

# Petrol Protests in Iran

19-11-2019

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The Iraqi domino's events [\[1\]](#) and second wave of the Arab spring impact did not take long to be seen on Iran. New policy to increase petrol price for twice and private petrol even three times higher led to erupt protests promptly in tens cities and districts of Iran.

The decision to increase petrol price from 1000 rial to 3000 rial per liter and the government petrol for 1500 rial which government is distributing among people and notably has reduced now, this led to wide protests among the people. And security forces reaction in Khuzistan and Kurdish areas was more extreme. In the past three years this is the fourth time that people are protesting against economic and political situation of Iran.

And as the Teheran's position in regional politics important and due to the internal situation, protests in Iran are important and if continue its consequence's will reach out Iranian borders.

### **Petrol, increasing revenue and reduce US sanctions impact**

Iran's goal in increasing fuel price is to increase income and Iran is trying to export fuel products such petrol to abroad and this is an effort to reduce US sanctions impact. Especially now that there are tough US sanctions on the Iranian crude oil, exporting other fuel products such petrol might be is one of the solutions for Iran.

Although there is not much information on the Iran's public budget, but the new policy in increasing petrol prices show that Iran has budget deficit and need to fill the gap through increasing fuel prices.

Iranian oil minister has announced that through this new policy is expecting generate about \$738 million revenue. Mohammed Baqr Nawbakht head of the planning and budget organization told similar number and said that money will be distributed among 60 million people in Iran. [\[2\]](#) By considering high prices of equipment's and services such amount of money which each person can receive \$12 from that \$60 million won't satisfy the people.

There is information that despite reduction in Iranian crude oil exports, but exporting other fuel products such petrol can make important revenue for Iran. This can be done legally and through smuggling. As petrol customers can be any normal citizen so find and sanction them is not easy for the US.

Iranian oil minister said that we have got no issues in selling fuel products. Is estimated that Iran monthly is earn about \$500 million in exporting other fuel products such petrol, black oil and LPG to the neighboring countries.[\[3\]](#) At this time that Tehran wants to survive American sanctions this can be an important resource.

### **Petrol price rises, elections and internal disputes of political power**

After new measures to increase petrol price three Shia clerics in Iran Ayatollah Safi Gulpaigani, Ayatollah Allawi Gurgani and Ayatollah Makarmi Shirazi stood against petrol price rises. [\[4\]](#) Although still is not clear that whether after Iranian supreme leader ayatollah Ali khamenie support for the petrol price increase, these clerics stand how long will last!

Another aspect of increasing petrol price is related to competition between different parties for the new parliament elections which due to take place early next year. Is likely current parliament speaker Ali Larijani won't run in the next election, and there will be main struggle between conservatives and moderate reformists which Iranian president Hassan Rouhani is one of the prominent people of the movement. Some days ago Rouhani has criticized justice department



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