



PROJECT on Middle East Democracy

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United States Institute of Peace

“Mullahs, Money, and Militias: How Iran Exerts its Influence in the Middle East”

1200 17th St NW, 2nd Floor Conference Room, 27 June 2008, 10 AM

The United States Institute of Peace (USIP) held a discussion based on the release of a USIP Special Report entitled “Mullahs, Money, and Militias: How Iran Exerts its Influence in the Middle East” authored by **Barbara Slavin**. Slavin, a Senior Fellow at USIP was joined by discussants **Kenneth Katzman**, Senior Analyst at the Congressional Research Service, **Dan Brumberg**, Acting Director of USIP’s Muslim World Initiative, and **Mona Yacoubian**, Special Adviser of USIP’s Muslim World Initiative. **Virginia Bouvier** of USIP moderated the discussion.

Slavin discussed the three pillars of Iran’s regional policies, religion, financial aid, and support for militias. Due to shared Shiite identity there are close historical and familial ties between clerics in Iran, Iraq, and Lebanon, which Iran exploits to build political cooperation. Iran has also been especially successful in its attempt at using financial resources to bolster its allies. This is true with Hamas and Iraqi Shiite militias, but **its greatest success is Hezbollah, which Iran sees as the template for the contemporary Islamic militant organization**. However, Slavin noted that while Iranian funds are important to these groups they would still exist even if Iranian funds stopped, though they would be much weaker.

Concerning Iran’s relationship with militias, Slavin stated that the relationship between Iran and the militias they support are more complex than many believe. Hezbollah, for example, is not an Iranian proxy as their relationship has evolved into more of a partnership. According to Slavin, Hezbollah leader **Hassan Nasrallah** makes key tactical decisions on his own and does not merely follow dictates from Iran. **Though Iranian funds allow them to influence political actions in Gaza, Iraq, and Lebanon they lack complete control over these militias, who must consider domestic political interests as well**. She concluded with a call for U.S.-Iranian engagement, as the U.S. needs to exploit the internal and external constraints on Iran’s expanding influence.

Katzman asserted that another source of Iran’s regional influence is its revolutionary spirit, which it exports across the region to create bonds amongst Shiites connected through a shared history of oppression. **Iran, according to Katzman, is a revolutionary power, and while it realizes its constraints, it seeks to overturn the regional dominance of the U.S. and Israel that keeps the Shiites marginalized**. Iran plans to pursue this strategy patiently and take advantage of opportunities rather than force the issue. This is done through exploiting U.S. and Israeli mistakes as well as Iran’s skillful manipulation of power vacuums and changing regional

dynamics.

Yacoubian discussed Iran's ties with Hezbollah and how Iran is constrained in their ability to influence Hezbollah. Yacoubian predicted that Hezbollah's integration in the political system would slowly fray ties between the militia and Iran. Hezbollah's popularity with the Shiite community depends on its cultivated image of being competent, not corrupt, and able to provide social services. Since Hezbollah also has to act within the realm of the multi-ethnic paradigm of Lebanon it cannot always take Iranian interests into account. This strain will be more apparent after Hezbollah attempts to restore its credibility after turning its weapons inwards, which caused others to question the legitimacy of their arms. She concluded with the suggestion that **if Hezbollah can be brought into the government as a legitimate political player, its domestic interests and responsibilities may lead to a gradual schism with Iran.**

Brumberg believed that it would be difficult for Iran to change its external behavior due to the role of revolutionary ideology, which has a sizable constituency in Iran and is rooted in the state's institutional foundations. Alliances with revolutionary movements, especially Shiite ones, cement the tenets of the Islamic Revolution. Brumberg stated that **looking at Iranian foreign policy as either completely driven by *realpolitik* or revolutionary ideology is a false dichotomy since it is driven by both, which makes Iranian intentions extremely opaque.** Brumberg suggested that for the U.S. to deal with Iran it attempt to foster a regional solution to the wide array of conflicts in the Middle East in order to bolster the pragmatists at the expense of revolutionary elements.