United States-Iranian Relations: The Terrorism Challenge

Gawdat Bahgat

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With more than 70 million people, the Islamic Republic of Iran is one of the most populous countries in the Middle East. In addition to this large and talented human-resource pool, Iran possesses a variety of natural resources, most notably hydrocarbon deposits: the world’s second largest oil reserve (after Saudi Arabia) and the second largest deposit of natural gas (behind Russia). Iran enjoys a strategic location between the Middle East and Central Asia. In short, the Islamic Republic is too important a regional power to be neglected.

In comparison, the United States is the world’s sole superpower with global economic and strategic interests. For more than half a decade America has been involved in two concurrent wars (Afghanistan beginning in October 2001 and Iraq since March 2003) on the eastern and western borders of Iran. Despite mutual interests and potentially resolvable points of contention between the world’s superpower and a major regional power, Washington and Tehran lack official diplomatic relations, pursuing their strategic futures separate from one another.

Diplomatic relations were severed after Iranian students stormed the US Embassy in Tehran and held American diplomats hostage in November 1979. Since then suspicion and hostility have characterized relations between the two nations. This three-decade-long confrontation is fueled by three main charges against Iran—fostering nuclear proliferation, sponsoring terrorism, and obstructing the Arab-Israeli peace process. More recently, Tehran’s role
in destabilizing Iraq has been added to the list. Iranian officials categorically deny these accusations.

The United States accuses Iran of seeking to develop nuclear weapons. America has not ruled out the military option, but the Bush Administration relied mainly on economic sanctions in attempting to force Iran to give up its nuclear aspirations. The United Nations Security Council issued four resolutions—1737 (2006), 1747 (2007), 1803 (2008), and 1835 (2008)—to establish and strengthen economic sanctions against Iran. In its latest report (November of 2008), the International Atomic Energy Agency (IAEA) demanded fuller cooperation from Iran in implementing nonproliferation accords, though the agency has never confirmed that Iran is actually constructing nuclear weapons.\textsuperscript{1}

Iran has been on the US Department of State’s list of nations sponsoring terrorism since the list was created in 1984. In the past several years the Department of State has bolstered this designation by highlighting the close connections Tehran has with the terrorist organizations Hezbollah and Hamas. The latest \textit{Country Reports on Terrorism} (issued in April 2008) states, “Iran remained the most active state sponsor of terrorism.”\textsuperscript{2} The Islamic Republic, however, denies any involvement in terrorist activities and, as this article will discuss, conversely claims that it has been a victim of terrorism. Despite President Mahmoud Ahmadinejad’s inflammatory rhetoric regarding Israel, many Iranian officials and commentators believe that their country has no national interest conflict with the Jewish state. Many Iranians believe that Tehran has already paid a high price for its position with regard to the Arab-Israeli conflict.

When questioned regarding its relationship with Iraq, Iranian officials claim that the American military presence is the main reason for Iraqi instability and have repeatedly called for a full withdrawal of US forces. Despite this strong public opposition to the American presence, the Iranians have been relatively supportive of political developments in the post-Saddam

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Gawdat Bahgat is Professor of Political Science and Director of the Center for Middle Eastern Studies at Indiana University of Pennsylvania. His most recent books include \textit{American Oil Diplomacy in the Persian Gulf and the Caspian Sea, Israel and the Persian Gulf: Retrospect and Prospect}, and \textit{Proliferation of Nuclear Weapons in the Middle East}.
era. The consensus in Tehran is that Sunni domination in Baghdad was the main reason for Iraq’s decade-long aggressive regional policy, including the Iran-Iraq War (1980-88). The intended purpose of Iranian strategy in Iraq is to prevent the Sunnis from regaining power and to provide broad support for the Shia majority. With these objectives in mind, perhaps more than any of Iraq’s other Sunni-Arab neighbors, Iran has backed the Iraqi government following the toppling of Saddam Hussein. President Ahmadinejad was, in fact, the first regional head of state to visit Iraq. Meanwhile, Iran established and maintained close ties with Shia militias within Iraq mainly to resist the American military presence and partly to ensure the militias’ dominance in Iraq should the country experience a civil war. US Secretary of Defense Robert Gates describes Iran’s policy in Iraq as “fairly ambivalent. They were doing some things that were not helpful, but they were also doing some things that were helpful.”

In light of these accusations, counteraccusations, and denials, the United States has employed a variety of diplomatic and economic measures in an attempt to force Iran to modify its policies. After the 1979 revolution, Washington decided to impose bilateral and multilateral sanctions on Iran. These sanctions have proven very costly for Iran, though they have failed to produce any real change in Iranian policy. In fact, sanctions related to Tehran’s energy sector have had a negative impact on both the US and global energy markets. A new study published by the National Foreign Trade Council suggests that if sanctions were lifted the resultant increased oil production by Iran might reduce the market price of crude petroleum by 10 percent, saving the United States billions of dollars.

Another approach to pressure Iran to modify its policy is the support of opposition groups, most prominently Mujahideen e-Khalq (MEK), the largest Iranian opposition group in exile. The MEK reaches into Iran through its own satellite television channel and claims an underground network of activists inside the Islamic Republic.

For more than a decade, the US Department of State has designated the MEK as a terrorist organization. MEK leaders and their international supporters are campaigning to have the “terrorist” moniker removed, in an effort to become eligible for US funding of Iranian opposition groups. They claim that the MEK represents a viable alternative to the clerical regime in Tehran by halting the nuclear weapons program, introducing economic and...
political reform, and contributing to regional and global stability. In short, despite its terrorist designation, some argue the MEK can serve as a tool to increase US pressure on Iran to effect positive developments regarding the issues in dispute.

Following the fall of Saddam’s regime the Iraqi authorities have sought to expel approximately 3,800 Iranian dissidents. Beginning in July 2008, Iraqi officials have requested that the MEK be removed from Iraq within six months. Kazem Jalali, national security and foreign policy spokesman in the Iranian parliament (Majlis), said his country is not fully satisfied with the Iraqi government’s efforts in this matter. He has continually repeated Iran’s demand that MEK members should be extradited to Iran to face trial.5

The following portions of this article examine the evolution of the MEK from a leftist anti-American and anti-Shah organization in the 1960s and 1970s, and its transition to become an opponent of Iran’s clerical regime since the early 1980s. This discussion encompasses the lack of consensus in Europe and the United States on how to deal with the MEK. The analysis suggests that the future of the MEK is bleak as a result of two strategic mistakes. In the 1980s the group allied itself with Saddam Hussein and served as his private army in repressing the Shia and Kurdish rebellions. Simultaneously, the MEK leadership-style evolved into something more similar to a religious cult rather than an opposition party or organization.

Organization and Ideology

The group’s name, Mujahideen e-Khalq, translates to the People’s Holy Warriors. It was founded in the mid-1960s as an urban guerrilla organization opposing the regime of Shah Mohammad Phalavi and the
Shah’s close ally, the United States. The MEK shared these broad goals with a number of other leftist and religious organizations such as Fada’iyan Khalq, the Tudeh (Communist) Party, and the followers of Ayatollah Ruhollah Khomeini. Throughout the 1960s and 1970s the MEK had close ties with the Soviet Union, Cuba, East Germany, and other leftist organizations in many nations.

The MEK was involved in the assassination of several top officials in the Shah’s regime as well as US military and civilian technicians working in Iran. The Iranian leaders responded in kind with a brutal repression by means of the SAVAK, the notorious domestic intelligence apparatus. Thousands of members and associates of MEK were killed, tortured, or jailed. Shortly before the 1979 Islamic revolution, the Shah tried to weaken and divide the opposition coalition by selectively releasing jailed MEK activists. One of them, Massoud Rajavi, eventually became the group’s leader.

In addition to carrying out violent attacks on Iranian officials in the Shah’s regime and later under the Islamic Republic, the MEK actively pursued its goals as a member of the National Council of Resistance of Iran (NCRI). The NCRI serves as an umbrella movement representing various Iranian dissident groups including the MEK, Organization of Iranian People’s Fadaian Guerillas, Association to Defend Iran’s Independence and Democracy, Towhidi Merchants Guild, and Committed Professors of Iran’s Universities and Schools of Higher Education. The NCRI describes itself as an Iranian parliament-in-exile, not just an advocate for the MEK.

The Department of State’s Country Reports on Terrorism describes the MEK ideology as a “blend of Marxism, Islam, and feminism that has gone through several iterations.” In order to cultivate a positive image and recruit supporters both in Iran and the West, MEK leaders claim to be: nonviolent; advocates for a democratic, pluralist, and secular system of government; supporters for normalized relations with all the governments of the region and the world; supporters for the elimination of all forms of discrimination against religious and ethnic minorities; guarantors of the individual and social rights stipulated in the Universal Declaration of Human Rights; supporters of the separation of religion and state; and advocates for the autonomy of Iranian Kurds.
The 1979 Islamic Revolution

The short-lived tactical alliance between the MEK and the Shah’s religious opposition ceased with the toppling of the Shah and the ascendance of Ayatollah Khomeini. MEK leaders had a different strategic vision for Iran than did the new Islamic Republic regime. Opposition to the Shah had united the MEK, Khomeini’s followers, and other opposition groups. Once the Phalavi regime collapsed, conflicting ideological orientations resurfaced. A bloody confrontation between the MEK and the Islamic Republic began in the early 1980s and continued for more than two decades, until the US-led invasion of Iraq in 2003.

In the power struggle that followed the fall of the Shah, the MEK sought to assassinate top officials in the newly established Islamic Republic. Several prominent leaders were killed including President Muhammad Ali Rajayee, Prime Minister Muhammad Javad Bahonar, and the Judiciary Chief, Muhammad Hussein Beheshti, all assassinated during an attack in 1981. The clerical regime responded with the jailing and execution of thousands of MEK members. Massoud Rajavi managed to flee to France. From there, and later from Iraq, the MEK resumed attacks on Iranian targets both inside Iran and abroad. In April 1992, the MEK carried out simultaneous attacks on Iranian embassies and installations in 13 countries. In April 1999, the MEK assassinated the deputy chief of the Iranian Armed Forces General Staff, Brigadier General Ali Sayyad Shirazi. A year later, they launched a mortar attack against a complex in Tehran that housed the offices of the Supreme Leader and the President.

MEK and Saddam Hussein

The MEK’s tenure in France during the early 1980s became subject to the ebb and flow of the Iranian-French relationship; when less tension existed between Tehran and Paris, more restrictions were imposed on the MEK, and vice versa. This uncertainty prompted the MEK’s leadership to make a controversial move that proved to be a strategic miscalculation. The MEK allied itself with the Iraqi leader Saddam Hussein and moved to Iraq in 1986.

In Iraq the MEK mainly settled in three camps. The largest was Camp Ashraf, named in honor of Rajavi’s first wife, who had been killed by the Iranian
authorities shortly after the revolution. Camp Ashraf is in Diyala province, about 50 miles north of Baghdad, and was used as the group’s headquarters. The MEK had two other bases: Camp Alavi, near the city of Miqdadiyah, about 65 miles northeast of Baghdad and Camp Anzali, near Jalula, some 80 miles northeast of Baghdad and 20 miles from the Iranian border.\textsuperscript{13}

The alliance between the MEK and the Iraqi leader served as a “marriage of convenience” for the two parties. Saddam used MEK operatives to launch hit-and-run attacks on Iranian targets and to spy on Tehran. Even following the 1988 ceasefire ending the Iran-Iraq War, the MEK, with Saddam’s approval, continued a low-intensity war against Iran from Iraqi territory. In addition, MEK leaders saw the Iraqi Shias as allies of Iran and did not hesitate to take part in the brutal crackdown Saddam launched on them and the Kurds, especially after the 1991 Gulf War. In return, Saddam Hussein provided the MEK with a safe haven, money, and weapons. According to evidence that became available after the 2003 invasion, the MEK received millions of dollars in assistance from Saddam. American troops also discovered video of MEK operatives being trained by the Iraqi military.\textsuperscript{14}

The MEK paid a high price for this alliance. Whatever support the organization might have relied on from inside Iran was tremendously diminished due to its cooperation with the nation’s sworn enemy during a bloody war in which hundreds of thousands of Iranians were killed. Equally important, the close ties with the Iraqi leader tarnished the group’s reputation in western capitals. Western powers, led by the United States, had strained relations with Iran. Their concern regarding Iran, however, was displaced by Saddam Hussein’s apparent intentions and capabilities for supporting terrorism and developing weapons of mass destruction that instigated the 2003 war. In the few months preceding the start of the war, top MEK leaders fled Iraq and regrouped in Europe and the United States in an effort to continue their struggle against the Islamic Republic.

\textit{Aftermath of the 2003 War}

At the beginning of Operation Iraqi Freedom, the US military briefly bombed MEK camps in Iraq. Massoud Rajavi then disappeared from public life. His fate is unknown. Rumors have suggested that he is either dead,
The American-Iranian relationship was a key foreign policy issue candidate Barack Obama promised to address if elected.

seriously wounded, or under US protection and providing intelligence related to Iran. The MEK spokespeople say he is alive and evading Iranian assassins. When American forces arrived at Camp Ashraf shortly after the fall of Baghdad, the MEK fighters offered no resistance and agreed to disarm. Their tanks, armored personnel carriers, and heavy artillery were confiscated. MEK fighters also agreed not to attack private and public properties in Iraq. In return, Camp Ashraf was put under the protection of Coalition forces and was shielded from the turmoil experienced elsewhere in Iraq.

The US military justified this ceasefire agreement with the MEK on the grounds that the main objective of Coalition forces was the defeat of Saddam’s army and they wanted to avoid having to divert resources that might be required to fight the Iranian group. The agreement, however, raised concern that the United States might use the MEK as a surrogate for action against Iran and Iranian-backed militants operating inside Iraq. It also highlighted questions regarding whether America was being consistent in its policy to eliminate terrorist organizations. US officials denied that there was any plan to “utilize MEK members in any capacity, especially as a future opposition organization in Iran.”

Despite this denial, Iranian leaders expressed outrage over the ceasefire agreement. Ayatollah Ali Hosseini-Khamenei, Iran’s Supreme Leader, said the agreement “shows terrorism is bad if terrorists are not America’s servants, but if terrorists become America’s servants, then they are not bad.” Former President Hashemi Rafsanjani expressed a similar sentiment: “The Americans indicated their insincerity in the international campaign against terrorism.”

Subsequent to the ceasefire agreement, US officials launched a review of Camp Ashraf residents to determine if they should be prosecuted for terrorism. American authorities also worked closely with their French counterparts to investigate the MEK’s support of terrorism. Later, in July
2004, the US military designated MEK fighters in Iraq as “protected persons” consistent with the provisions of the Fourth Geneva Convention. These provisions stipulate, “In the case of armed conflict, persons taking no active part in the hostilities, including members of armed forces who have laid down their arms, shall in all circumstances be treated humanely, without any adverse distinction founded on race, color, religion or faith, sex, birth or wealth, or any other similar criteria.”

The Department of State further clarified the US position by stressing that the newly declared status of MEK members in Iraq did not affect its long-standing designation as a terrorist organization. Despite this clarification, Iran demanded repatriation of MEK fighters. American officials rejected Tehran’s request; as one US official explained, “We have real questions about the fairness and transparency of justice there.”

**Assessment of the MEK**

For more than a decade the US government has consistently categorized the MEK as a terrorist organization. In *Patterns of Global Terrorism*, the Department of State declared, “The MEK’s history is studded with anti-western activity. The group killed several US military personnel and civilians working on defense projects in Tehran. The group also supported the takeover in 1979 of the US Embassy in Tehran.” In 1999, the Department of State banned the NCRI on the grounds that it is the MEK’s official political arm. Four years later, the Federal Bureau of Investigation (FBI) shut down the council’s offices at the National Press Building in Washington, DC. The FBI also arrested seven Iranians in the United States who funneled more than $400,000 to an MEK-affiliated organization in the United Arab Emirates, funds that were reportedly used to purchase weapons.

Senior US officials have strongly argued against the idea of fostering cooperation between the United States and the MEK. Cofer Black, the Department of State’s former counterterrorism coordinator, said, “The US government does not negotiate with terrorists. The MEK’s opposition to the Iranian government does not change the fact that they are a terrorist organization.” As Secretary of State, Colin Powell argued that “any flirtation with the MEK would undermine Washington’s stand against terrorism.” Similarly, rebutting suggestions that the Bush Administration was being
lenient with the MEK, then-National Security Adviser Condoleezza Rice said that the group is “part of the global war on terrorism and its members are being screened for possible involvement in war crimes, terrorism, and other criminal activities.”

Such statements aside, the MEK has cultivated supporters among a network of US politicians, journalists, and academics advocating for “regime change” in Tehran. In 2002, 150 members of the US House of Representatives signed a petition calling on the Department of State to withdraw its designation of the MEK as a terrorist organization. Three years later, Maryam Rajavi, Massoud Rajavi’s wife, delivered a speech by live video-link to applauding members of Congress inside the Capitol. One of the leading proponents of the MEK in Washington is the Iran Policy Committee (IPC). It was formed in January 2005 to influence US government policy toward Iran. IPC advocates that the United States should favor regime change in Iran through a process of destabilization and coercive diplomacy, while keeping open the military option. Other suggested tactics include economic blockades, military support of the MEK, and precision strikes on selected targets within Iran.

This endorsement of the MEK by American politicians and lobbyists is based largely on their acceptance of two conditions related to terrorism and information on nuclear weapon development. First, the MEK’s terrorist attacks against American targets ceased almost three decades ago. Most of these attacks took place when the Shah was in power or shortly after the 1979 Islamic revolution. Since then, the MEK has focused its attacks on Iranian targets. Even attacks on Iran apparently have come to a halt. The last MEK terrorist attack was on an Iranian village close to the border with Iraq in 2003. Second, western, Arab, and Israeli intelligence services have long appreciated the MEK for its sources deep inside Iran. The MEK provided useful intelligence data in 2002 when it held a press conference in Washington and revealed the existence of a secret uranium enrichment facility in the Iranian city of Natanz. The IAEA later confirmed the claim. This revelation has proven crucial in strengthening the international nonproliferation position in the ongoing confrontation related to Iran’s nuclear program.

These two issues—terrorism and nuclear revelation—contributed to a change in the MEK’s legal status within Great Britain in 2008. The British government first designated the MEK as a terrorist organization in 2001.
In May 2008, Britain’s Court of Appeal ruled that the designation was not valid and ordered that the group be removed from the British list of terrorist organizations. This ruling means that the MEK is free to recruit, organize, and raise money in Britain. The Iranian government responded by claiming that the verdict was politically motivated and that the British government has a double standard on terrorism and its supposed struggle against terrorist groups. Speaking on behalf of the MEK, Maryam Rajavi commented, “The era of grave injustice to the Iranian resistance has come to an end.” This development has reenergized the group’s push to be legalized across the European Union and in the United States.

What Lies Ahead?

Beyond the political and legal campaign the MEK leadership is conducting in Europe and the United States, the fate of the group’s fighters in Iraq is highly uncertain. At least two considerations have shaped the Iraqi government’s stance on the MEK. First, Prime Minister Nuri al-Maliki has sought to balance his country’s relationship with the two foreign powers that have the greatest influence in Iraq: Iran and the United States. His goal is to ensure that Baghdad does not turn into an arena for settling accounts between Tehran and Washington. Second, the majority of Iraqis (Shias and Kurds) remember how Saddam Hussein used the MEK fighters to repress their rebellions. Thousands of Iraqi Shias and Kurds were killed by MEK fighters.

Accordingly, within a few months of the toppling of Saddam, Iraqi officials sought to expel the MEK fighters. In December 2003, the interim Iraqi government ordered that members of the group be removed “because of the dark history of this terrorist organization.” The directive was overruled by Paul Bremer, then the chief US administrator. More recently, in June
2008, the Iraqi government banned any dealing with the MEK by any Iraqi or foreign party, and the Iraqi army replaced American forces securing Camp Ashraf.

Iraqi officials assert that their stance on the MEK is based on articles 7 and 8 of the constitution. Article 7 states, “The state shall undertake to combat terrorism in all its forms, and shall work to protect its territories from being a base, pathway, or field for terrorist activities.” Article 8 says, “Iraq shall observe the principles of good neighborliness, [and] adhere to the principle of non-interference in the internal affairs of other states.” These stipulations underscore that the MEK issue is a primary topic in bilateral talks between Baghdad and Tehran.

Understandably, Iran wants to put the MEK’s leaders on trial for their attacks on Iranian targets that killed hundreds of officials and wounded many others. In 2003, Tehran officially announced an amnesty for the rank-and-file members of the organization. Then-President Muhammad Khatemi said, “The majority who did not commit a crime and do not have blood on their hands are like our children and we must act with leniency towards them, but those who committed crimes will be tried with fairness.” An unspecified number of MEK members have renounced the group and voluntarily left Camp Ashraf. This repatriation was conducted under supervision of the International Committee of the Red Cross.

The current precarious status of the MEK should be seen less as an outcome of Iranian or Iraqi policies and more as a reflection of the poor strategic choices made by its leadership. In addition to alienating supporters in Iran by its alliance with Saddam Hussein, the MEK has evolved into a religious cult, not a transparent and democratic resistance movement. The US Department of State and a number of former MEK members contend that the group now displays cult-like characteristics. One Iranian observer argued that the organization “stresses the importance of obedience, discipline, and hierarchy; not of free expression and open discussion.” Other practices include unquestioned loyalty to Massoud and Maryam Rajavi, self-immolation, and separation of children from their parents in order to let the latter “focus on the cause instead of personal relations.”

Despite a number of high-profile attacks on Iranian targets, the MEK does not pose a serious threat to the Islamic regime in Tehran. The poor strategic choices of the group’s leadership and its contentious internal practices have led to its diminished status and uncertain future. In the future
the MEK is likely to continue as a major source of contention between Washington and Tehran. In the long-term, it is hard to see a favorable future for the MEK.

Experience from around the world shows that the notion “the enemy of my enemy is my friend” is not always true. In many cases aiding the enemies of America’s enemies did not make them friends; instead it helped sow even more extremism (support for the mujahideen in Afghanistan against the Soviets and for Saddam Hussein against Iran are cases-in-point).

The American-Iranian relationship was one of the key foreign policy issues candidate Barack Obama promised to address if elected. Now, President Obama has an opportunity to engage Tehran and put an end to three decades of hostility between the two nations. In its final days in office, the Bush Administration considered opening an interest section in Iran similar to the one the United States has in Cuba. The Administration, however, became distracted by the Russia-Georgia conflict and concerned that such an initiative might negatively impact the American presidential election and the upcoming presidential election in Iran (June 2009). This issue has now fallen to President Obama for decision.

Ayatollah Khamenei has said that when the time is right to restore ties with the United States, he would endorse such a step. Foreign Minister Manouchehr Mottaki echoed these sentiments, “Iran-US ties would not remain severed forever.”

History has shown that the United States does not have permanent enemies. Successful US-Iran engagement requires comprehensive diplomacy encompassing the core concerns of both nations. Engaging Iran will not necessarily guarantee stability in the Middle East and Central Asia. But failure to engage carries with it the substantial probability of more of the same.

NOTES

11. Abol-Hassan Banisadr, the first President of the Islamic Republic, fled with Rajavi to France.
27. For more information visit the IPC’s Web site, http://www.iranpolicy.org.
28. Taheri.
31. Burns.