## A Vision for the Place of Iran in the New World

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It is time that Iranians take a closer look at the relative position of their nation in the new world. How has the world changed and where do they stand in relation to the changes? How do they compare to the rest of the developing nations? What are the key problems the nation faces? What needs to be done and how? "A Vision for the Place of Iran in the New World" attempts to outline a few answers.

I am most unhappy to report that all is not well in Iran and that the nation lacks a prestigious address in the emerging global community. Iran has indeed become a P.O. Box nation in the new world.

The country faces a multiple of complex and challenging problems. Iran is psychologically depressed, economically stagnant, technological backward, politically undemocratic, socially ill and divided, culturally confused, territorially imbalanced, and internationally demonized. Iran today has no set direction and its leadership is without vision for a modern future. It is no wonder that the young Iranians have trouble seeing a prosperous Iran on the horizon.

I know these are disturbing statements, and I do not wish for a second to impress upon you a pessimistic view of the future. The fact is the Iranian nation does not deserve the miserable condition in which it lives today. Iran is a country rich in people, history, culture, art, geography, and natural resources. As the first empire builders, for centuries Iranians stood for the historic East against the historic West and have been a pivot of stability.

Today, a gap exists between Iran's resources and its achievements. I dare to say that Iran is indeed one of the lowest achievers in the world today relative to its resources. Why so? It is certainly not because the nation has not tried. It is now well over a century that the Iranian people have been trying to close the gap and advance. They have used reform and revolution as well as tens of theories, strategies and policies to achieve this. However, save for some initial successes, they have been increasingly disappointed.

Why so, let me ask again? As a nation, Iranians do not agree on the cause or the causes of their general undevelopment. Most Iranians blame foreign powers; some condemn the ruling elite, and others hold a combination of the two responsible. However, to me it is all about the lack of vision and leadership, a subject to which I will shortly return.

## The Global Community and Iran

To better appreciate where Iran stands in relation to the new world, it is important to understand what our world has become. While Iran has been trying to take off from the land of undevelopment, the world it lived in has flown into a post-modern community, better known as the land of interdependencies or globalization. It is a land where a number of mega-trends have become universal to the human condition. Such trends are evidenced in economic, technological, ideological, political, spatial, ecological and socio-cultural dimensions of human life -- trends whose management requires global education, integration, and cooperation.

Nation-states, non-governmental organizations, and transnational corporations are key power players in the new tri-centric world. This is a world different from the Cold War mono-centric world when nation-states were the only power centers. The United States dominates the new world system, along with a few junior and senior partners, though it is increasingly challenged for its desire and attempts to create and maintain a unipolar world. The United Nations continues to remain a balancing force, but its power to restrain powerful states from acting unilaterally is largely reduced.

The most critical feature of this new tri-centric world system is a built-in tension in its drive for simultaneous stability and chaos. In particular, the system is caught between two diametrically opposing tendencies, one calling for integration and cooperation and the other creating conditions for disintegration and conflict. Let us call these influences world-integrating forces and world-disintegrating forces. World-integrating forces include globalization of capital, and the global spread of industrial productions, tertiary services, commodity markets, multi-sourcing, mass consumption, popular culture, money, people and ideas.

World-disintegrating forces include asymmetrical economic and technological development and competition among nation states, and the growing power of the unrestrained transitional firms and non-state actors such as NGOs and terrorist organizations. Isolationist nationalism or traditionalism, cultural relativism and religious fundamentalism, global disparity and polarization, political suppression in failed states, ethnic autonomy demands, and economic regionalism and parochialism tend to exacerbate world disintegration.

Among many ramifications of the contradictory tendencies for integration and disintegration, one I believe is pivotal for a new paradigm of global coexistence, namely the diminishing utility of illegitimate power and offensive force, including militarism and violence, and dogmatic ideologies, in gaining societal hegemony or maintaining popularly undesirable status quo. Under the new condition, totalitarian and authoritarian regimes are increasingly forced to accept democracy and human rights.

As the power of offensive force has diminished, economic force and information technologies have become the most effective means of influence and domination.

Indeed, Japan and Germany have grown into powerful international forces almost solely by means of their economic strength and information-processing capabilities. As economics and information

emerge as new fields of force, economic development and information technologies have become among major components of national defense strategy.

The diminishing utility of offensive force has already led to a loosening of dogmatic ideologies and to negotiated political transitions in many parts of the world, including Eastern Europe and the former Soviet Union. A few developing countries in Latin America, Asia and Africa with dictatorial regimes have also experienced the method and others are expected to follow suit. This development has in turn become critical for the promotion of democracy and development across the globe.

Governments are rethinking national industrial and trade policies and most now favor direct foreign investment, export-oriented strategy, high-technology development, and partnership with the private sector. Meanwhile, the idea of a balanced pluralistic economy alongside the emerging political pluralism is gaining increasing acceptability.

Where is the place of Iran in this new tri-centric world? Naturally, Iran should have been a major regional integrationist force given its vast and strategic geography and population. In reality, however, Iran is only marginally influential in its region and is often seen as a disintegrative force. The conflict with the United States and state theocracy are key obstacles to Iran assuming a more active and effective role in various regional matters. For example, Iran only plays a peripheral role in regional conflict management, itself having unresolved conflicts with a few states in the region.

Iran's international political challenges include allegations regarding state terrorism and nuclear proliferation. Both these allegations are directed at the Iranian state, while terrorism in most nations is a non-state phenomenon. The country is also viewed as a failed state that cannot or does not protect the human rights of its people.

Domestic politics is equally problematic. Iran is an authoritarian state that allows dissent but also represses opposition selectively. It divides the population into Khoudis or conformists and ghair-e Khoudis or nonconformist. Iran allows elections but screens candidates on an ideological basis. All these are the consequence of ideological rigidity and power monopoly.

Economically, too, Iran does not fare well in the new world. It is partially integrated into the global economy through the extractive oil sector. Iran's share of the total imports of industrialized countries (including oil) is only 0.2 percent. Non-oil share will be totally insignificant as only15 percent of Iran's total exports are non-oil. Its share of the total exports from the same countries is about 0.3 percent. Seventy five percent of Iran's imports are consumer goods; only 1 percent is capital goods.

Iran's foreign investment also remains miniscule - only \$400 million are invested in non-oil sector by foreign capital in Iran since the revolution. Iran's manufacturing value added per capita in 2001 was only \$285 (1990 US dollars) compared to \$876 for the developing countries. Iran is undeveloped and largely isolated from the international markets.

Iran is decades behind in technological development, and this is despite the fact that its people could have created a powerful competitive economy. Iran is particularly decades behind in the

seven or eight key industries of our age: electronic, telecommunication, computer hardware and software, new materials, biotechnology, civil aviation, and genetic engineering. Iran spends less than 0.1 percent of its GNP on research and development. Compare this figure to the figure for South Korea: 4 percent of GNP.

Iran continues to mismanage its economy, which has declined relative to the years immediately preceding the revolution. Managers are appointed on ideological and relational bases, not on the basis of expertise or merit. Corruption and rent-seeking is rampant and the government dominates and leads the economy at the expense of the private sector, except for a well-connected minority.

Iran predominantly views its national strength and defense in military terms, and thus pours its resources into various war machines in the army, the Revolutionary Guard, and the paramilitary forces. This tendency is partly imposed on Iran as it lives in a dangerous neighborhood. But the problem is that some in the government actually believe in the use of force and in the effectiveness of offensive force.

Socially, too, there are disturbing developments in the country when compared to developments globally. Some 30 percent live below the poverty line and the female share of the total earned income is about 10 percent. Women are also repressed politically more than the men. The youth unemployment stands at over 30 percent, and the annual rate of brain drain is 5 for every 1000 Iranians. The young Iranians – seventy percent of Iranians are below 30 years – also suffer from the lack of social recreations. Many are addicted to drugs. Ethnic groups remain restless and some are plotting with foreign forces for separatist movements.

There is also some good news. The country's political culture is changing. Foreign policy is increasingly based on national interest, away from Islam and certain disintegrative forces. There is a recognition that new nuclear proliferators will not be tolerated, and identification with terrorists is dangerous. An increasing number of the political elite now sees offensive force as counterproductive, though Tehran continues to have a hard time grasping the value of defensive force.

The role of government is being increasingly challenged by some 2,500 NGOs throughout the country and active in tens of fields, largely in humanitarian areas. The Bam quake tragedy was a turning point for a clear break between the state and NGOs. It demonstrated the fact that the legitimacy of the state has sharply declined due to its inefficiency and the lack of accountability.

There are positive developments in the economic sphere too. Iran as yet has no multinational corporations, but the business community is increasingly asserting its relative autonomy. This is particularly true of the small industrial entrepreneurs in forefront of the struggle for modernization and rationalization of the economy. A few Iranian companies now operate internationally and an expatriate counterpart has also emerged in the West. The internationalization of these companies will help Iran's economic integration, technology transfer, capital flow, and foreign partnership.

There is some good news socially as well. The middle class continues to remain assertive and demand liberalism and democracy. Relative to the past times, their numbers are large and their quality high. They now have better connections with both the working people and the modern

sections of the upper classes. It is particularly important to note the progress that Iranian women are making in private and public domains. Their literacy rate and economic independence has improved significantly in recent years. They now have among them great artists and poets, powerful political voices, a Noble laureate, an Oscar nominee, a best-selling author, and a beauty queen.

Ultimately, the main source of Iran's wealth today and tomorrow is its people. Here too there is good news. The level of education and professionalism is fast improving. There are now over 7 million university graduates in the country. These achievements, notwithstanding, Iranians continue to fail to generate visionary leaders among themselves. Why so? In a nutshell, the problem is rooted in the undeveloped nature of the Iranian polity, largely in the absence of political parties.

To conclude the arguments thus far, Iran's achievements in international relations, economic growth and new technologies, political development, social justice, and cultural progress, do not afford it a prestigious address in the new world. I dare to say that, unfortunately, Iran has become a P.O. Box nation. And there is only one alternative to acquiring a prestigious identity and place for Iran in the new world: developing a new vision for the future of Iran and nurturing a visionary leadership.

## A Vision for the Future

Setting the right vision and defining the qualities of the required leadership for Iran is a national, collective task, in which all Iranians must be fully involved. Let me begin with myself, and give you a general outline of what I think needs to be done to transform Iran into a developed and democratic country.

I believe in and strive for a democratic and developed Iran and consider myself a national developmental democrat (democrat-e melli touse'gar) in an ideal sense. In my view, the best form in which a developed national democracy (democracy-ye mellitouse'yafteh) can be implemented is a secular republican parliamentary system (jomhouri-ye parlemani-ye orfi) where all public positions are subject to free and periodic elections. The state and religion are distinctly separate in such a republic as are the three branches of the state – executive, legislative, and judicial, each directly elected by the people. Separation of powers is the key to a democratic and well-functioning republican system.

Given Iran's current political divisions and social structure, a coalition government (dowlat-e e'etelaaf) representing the interests of the Iranian entrepreneurs, the middle class, and the working people is the only sustainable form of the envisioned republic. Such interests include economic growth, political development and social justice respectively. Iran's national independence, territorial integrity and cultural heritage are the common grounds for the Iranians who wish to build a democratic country. Such a coalition government must reject all forms of political revenge and all kinds of discrimination, particularly those directed against women, youth, the poor, and minorities.

The national administrative form for such a national democratic republic is unitary-federalism (federal-e motamarkez), meaning a system that allows for genuine functional and territorial self-government. In a unitary system (vertically centralized), functions or sectors rule while territories are seen as mere location of activities. In a federal system (horizontally decentralized), territories rule while sectors and functions are viewed as incidental to the working of the system. In a unitary-federal system (controlled decentralization), territories are given decision-making power and the power to mobilize and allocate resources, while sectors and functions are equally valued as fundamental agents of change across territories and at the national level.

In a unitary-federal system, communities and sectors together form the building blocs of the society for administration, planning and development purposes. Only functions of national and international significance are reserved for the national government, such as defense, foreign policy, national currency, strategic economic sectors, national infrastructure, and the like. No parallel governmental organizations are allowed, and there will be no authority without responsibility and accountability. The Iranian ethnic groups will gain significant self-governing rights, while the core Persian ethnic group would not fear autonomy or separatist movements.

The contents of an Iranian republican national parliamentarian democracy are reflected in the United Nations' Universal Declaration of Human Rights and in the progressive national heritage of the Iranian society dating back to Cyrus the Great and his Proclamation for Human Rights (the Katibeh). Iran is a signatory to the Declaration and must abide by its values, including individual and societal rights and liberties. Failure in securing human rights for all Iranians according to the Universal Declaration of Human Rights is not an option.

Six mutually inclusive interests form the foundation of a democratic Iran. They are: national independence, social justice, political democracy, economic development, cultural reformation, and international peace. These interests reflect the needs of six corresponding groups of stakeholders: the Iranian nation, the working people, the middle class, the entrepreneurs, the cultural communities, and the global society. These interests must be enshrined in a democratically developed constitution and their implementation must be entrusted on a democratically elected coalition government.

First is national independence and territorial integrity. This is best achieved by comprehensive national development and expansion of friendly and cooperative relations with every nation in the global community based on national interests and world peace. Iran must increasingly move away from the concept of military strength to economic strength in its defense planning, and play a significant role in the United Nations and in its global agencies, conventions and treaties.

National sovereignty is now increasingly defined in terms of the sovereign rights of the people, not just the governments. A sovereign nation gains legitimacy, and thus national power, by democratic practices, balanced and sustainable national development, and the maintenance of law and order. National integrity requires that ethnic and religious minorities be provided with equal rights and opportunities..

Second is social justice. To me, this concept includes, but goes beyond, the provision of basic socio-economic needs of the disadvantaged people, such as job, education, health care, housing and

recreation. It also includes justice in political, cultural, territorial, and international areas. A right justice system in a society is as critical for achieving social justice, as is a right economic system. In a just society people have equal rights and are provided with equal opportunities, and discrimination based on gender, ethnicity, age, religion, race, place, national origin, economic situation and political affiliation are constitutionally prohibited. The working people are the vanguard of social justice in a just society.

Third is political development. This will include principles of liberal democracy and constitutional rights. Political development entails developing political societies such as political parties and a developmental state. A total rejection of all forms of violence, including political revenge, is key to developing a progressive political culture. All citizens have equal rights in all spheres of life and the state is an elected servant of the people. Nobody is above the law and rights based on divine reasons, ideology or heritage must be constitutionally barred. All forms of individual and social freedom must be guaranteed. The middle class is the agent of political development.

Fourth is economic development. This means developing people's intellectual and material capacities, and they can be best achieved by a liberal economic system that accounts for social needs and environmental preservation. I call this a social market economy. For such an economy to properly function, it will require the leadership of a democratic and independent entrepreneurial class and the guiding supervision of a developmental state. The building blocks of a balanced and sustainable economy are individuals and local communities. For such an economic system to prosper, industrialization, science, and technology must be highly supported, as should participation in global trade and financial institutions. Only then can Iran become a modern global power in the 21st century.

Fifth is cultural development. This involves finding the right mix of tradition and modernity and will include allowing for religious freedom and spiritual development of individuals and communities as well as the recognition of diversity among peoples and localities. Iran lives in a region of predominantly Moslem nations and is an Islamic country. However, Iranians need an Islamic reformation on which the nation's transition to a modern society will largely depend.

Sixth is international peace. Peace within a nation and peace among nations are two sides of the same phenomenon. The new Iranian nationalism must increasingly become globalist and integrationist, not parochial and isolationist as in the past. Peace, internal and international, is the foundation on which democracy and development is built. There is no alternative to a foreign policy that makes peace with all nations its top priority. Iran must avoid all rejectionist forces and disavow all violent means including terrorism and weapons of mass destruction.

The six needs and stakeholders identified above do not exhaust the list. About seventy percent of the Iranian population is under thirty years old, and fifty percent are women. Both these groups are oppressed, though in dissimilar ways. A democratic Iran will provide the basic rights and needs of both groups across all spheres of their lives, jobs and civil rights in particular. Ethnic and religious minorities are also disadvantaged and their rights and needs must also be provided. The other two deprived groups are the poor and disabled Iranians. A civilized nation will concern itself with these social groups and attend to their basic needs.

In sum, Iran is a country rich in resources but poor in achievements. This gap indicates, above all, the failure of its leadership to envision Iran's national and group interests, invite participation of the Iranian people in decision-making, help form a culture of transparency and democratic practices, promote the role of law, and advance state discipline and accountability. The failure of the leadership in turn is rooted in a transitional political culture that still relies on the old ways of thinking and doing as well as organizing and institutionalizing. The Iranian nation needs to create a wholly new Iran if it were to acquire a prestigious address in the new world.