Raisi's year in office saw no change in Washington's stance regarding Iran's nuclear ambitions; and the continuation of maximum pressure policies has meant Raisi is still unable to fulfil promises of economic growth and social prosperity. The protracted and frustrating reams of nuclear deal talks have further undermined Raisi's legitimacy as leader, with many Iranians blaming him for distorting the process and lagging the achievement of a nuclear agreement with the West.

Amid the abject economic misery of the citizenry, the state has not eased any of its harsh social restrictions. Women are still fined or arrested if they do not comply with Islamic dress codes; [\(8\)](#) and shariah law, interpreted by the conservative Shi'a clergy, pervades in all areas of social and private life. Mass disillusionment with the state's ideology, coupled with a tangible decline in living standards, has prompted many young people to emigrate. Raisi's election was the least competitive one in the past four decades, with the lowest electoral turnout; and his failure to enact liberal social reforms that are desired by a significant majority of the citizenry has morphed his initial legitimacy deficit into blatant unpopularity.

In terms of security, since Raisi assumed power Iran has not been realistically threatened with foreign invasion, despite Israeli and US military tubthumping. But it has encountered several internal sabotage acts against its nuclear facilities and the assassination of nuclear scientists inside the country. Iran has continued to support Hezbollah and Hamas in their actions in Israel, and has sought to solidify its position in Syria. In Yemen, the ceasefire between the Houthis and the internationally recognised

Yemeni government led to clandestine talks between Riyadh and Tehran, organised by Baghdad. This temporarily decreased tensions for Tehran at the regional level.

Raisi came to power having made a series of big promises in his campaign. He had pledged to enhance the people's quality of life by driving economic growth, unite the fragmented political factions within the state, and tackle corruption. None of these promises have been fulfilled. Severe economic hardship in Iran could ostensibly be resolved by signing a nuclear deal and easing sanctions, which would spur economic growth, strengthen Iranian industry, slow inflation and stabilise the national currency. By opening up opportunities for increased trade free of sanctions, Tehran would be able to affect measurable improvements in the lives of the Iranian people; and improvements in employment rates, house prices and access to international goods would boost the legitimacy of the Raisi administration. Initiating socially liberal reforms would significantly raise Raisi's popularity with a citizenry that believes there is a wide gap between its own interests and the ideology of the state. Raisi built his platform on accusations that Rouhani had either created chronic problems for Iran or failed to respond to them adequately. But his administration has so far been plagued by the very same crises and ineptitudes. Despite the fact that Raisi has enjoyed the support of the parliament and the judiciary as well as the Islamic Revolutionary Guard Corps (IRGC), [\(9\)](#) he has been constrained constitutionally in making key strategic changes by the fact that the Supreme Leader, Ali Khamenei, ultimately presides over major decisions concerning issues such as nuclear deals. [\(10\)](#)

Signing the nuclear deal will undoubtedly affect profound economic improvements. In domestic public life, however, political fragmentation, corruption, economic mismanagement and anger over social restrictions will persist. Externally, the normalisation of Iranian relations with neighbouring countries after decades of conflict and tension (and the pacification of relations with Saudi Arabia in particular) must be pursued if Raisi is to rebuild Iran. Should the nuclear deal be signed in Vienna, Tehran must also demonstrate to the world (especially the West and its allies in the Middle East) that the ensuing

economic growth will be complemented by tangible changes in Iran's regional behaviour. This will be a critical component of rebuilding Iran's regional and international reputation.

The challenges posed to Raisi one year into his presidency have been simplified here, and the reality of the situation Iran faces is more nuanced, complex and multi-layered. Raisi is inherently constrained by the superseding role of the Supreme Leader in crucial decision making; and his power to pursue economic, political and social reforms is checked by the various political and religious factions that inflect their power onto the presidency. To overcome the structural challenges that Iran has faced ever since the 1979 revolution, substantive changes to the fundamental political system are needed, but Raisi has the hypothetical capability to catalyse more systematic reform by engaging in meaningful nuclear talks and signing a nuclear deal.

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