The Effect of Hashemi Rafsanjani’s Technocrat Government and changing of foreign policy of Iran from power to pragmatism

Accepted 21st March, 2017

ABSTRACT

The present research was aimed at examining the origins and roots of shift in Iranian foreign policy approach from ideals to pragmatism emphasizing the comparison between the first and second decades in Islamic Revolution using discourse analysis. Given the Islamic nature of the Revolution and taking the authority by Islamists, it was not surprising to have ideal mottos and ideal discourse dominance in domestic and foreign policies during the early years of the Revolution. However, political elites’ change in perspective in 1368 and pragmatic economic-based state by Hashemi Rafsanjani resulted in shifts in foreign policies in Islamic Republic of Iran from ideal in the first decade to pragmatism in the second.

Key words: Islamic Republic of Iran, Hashemi Rafsanjani, foreign policy, shift in approach, first and second decades of Islamic Revolution.

INTRODUCTION

In 1989, Islamic Republic of Iran witnessed fundamental changes in various areas. After the death of the late Imam Khomeini, new leadership structure and executive ranks changed. Ayatollah Hashemi Rafsanjani who was the Speaker of Islamic Consultative Assembly at that time was elected as the president. The new state by Hashemi Rafsanjani had a variety of achievements with respect to domestic and foreign, economic, military and security policies during the 8 years (up to 1999) which was called the reconstruction era.

The construction era (1989 to 1997) is considered as one of the significant eras in the history of Islamic Republic of Iran. During this period, the officials in Iranian foreign policy sought for a constructive interaction with the world outside while sticking to the foundations of Islamic principles by adopting a pragmatist approach. This led to the formation of the era intensity avoidance and by announcing the avoiding intensity, it was attempted to adapt the foreign policy objectives with international community selecting accurate objectives in foreign policy while meeting the domestic needs. The obligations by the war and more generally, the domestic status which persuaded Iran to follow co-operating policies with other countries was concurrent with wide evolutions in international system. However, the government of Hashemi Rafsanjani and technocrat executors of his government had significant effects on adopting pragmatist approach in foreign policy of Iranian revolutionary state in the second decade after the Revolution.

THE DISCOURSE OF HASHEMIS’ GOVERNMENT IN FOREIGN POLICIES

After Hashemi’s presidency and during his government, realistic approaches in Iranian foreign policy were gradually manifested due to the requirements for living in the interconnected international system. Islamic Republic of Iran recognizes its potentials and limitations to a large extent considering them in rebuilding relations with other countries. Islamic Republic of Iran followed economic reformism in order to arrange the domestic status and reconstruct the country. The key element for the dominant discourse in the era and interest-based pragmatic
discourse formed pragmatism so as to arrange and administer foreign policy while considering Islamic values. As a matter of fact, the pragmatic and behavioral manner of Iran in foreign policy during the second decade after the revolution was examined through considering national interests, regional issues and avoiding provoking others in the sense that the government adopted normalization policy of relations (Azghandi, 2002: 15).

During the government of Hashemi Rafsanjani, given the political and economic needs of the country, the executors of Iranian foreign policy sought to replace the ideal policy with pragmatist approach in order to achieve the economic goals. In brief, the political elite's understanding of foreign policy during the 8 year government of Hashemi Rafsanjani was mainly geopolitical rather than ideological. In so doing, a great deal of attempts were made through flexibility and wisely chosen perspectives in order to stop Iran's political isolation and form a strong Islamic Iran in the international community (Ramezani, 2008: 74). Among the characteristics of the discourse, one could refer to:

1. Prioritizing inter-governmental relations instead of international occasions;
2. Precision and rationality as instruments in foreign policy;
3. Realism and paying attention to the materialistic power, especially economic power;
4. Prioritizing the vital national interests;
5. Admitting the originality of Islamic wisdom, ideals and national interests;
6. Lack of stability in the status quo and the international order admit secondary and wisely decisions;
7. Stabilizing the Revolution inside and spreading it by economic paradigm;
8. Acting against colonization through protesting against interferences and their colonial policies;

In another viewpoint, we could summarize the Iranian foreign policy goals during pragmatist interest-based period in the following:

1. Considering normalization of relations with other countries in the world;
2. Establishing relations with other countries due to domestic economic requirements and construction;
3. Replacing ideological understanding of world policy with geopolitical understanding;
4. Active membership in regional and international organizations;
5. Flexibility and wise direction for removing the political isolation imposed on Iran as a result of Iraq war against Iran.
6. Emphasizing spreading the Revolution through economic progress and development of the country so that the Revolution would become an icon for other deprived countries (Rezaei, 2010: 56).

THE REASONS FOR ADOPTING PRAGMATIST ECONOMIC-BASED DISCOURSE BY HASHEMI'S GOVERNMENT

An unprecedented coincidence for dramatic changes in power structure inside and outside Iran paved the way for gradual change in Iranian revolutionary policies. Factors such as the end of Iraq war against Iran, Imam khomeini's passing away in Khordad 1989 and the role played by Ayatollah Khamenei as the supreme leader, modifications on the constitution and more authorities for the president inside the country, and also Persian Gulf War in 1991, the end of the cold war and collapse of the Soviet Union outside the country could gradually, while decisively, change the practical policies of Iran in foreign policies (Ramezani, 2008: 81).

Accepting United Nations Security Council resolution 598 and the ceasefire in the war between Iraq and Iran could be considered as a turning point in Iranian political changes. In July, 18th, 1988 Hashemi Rafsanjani stated that accepting the resolution and its consequences will create a new chapter in the political history of Iran.

Political and social changes in the second decade of the Revolution and technocrats succeeding to power

Constructing executors who were formed from the early Bahman 1995 were called modern rightist by separating from traditional rightists. They took the responsibility of leading the intellectuals, engineers and executors who accompanied the reforms during Hashemi's government and achieved a new political and social identity. The deputy of director general stated that “executor is a Muslim technocrat movement which has technocratic approach as the indispensible part of its nature. Given the fact that the viewpoints of this party had significant effect on the pragmatism during Hashemi’s government, clarifying their vantage points in foreign policy seems to be essential (Azghandi, 2002: 25).

Foreign policy of Hashemi’s Technocratic government

Executors in foreign policy are not in line with radical mottos of revolutionists in the left party during 1981 and fights against imperialism and colonization. Hence, it follows a type of moderating and intensity avoidance policy by means of which the government could have attract foreign investments, loans from international banks and improved exportations. Generally, it should be noted that executors party’s mottos regarding economic
moderation, industrial development, reducing social control and protection of political and social freedoms (although limited) and emphasizing intensity avoidance and moderating approach in foreign policy paved the way for executing as well as progressing interest-based pragmatism during Hashemi's government. However, the elite-based technocratic government was influenced by political, social and economic changes of that time. During construction era, the main goal of the government was influenced by economic and social changes adapting to the commitments and the Iran's responsibilities regarding potentials in regional level and attempt for achieving a more efficient system for diplomacy and preventing new conflicts (Sotudeh, 2002: 3).

During this period, bureaucratic intellectuals and new continuum of capitalism and even some of the clergymen followed the geopolitical role of Iran, co-operation with neighbors with respect to energy and regional business, improved the role of Iran in security issues and regional stability and removing the imposed isolation by the United States through non-ideal approach and economic structural reforms (Maleki, 2009: 10).

Changes in the foreign policy during the construction era was a significant exemplar of the bond between domestic and foreign policies signifying that foreign policy is to a large extent under the influence of internal dynamics of the society and its consequences. Social, cultural and logical changes are related to the policy of power in Iran. The distinction and division in Iranian foreign policy was first created between national liberal religious forces and schooling following Imam. The second division occurred among those belonging to Qom school with regard to important issues grouping as ideal and pragmatist parties. By moderating the foreign policy, it was selected as pragmatism and wise thought during 1989 to 1993 (Norouzi, 2002: 2).

Hashemi Rafsanjani argued that Islamic Republic of Iran cannot survive unless it spreads Islamic Revolution outside its borders and the only way for survival of the Islamic Revolution was spreading it (Larijani, 2010: 43). Hence, from 1989, he sought to influence the structure of international system (Ghanbarlou, 2008: 349).

**Economic disorder and the necessity for rebuilding the country after the imposed war and pragmatic stances of Hashemi Rafsanjani’s government**

During the end of the imposed war, Hashemi’s government confronted a number of crises including intensified economic recession, unstable status of economic indexes, drastic fall in oil price and its income and international intense pressures. In fact, during the last years of war, Iran was deprived of accessing ordinary markets due to international pressures. However, analyses of the economic indexes during the period suggest drastic economic recession beginning in 1986 which reached its highest point in 1988 and the reason of which was drastic fall in oil price in international markets during the last months of 1985.

In addition to the problem of oil price, Khark Oil Terminal, oil ships carrying Iranian oil and commercial ships were frequently hit by Iraq’s military missiles and rackets. However, as previously mentioned, what caused damage to the Iranian economics during this period was drastic fall in oil price and oil income which led to slowing the implementation of significant and national projects.

In addition, by intensifying the air attacks of Iraq to the entrance and exit gates for goods, the linking spots in North West Iran were damaged as well as the southern ports. As a result of various economic limitations during this period, the production of some agricultural crops such as wheat reduced. Moreover, the industrial section was also significantly damaged as a result of lack of currency dedication to this section. Problems due to the war and sanctions were common and gave rise to minus growth of GPD and other economic indexes such as decrease in investment and significant increase in inflation. In the last three years of war, different economic sections activities decreased as long as increase in political and economic pressures lasting to the end of the war.

In 1986, agriculture which was relatively high growth in the years after the Revolution decreased. Despite positive growth in agriculture in that year, manufacturing activities were not able to meet the increased demands in the country and the production of some agricultural crops was lower than population growth in 1986. During 1986, importation of some agricultural crops increased due to insufficient domestic production. Similarly, in this year, the descending trend of industrial activities continued in the sense that the index of production and large annual industrial firm productions in comparison to the last year decreased to 6.4 and 7.1 respectively.

Manufacturing activities in agricultural industry which had a slow pace from 1986 showed a negative performance in 1988 in the sense that the added value in this section which was positive after the Revolution had drastic fall reducing from 28.868 billion Rial in 1366 to 28.683 billion Rial in 1988. In this year, the dominant stagnancy on industrial activities that began since the second half of 1367 became widespread. Intensifying currency crises, problems related to raw materials supply and other problems led to the 6.2 and 7.2 decreases respectively in manufacturing of firms and annual manufacturing of employees in comparison to the previous year. The relations between Iran and France that were paled into insignificance after the beginning of the Revolution faced numerous problems during the war and finally, in summer 1987, the relations were totally broken for some months and Pakistan selected as the representative of Iranian interest in Iran, while Italy was selected as the representative of French interest in Iran.
After this breaking of relations, France asked all other oil corporate to stop purchasing oil from Iran (Yaz, 2002: 126).

Generally, the government of Hashemi succeeded to power when the war just ended. The war brought about significant costs for the country with some consequences such as decrease in production, heavy destructions and limited currency sources which were tangible. Regardless of all this, the war disturbed the oil export and a large part of oil plants were stopped. During the years of war, a huge part of the budget was dedicated to military costs. During 1981 to 1985, averagely 16.9% of general prices were spent on managing the war. Similarly, Hashemi stated that 1/3 of the budget of the whole country was spent on military forces. In 1987, in addition to the current budget for military forces including military and Sepah, 70 billion Toman which was ¼ of the budget was devoted to the war” (Razaghi, 1988: 162).

As a result, economic activities were in the stagnant period. The government budget was increasingly facing failure. After Hashemi succeeded to power, the way was paved for proposing new political discourse based on construction and economic development. The government of Hashemi embarked on devising the First Development Plan so that it could overcome the economic problems attempting to follow a more lenient foreign policy through moderating the extremists’ positions during the years of wars in order to have a peace in the political atmosphere of the country and incorporate foreign investment attractions. He stated that “We are ready for accepting the companion of friends and governments who have developing goals, rather than colonial objectives” (Ehteshami, 1999: 17).

Therefore, supplying economic and technological development as the first priority for foreign policy of the Republic of Islamic of Iran guarantees as well as, requires the reconstruction of economic and defensive infrastructures after the imposed war. Hashemi argued that Iran entered the construction phase after the war; hence, the first priority of the country was reconstruction and economic development for supplying security. He stated that “we are determined the long phase will go to an end without any damage to the political independence and will present the icon for an Islamic country to the world and what we are seeking is economic, scientific and technological autonomy” (Dehghani and Radfar, 2000: 402).

The necessity of economic pragmatism and extroversion

As earlier mentioned, factors such as the end of the war, necessity for reconstructing the damage due to war, economic besiege and problems of domestic policy need to use foreign facilities and investments in in order for the Iranian officials to make significant efforts to adopt new approaches in foreign policy so as to stop Iranian isolation in international communities. That was why Iranian officials publically announced after subsequently accepting the Resolution that Iran seeks to have close ties with the world in the second decade of Revolution (Ehteshami, 1999: 17).

By having a new cabinet, Hashemi took the responsibility of the government in 1989 considering economics as the priority in order to arrange the country. Iran, under the executive management of President Rafsanjani, put an end to its efforts for seeking radical options in economic development and followed an economic policy according to the Third World paradigms and western capitalism. The new economic policies tried to put the mass-oriented methods in 1980s aside while finding a stronger convergence in the world capital economic system. The goal for the policy was revising the chaotic economic, expanding foreign cooperation and private making domestic economics. It should be noted, again, that an amalgamation of factors such as Imam passing away, organizational weakness of extremists, the emergence of a united leadership by Ayatollah Khamenei-Rafsanjani, the possibilities for examining and investigating new economic strategies were provided by the Government of Hashemi.

According to the coordinate function and pragmatic approach of the cabinet, there was a general trend for lack of ideal increase in his period and this was done by appointing technocrats who had common and administrative propensities. He called the members of his cabinet as the construction cabinet. He also emphasized technical and administrative capabilities of his ministers. Hashemi considered Islamic values and revolutionary tendencies as a necessary issue but not sufficient. It made the pragmatism more obvious in executive behavior of the cabinet (Ehteshami, 1999: 18-21).

Thus, in economic planning and organizing the country, the economic open-doors policy was proposed emphasizing strategies such as:

- Privatization;
- Having no favoritism in economic activities in financial and bank services;
- Encouraging foreign investments in domestic economics;
- Receiving foreign loan;
- Having free district all over the country;
- Activating, development and renewing shareholding in Tehran;
- Reducing the value of Rial;
- Gradually reducing the subsidy;
- Freeing the prices;
- Returning the specialists and Iranian capitals outside the country.

The main process of reconstruction was devoted to
economic modification implemented in the first 5 year economic program (Ehteshami, 1999: 23-24).

Hence, the strategy for the first and second development program in Iran was developing export. The pre-requisite for this strategy was free market economy based on economic freedom and wide private making. In the framework of economic reform from the top, Iran announced its inclination to following Work Bank policies and International Monetary Fund in order to follow privatization avoiding the economy based on the substitution of import to the economy based on export. During this period, Iran tried to show its newly changed character to the world; a character seeking to be against capitalism while negotiating with capitalism system. The goal of the government was to engage revolutionary forces to this issue (Tajik, 2004: 92).

The government tried to follow the convergence in order to continue economic policies. In similar vein, the economic moderating program was the first political and economic priority of Iran inside the country. However, the policy was mainly similar to a short time plan rather than a long-run developing plan (Momeni, 2007: 245). Nevertheless, after the war, political and economic development could occur if Iran was able to assess itself and find a position in the international community. It made Iran change itself with regard to following a new behavior in foreign relations (Motaghi, 2009: 171).

It should also be noted that the policies of the construction government was concurrent with world changes in international economics and western governments’ tendency toward the consensus policies of Washington. Generally, acceptance of Iran by the world economics for reconstruction and development after the war required convergent actions with world economic changes for gaining the world’s trust.

CONCLUSION

The domestic issues after the war signified the necessity for prioritizing the foreign policy goals in order to supply the economic and developing needs of the country. As a result of the chaos after the war, Iran had to reconstruct the war regions and thus adopted co-operating policies with other countries. Iran needs oil income in order to supply the financial costs for reconstructing the country was achieved by increasing the level of co-operation with foreign countries as well as, improving the relations with other states. Hence, supplying the developing needs of Iran (reconstruction) required changes in goals and approaches of foreign policies by means of which the currency needs of the first and second developing plan of the country would be met. It happened when the technocratic government of Hashemi came to power. Pragmatism in Hashemi’s government was according to the principles of the Revolution in order to have a strong Iran accepted by the international system with high flexibility such that the country would be out of isolation imposed during the years of war and reach a political realism for supplying the national interest and construction.

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