Iran: Politics, Human Rights, and U.S. Policy

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Summary

Since the Islamic Revolution in Iran in 1979, a priority of U.S. policy has been primarily to reduce the perceived threat posed by Iran to a broad range of U.S. interests. U.S. officials also express a broad range of concerns about Iran's human rights abuses, particularly its continued arrests and detention of U.S.-Iran dual nationals. During the 1980s and 1990s, U.S. officials identified Iran's support for militant Middle East groups as the primary threat posed by Iran to U.S. interests and allies. Iran's nuclear program took precedence in U.S. policy after 2002 as the program expanded and the chances that Iran could develop a nuclear weapon increased. Beginning in 2010, the United States orchestrated broad international economic pressure on Iran to persuade it to agree to strict limits on the program. The pressure might have contributed to the June 2013 election of the relatively moderate Hassan Rouhani as president of Iran, whose government subsequently negotiated a November 2013 interim nuclear agreement and then the "Joint Comprehensive Plan of Action" (JCPOA), which was finalized on July 14, 2015. The JCPOA, which began formal implementation on January 16, 2016, exchanged broad sanctions relief for nuclear program limits intended to give the international community confidence that Iran would require at least a year to produce a nuclear weapon if it decided to do so.

President Obama has asserted that the implementation of the JCPOA presents an opportunity to reduce the long-standing U.S.-Iran enmity and construct a new relationship. However, Iran has continued to test ballistic missiles, sought new conventional arms from Russia, maintained support for regional movements and factions such as Syrian President Bashar Al Assad and Lebanese Hezbollah, insisted on additional sanctions relief, arrested additional U.S.-Iran dual nationals, and threatened to close the Strait of Hormuz if Iran is attacked. These actions have prevented any broader rapprochement between Iran and the United States and Iran and the Arab states of the Gulf Cooperation Council (GCC: Saudi Arabia, Kuwait, UAE, Bahrain, Qatar, and Oman).

Domestically, Rouhani and the JCPOA appear to have broad support, but many Iranians say they also want greater freedoms of expression and assembly. Rouhani's public support was demonstrated by the strong showing of moderate conservative candidates in the elections for the parliament and a key clerical body, which were completed on April 29. The results appeared to strengthen Rouhani but might still not render him able to limit hardliner control of the state institutions that curb dissent and free expression. His political popularity will be tested at the next Iranian presidential elections scheduled to be held on May 19, 2017. The United States has supported programs to promote civil society in Iran, but successive U.S. administrations have stopped short of adopting policies that specifically seek to overthrow Iran's regime.

See also CRS Report R43333, *Iran Nuclear Agreement*, by (name redacted) and (name redacted) CRS Report RS20871, *Iran Sanctions*, by (name redacted) ; and CRS Report R44017, *Iran's Foreign and Defense Policies*, by (name redacted)

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Political History

Iran is a country of nearly 80 million people, located in the heart of the Persian Gulf region. The United States was an ally of the late Shah of Iran, Mohammad Reza Pahlavi ("the Shah"), who ruled from 1941 until his ouster in February 1979. The Shah assumed the throne when Britain and Russia forced his father, Reza Shah Pahlavi (Reza Shah), from power because of his perceived alignment with Germany in World War II. Reza Shah had assumed power in 1921 when, as an officer in Iran's only military force, the Cossack Brigade (reflecting Russian influence in Iran in the early 20th century), he launched a coup against the government of the Qajar royal family, which had ruled since 1794. Reza Shah was proclaimed Shah in 1925, founding the Pahlavi dynasty. The Qajar dynasty had been in decline for many years before Reza Shah's takeover. That dynasty's perceived manipulation by Britain and Russia had been one of the causes of the 1906 constitutionalist movement, which forced the Qajar dynasty to form Iran's first Majles (parliament) in August 1906 and promulgate a constitution in December 1906. Prior to the Qajars, what is now Iran was the center of several Persian empires and dynasties whose reach had shrunk steadily over time. After the 16th century, Iranian empires lost control of Bahrain (1521), Baghdad (1638), the Caucasus (1828), western Afghanistan (1857), Baluchistan (1872), and what is now Turkmenistan (1894). Iran adopted Shiite Islam under the Safavid Dynasty (1500-1722), which ended a series of Turkic and Mongol conquests.

The Shah was anti-Communist, and the United States viewed his government as a bulwark against the expansion of Soviet influence in the Persian Gulf and a counterweight to pro-Soviet Arab regimes and movements. Israel maintained a representative office in Iran during the Shah's time and the Shah supported a peaceful resolution of the Arab-Israeli dispute. In 1951, under pressure from nationalists in the *Majles* (parliament) who gained strength in the 1949 Majles elections, he appointed a popular nationalist parliamentarian, Dr. Mohammad Mossadeq, as prime minister. Mossadeq was widely considered left-leaning, and the United States was wary of his drive for nationalization of the oil industry, which had been controlled since 1913 by the Anglo-Persian Oil Company. His followers began an uprising in August 1953 when the Shah tried to dismiss him, and the Shah fled. The Shah was restored to power in a CIA-supported uprising that toppled Mossadeq ("Operation Ajax") on August 19, 1953.

The Shah tried to modernize Iran and orient it toward the West, but in so doing he alienated religious Iranians and the Shiite clergy. He also allegedly tolerated severe repression and torture of dissidents by his SAVAK intelligence service. The Shah exiled Ayatollah Ruhollah Khomeini in 1964 because of Khomeini's active opposition to what he asserted were the Shah's anti-clerical policies and forfeiture of Iran's sovereignty to the United States. Khomeini fled to and taught in Najaf, Iraq, a major Shiite theological center. In 1978, three years after the March 6, 1975, Algiers Accords between the Shah and Iraq's Baathist leaders that temporarily ended mutual hostile actions, Iraq expelled Khomeini to France, where he continued to agitate for revolution that would establish Islamic government in Iran. Mass demonstrations and guerrilla activity by pro-Khomeini forces caused the Shah's government to collapse. Khomeini returned from France on February 1, 1979, and, on February 11, 1979, he declared an Islamic Republic of Iran. Khomeini's concept of *velayat-e-faqih* (rule by a supreme Islamic jurisprudent, or "Supreme Leader") was enshrined in the constitution that was adopted in a public referendum in December 1979 (and amended in 1989). The constitution provided for the post of Supreme Leader of the Revolution. The regime based itself on strong opposition to Western influence, and relations between the United States and the Islamic Republic turned openly hostile after the November 4, 1979, seizure of the U.S. Embassy and its U.S. diplomats by pro-Khomeini radicals, which began

the so-called hostage crisis that ended in January 1981 with the release of the hostages.[1] Ayatollah Khomeini died on June 3, 1989, and was succeeded as Supreme Leader by Ayatollah Ali Khamene'i.

The regime faced serious unrest in its first few years, including a June 1981 bombing at the headquarters of the Islamic Republican Party (IRP) and the prime minister's office that killed several senior elected and clerical leaders, including then Prime Minister Javad Bahonar, elected President Ali Raja'i, and IRP head and top Khomeini disciple Ayatollah Mohammad Hussein Beheshti. The regime used these events, along with the hostage crisis with the United States, to justify purging many of the secular, liberal, and left-wing personalities that had been prominent in the years just after the revolution. Examples included the regime's first Prime Minister Mehdi Bazargan; the pro-Moscow Tudeh Party (Communist), the People's Mojahedin Organization of Iran (PMOI, see below), and the first elected president, Abolhassan Bani Sadr. The regime was under economic and military threat during the 1980-1988 Iran-Iraq War, which at times nearly halted Iran's oil exports. Since that war, Iran has not faced severe external military threat but domestic political rifts have continued.

Regime Structure, Stability, and Opposition

Some experts attribute the acrimony that has characterized U.S.-Iran relations since the Islamic revolution to not only the ideology but the nature of Iran's regime. Although it provides for elected institutions, checks and balances, and diversity of opinion, the regime is widely considered authoritarian and designed to ensure domination by Iran's Shiite clergy. Vast powers are invested in the position of "Supreme Leader" (known formally in Iran as "Leader of the Revolution"), who is required to be a senior cleric and is not term-limited. The Supreme Leader is chosen by an all-elected body (Assembly of Experts). The President and the *Majles* (unicameral parliament) are directly elected, and there are elections for municipal councils that, in turn, select mayors. Even within the unelected institutions, factional disputes between those who insist on ideological purity and those considered more pragmatic are evident.

Aside from a 2009-2010 uprising against alleged fraud in the reelection of then President Mahmoud Ahmadinejad, the regime has faced only episodic unrest from minorities, intellectuals, students, labor groups, women, and members of Iran's minority groups. Persians are about 51% of the population of about 75 million, and the major ethnic minorities are Azeris and Kurds. Shiite Muslims are about 90% of the Muslim population and Sunni Muslims are about 10%. About 2% of the population is non-Muslim, including Christians, Zoroastrians (an ancient religion in what is now Iran), Jewish, and Baha'i.

[1] The U.S. Embassy hostages are to be compensated for their detention in Iran from proceeds received from various banks to settle allegations of concealing financial transactions on behalf of Iranian clients, under a provision of the FY2016 Consolidated Appropriation (P.L. 114-113).

Supreme Leader:
Grand Ayatollah Ali Khamene'i

Born in July 1939 to an Azeri (Turkic) family from the northern city of Mashhad. Was jailed by the Shah of Iran for supporting Ayatollah Khomeini's revolution. After the regime took power in 1979, helped organize Revolutionary Guard and other security organs. Lost some use of right arm in purported assassination attempt in June 1981. Was elected president in 1981 and served until 1989. Was selected Khomeini's successor in June 1989. Upon that selection, Khamene'i religious ranking was advanced in official organs to "Grand Ayatollah" from the lower ranking "Hojjat ol-Islam." Still lacks the undisputed authority to end factional disputes and the public adoration Khomeini had. Has taken more of a day-to-day role since the 2009 uprising, including establishing strict parameters for Iran's nuclear negotiating team. Khamene'i's health situation is uncertain. The government acknowledged that he underwent prostate surgery in September 2014 but Khamene'i continues to appear in public regularly.

Policies

Throughout career, has consistently taken hardline stances on regional issues, particularly toward Israel, often calling it a cancerous tumor that needs to be excised from the region. In March 2014, publicly questioned whether the Holocaust occurred—an issue highlighted by former president Ahmadinejad. Meets with few Western officials and is avowedly suspicious of relations with the West, particularly the United States, as potentially making Iran vulnerable to Western cultural influence, spying, and possible regime destabilization efforts. In 2016, has accused the United States of not implementing JCPOA-related sanctions relief fully and thereby deterring foreign firms from returning to Iran. Largely bowing to public opinion, Khamene'i acquiesced to the election of the relatively moderate Rouhani, who favors opening to the West. Khamene'i did not oppose the JCPOA, paving the way for its adoption by the *Majles* and the Council of Guardians. Reputedly issued religious proclamation (2003) against Iran acquiring a nuclear weapon, and has publicly (2012) called doing so a "sin," and is widely believed to fear direct military confrontation with United States on Iranian soil. Fully backs efforts by Revolutionary Guard and other Iranian organs to support pro-Iranian movements and governments, including that of Syria. On economic issues, he has tended to support the business community (bazaaris), and opposed state control of the economy, but asserts that Iran's economy should be more self-sufficient to withstand the effects of international sanctions ("resistance economy").

Khamene'i's office is run by Mohammad Mohammadi Golpayegani, with significant input from Khamene'i's second and increasingly influential son, Mojtaba. Also advised by *Keyhan* editor Hossein Shariatmadari and former Foreign Minister Ali Akbar Velayati.

Photograph from http://www.leader.ir.

Unelected or Indirectly Elected Institutions: The Supreme Leader, Council of Guardians, and Expediency Council

Iran's power structure consists of unelected or indirectly elected persons and institutions.

The Supreme Leader

At the apex of the Islamic Republic's power structure is the "Supreme Leader." He is chosen by an elected body—the Assembly of Experts—which also has the constitutional power to remove him, as well as to rewrite Iran's constitution (subject to approval in a national referendum). Upon

Ayatollah Khomeini's death, the Assembly selected one of his disciples, Ayatollah Ali Khamene'i, as Supreme Leader.[2] Although he has never had Khomeini's undisputed political or religious authority, the powers of the office ensure that Khamene'i is Iran's paramount leader. Under the constitution, the Supreme Leader is Commander-in-Chief of the armed forces, giving him the power to appoint commanders, and he is directly represented on the highest national security body, the *Supreme National Security Council*, which is composed of top military and civilian security officials. The Supreme Leader can remove an elected president, if the judiciary or the *Majles* (parliament) assert cause for removal. The Supreme Leader appoints half of the 12-member *Council of Guardians*; all members of the *Expediency Council*, and the head of Iran's judiciary.

Council of Guardians and Expediency Council

The 12-member Council of Guardians (COG) consists of 6 Islamic jurists appointed by the Supreme Leader, and 6 lawyers selected by the judiciary and confirmed by the *Majles*. Currently headed by Ayatollah Ahmad Jannati, the conservative-controlled body reviews legislation to ensure it conforms to Islamic law. It also vets election candidates by evaluating their backgrounds according to constitutional requirements that each candidate demonstrate knowledge of Islam, loyalty to the Islamic system of government, and other criteria that are largely subjective. The COG also certifies election results.

The 42-member "Expediency Council" was established in 1988 to resolve legislative disagreements between the *Majles* and the COG. It has since evolved into a policy advisory body for the Supreme Leader and an overseer of the performance of the president and his cabinet. Its members serve five-year terms; its chairman, Ali Akbar Hashemi-Rafsanjani, was reappointed in February 2007 and again in March 2012. The Expediency Council's executive officer is former Revolutionary Guard commander-in-chief Mohsen Reza'i.

Table 1. Major Factions, Personalities, and Interest Groups

Supreme Leader Ali Khamene'i	See box above.
President Hassan Rouhani	See box below.
Expediency Council Chair Ayatollah Ali Akbar Hashemi-Rafsanjani	Born in 1934, a longtime key regime strategist, Khomeini disciple, and advocate of "grand bargain" to resolve all outstanding issues with United States. Was Majles speaker during 1981-1989 and president 1989-1997. Family owns large share of Iran's total pistachio production. Ouster as Assembly of Experts chairman in 2011 widely attributed to his tacit support of popular opposition to Ahmadinejad 2009 reelection and to the political activities of his children. Daughter Faizah was jailed in September 2012 for participating in the 2009 protests, and five other family members were arrested in 2009 and 2010 on similar charges. That perception undoubtedly contributed to COG denying his candidacy in 2013 presidential elections. But, election of key ally, Rouhani, as president in 2013 revived Rafsanjani's influence. Rafsanjani was strengthened by the strong performance of moderate candidates in the 2016 *Majles* and *Assembly of Experts* elections.
Senior Shiite Clerics	The most senior clerics, most of whom are in Qom, including several Grand Ayatollahs, are generally "quietist"—they believe that the senior clergy should refrain from direct involvement in politics. These include Grand Ayatollah Nasser Makarem Shirazi, Grand Ayatollah Abdol Karim Musavi-Ardabili, and Grand Ayatollah Yusuf Sanei, all of whom

[2] At the time of his selection as Supreme Leader, Khamene'i was generally referred to at the rank of Hojjat ol-Islam, one rank below Ayatollah, suggesting his religious elevation was political rather than through traditional mechanisms.

	criticized the regime's crackdown against oppositionists during the 2009 uprising. Others believe in political involvement, including Ayatollah Mohammad Taqi Mesbah-Yazdi, the founder of the hardline Haqqani school and erstwhile spiritual mentor to Ahmadinejad and an assertive defender of the powers of the Supreme Leader. Mesbah-Yazdi's influence is likely to decline because he lost his Assembly of Experts seat in February 2016 elections.
Religious Foundations ("Bonyads")	Iran has several major religious foundations, called "*bonyads.*" Examples include the Martyr's Foundation, the Foundation for the Oppressed and Disabled, the Astan Qods Razavi Foundation (linked to the Shrine of Imam Reza in Mashhad), and the Fifteen Khordad Foundation (which offers a bounty for the killing of author Salman Rushdie). The bonyads, controlled by clerics and their allies, control vast amounts of property and valuable businesses, some of which were built from abandoned assets left behind when the Shah and his allies fled Iran in 1979. The bonyads are loosely regulated and largely exempt from taxation.
The Islamic Revolutionary Guard Corps (IRGC)	The IRGC is not only a military organization, but an internal security force and an instrument of Iran's regional policy. The IRGC is discussed throughout this report and other CRS reports on Iran. The IRGC is able to generate profits from its business affiliates, which enjoy vast tax and regulatory benefits, and can spend significant amounts of unbudgeted funds on arms, technology, and support to pro-Iranian movements.
Society of Militant Clerics	Longtime organization of moderate-to-hardline clerics. President Rouhani is a member of this group.
Reformist and Green Movement Leaders: Mir Hossein Musavi/ Mohammad Khatemi/Mehdi Karrubi	Mir Hossein Musavi is the titular leader of the Green movement, the coalition of youth and intellectuals that led the 2009-2010 uprising that protested the allegedly fraudulent reelection of then President Mahmoud Ahmadinejad. A non-cleric and architect by training, born in 1942, Musavi was a Khomeini aide and served as foreign minister (1980), then prime minister (1981-1989). An advocate of state control of the economy, as prime minister, Musavi often feuded with Khamene'i, who was then president and was aligned with the merchant community. Musavi's post was abolished in the 1989 revision of the constitution. Musavi supports political and social freedoms and reducing Iran's international isolation, continues to back state intervention in the economy to benefit workers and lower classes. Appeared at some of the 2009 protests, was sometimes harassed by security agents, but some opposition leaders resented his statements supporting reconciliation with the regime. Musavi and his wife, prominent activist Zahra Rahnevard, along with fellow Green Movement leader and former Majles Speaker (2000-4) Mehdi Karrubi, were placed in detention in mid-2011. In 2014, Karrubi was allowed to return to his home, although still under the control of regime guards. Musavi and Rahnevard remain in detention. Mohammad Khatemi was elected president on a reformist platform in May 1997, with 69% of the vote and reelected in June 2001 with 77%. Rode wave of sentiment for easing social and political restrictions, but these groups became disillusioned with Khatemi's failure to buck hardliners on reform issues. He was largely marginalized by the time his presidency ended in 2005. Khatemi endorsed Musavi in the 2009 election and, subsequently, has had his travel restricted and Iranian media have been barred from discussing him. Khatemi reportedly helped organize reformists and other pro-Rouhani candidates in the 2016 *Majles* elections, and Rouhani has sought to end the media ban on Khatemi.
Student Groups	Groups composed of well-educated, Westernized urban youth have been the backbone of the Green Movement. The Office of Consolidation of Unity is the student group that led the 1999 riots but which later became controlled by regime loyalists. An offshoot, the Confederation of Iranian Students (CIS), led by U.S.-based Amir Abbas Fakhravar, believes in regime replacement and in 2013 formed a "National Iran Congress" to advocate that outcome. Co-founder Arzhang Davoodi has been in prison since 2002 and in July 2014 was sentenced to death. The sentence has not been implemented to date.
Islamic Iran Participation Front (IIPF)	The most prominent and best organized pro-reform grouping, but in 2009 lost political ground to Green Movement groups. IIPF leaders include Khatemi's brother, Mohammad Reza Khatemi (deputy speaker in the 2000-2004 Majles) and Mohsen Mirdamadi. Backed Musavi in June 2009 election, and several IIPF leaders detained and prosecuted in

	postelection dispute. The party was outlawed in September 2010.
Mojahedin of the Islamic Revolution Organization (MIR)	Composed mainly of left-leaning Iranian figures who support state control of the economy, but want greater political pluralism and relaxation of rules on social behavior. A major constituency of the reformist camp. Its leader is former Heavy Industries Minister Behzad Nabavi, who supported Musavi in 2009 election and has been incarcerated for most of the time since June 2009. The organization was outlawed by the regime simultaneously with the outlawing of the IIPF, above.
Combatant Clerics Association	The group was formed in 1988 and its name is similar to the Society of Militant Clerics, above, but the group is run by reformists. Leading figures include Mohammad Khatemi, former Interior Minister Ali Akbar Mohtashemi-Pur, and former Prosecutor General Ali Asgar Musavi-Koiniha.
Other Prominent Dissidents	Other leading dissidents, some in Iran, others in exile (including in the United States), have been criticizing the regime for decades. Journalist Akbar Ganji served six years in prison for alleging high-level involvement in 1999 murders of Iranian dissident intellectuals. Religion scholar Abdol Karim Soroush left Iran in 2001 after challenging the doctrine of clerical rule. Former Revolutionary Guard organizer Mohsen Sazegara broadcasts on-line to Iran from his base in the United States. Nobel Peace Prize laureate (2003) and Iran human rights activist lawyer Shirin Abadi, who for many years represented clients persecuted or prosecuted by the regime, left Iran after the 2009 uprising. Other significant dissidents in exile include former Culture Minister Ataollah Mohajerani, Mohsen Kadivar, and U.S.-based Fatemah Haghighatgoo. Some well-known dissidents have been incarcerated periodically or continuously since 2010, including filmmaker Jafar Panahi and famed blogger Hossein Derakshan, and journalist Abdolreza Tajik. The elderly leader of the Iran Freedom Movement leader, Ibrahim Yazdi, was released from prison in April 2011 after resigning as the movement's leader. Human rights lawyer Nasrin Sotoudeh was released from prison in September 2013. In May 2015, the regime arrested Ms. Narges Mohammad, a well-known activist against regime executions.
Monarchists/Shah's Son	Some Iranians outside Iran, including in the United States, want to replace the regime with a constitutional monarchy led by Reza Pahlavi, the U.S.-based son of the late former Shah and a U.S.-trained combat pilot. The Shah's son, who was born in 1960, has delivered statements condemning the regime for the post-2009 election crackdown and he has called for international governments to withdraw their representation from Tehran. He appears periodically in broadcasts into Iran by Iranian exile-run stations in California,[3] as well as in other Iran-oriented media. Pahlavi has always had some support particularly in the older generation in Iran, but he has tried to broaden his following by denying that he seeks a restoration of a monarchy. Since March 2011, he has been increasingly cooperating with—and possibly attempting to co-opt—younger leaders in a "National Council of Iran" (NCI), which was established along with over 30 other groups in April 2013. The Council drafted democratic principles for a post-Islamic republic Iran but has suffered defections and its activity level appears minimal.
Leftist Groups	Some oppositionists who support left-wing ideologies support the People's Mojahedin Organization of Iran (PMOI). See text box at the end of this report.
Sunni Armed Opposition: Jundullah	*Jundullah is* composed of Sunni Muslims primarily from the Baluchistan region bordering Pakistan. The region is inhabited by members of the Baluch minority and is far less developed than other parts of Iran. On the grounds that *Jundullah* has attacked civilians in the course of violent attacks in Iran, the State Department formally named it an FTO on November 4, 2010. *Jundullah* has conducted several attacks on Iranian security and civilian officials, including a May 2009 bombing of a mosque in Zahedan and the October 2009 killing of five IRGC commanders in Sistan va Baluchistan Province. The regime claimed a victory against the group in February 2010 with the capture of its top leader, Abdolmalek Rigi. The regime executed him in June 2010, but the group retaliated in July 2010 with a

[3] Ron Kampeas, "Iran's Crown Prince Plots Nonviolent Insurrection from Suburban Washington," *Associated Press*, August 26, 2002.

	Zahedan bombing that killed 28 persons, including some IRGC personnel. The group was responsible for a December 15, 2010, bombing at a mosque in Chahbahar, also in Baluchistan, that killed 38.
Kurdish Armed Groups	One armed Kurdish group operating out of Iraq is the Free Life Party, known by its acronym PJAK. Its leader is believed to be Abdul Rahman Hajji Ahmadi, born in 1941, who is a citizen of Germany and lives in that country. Many PJAK fighters reportedly are women. PJAK was designated by the Department of the Treasury in early February 2009 as a terrorism supporting entity under Executive Order 13224, although the designation statement indicated the decision was based mainly on PJAK's association with the Turkish Kurdish opposition group Kongra Gel, also known as the PKK. Five Kurds executed by Iran's regime in May 2010 were alleged members of PJAK. In July 2016, the Kurdistan Democratic Party of Iran (KDP-I) announced a resumption of "armed struggle" against the regime, which had been suspended for 25 years, following clashes with the IRGC that left several dead on both sides. KDP-I fighters involved in the clashes reportedly had entered Iran from Kurdish-controlled territory in Iraq.
Arab Oppositionists/Ahwazi Arabs	Another militant group, the *Ahwazi Arabs*, operates in the largely Arab-inhabited areas of southwest Iran. Relatively inactive over the past few years, and the regime continues to execute captured members of the organization.

Sources: Various press accounts and author conversations with Iran experts in and outside Washington, DC.

Elected Institutions/Recent Elections

Several major institutional positions are directly elected by the population, but U.S. and other international observers question the credibility of Iran's elections because of the role of the COG in vetting candidates and limiting the number and ideological diversity of the candidate field. Women can vote and run for most offices, but the COG interprets the Iranian constitution as prohibiting women from running for the office of president. Presidential candidates must receive more than 50% of the vote to avoid a runoff which, if needed, is held several weeks later.

Another criticism of the political process in Iran is the relative absence of political parties; establishing a party requires the permission of the Interior Ministry under Article 10 of Iran's constitution. The standards to obtain approval are high: to date, numerous parties have filed for permission since the regime was founded, but only those considered loyal to the regime have been granted license to operate. Some have been licensed and then subsequently banned when their leaders opposed those in power in the regime, such as the two reformist parties Islamic Iran Participation Front and Organization of Mojahedin of the Islamic Revolution (outlawed in September 2010).

The Presidency

The main directly elected institution is the presidency, which is formally and in practice subordinate to the Supreme Leader. Virtually every successive president has tried and failed to expand his authority relative to the Supreme Leader. Presidential authority, particularly on matters of national security, is also often circumscribed by key clerics and the generally hardline military and security organization called the Islamic Revolutionary Guard Corps (IRGC). But, the presidency provides opportunities for a president to reward loyalists and expand his political base.

The president appoints and supervises the cabinet, develops the budgets of cabinet departments, and imposes and collects taxes on corporations and other bodies. The presidency also runs oversight bodies such as the Anticorruption Headquarters and the General Inspection Organization, to which all government officials are formally required to submit annual financial statements.

Prior to 1989, Iran had both an elected president and a prime minister selected by the elected Majles (parliament). However, the holders of the two positions were constantly in institutional conflict and a 1989 constitutional revision eliminated the prime ministership. Because Iran's presidents have sometimes asserted the powers of their institution against the office of the Supreme Leader itself, in October 2011, Khamene'i raised the possibility of eliminating the post of president and restoring the post of prime minister. The prime minister would be selected by the elected *Majles* rather than being directly elected by the population, and presumably would not be as independent of the Supreme Leader as is the existing presidency. No action has been taken on that Khamene'i statement, to date.

The Majles

Iran's *Majles*, or parliament, is a 290-seat unicameral body. It is all elected, but there are five "reserved seats" for the "recognized" minority communities of Jews, Zoroastrians, and Christians (three of the five). The *Majles* confirms cabinet selections and drafts and acts on legislation. Among its main duties is to consider and enact a proposed national budget, actions that typically take place in advance of the Persian New Year (Nowruz) each March 21. It actively legislates on domestic economic and social issues, but it tends to defer to the presidency and security institutions on defense and foreign policy issues. It is constitutionally required to ratify major international agreements, and it ratified the JCPOA in October 2015. The ratification was affirmed by the CoG. The *Majles* has always been highly factionalized, but all factions tend to defer immediately to the authority of the Supreme Leader. Women regularly run and win election, but there is no "quota" for the number of women to be elected and their membership in the *Majles* has always been small. *Majles* elections occur one year prior to the presidential elections; the latest were held on February 26, 2016 (and a runoff on April 29), as discussed further below.

The Assembly of Experts

A major but little publicized elected institution is the 88-seat *Assembly of Experts.* Akin to a standing electoral college, it is empowered to choose a new Supreme Leader upon the death of the incumbent, and it formally "oversees" the work of the Supreme Leader. The Assembly can replace him if necessary, although invoking that power would, in practice, most likely occur in the event of a severe health crisis. The Assembly is also empowered to amend the constitution. It generally meets two times a year.

Elections to the Assembly elections are held every 8-10 years (some variation in the term), conducted on a provincial basis. The fourth election for the Assembly was held on December 15, 2006; after that election, Rafsanjani was named deputy chairman of the Assembly. He became its chairman in September 2007, following the death of then leader Ayatollah Meshkini. Rafsanjani's opposition to the crackdown on the 2009 uprising ran him afoul of the Supreme Leader and he was replaced as chair of the body in March 2011 by the aging and infirm compromise candidate Ayatollah Mohammad Reza Mahdavi-Kani. He died in October 2014 and was replaced on an interim basis by deputy Chairman Mahmoud Shahrudi, a former chief of the judiciary, and later on a permanent basis by the 83-year-old Mohammad Yazdi (as of March 2015). Yazdi lost his seat in the Assembly of Experts election on February 26, 2016 (concurrent with the Majles elections), and COG Chairman Ayatollah Ahmad Jannati was selected the new Assembly chairman in May 2016, serving in the two posts concurrently. This Assembly might be the one that chooses Khamene'i's successor, given his advanced age. In December 2015, Rafsanjani

raised the succession issue publicly by stating that the Assembly had formed a committee to evaluate the backgrounds of potential successors and develop a list of possible choices.[4]

Succession to Khamene'i

There is no clear consensus choice to succeed Khamene'i. The Supreme Leader reportedly favors as his successor Ibrahim Raisi, who Khamene'i appointed in 2016 to head the powerful Shrine of Imam Reza (Astan-e Qods Razavi) in the Mashhad. The foundation centered on that shrine controls vast property and many businesses in the province. Raisi is a hardliner who has served as state prosecutor and was allegedly involved in the 1988 massacre of prisoners and other acts of repression.[5] However, the Assembly would not necessarily take his preferences into account after his passing.

Other possible successors include former judiciary chief Ayatollah Mahmoud Shahrudi; Expediency Council Chairman and longtime regime stalwart Ayatollah Ali Akbar Hashemi-Rafsanjani; Judiciary head Ayatollah Sadeq Larijani; and hardline Tehran Friday prayer leader Ayatollah Ahmad Khatemi. The succession chances of another potential candidate, hardline senior cleric Ayatollah Mohammad Taqi Mesbah-Yazdi, were likely reduced by his loss of an Assembly of Experts seat in the February 2016 elections, Of the potential successors, only Rafsanjani can legitimately claim to have been a constant presence at Ayatollah Khomeini's side in the revolution that established the Islamic Republic, The Assembly of Experts might choose to use a constitutional provision to set up a three-person leadership council to replace Khamene'i. Rafsanjani broke an unstated taboo in December 2015 by indicating that the Assembly is considering potential successors.

Elections since 1989 and Their Implications

Rafsanjani served as president during 1989-1997, elected soon after Ayatollah Khomeini's death in June of 1989. Rafsanjani was succeeded by the reformist Mohammad Khatemi, who won landslide victories in the elections of 1997 and 2001. With support from Khamene'i, hardliners marginalized Khatemi and regained political predominance. Conservatives won 155 out of the 290 *Majles* seats in the February 20, 2004, *Majles* elections, in large part because the COG disallowed 3,600 reformist candidates.

2005 Presidential Election. The COG narrowed the field for the June 2005 presidential elections to eight candidates (out of the 1,014 persons who filed to run). The major candidates were Rafsanjani,[6] Ali Larijani, Mohammad Baqer Qalibaf, and Tehran mayor Mahmoud Ahmadinejad. With 21% and 19.5%, respectively, Rafsanjani and Ahmadinejad, who apparently had the tacit backing of Khamene'i, moved to a runoff on June 24, which Ahmadinejad won 62% to 36%. During Ahmadinejad's first term, which began in August 2005, splits widened between Ahmadinejad and other conservatives. In the March 2008 *Majles* elections, some conservatives banded together in an anti-Ahmadinejad bloc.

[4] The Guardian, December 13, 2015. http://www.theguardian.com/world/2015/dec/14/rafsanjani-breaks-taboo-over-selection-of-irans-next-supreme-leader.

[5] https://www.washingtonpost.com/opinions/global-opinions/irans-likely-next-supreme-leader-is-no-friend-of-the-west/2016/09/26/eb3becc0-79fb-11e6-bd86-b7bbd53d2b5d_story.html?utm_term=.e6499d61d0be

[6] Rafsanjani was constitutionally permitted to run because a third term would not have been consecutive with his previous two terms. In the 2001 presidential election, the Council permitted 10 out of the 814 registered candidates.

Disputed 2009 Election. Reformists saw this conservative split as an opportunity to unseat Ahmadinejad in the June 12, 2009, presidential election and rallied behind Mir Hossein Musavi, who served as prime minister during the 1980-1988 Iran-Iraq War. The COG allowed another reformist to run as well – former *Majles* speaker Mehdi Karrubi. Musavi's young, urban supporters used social media to organize large rallies in Tehran, but pro-Ahmadinejad rallies were large as well. Turnout was about 85%. The Interior Ministry pronounced Ahmadinejad the winner only two hours after the polls closed, and vote totals, released June 13, showed Ahmadinejad receiving about 25 million votes (63%), Musavi with about 13 million. Musavi supporters immediately began protesting the results, but some outside analysts said the results tracked preelection polls.[7]Large anti-government demonstrations occurred June 13-19, 2009, largely in Tehran but also in other cities. Security forces killed over 100 protesters (opposition figure—Iran government figure was 27), including a 19-year-old woman, Neda Soltani, who subsequently became an icon of the uprising.

The opposition congealed into the "Green Movement of Hope and Change." Some protests in December 2009 overwhelmed regime security forces in some parts of Tehran, but the movement's activity declined after its demonstration on the February 11, 2010, anniversary of the founding of the Islamic Republic was suppressed. As unrest ebbed, Ahmadinejad promoted his loyalists and a nationalist version of Islam that limits clerical authority, bringing him conflict with Supreme Leader Khamene'i. Amid that rift, the March 2, 2012, Majles elections attracted only 5,400 candidacies—33% fewer than the previous Majles elections. Only 10% of them were women. The COG issued a final candidate list of 3,400 for the 290 seats up for election. Two blocs of candidates supported by Khamene'i won about 75% of the seats, weakening Ahmadinejad.

June 14, 2013, Presidential Election

The last presidential election was held on June 14, 2013, held concurrently with municipal elections. The major candidates included

- Figures close to the Supreme Leader—Tehran mayor Qalibaf; former foreign minister and top Khamene'i foreign policy advisor Ali Akbar Velayati, Reza'i (see above); and then-chief nuclear negotiator Seyed Jalilli.
- Former chief nuclear negotiator Hassan Rouhani, a moderate and Rafsanjani ally.
- The COG disapproved Rafsanjani's candidacy, which shocked many Iranians because of Rafsanjani's prominent place in the history of the regime. The candidacy of Ahmadinejad ally Esfandiar Rahim Mashai was denied.

Green Movement supporters, who were expected to boycott the vote, mobilized behind Rouhani after regime officials stressed that they were committed to avoiding another election-related uprising. This vote propelled a 70% turnout and a first-round victory for Rouhani, garnering about 50.7% of the 36 million votes cast. Rouhani was sworn in on August 4, 2013, and nominated a cabinet that same day populated by competent officials rather than political loyalists. The *Majles* approved all but three of his choices. The most significant appointees included

- Foreign Minister: Mohammad Javad Zarif, the former Ambassador to the United Nations in New York. Rouhani assigned Zarif to serve concurrently as chief nuclear negotiator, a post traditionally held by the chairman of the Supreme

[7] A paper published by Chatham House and the University of St. Andrews strongly questions how Ahmadinejad's vote could have been as large as reported by official results, in light of past voting patterns throughout Iran. "Preliminary Analysis of the Voting Figures in Iran's 2009 Presidential Election." http://www.chathamhouse.org.uk.

National Security Council. In September 2013, Rouhani appointed senior IRGC leader and former Defense Minister Ali Shamkhani as head of that body; Shamkhani has held more moderate positions than his IRGC peers.

- Oil Minister: Bijan Zanganeh, who served in the same post during the Khatemi presidency and attracted significant foreign investment to the sector. He replaced Rostam Qasemi, who was associated with the corporate arm of the IRGC. Zanganeh rehired and recruited many oil industry technocrats.
- Defense Minister: Hosein Dehgan. An IRGC stalwart, he was an early organizer of the IRGC unit in Lebanon that helped form Hezbollah and later became the IRGC-Qods Force. He later was IRGC Air Force commander and deputy Defense Minister.
- Justice Minister: Mostafa Pour-Mohammadi, a controversial minister because, as deputy Intelligence Minister in late 1980s, he was implicated in a 1988 massacre of Iranian prisoners. He was Interior Minister under Ahmadinejad. H.Con.Res. 159 resolves that Congress condemns Iran for the massacre and urges the United Nations to establish a Commission of Inquiry to fully investigate it.

Elections since 2013 and Next Presidential Election

On February 26, 2016, Iran held concurrent elections for the *Majles* and for the Assembly of Experts. A runoff round for 68 Majles seats was held on April 29.[8] For the Majles: the Interior Ministry and Council of Guardians approved 6,200 candidates to compete for the 290 seats, including 586 female candidates. The oversight bodies invalidated the candidacies of about 6,000 who had applied to run, including all but 100 candidates who identify as "reformists." Former President Khatemi and another leading reformist, Mohammad Reza Aref, organized reformist groups in support of an apparently successful strategy of supporting pro-Rouhani candidates for the Majles. Rouhani publicly criticized the COG vetting process that excluded so many reformist candidates, but Supreme Leader Khamene'i deemed the process fair. The election sharply reduced the number of hardliners in the Majles, and pro-Rouhani candidates hold as many as 140 seats, close to a majority. Independents, whose alignments might vary by issue, will control about 50 seats. Among the winners were 18 women—the largest female contingent in the body since the Islamic Revolution. The new Majles, which convened on May 27, 2016, continued Ali Larijani as its Speaker.

For the Assembly of Experts: to be approved a candidate must be able to interpret Islamic law—a requirement that gives the COG wide latitude to determine who can run. For the election, 161 candidates were approved, out of 800 that filed to run. Reformists and their pro-Rouhani allies succeeded in defeating for an Assembly seat at least two prominent hardliners—current Assembly Chairman Mohammad Yazdi and Ayatollah Mohammad Taqi Mesbah-Yazdi. COG head Ayatollah Jannati retained his seat, but came in last for the 30 seats elected from Tehran Province. He was subsequently named Chairman of the Assembly of Experts.

Presidential Election in 2017. The next presidential elections is tentatively scheduled for May 19, 2017. Rouhani is eligible to run for re-election and is considered by many Iranian experts as a prohibitive favorite. Former President Ahmadinejad had been traveling Iran in mid-2016 and appeared to be exploring running again (which is allowed because another term would not be consecutive with his two previous terms). However, Khamene'i—apparently seeking to avoid

[8] See also CRS Insight IN10457, *Implications of Iranian Elections*, by (name redacted) .

election related unrest—made an unprecedented statement in September 2016 that he had told Ahmadinejad that his running again was "not advisable." Ahmadinejad subsequently announced he will not run again, leaving no clear hardliner election opponent for Rouhani.

Rouhani Presidency

Rouhani has focused mainly on negotiating and then institutionalizing the JCPOA, on economic reform, and on rebuilding Iran's international and regional economic ties. He has not sought to change Iran's security policies and has only marginally eased restrictions on freedom of expression. Hardliners who opposed Iranian concessions in the JCPOA were unable to persuade Khamene'i, the *Majles*, or the COG to block the accord. The JCPOA and resulting sanctions relief undoubtedly benefitted pro-Rouhani candidates in the *Majles* elections and might improve Rouhani's chances for reelection 2017, although the economy has not, to date, returned to rapid growth since sanctions were lifted. Khamene'i's speech marking Persian New Year on March 21, 2016, which advocated building the "resistance economy," was widely interpreted as contradicting Rouhani's emphasis on expanding trade relations with developed world.

Rouhani has sought to promote freedom of expression and political tolerance, but hardliners in the judiciary and the security services have circumscribed most of his efforts. In September 2013, Rouhani proposed a new "charter for citizen's rights." Rouhani has sought to end the hardliner-imposed media ban on discussing reformist former President Khatemi. In late 2013, Rouhani apparently prevailed on the judiciary to release nearly 80 political prisoners incarcerated for involvement in the uprising, including prominent human rights lawyer Nasrin Sotoudeh.

The judiciary and security institutions have to some extent undermined Rouhani's efforts to rebuild Iran's international relationships by continuing to arrest and prosecute U.S.-Iran dual nationals and other dual nationals for alleged efforts to undermine the regime. The most prominent of the security institutions are the Ministry of Intelligence and Security (MOIS), the IRGC, the Basij organization of the IRGC, and the Law Enforcement Forces (riot police, regular police, and gendarmerie). And, neither of the two main titular Green Movement leaders, Mousavi and Karrubi, who were detained in early 2011, have been released, although in 2014 Karrubi was moved from a detention facility to house arrest. Mousavi's wife, a prominent women's rights activist Zahra Rahnevard, also remains confined with Mousavi. Khamene'i has repeatedly called these figures "seditionists" and has signaled that they should remain confined indefinitely.

Hojjat ol-Islam:
Dr. Hassan Rouhani

Hassan Rouhani is a Hojjat ol-Islam, one rank below Ayatollah. He was born in 1948. He holds a Ph.D. in law from Glasgow Caledonian University in Scotland. Rouhani is a long-time regime stalwart who was part of Ayatollah Khomeini's circle prior to the triumph of the Islamic revolution. He is also an associate and protégé of Rafsanjani, and Rouhani's pragmatic policy approach on issues such as the nuclear issue and relations with the United States approximates Rafsanjani's views. Rouhani's closeness to Rafsanjani potentially complicates Rouhani's relations with Khamene'i, but there is no evidence of direct Rouhani-Khamene'i tension to date.

Career Background

Often nicknamed the "diplomat sheikh," Rouhani was chief nuclear negotiator during 2003-2005, when Iran did agree to suspend uranium enrichment. He is believed amenable to a nuclear deal with the international community that would reduce international sanctions but not necessarily preclude any options for Iran's nuclear program over the longer term. He also campaigned on a platform of easing the Islamic Republic's social restrictions and its suppression of free expression. That platform helped Rouhani draw support from the Green movement and other reformists to win his election. On the other hand, some accounts suggest that he supported the crackdown against an earlier student uprising in July 1999, during the presidency of reformist figure Mohammad Khatemi.

Rouhani is a longtime member of the political establishment. Then President Rafsanjani appointed him a member of the Supreme National Security Council in 1989, and he remains on that body. He has been a member of the Assembly of Experts since 1999 (and reelected to that body in the February 2016 election), and was a member of the *Majles* during 1980-2000, serving twice as deputy speaker. He has also been a member of the Expediency Council since 1991. He headed the Center for Strategic Studies, a foreign policy think tank that has advised the Expediency Council and the Supreme Leader, since 1992.

Photograph from http://www.rouhani.ir.

Human Rights Practices

International criticism of Iran's human rights practices predates the crackdown against the 2009 uprising. **Table 2**, which discusses the regime's record on a number of human rights issues, is based on the latest State Department human rights report (for 2015)[9] and on reports from a U.N. Special Rapporteur, Ahmad Shaheed.[10]These reports cite Iran for a wide range of serious abuses—aside from its suppression of political opposition—including escalating use of capital punishment, executions of minors, denial of fair public trial, harsh and life-threatening conditions in prison, and unlawful detention and torture. The Special Rapporteur has noted in recent reports that the 2013 revisions to the Islamic Penal Code and the 2015 revisions to the Criminal Procedure Code made some reforms, including eliminating death sentences for children convicted of drug-related offenses and protecting the rights of the accused.

[9] Much of the information in this section comes from the State Department human rights report for 2015: http://www.state.gov/documents/organization/253135.pdf.

[10] The latest of those reports, dated September 6, 2016, can be found at http://shaheedoniran.org/wp-content/uploads/2016/10/SG-Report-UNGA2016.pdf

The Special Rapporteur received his mandate on March 24, 2011, when the U.N. Human Rights Council voted, 22 to 7, to re-establish that position after a four-year review of Iran's human rights record. A previous Special Rapporteur mission on Iran existed during 1988-2002. Former Maldives Foreign Minister Ahmad Shaheed was appointed to this role in June 2011. The U.N. Human Rights Council has renewed the mandate of the Special Rapporteur each year since, most recently on March 23, 2016, by a vote of 20 for, 15 countries against, and 11 abstaining.

Iran has been censured for refusing permission for the Special Rapporteur to conduct fact-finding visits to Iran. In December 2011, the U.N. General Assembly approved a resolution insisting that Iran cooperate with the efforts of the Special Rapporteur, by a vote of 89-30 with 64 abstentions. Iran continues to refuse entry, although it does respond to some of the Special Rapporteur's inquiries through "special procedures" agreed with Iran. Despite the criticism of its human rights record, on April 29, 2010, Iran acceded to the U.N. Commission on the Status of Women, after dropping an attempt to sit on the higher-profile Human Rights Council. It also has a seat on the boards of the U.N. Development Program (UNDP) and UNICEF. Iran's U.N. dues are about $9 million per year.

Iran has an official body, the High Council for Human Rights, headed by former Foreign Minister Mohammad Javad Larijani (brother of the Majles speaker and the judiciary head). It generally defends the government's actions to outside bodies rather than encourages improvement of the government's human rights practices, although Larijani has, according to the Special Rapporteur, questioned the effectiveness of drug-related executions.

As part of its efforts to try to compel Iran to improve its human rights practices, the United States has imposed sanctions on Iranian officials alleged to have committed human rights abuses, and on firms that help Iranian authorities censor or monitor the Internet. Human rights-related sanctions are analyzed in significant detail in CRS Report RS20871, *Iran Sanctions*, by (name redacted) . In April 2014, the European Parliament passed a resolution calling on European Union (EU) diplomats to raise Iran's human rights record at official engagements.

Table 2. Human Rights Practices: General Categories

Regime Practice/Recent Developments	
Issues	
Media Freedoms	The Ministry of Culture and Islamic Guidance monitors journalists reporting from Iran as well as media and communications operations. It continues to block pro-reform websites and blogs and close newspapers critical of the government, but some editors say that the government has become more tolerant of critical media since Rouhani took office. The Majles investigated the November 2012 death in custody of blogger Sattar Beheshti; seven security officers were arrested and the Tehran "Cyber Police" commander was removed for the incident. Iran is setting up a national network that would have a monopoly on Internet service for Iranians. According to the September 2016 Special Rapporteur's report, 47 journalists and "Internet users" are in jail.
Labor Restrictions	Independent unions are legal but not allowed in practice. The sole authorized national labor organization is a state-controlled "Workers' House" umbrella. In 2014, Iran ratified an additional International Labour Organization convention. Bus driver union leader, Mansur Osanloo, was jailed from 2007 until 2011.
Women's Rights	Women can vote and run for office but female candidates for President have always been barred from running by the Council of Guardians. They can and have served in cabinet and vice presidential positions but cannot serve as judges, Women are permitted to drive and work outside the home without restriction, including owning their own businesses, although less than 20% of the workforce is female. Women are required to be covered in public, generally with a garment called a *chador*, but enforcement has relaxed somewhat since Rouhani took office. Women do not have inheritance or divorce rights equal to that of men, and their court

	testimony carries half the weight of a male's. Laws against rape are not enforced effectively. The law permits a man to have up to four wives as well as "temporary wives"—an arrangement reached after a religious ceremony and civil contract outlining the relationship's conditions. In September 2014, an Iranian-British woman was jailed briefly for attending a volleyball match.
Religious Freedom	Government restrictions on religious freedom for some non-Shiite groups in Iran have been noted consistently in State Department International Religious Freedom reports, including the report for 2015. Each year since 1999, the Secretary of State has designated Iran as a "Country of Particular Concern" under the International Religious Freedom Act (IRFA). No sanctions have been added under IRFA, on the grounds that Iran is already subject to extensive U.S. sanctions. Iran's penal code provides the death penalty for *moharebeh* (enmity against God) and *sabb al-nabi* (insulting the prophets), crimes that critics say are subjective and selectively applied to opponents of the regime.
Executions Policy	Human rights observer groups say the government has increased executions since Rouhani took office. Iran is a party to the International Covenant on Civil and Political Rights and the Convention on the Rights of the Child, and is obligated to cease the executions of minors.
Human Trafficking	Since 2005, State Department "Trafficking in Persons" reports (including the report for 2016, issued in June 2016) have placed Iran in Tier 3 (worst level) for failing to take significant action to prevent trafficking in persons. Iranian women, boys, and girls are trafficked for sexual exploitation in Iran as well as to Pakistan, the Persian Gulf, and Europe.
Stonings	In 2002, the head of Iran's judiciary issued a ban on stoning. However, Iranian officials later called that directive "advisory," thus putting stoning sentences at the discretion of individual judges.
Detentions of U.S. Nationals and Dual Nationals	Iran does not recognize any dual nationality. Iranian-American academic Haleh Esfandiari was imprisoned for several months in 2007 for allegations that her employer, the Woodrow Wilson Center, was involved in democracy promotion efforts in Iran. Iranian-American journalist Roxanna Saberi was imprisoned for five months in 2009 for expired press credentials. Three American hikers (Sara Shourd, Shane Bauer, and Josh Fattal) were arrested in August 2009 after crossing into Iran from a hike in northern Iraq. They were released in 2010 and 2011 in releases brokered by Oman. On January 16, 2016, in concert with "Implementation Day" of the JCPOA (see below), the following were released by Iran: former U.S. Marine Amir Hekmati, who was arrested in 2011 for spying for the United States; Reverend Saeed Abedini, a Christian convert of Iranian origin imprisoned since December 2012, for "undermining national security" for setting up orphanages in Iran in partnership with Iranian Christians; *Washington Post* Tehran correspondent Jason Rezaian, who was detained in July 2014 along with his wife, an Iranian national, who was released in October 2014; Nosratollah "Fred" Khosravi-Roodsari, whose case was little known and who remained in Iran; and U.S. citizen Matthew Trevithick, a language student arrested in 2015. In exchange, the United States released seven Iranian-Americans/Iranians imprisoned in the United States for violating Iran sanctions, and dropped outstanding charges against 14 others not in U.S. custody. The releases were negotiated separately and were not addressed in the JCPOA *In Custody or Missing*. In September 2015, Iran detained a Lebanese citizen with permanent residency in the United States, information technology professional Nizar Zakka. In November 2015, Iran arrested a U.S.-Iran dual national, business consultant Siamak Namazi, on unspecified charges. Iran detained his father, Baquer Namazi, in February 2016. In October 2016, the Namazis and Zakka were sentenced to 10-year prison sentences. In July 2016, Iran detained dual national Reza "Robin" Shahini, for crimes against the Islamic Republic and on October 25 he was sentenced to 18 years in prison. Former FBI agent Robert Levinson remains missing after a visit in 2005 to Kish Island to meet an Iranian source (Dawud Salahuddin, allegedly responsible for the 1980 killing in the United States of an Iranian diplomat who had served the Shah's government). Iran denies knowing his status or location. In December 2011, Levinson's family released a one-year-old taped statement by him, provided to the family in unclear circumstances. In January 2013, his family released recent photos of him, also provided by captors through uncertain channels, and the family acknowledged in late 2013 that his visit to Kish Island was related to CIA contract work. In 2016, Iran also detained a British-Iranian dual national (Nazanin Zaghari-Radcliffe) and a Canadian-Iranian dual national (Homa Hoodfar), but Hoodfar was released in September 2016. In August 2016, the BBC reported that Iran also detained an unnamed Iran-British dual national for spying for British intelligence.

Groups	
Christians	Christians, who number about 300,000-370,000, are a "recognized minority" that has three seats reserved in the *Majle*s. The majority of Christians in Iran are ethnic Armenians. The Assyrian Christian population numbers 10,000-20,000. Churches in the country are overseen by the IRGC, suggesting official scrutiny of Christian religious practice. At times, there have been unexplained assassinations of pastors in Iran, as well as prosecutions of Christians for converting from Islam. In September 2011, a Protestant Iranian pastor who was born a Muslim, Youcef Nadarkhani, was sentenced to death for refusing to recant his Christian faith. He was released on September 8, 2012, but was rearrested on Christmas Day that year. Abedini is discussed above.
Baha'is	Iran is repeatedly cited for unrelenting repression of the Baha'i community, which Iran's Shiite Muslim clergy views as a heretical sect and which numbers about 300,000-350,000. Seven Baha'i leaders were sentenced to 20 years in August 2010. In the 1990s, several Baha'is were executed for apostasy. Congressional resolutions regularly condemn Iran's treatment of the Baha'is.
Jews	Also a "recognized minority," with one seat in the *Majle*s, the 8,800-member (2012 census) Jewish community enjoys somewhat more freedoms than Jewish communities in several other Muslim states. However, in June 1999, Iran arrested 13 Jews that it said were part of an "espionage ring" for Israel, and 10 were convicted. An appeals panel reduced the sentences and all were released by April 2003. On November 17, 2008, Iran hanged Muslim businessman Ali Ashtari for providing Iranian nuclear information to Israel. On September 4, 2013, Rouhani's Twitter account issued greetings to Jews on the occasion of Jewish New Year ("Rosh Hashanah"). The Jewish *Majle*s member accompanied Rouhani on his visit to the U.N. General Assembly meetings in September 2013.
Azeris	Azeris are one-quarter of the population and are mostly well integrated into government and society (Khamene'i himself is of Azeri heritage), but many Azeris complain of ethnic and linguistic discrimination. Each year, there are arrests of Azeris who press for their right to celebrate their culture and history. The government accuses them of promoting separatism.
Kurds	There are about 5 million-11 million Kurds in Iran. The Kurdish language is not banned, but schools do not teach it and Kurdish political organizations, activists, and media outlets are routinely scrutinized, harassed, and closed down for supporting greater Kurdish autonomy. Several Kurdish oppositionists have been executed since 2010. In May 2015, violent unrest broke out in the Kurdish city of Mahabad after a local woman was killed in unclear circumstances in a hotel room there, reportedly while with a member of Iran's intelligence services. Abuses of Kurds are widely cited as providing political support for the Kurdish armed factions discussed above.
Arabs	Ethnic Arabs are prominent in southwestern Iran, particularly Khuzestan Province. The 2 million to 4 million Arabs in Iran encounter systematic oppression and discrimination, including torture and a prohibition on speaking or studying Arabic.

Sources: State Department reports on human rights practices, on international religious freedom, and trafficking in persons. 2016 trafficking in persons report: http://www.state.gov/documents/organization/258879.pdf. International Religious Freedom report: http://www.state.gov/documents/organization/256477.pdf

U.S. – Iran Relations and U.S. Policy

The February 11, 1979, fall of the Shah of Iran, who was a key U.S. ally, opened a deep and ongoing rift in U.S.-Iranian relations. Iran has since then pursued policies that successive Administrations considered inimical to U.S. interests in the Near East region and beyond. Those policies, such as its national security policies and its development of an extensive nuclear program, are assessed in detail in: CRS Report R44017, *Iran's Foreign and Defense Policies*, by (name redacted) . Iran's authoritarian political system and human rights abuses have contributed to, but have not necessarily been central to, the U.S.-Iran rift. Some of the specific actions taken by Iran, and U.S. responses, that have widened U.S.-Iran differences are discussed below, as well

as options that have been pursued or considered by successive Administrations to address the perceived threat posed by Iran.

U.S.-Iran Relations since Iran's Revolution

The Carter Administration sought to engage the Islamic regime, which initially had numerous moderates in senior posts, but this ended after the November 4, 1979, takeover of the U.S. Embassy in Tehran by radical pro-Khomeini "students in the line of the Imam (Khomeini)." The radicals held 66 U.S. diplomats hostage for 444 days, releasing them minutes after President Reagan's inauguration on January 20, 1981. The United States broke relations with Iran on April 7, 1980, two weeks prior to a failed U.S. military attempt to rescue the hostages.

Iran has an interest section in Washington, DC, under the auspices of the Embassy of Pakistan, and staffed by Iranian Americans. The former Iranian Embassy closed in April 1980 when the two countries broke diplomatic relations, and remains under the control of the State Department. Iran's Mission to the United Nations in New York runs most of Iran's diplomacy inside the United States. The U.S. interests section in Tehran, under the auspices of the Embassy of Switzerland, has no American personnel. The former U.S. embassy is now used as a museum commemorating the revolution and as a headquarters for the *Basij*—an internal security force that is controlled by the hardline Islamic Revolutionary Guard Corps (IRGC).

- *Reagan Administration*. The Reagan Administration designated Iran a "state sponsor of terrorism" in January 1984, primarily because of Iran's support for Lebanese Hezbollah. The designation reinforced a U.S "tilt" toward Iraq in the 1980-1988 Iran-Iraq War, which included diplomatic efforts to block conventional arms sales to Iran.[11] During 1987-1988, U.S. naval forces engaged in several skirmishes with Iranian naval elements in the course of U.S. efforts to protect international oil shipments in the Gulf from Iranian mines and other attacks. On April 18, 1988 Iran lost one-quarter of its larger naval ships in an engagement with the U.S. Navy ("Operation Praying Mantis"), including a frigate sunk. However, the Administration to some extent undermined its efforts to contain Iran by providing some arms to Iran ("TOW" anti-tank weapons and I-Hawk air defense batteries) to entice Iran to compel Hezbollah to release U.S. hostages in held in Lebanon. On July 3, 1988, U.S. forces in the Gulf mistakenly shot down Iran Air Flight 655 over the Gulf, killing all 290 on board.
- *George H. W. Bush Administration.* In his January 1989 inaugural speech, President George H.W. Bush stated that "goodwill begets goodwill" with respect to Iran. The comments were interpreted as offering to improve relations with Iran if it helped obtain the release of U.S. hostages held by Hezbollah in Lebanon. Iran apparently did assist in obtaining their release and all remaining U.S. hostages there were freed by the end of December 1991. However, no U.S.-Iran thaw followed, possibly because Iran continued to back terrorist groups in the Middle East and to oppose the Arab-Israeli peace process that the Bush Administration set up after expelling Iraq from Kuwait in early 1991.
- *Clinton Administration.* Shortly after taking office, the Clinton Administration announced a strategy of "dual containment" of Iran and Iraq—attempting to keep

[11] Elaine Sciolino, *The Outlaw State: Saddam Hussein's Quest for Power and the Gulf Crisis* (New York: John Wiley and Sons, 1991), p. 168.

both weak rather than alternately tilting to one or the other. In 1995 and 1996, the Clinton Administration and Congress banned U.S. trade and investment with Iran and imposed penalties on investment in Iran's energy sector (Iran Sanctions Act) primarily in response to Iran's support for terrorist groups seeking to undermine the Israeli-Palestinian peace process. The election of the moderate Mohammad Khatemi as president in May 1997 precipitated a U.S. offer of direct dialogue without preconditions, but Khatemi ruled out such talks. In June 1998, then-Secretary of State Madeleine Albright called for mutual confidence building measures that could lead to a "road map" for normalization. In a March 17, 2000, speech, she admitted there was past U.S. interference in Iran.

- *George W. Bush Administration.* Despite limited tacit cooperation with Iran on post-Taliban Afghanistan, President George W. Bush identified Iran as a U.S. adversary by including it as part of an "axis of evil" (along with Iraq and North Korea) in his January 2002 State of the Union message. Later that year, Iran's nuclear program emerged as a major issue for U.S. policy, and President Bush's January 20, 2005, second inaugural address and his January 31, 2006, State of the Union message stated that the United States would be a close ally of a free and democratic Iran—apparent support for changing Iran's regime.[12] At the same time, the Administration engaged in dialogue with Iran on stabilizing post-Taliban Afghanistan and later post-Saddam Iraq,[13] but did not publicly offer a dialogue on all issues of mutual concern. The Administration rebuffed a reported May 2003 Iranian overture transmitted by the Swiss Ambassador to Iran—widely termed a "grand bargain" proposal—for a sweeping agreement on major issues of mutual concern.[14] State Department officials disputed that the proposal was fully vetted within Iran's leadership. The United States aided victims of the December 2003 earthquake in Bam, Iran, including through U.S. military aircraft deliveries directly into Iran. During 2002-2008, the Administration worked with several European and other countries to try to use a combination of sanctions and diplomacy to persuade Iran to agree to strict limits on its nuclear program that would ensure that Iran could not use that program to develop a nuclear weapon. No agreement with Iran was reached by the end of the Administration.

The varied threats to U.S. interests posed by Iran have engendered a complex mixture of U.S. responses and consideration of further options, as discussed in the sections below.

Obama Administration Policy: Pressure Coupled with Engagement

Upon taking office, President Obama asserted that there was an opportunity to persuade Iran to limit its nuclear program through diplomacy and to potentially re-build a U.S.-Iran relationship after decades of mutual animosity. Some Obama Administration officials expressed skepticism that engagement would change Iran's policies, while other officials argued that the United States needed to present Iran with a clearer choice between the consequences of refusing to address international demands on its nuclear program and the benefits of accepting limitations.

[12] Helene Cooper and David Sanger, "Strategy on Iran Stirs New Debate at White House," *New York Times*, June 16, 2007.

[13] Robin Wright, "U.S. In 'Useful' Talks With Iran," *Los Angeles Times*, May 13, 2003.

[14] http://www.armscontrol.org/pdf/2003_Spring_Iran_Proposal.pdf.

The Administration approach emerged in President Obama's first message to the Iranian people on the occasion of Nowruz (Persian New Year) on March 21, 2009. He stated that the United States "is now committed to diplomacy that addresses the full range of issues before us, and to pursuing constructive ties among the United States, Iran, and the international community." He also referred to Iran as "The Islamic Republic of Iran," a formulation generally signaling opposition to trying to change Iran's regime. Other steps included the following.

- President Obama's reported two letters in 2009 to Iran's Supreme Leader expressing the Administration's philosophy in favor of engagement with Iran. Additional letters were exchanged subsequently, according to President Obama.
- A major speech to the "Muslim World" in Cairo on June 4, 2009, in which President Obama acknowledged that the United States had played a role in the overthrow of Mossadeq, and said that Iran had a right to peaceful nuclear power if it complies with its responsibilities under the NPT.
- A loosening of restrictions on U.S. diplomats to meet their Iranian counterparts at international meetings.

2009-2013: Emphasis on Economic Pressure

At the end of 2009, Iran's crackdown on the election-related unrest that year and its refusal to accept compromises to limit its nuclear program caused the Administration to shift to a "two track strategy:" stronger economic pressure coupled with nuclear negotiations that offered the prospect of sanctions relief. The sanctions imposed during 2010 and 2013 received broad international support and cooperation and caused economic difficulty in Iran. (For more information, see CRS Report RS20871, *Iran Sanctions*, by (name redacted)). The Administration also altered some trade regulations to help Iranians circumvent their government's restrictions on Internet usage, and funded exchanges with civil society activists in Iran. The Administration repeatedly stated that a military option is "on the table" and it continued defense cooperation with the Persian Gulf states and other allies.

In early 2013, before the election of Rouhani, the Administration began direct but unpublicized talks with Iranian officials in the Sultanate of Oman to probe Iran's willingness to reach a comprehensive nuclear accord.[15] The talks reportedly began shortly after Vice President Biden, in February 2013, publicly expressed U.S. willingness to talk directly with Iran on the nuclear issue.

2013-Present: Rouhani as U.S. Counterpart

The election of Rouhani in June 2013 contributed to an Administration shift to emphasizing diplomacy rather than additional sanctions. On September 20, 2013, on the eve of U.N. General Assembly meetings, the *Washington Post* published an op-ed by Rouhani stating a commitment to engage in constructive interaction with the world. President Obama, in his September 24, 2013, speech, confirmed that he had exchanged letters with Rouhani stating the U.S. willingness to resolve the nuclear issue peacefully and that the United States "[is] not seeking regime change."[16] An Obama-Rouhani meeting did not occur, possibly because Rouhani sought to avoid angering hardliners in Iran, but President Obama called Rouhani by phone on September 27, 2013—the first direct contact between presidents of the two countries since the 1979 revolution. Since then, the United States and Iran have held bilateral meetings at the margins of all nuclear talks and in

[15] http://www.al-monitor.com/pulse/originals/2015/08/iran-us-nuclear-khamenei-salehi-jcpoa-diplomacy.html#.

[16] Remarks by President Obama in Address to the United Nations General Assembly, September 24, 2013.

other settings, covering regional as well as bilateral issues. President Obama met Foreign Minister Zarif at the September 2015 General Assembly sessions.

Post-JCPOA U.S.-Iran Relations. President Obama has expressed hope that the JCPOA would "usher[] in a new era in U.S.-Iranian relations,"[17] but he and other senior U.S. officials have said that the JCPOA benefits U.S. national security whether or not U.S.-Iran relations improve. Subsequent actions by Iran, as well as Iranian perceptions of some U.S. actions, appear to have prevented any broad warming of U.S.-Iran relations to date, but the two countries have apparently been able to work out compromises in selected cases.

- In December 2015, Iranian officials accused the United States of violating the JCPOA by imposing new visa requirements in the FY2016 Consolidated Appropriations Act (P.L. 114-113). The provision imposed limits on the "Visa Waiver Program" to require citizens of or persons who visited Iran, Iraq, Syria, or Sudan in the past five years to obtain a visa. Iranian officials argued that the provision will cause European businessmen to hesitate to travel to Iran and thereby limit re-engagement in Iran's economy. The provision gives the Secretary of Homeland Security waiver authority, and Secretary of State Kerry wrote a letter to Foreign Minister Zarif on December 19, 2015, stating that the new provision can be implemented by the United States so as not to interfere with "legitimate business interests of Iran."
- In January 2016, Secretary Kerry worked with Foreign Minister Zarif to achieve the release by Iran within about one day of 10 U.S. Navy personnel who the IRGC took into custody when their two riverine crafts strayed into Iran's territorial waters.
- Coinciding with Implementation Day of the JCPOA, and as a product of U.S.-Iran talks, most of the dual citizens held by Iran were released and a long-standing Iranian claim for funds paid for undelivered military equipment from the Shah's era (which resulted in $1.7 billion payment to Iran—$400 million in foreign currency for the original DOD monies and $1.3 billion in foreign currency for an agreed amount of interest) was settled. Administration officials assert that the nuclear diplomacy provided an opportunity to resolve these outstanding issues simultaneously. Some Members of Congress and other observers have criticized the simultaneous timing of the prisoner releases and the military equipment settlement as providing at least the appearance of paying "ransom" to Iran to release the U.S. dual nationals. Administration officials assert that it has long been assumed that the United States would need to return monies to Iran for the undelivered military equipment and that the amount of interest agreed was likely less than what Iran might have been awarded by the U.S.-Iran Claims Tribunal had a judgment been rendered.
- In March 2016, the United States indicted seven Iranians, none of whom are in U.S. custody, on charges of organizing cyberattacks on critical U.S. infrastructure, including a dam in upstate New York.
- Iran has conducted at least four ballistic missile tests since the JCPOA was finalized in 2015. The tests have prompted additional U.S. designations for sanctions of entities that support Iran's program and the Administration—and the U.N. Secretary-General—have called the tests inconsistent with Resolution 2231.

[17] Roger Cohen. "U.S. Embassy, Tehran." *New York Times*, April 8, 2015.

- Khamene'i and his hardline followers have stated repeatedly that the JCPOA will not change Iran's foreign policy or its opposition to U.S. policy in the region. Overall, U.S. officials assert that Iran's regional behavior has not changed significantly since the JCPOA. Iran has continued to arm all the same regional allies and proxies, and at roughly the same levels, as before the JCPOA. In Yemen, Iran's ally, the Houthi rebels fired anti-ship missiles possibly supplied by Iran at U.S. ships in the Red Sea in October 2016, and the United States retaliated by striking radar units in Houthi-controlled territory. In an apparent show of support for this ally, Iran moved several of its naval vessels to the Yemen coast.
- On several occasions since April 2016, Khamene'i has accused the United States of deterring foreign banks from re-entering the Iran market and of bullying Iran through its military presence in the Gulf.
- In June 2016, Boeing Corporation and Iran Air announced a tentative sale to Iran of 80 passenger aircraft and leasing of another 29. The total estimated value of the transaction, if completed, is about $25 billion. For more information, see CRS Insight IN10515, *Proposed Boeing Aircraft Sale to Iran*, by (name redacted), (name redacted), and (name redacted) . However, there are no open discussions of direct flights between Iran and the United States.
- On several occasions in August and September, Iranian naval vessels conducted "high speed intercepts" of several U.S. warships in the Persian Gulf. On at least one occasion, a U.S. ship fired a warning shot, but no actual shots were fired in hostility by either side. Iran also reiterated threats to close the Strait of Hormuz if Iran were attacked.
- In October 2016, Iranian courts sentenced U.S.-Iran nationals Siamak and Baquer Namazi, who are discussed above, to 10-year prison sentences, and Robin Shahini to 18 years. The sentence raised questions over whether Iran might try to obtain additional U.S. sanctions or other concessions in exchange for their release.

According to U.S. officials, there is no discussion of any enhancements of mutual diplomatic representation, including a visit to Iran by Secretary of State Kerry or the posting of U.S. nationals to staff the U.S. interests section in Tehran. However, in May 2015, near the conclusion of the JCPOA talks, the two governments confirmed that they had granted each other permission to move their respective interests sections in Washington, DC, and in Tehran to more spacious locations.

As an example of the way in which past injuries continue to affect the relationship, in early 2014, Iran appointed one of those involved in the 1979 seizure of the U.S. embassy in Tehran—Hamid Aboutalebi—as ambassador to the United Nations. In April 2014, Congress passed S. 2195 (P.L. 113-100), which gave the Administration authority to deny him a visa to take up his duties. The United States subsequently announced he would not be admitted to the United States and Iran replaced him with Gholam Ali Khoshroo, who studied in the United States and served in the reformist government of president Khatemi.

Military Options

Successive U.S. Administrations have sought to back up diplomacy with Iran with a capability to exercise military options if necessary. Prior to the JCPOA, President Obama repeatedly stated that

"all options are on the table" to prevent Iran from acquiring a nuclear weapon, including military action against Iran's nuclear facilities.[18] President Obama has repeated several times since the JCPOA was finalized that this option remains available should Iran violate the agreement or seek to develop a nuclear weapons after the primary JCPOA restrictions expire.[19] U.S. officials have articulated that U.S. military action against Iran might also be used if Iran (1) attacks or prepares to attack U.S. allies; or (2) attempts to interrupt the free flow of oil or shipping in the Gulf or elsewhere. S.J.Res. 41, which passed the Senate on September 22, 2012, in the 112th Congress, rejects any U.S. policy that relies on "containment" of a potential nuclear Iran, but acknowledges that President Obama has ruled out a containment policy.

Supporters of military action argued that such action could set back Iran's nuclear program substantially because there are a limited number of key targets and that all of them, even the hardened Fordow site, are vulnerable to U.S. air power.[20] Some argue that there are U.S. military options that would not require hostilities, including a naval embargo or a "no-fly zone" to pressure the regime. A U.S. ground invasion to remove Iran's regime was not, at any time, apparently under serious consideration.

The Administration argues that military action was not a preferable alternative to the JCPOA because military action would only set back Iran's nuclear advancement temporarily, and with far less certainty or duration than the JCPOA. Senior U.S. officials and officials from U.S. allied countries stressed the potential adverse consequences of military action, such as Iranian retaliation that might expand throughout the region, a reduction of Iran's regional isolation, a strengthening of Iran's regime domestically, and an escalation of world oil prices.[21]

A U.S. decision to take military action against Iran's nuclear facilities might raise the question of presidential authorities. No legislation has been passed by both chambers and signed into law limiting the President's authority to use military force against Iran. In the 109th Congress, H.Con.Res. 391 (introduced on April 26, 2006) called on the President to not initiate military action against Iran without first obtaining authorization from Congress. A similar bill, H.Con.Res. 33, was introduced in the 110th Congress. An amendment to H.R. 1585, the National Defense Authorization Act for FY2008, requiring authorization for force against Iran, was defeated 136 to 288. A provision that sought to bar the Administration from taking military action against Iran without congressional authorization was taken out of an early draft of an FY2007 supplemental appropriation (H.R. 1591). The FY2011 Defense Authorization Act (P.L. 111-383, signed January 7, 2011) contained a provision (§1243) requiring the Administration to develop a "National Military Strategy to Counter Iran." Some proposals in the 114th Congress would authorize the use of force against Iran if Iran violates its commitments under the JCPOA (H.J.Res. 62, H.J.Res. 65).

Iran's foreign and defense policies, including its conventional and unconventional military capabilities, are discussed in detail in: CRS Report R44017, *Iran's Foreign and Defense Policies*, by (name redacted) .

[18] Jeffrey Goldberg, "Obama to Iran and Israel: 'As President of the United States, I Don't Bluff'," *The Atlantic*, March 2, 2012.

[19] Speech by President Obama at American University. August 7, 2015. President Obama Interview with CNN's Fareed Zakaria. Broadcast on August 9, 2015.

[20] Joby Warrick, "Iran: Underground Sites Vulnerable, Experts Say," *Washington Post*, March 1, 2012. For an extended discussion of U.S. air strike options on Iran, see Rogers, Paul. *Iran: Consequences Of a War*. Oxford Research Group, February 2006.

[21] http://2scottmontgomery.blogspot.com/2011/12/panetta-brookings-speech.html.

Economic Sanctions

The United States and its partners have employed economic sanctions to try to cause Iran to agree to limits on its nuclear program, to reassess the wisdom of supporting regional armed factions, and to limit Iranian power generally. In accordance with the JCPOA, U.S. secondary sanctions (sanctions on foreign companies that do business with Iran) on Iran's major economic sectors have been waived or revoked. The sanctions issue, including those sanctions that remain in place, is analyzed in considerable depth in CRS Report RS20871, *Iran Sanctions*, by (name redacted) .

Table 3. Selected Economic Indicators

Population	About 80 million
Economic Growth	Negative 2% growth in 2013; 4% growth in 2014; about 1% growth in 2015. About 4%-4.5% expected for 2016.
Per Capita Income	$17,800/yr (purchasing power parity) (2015)
GDP	$1.38 trillion (purchasing power parity) (2015)
Proven Oil Reserves	135 billion barrels (highest after Russia and Canada)
Oil Production/Exports	About 1.1 mbd exports from 2013-2016. (About1.3 mbd with condensates)
Major Oil/Gas Customers	Remaining customers: primarily China, India, South Korea, Japan, and Turkey. Turkey also buys 8.6 billion cubic meters/yr of gas from Iran.
Major Export Markets	Mirrors major oil customers.
Major Imports	Mirrors major oil customers.
Inflation Rate	About 15% in 2015, down from about 42% in 2013-2014. (Iranian government estimates.) Inflation estimated at "single digits" for 2016.
Unemployment Rate	About 11% (2015) (Iranian government estimates.)

Sources: CIA, *The World Factbook*; various press; IMF; Iran Trade Planning Division; CRS conversations with experts and foreign diplomats.

Table 4. Summary of U.S. Sanctions Against Iran

Ban on U.S. Trade With and Investment in Iran. Executive Order 12959 (May 6, 1995) bans almost all U.S. trade with and investment in Iran. P.L. 111-195 (Comprehensive Iran Sanctions, Accountability, and Divestment Act, CISADA) codifies the trade ban, which generally does not apply to foreign subsidiaries of U.S. firms. Generally remains in force.
U.S. Sanctions Against Foreign Firms that Deal With Iran's Energy Sector. The Iran Sanctions Act (P.L. 104-172) has been amended several times and authorizes the imposition of five out of a menu of twelve sanctions on firms determined to have: invested more than $20 million to develop Iran's petroleum (oil and gas) sector; bought Iranian oil (unless such country has a sanctions exemption; sold Iran more than $1 million worth of gasoline or equipment to import gasoline or refine oil into gasoline; sold $1 million or more worth of energy equipment to Iran; provided shipping services to transport oil from Iran; engaged in an energy joint venture with Iran outside Iran; or bought Iran's sovereign debt. P.L. 112-239 sanctions most foreign dealings with Iran's energy, shipping, and shipbuilding sector, as well as the sale of certain items for Iranian industrial processes and the transfer to Iran of precious metals (often a form of payment for oil or gas). Waived in accordance with the JCPOA.
Sanctions On Iran's Central Bank. CISADA bans accounts with banks that do business with the IRGC and sanctioned entities and the Department of the Treasury in November 2011 declared Iran's financial system an entity of primary money laundering concern. Section 1245 of the FY2012 National Defense Act (P.L. 112-81) prevents foreign banks that do business with Iran's Central Bank from opening U.S. accounts unless the parent countries of the banks earn an exemption by "significantly reducing" their purchases of Iranian oil. These sanctions are mostly not applicable because most Iranian banks have been "de-listed" for sanctions.
Terrorism List Designation Sanctions. Iran's designation by the Secretary of State as a "state sponsor of terrorism" (January 19, 1984—commonly referred to as the "terrorism list") triggers several sanctions, including the following: (1) a ban on the provision of U.S. foreign assistance to Iran under Section 620A of the Foreign Assistance Act; (2) a ban on arms exports to Iran under Section 40 of the Arms Export Control Act (P.L. 95-92, as amended); (3) under Section 6(j) of the Export Administration Act (P.L. 96-72, as amended), a significant restriction—amended by other laws to a "presumption of denial"—on U.S. exports to Iran of items that could have military applications; (4) under Section 327 of the Anti-Terrorism and Effective Death Penalty Act (P.L. 104-132, April 24, 1996), a requirement that U.S. representatives to international financial institutions vote against international loans to terrorism list states. Remains in force.
Sanctions Against Foreign Firms that Aid Iran's Weapons of Mass Destruction Programs. The Iran-Syria-North Korea Nonproliferation Act (P.L. 106-178, March 14, 2000, as amended) authorizes the Administration to impose sanctions on foreign persons or firms determined to have provided assistance to Iran's weapons of mass destruction (WMD) programs. Sanctions include restrictions on U.S. trade with the sanctioned entity. Remains in force.
Sanctions Against Foreign Firms that Sell Advanced Arms to Iran. The Iran-Iraq Arms Nonproliferation Act (P.L. 102-484, October 23, 1992, as amended) provides for U.S. sanctions against foreign firms that sell Iran "destabilizing numbers and types of conventional weapons" or WMD technology. Remains in force.
Ban on Transactions With Foreign Entities That Support International Terrorism. Executive Order 13324 (September 23, 2001) authorizes a ban on U.S. transactions with entities determined to be supporting international terrorism. The Order was not specific to Iran, but several Iranian entities have been designated. Remains in force.
Ban on Transactions With Foreign Entities that Support Proliferation. Executive Order 13382 (June 28, 2005) amended previous executive orders to provide for a ban on U.S. transactions with entities determined to be supporting international proliferation. Numerous Iranian entities, including the IRGC itself, have been designated. Remains in force.
Divestment. A Title in P.L. 111-195 authorizes and protects from lawsuits various investment managers who divest from shares of firms that conduct sanctionable business with Iran. Remains in force.
Sanctions Against Human Rights Abuses, Internet Monitoring, and Regional Activities. Various laws and Executive Orders impose sanctions on named Iranian human rights abusers, on firms that sell equipment Iran can use to monitor the Internet usage of citizens or employ against demonstrators, and on Iranian persons or entities that suppress human rights in Syria or contribute to destabilizing Iraq. Remains in force.

Source: CRS. For analysis and extended discussion of U.S. and international sanctions against Iran, see CRS Report RS20871, *Iran Sanctions*, by (name redacted) .

Regime Change Option

The Obama Administration has consistently sought to allay Iran's long-standing suspicions that the main U.S. goal is to unseat the Islamic regime in Iran. In a September 24, 2013, General

Assembly speech, President Obama explicitly stated the United States does not seek to change Iran's regime. However, many of Iran's leaders, particularly Khamene'i, continue to articulate a perception that the United States has never accepted the 1979 Islamic revolution. Khamene'i and other Iranian figures note that the United States provided funding to anti-regime groups, mainly pro-monarchists, during the 1980s,[22] and the George W. Bush Administration expressed support for regime change on several occasions.

There was criticism in Iranian opposition and other circles of the Administration decision not to materially support the 2009 domestic uprising in Iran. The Administration asserts that it was critical of the regime crackdown on protests and on December 28, 2009, President Obama stated that "Along with all free nations, the United States stands with those who seek their universal rights."[23] On September 19, 2010, then-Secretary of State Clinton asserted that overt and extensive U.S. support for the opposition could undermine the opposition's position in Iran.

Later, in 2011 and in the context of the broader Middle East uprisings, then-Secretary Clinton accused Iran of hypocrisy for supporting demonstrations in Egypt while preventing similar free expression inside Iran.[24] Many observers noted that President Obama's 2011Nowruz address was far more explicitly supportive of the Iranian opposition than in prior years, mentioning specific dissidents who have been jailed and saying to the "young people of Iran ... I want you to know that I am with you."[25] Since that statement, the Administration has sanctioned Iranian officials for human rights abuses in Iran and for assisting Syria with its crackdown against demonstrations. These statements and steps appeared to stop well short of promoting regime change, but Iran leaders interprets any public support for the domestic opposition as evidence of U.S. intent to overthrow the government. The JCPOA would appear to represent a further sign of Administration acceptance of Iran's regime.

At times, some in Congress have advocated that the United States adopt a formal policy of overthrow of the regime. In the 111th Congress, one bill said that it should be U.S. policy to promote the overthrow of the regime (The Iran Democratic Transition Act, S. 3008).

Democracy Promotion and Internet Freedom Efforts

In the absence of all-out U.S. pursuit of regime change, successive Administrations and Congress have promoted political evolution in Iran through "democracy promotion" and sanctions on Iranian human rights abuses. The laws and Executive Orders discussed in this section are analyzed in greater detail in CRS Report RS20871, *Iran Sanctions*, by (name redacted) . That report also contains tables listing Iranian entities sanctioned under these provisions. Binding legislation authorizing democracy promotion in Iran was enacted in the 109th Congress. The Iran Freedom Support Act (P.L. 109-293, signed September 30, 2006), authorized funds (no specific dollar amount) for Iran democracy promotion.[26] Several laws and Executive Orders issued since

[22] CRS conversations with U.S. officials responsible for Iran policy. 1980-1990. After a period of suspension of such assistance, in 1995, the Clinton Administration accepted a House-Senate conference agreement to include $18-$20 million in funding authority for covert operations against Iran in the FY1996 Intelligence Authorization Act (H.R. 1655, P.L. 104-93), according to a *Washington Post* report of December 22, 1995. The Clinton Administration reportedly focused the covert aid on changing the regime's behavior, rather than its overthrow.

[23] White House, Office of the Press Secretary, "Statement by the President on the Attempted Attack on Christmas Day and Recent Violence in Iran," December 28, 2009.

[24] http://www.whitehouse.gov/the-press-office/2011/02/27/statement-national-security-council-spokesman-tommy-vietor-iran.

[25] White House, "Remarks of President Obama Marking Nowruz," March 20, 2011.

[26] This legislation was a modification of H.R. 282, which passed the House on April 26, 2006, by a vote of 397-21, and (continued...)

2010 are intended to promote Internet freedom, and the Administration has amended U.S.-Iran trade regulations to allow for the sale to Iranians of consumer electronics and software that help them communicate. Then Under Secretary of State Wendy Sherman testified on October 14, 2011, that some of the democracy promotion funding for Iran has been to train Iranians in the use of technologies that undermine regime Internet censorship efforts.

Many have argued that U.S. funding for such programs is counter-productive. Even before the post-2009 election crackdown, Iran was arresting civil society activists by alleging they are accepting the U.S. democracy promotion funds, while others have refused to participate in U.S.-funded programs, fearing arrest.[27] Perhaps to address these criticisms, the Obama Administration altered Iran democracy promotion programs somewhat toward working directly with Iranians inside Iran who are organized around apolitical issues as health, education, science, and the environment.[28] The State Department, which often uses appropriated funds to support pro-democracy programs run by organizations based in the United States and in Europe, refuses to name grantees for security reasons. The funds shown below have been obligated through DRL and the Bureau of Near Eastern Affairs in partnership with USAID. Some of the funds have also been used for cultural exchanges, public diplomacy, and broadcasting to Iran. A further indication of the sensitivity of specifying the use of the funds is that, since FY2010, the Obama Administration has requested funds for Iran democracy promotion as part of a broader "Near East regional democracy programs" rather than delineating a specific request for Iran programs.

Iran asserts that funding democracy promotion represents a violation of the 1981 "Algiers Accords" that settled the Iran hostage crisis and provide for non-interference in each other's internal affairs. The George W. Bush Administration asserted that open funding of Iranian pro-democracy activists (see below) was a stated effort to change regime behavior, not to overthrow the regime, although some saw the Bush Administration's efforts as a cover to achieve a regime change objective.

Broadcasting/Public Diplomacy Issues

Another part of the democracy promotion effort has been the development of Iran-specific U.S. broadcasting services to Iran. Radio *Farda* ("tomorrow," in Farsi) began under Radio Free Europe/Radio Liberty (RFE/RL), in partnership with the Voice of America (VOA), in 2002. The service was established as a successor to a smaller Iran broadcasting effort begun with an initial $4 million from the FY1998 Commerce/State/Justice appropriation (P.L. 105-119). It was to be called Radio Free Iran but was never formally given that name by RFE/RL. Based in Prague, Radio *Farda* broadcasts 24 hours/day and has 59 full time employees. Its budget is approximately $11 million per year. No U.S. assistance has been provided to Iranian exile-run stations.[29]

(...continued)

S. 333, which was introduced in the Senate.

[27] Three other Iranian Americans were arrested and accused by the Intelligence Ministry of actions contrary to national security in May 2007: U.S. funded broadcast (Radio Farda) journalist Parnaz Azima (who was not in jail but was not allowed to leave Iran); Kian Tajbacksh of the Open Society Institute funded by George Soros; and businessman and peace activist Ali Shakeri. Several congressional resolutions called on Iran to release Esfandiari (S.Res. 214 agreed to by the Senate on May 24; H.Res. 430, passed by the House on June 5; and S.Res. 199). All were released by October 2007. Tajbacksh was rearrested in September 2009 and remains incarcerated.

[28] CRS conversation with U.S. officials of the "Iran Office" of the U.S. Consulate in Dubai, October 2009.

[29] The conference report on the FY2006 regular foreign aid appropriations, P.L. 109-102, stated the sense of Congress that such support should be considered.

VOA Persian Service (Formerly called Persian News Network (PNN). The VOA established a Persian language service to Iran in July 2003. Prior to 2014, it was called Persian News Network (PNN), encompassing radio (1 hour a day of original programming); television (6 hours a day of primetime programming, rebroadcast throughout a 24-hour period); and Internet. The service had come under substantial criticism from observers for losing much of its audience among young, educated, anti-regime Iranians who are looking for signs of U.S. official support. VOA officials told CRS in August 2014 that they have successfully addressed these issues through the human resources office of the VOA. VOA officials also have brought back a show that had particular appeal with audiences inside Iran—"Parazit" (Persian for static)—a comedy show modeled on Comedy Central's "The Daily Show." That show was cancelled in 2012 after its founder, Kambiz Hosseini, was taken off PNN early that year. A show that satirizes Iranian leaders and news from Iran—called On Ten—began in April 2012. According VOA briefings, costs for PNN are about $20 million per year.

Table 5. Iran Democracy Promotion Funding

FY2004	Foreign operations appropriation (P.L. 108-199) earmarked $1.5 million for "educational, humanitarian and non-governmental organizations and individuals inside Iran to support the advancement of democracy and human rights in Iran." The State Department Bureau of Democracy and Labor (DRL) gave $1 million to a unit of Yale University, and $500,000 to National Endowment for Democracy.
FY2005	$3 million from FY2005 foreign aid appropriation (P.L. 108-447) for democracy promotion. Priority areas: political party development, media, labor rights, civil society promotion, and human rights.
FY2006	$11.15 for democracy promotion from regular FY2006 foreign aid appropriation (P.L. 109-102). $4.15 million administered by DRL and $7 million for the Bureau of Near Eastern Affairs.
FY2006 supp.	Total of $66.1 million (of $75 million requested) from FY2006 supplemental (P.L. 109-234): $20 million for democracy promotion; $5 million for public diplomacy directed at the Iranian population; $5 million for cultural exchanges; and $36.1 million for Voice of America-TV and "Radio *Farda*" broadcasting. Broadcasting funds are provided through the Broadcasting Board of Governors.
FY2007	FY2007 continuing resolution provided $6.55 million for Iran (and Syria) to be administered through DRL. $3.04 million was used for Iran. No funds were requested.
FY2008	$60 million (of $75 million requested) is contained in Consolidated Appropriation (H.R. 2764, P.L. 110-161), of which, according to the conference report $21.6 million is ESF for pro-democracy programs, including non-violent efforts to oppose Iran's meddling in other countries. $7.9 million is from a "Democracy Fund" for use by DRL. The Appropriation also fully funded additional $33.6 million requested for Iran broadcasting: $20 million for VOA Persian service; and $8.1 million for Radio Farda; and $5.5 million for exchanges with Iran.
FY2009	Request was for $65 million in ESF "to support the aspirations of the Iranian people for a democratic and open society by promoting civil society, civic participation, media freedom, and freedom of information." H.R. 1105 (P.L. 111-8) provides $25 million for democracy promotion programs in the region, including in Iran.
FY2010	$40 million requested and used for Near East Regional Democracy programming. Programs to promote human rights, civil society, and public diplomacy in Iran constitute a significant use of these region-wide funds.
FY2011	$40 million requested and will be used for Near East Regional Democracy programs. Programming for Iran with these funds to be similar to FY2010.
FY2012	$35 million for Near East Regional Democracy (NERD), and Iran-related use similar to FY2010 and FY2011.
FY2013	$30 million for NERD, with Iran use similar to prior two fiscal years.
FY2014	$30 million for NERD, with Iran use similar to prior fiscal years.

FY2004	Foreign operations appropriation (P.L. 108-199) earmarked $1.5 million for "educational, humanitarian and non-governmental organizations and individuals inside Iran to support the advancement of democracy and human rights in Iran." The State Department Bureau of Democracy and Labor (DRL) gave $1 million to a unit of Yale University, and $500,000 to National Endowment for Democracy.
FY2015	$30 million for Near East Regional Democracy, with Iran use similar to previous years. Request mentions funding to be used to help circumvent Internet censorship.
FY2016	$30 million for NERD, with Iran use likely similar to prior years.
FY2017	$30 million for NERD, with Iran use similar to prior years.

Sources: Information provided by State Department and reviewed by Department's Iran Office, February 1, 2010; State Department Congressional Budget Justifications; author conversation with Department of State Iran Office, April 21, 2011.

State Department Public Diplomacy Efforts

The State Department also is trying to enhance its public diplomacy to reach out to the Iranian population.

- In May 2003, the State Department added a Persian-language website to its list of foreign language websites, under the authority of the Bureau of International Information Programs. The website was announced as a source of information about the United States and its policy toward Iran.
- In February 14, 2011, the State Department began Persian-language Twitter feeds in an effort to connect better with Internet users in Iran.
- In part to augment U.S. public diplomacy, the State Department announced in April 2011 that a Persian-speaking U.S. diplomat based at the U.S. Consulate in Dubai would make regular appearances on Iranian media.

Since 2006, the State Department has been increasing the presence of Persian-speaking U.S. diplomats in U.S. diplomatic missions around Iran, in part to help identify and facilitate Iranian participate in U.S. democracy-promotion programs. The Iran unit at the U.S. consulate in Dubai has been enlarged significantly into a "regional presence" office, and "Iran-watcher" positions have been added to U.S. diplomatic facilities in Baku, Azerbaijan; Istanbul, Turkey; Frankfurt, Germany; London; and Ashkabad, Turkmenistan, all of which have large expatriate Iranian populations and/or proximity to Iran.[30] An "Office of Iran Affairs" has been formed at the State Department, and it is reportedly engaged in contacts with U.S.-based exile groups such as those discussed earlier.

[30] Farah Stockman, "'Long Struggle' With Iran Seen Ahead," *Boston Globe*, March 9, 2006.

Opposition Group: People's Mojahedin Organization of Iran (MEK, PMOI)

The best-known exiled opposition group is the Mojahedin-e-Khalq Organization (MEK), also known as the People's Mojahedin Organization of Iran (PMOI). Secular and left-leaning, it was formed in the 1960s to try to overthrow the Shah of Iran and has been characterized by U.S. reports as attempting to blend several ideologies, including Marxism, feminism, and Islam, although the organization denies that it ever advocated Marxism. It allied with pro-Khomeini forces during the Islamic revolution and, according to State Department reports, supported the November 1979 takeover of the U.S. Embassy in Tehran. The group was driven into exile after it unsuccessfully rose up against the Khomeini regime in September 1981. It has been led for decades by spouses Maryam and Massoud Rajavi but in 2011 Ms. Zohreh Akhyani was elected as MEK Secretary-General. Maryam Rajavi is based in France but the whereabouts of Massoud Rajavi are unknown.

The State Department designated the PMOI as an FTO in October 1997—during the presidency of the relatively moderate Mohammad Khatemi. The NCR was named as an alias of the PMOI in October 1999, and in August 2003, the Department of the Treasury ordered the groups' offices in the United States closed. State Department reports on international terrorism for the years until 2011 asserted that the members of the organization were responsible for: the alleged killing of seven American military personnel and contract advisers to the former Shah during 1973-1976; bombings at U.S. government facilities in Tehran in 1972 as a protest of the visit to Iran of then-President Richard Nixon; and bombings of U.S. corporate offices in Iran to protest the visit of then Secretary of State Kissinger. The reports also listed as terrorism several attacks by the group against regime targets (including 1981 bombings that killed high ranking officials), attacks on Iranian government facilities, and attacks on Iranian security officials. However, the reports did not assert that any of these attacks purposely targeted civilians. The group's alliance with Saddam Hussein's regime in contributed to the designation, even though Saddam was a U.S. ally during 1980-90.

The PMOI challenged the FTO listing in the U.S. court system and, in June 2012, the Appeals Court gave the State Department until October 1, 2012, to decide on the FTO designation, without prescribing an outcome. On September 28, 2012, maintaining there had not been confirmed acts of PMOI terrorism for more than a decade and that it had cooperated on the Camp Ashraf issue (below), the group was removed from the FTO list as well as from the designation as a terrorism supporter under Executive Order 13224. However, State Department officials, in a background briefing that day, said "We do not see the [PMOI] as a viable or democratic opposition movement.... " The NCR-I reopened its offices in Washington, DC, in April 2013. The State Department has been meeting with the MEK since its removal from the FTO list, including in Iraq.

Camp Ashraf Issue

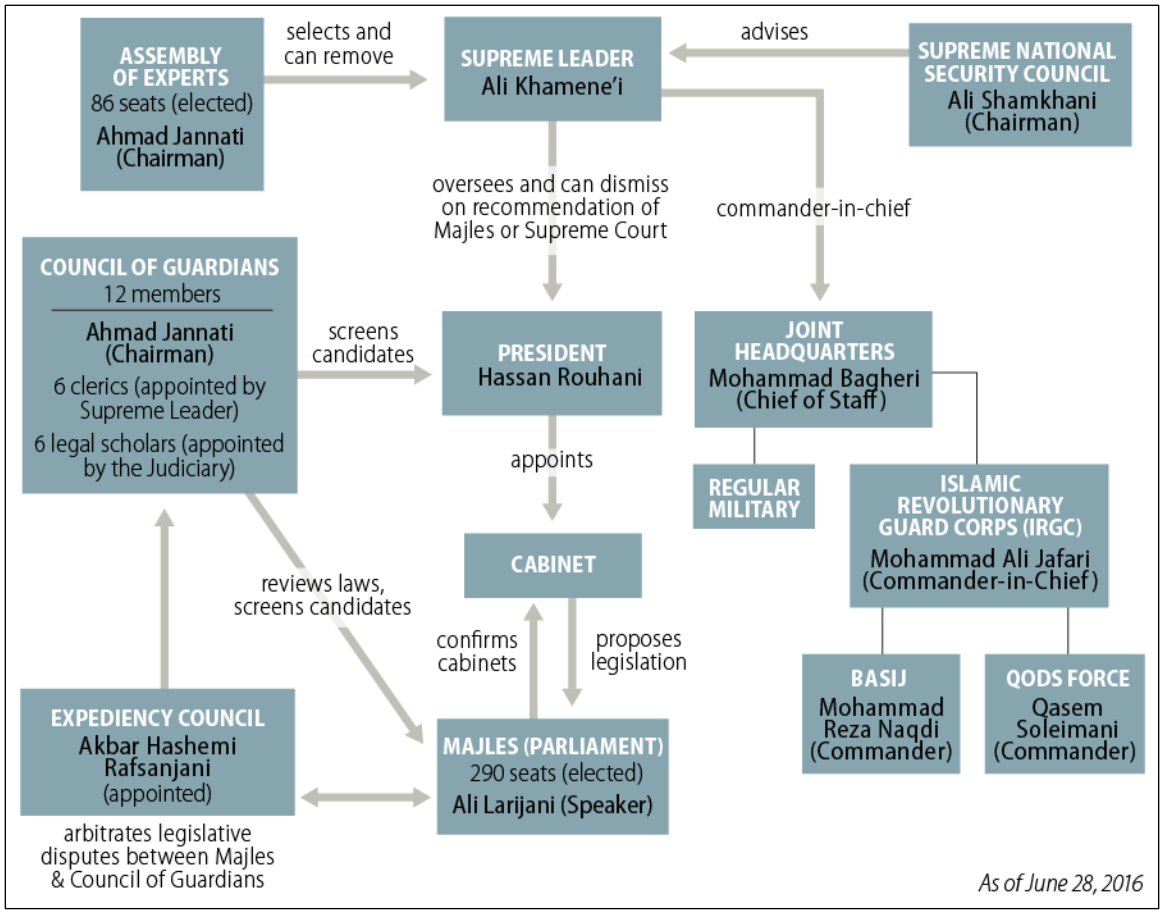
The de-listing of the group has not resolved the situation of PMOI members in Iraq. U.S. forces attacked PMOI military installations in Iraq during Operation Iraqi Freedom (March 2003) and negotiated a ceasefire with PMOI elements in Iraq, according to which the approximately 3,400 PMOI members consolidated at Camp Ashraf, near the border with Iran. Its weaponry was placed in storage, guarded first by U.S. and now by Iraqi personnel. In July 2004, the United States granted the Ashraf detainees "protected persons" status under the 4th Geneva Convention, although that designation lapsed when Iraq resumed full sovereignty in June 2004. The Iraqi government's pledges to adhere to all international obligations with respect to the PMOI in Iraq has come into question on several occasions: on July 28, 2009, Iraq used force to overcome resident resistance to setting up a police post in the camp, killing 13 n residents of the camp. On April 8, 2011, Iraq Security Forces killed 36 Ashraf residents; the State Department issued a statement attributing the deaths to the actions of Iraq and its military.

In December 2011, the Iraqi government and the United Nations agreed to relocate Ashraf residents to the former U.S. military base Camp Liberty, near Baghdad's main airport. The relocation was completed by September 17, 2012, leaving a residual group of 101 PMOI persons at Ashraf. The group asserted that conditions at Liberty are poor and the facility is unsafe. On February 9, 2013, the camp was attacked by rockets, killing eight PMOI members; the Shiite militia group Kata'ib Hezbollah (KAH) claimed responsibility. A rocket attack on the camp took place on June 15, 2013. On September 1, 2013, 52 of the residual Ashraf residents were killed by gunmen that appeared to have assistance from Iraqi forces. Seven went missing. All survivors of the attack were moved to Camp Liberty, and Ashraf has been taken over by Iran-backed Shiite militias. An October 29, 2015, rocket attack on the Camp killed 24 residents and a rocket attack on July 4, 2016, did not kill any residents, but wounded some. The FY2016 National Defense Authorization Act (P.L. 114-92) calls for "prompt and appropriate steps" to promote the protection of Camp residents.

Since 2011, the U.N. High Commission for Refugees (UNHCR) has sought to resettle PMOI members outside Iraq. In September 2016, the 280 remaining residents of Camp Liberty were resettled in Albania and there are no more PMOI members there.

Sources: Various press, and CRS conversations with NCR-I representatives and experts.

Figure 1. Structure of the Iranian Government



Source: CRS.

Figure 2. Map of Iran

Source: Map boundaries from Map Resources, 2005. Graphic: CRS.

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