Iran, which added that the planes had been impounded for the duration of the war. *Time* was clearly unimpressed by such assertions and went on to suggest: "By helping out Saddam, Rafsanjani is assuaging the feelings of radical Islamic factions with Iran's parliament, who are unhappy to see Iran ignore the pummeling of fellow Muslims by Western forces."

It is true that the radicals, or the more fundamentalist elements of the parliament, are far more enthusiastic than the moderates about promoting Islamic universalism, but nobody in Iran appears—notwithstanding unconfirmed reports that some revolutionary guards fired off missiles in the direction of Saddam, Rafsanjani is assuaging the feelings of radical Islamic factions with Iran's parliament, who are unhappy to see Iran ignore the pummeling of fellow Muslims by Western forces."

UN Secretary-General Javier Perez de Cuellar certainly welcomed Rafsanjani's offer of 4 February to mediate. "I think Iran is in a good position to produce a formula which could put an end to the present situation," he said. The media generally reported that Washington was less than impressed with the initiative. It is an understatement to say that the US is still deeply suspicious of Iran: it hasn't, and probably can't, forgive Iran for the US hostage crisis of 1979-80.

News that 100 Iraqi planes had fled to Iran broke within 24 hours of Rafsanjani's mediation offer. This event seemed to confirm US suspicion of Iran's duplicity. *Time* suggested that Iran and Iraq had arranged the "migration" of the planes well in advance at a meeting in Tehran on 8 January, a claim denied by Saudi Arabia—prepared to go to war. And experts have dismissed Rafsanjani's pledge committing Iran to the Gulf war in the event of Israel's active involvement as mere rhetoric. Iran is still hurting badly from its eight year war with Iraq; unemployment is high, the economy is shattered and Iran has a much depleted arsenal and its people want to get on with the business of reconstruction as soon as possible.

After the death of the radical Ayatollah Khomeini in mid-1989, 80% of the Assembly of Experts, some 70 religious leaders whose task it is to appoint Iran's president, voted for the moderate Rafsanjani to lead the country. While their interpretation and stances on issues may have differed, their fundamental vision of the Islamic Republic of Iran remained the same. Rafsanjani, a trusted supporter of the Ayatollah since his student days, fared very well under the Ayatollah: soon after the revolution he was appointed to the Ayatollah's secret Revolutionary Council, after the overthrow of President Bani-Sadr he became one of the Presidential Council triumvirate and later speaker of the Majles, the Iranian parliament. Since coming to power, Rafsanjani has pursued policies of his own, mostly with the general support of the Majles. He rescinded the Ayatollah's call for the death of Salman Rushdie, only to reinstate the threat following objections by the radicals.

While it is possible to specify the major policy differences between the radicals and the moderates, it is not easy to quantify the strengths of each camp, since factional alliances remain highly fluid, reforming around single issues.

In economic matters, because of their close association with the middle classes, the moderates favour a dominant private sector, foreign financing of the reconstruction, and limited land reforms. They place more emphasis on the professionalism of personnel, rather than the ideological purity demanded by the radicals. It is their policy too to seek rapprochement with the West and to allow a relaxation of the moral code. By contrast the radicals prefer a state-run economy, limited use of foreign finance and widespread land reform. They would seek to extend the domain of Islam and to enforce a strict moral code.

None of this is to suggest that Iran has suddenly become a paragon of liberal democracy; rather it is to suggest Rafsanjani's willingness to reinvolve Iran in world affairs and to re-establish a dialogue with the United States. It is to suggest also that for the moment Iran's leaders share a common desire for peace and neutrality. It is not in Iran's interests to enter the war. If anything, the status of Iran and Israel, as the two non-Arab states in the Middle East, will be enhanced as a result of the war, since deep and long-lasting rifts among the Arab nations are inevitable afterwards.

*Kitty Eggerking*