

Increasing domestic turmoil in Iran

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To many observers Iran is the big winner in the Middle East. While the end result remains to be seen, what seems certain is that the Islamic republic appears to be faring better geopolitically than domestically. And although uncensored information regarding the country's internal problems is scarce and tough to find, reports of increasing trouble in the country are starting to filter out.

The situation in some provinces inhabited by minorities is far from ideal for Tehran. The Kurdish province has seen regular violent clashes between Kurds and Iranian forces. Consequently, Tehran has recently stepped-up its repression of the Kurdish population.

Unrest, however, is not limited to the Kurds; the Baluch minority is cause of great concern to the regime. In fact, the newsletter *TheCroissant.com* reported that Iran is discreetly leading a violent military campaign in the Kerman province, bordering Baluchistan.

The latest clashes have claimed dozens of deaths in the ranks of Iranian forces and many civilian casualties. According to the usually well informed Internet web site *Elaph*, "Jund Allah," a faction of the Iranian Sunni opposition in Baluchistan, claimed responsibility for the April 25 abduction in the town of Fahraj of Jawad Tahiri, supreme leader, Ali Khamenei's representative in the Kerman province.

According to the Baluch opposition, Tehran has increased its operations since Tahiri's kidnapping. Despite the violent skirmishes between government forces and Sunni militias, the Revolutionary Guards involved in these operations have not managed to liberate Tahiri.

Also on April 27, Hassan Bijari, a close ally of Tehran and the Shiite imam of a Zahedan mosque (in the Baluchistan province), was shot thrice while in his car.

The situation of the economy is far from brilliant. One would think with the barrel of oil at about \$115, and Iran sitting on the second-largest gas and oil reserves in the world, the country's economy would be thriving.

But economic statistics show a bleak picture: officially, inflation stands at about 20 percent, and unemployment around 15 percent (while many estimate this rate to be around 30 percent). GDP's growth for 2007 could reach 4.5 percent instead of the 6 percent expected. Iran's economy is quite frail: indeed 85 percent of Iran's revenue comes from the sale of oil abroad but at the same time, Iran imports an important chunk of the refined products it uses, like gasoline (about 40 percent).

Furthermore, it looks like not only the U.N. sanctions against Iran, but more importantly, the financial pressures imposed by the U.S. Treasury are having a significant impact on the economy.

A recent French government report notes how dire the situation is for the Iranian economy. Because of a drying of foreign investment, vital to the survival of the economy especially in the oil and gas sector, Iran could become a net importer of oil within 15 years.

In fact, about 18 months ago, a report prepared by the foreign affairs and defense commission of the Majlis (the Iranian parliament), acknowledged that an embargo would destabilize Iran's economy and weaken its rate of exchange, while discouraging private investment. As a result, the report says, Iran "would be forced to modify its national priorities, and to devote the bulk of its resources to preventing major social upheaval, which could cause a deterioration of living standards for an important part of the population." Already, UNICEF considers that close to 25 percent of Iran's population lives under the relative poverty line; other estimates are much higher.

That leads to the third and potentially most threatening danger for the mullah's regime: the malaise within Iranian society. Poverty and unemployment are not the only ills eating up Iran. Oppression and clamping down on civil society add to that explosive mix.

A clear indication of souring times; Iranian authorities have executed 357 people in 2007, almost one person a day, 40 percent more than in 2006. Repression has not only targeted minorities and other religions but also feminists and students asking for additional rights.

In a country where 60 percent of the population is under 25, the regime is having a hard time keeping its young people

happy. Some statistics do not bode well for the mullahs.

Iran has at the same time one of the highest suicide rates among youngsters in the world, one of the highest drug consumption rate in the world and the fastest growing HIV infected population in the world. Suicide is the second leading cause of death in Iran and affects mostly young women who use self-immolation to commit suicide. There are close to 4 million drug addicts in the country and a recent official study revealed that at least 15 percent of the nine- to 25-year-old population bracket is using hard drugs.

Needless to say that in light of the chaos in some provinces, a bleak economy and an increasing malaise in the society, the mullahs are facing a very tough domestic situation. Interestingly, the Majlis report previously cited stated: "the members of the regime who were interviewed by the commission indicated that any deterioration of the economic situation could cause social disturbances that would weaken domestic stability." Are these the rumblings of a potential popular uprising against the mullahs?

The internal dynamics tend to indicate that Iran's current regime might not have such a long shelf life after all. Especially if the CIA thinks there is no chance whatsoever of a domestic uprising. Indeed if history is any indication, the day the CIA will bluntly state that there is no chance of a revolution happening in Iran, might turn out to be the day it will actually take place. At least that is what happened in 1979.

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