

Petrol Protests in Iran

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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

which Rouhani think that under name of fighting corruption there is political agenda behind this department, this can be an indication for arresting people close to Iranian current cabinet officials especially his brother.

Rouhani against actions of the justice department has revealed a corruption case which two billion dollars disappeared although he did not mention by who but this can be pre- election fight between Iranian factions in power. And rising petrol price also is related to struggle between the factions. Rouhani's cabinet in the beginning was defending the decision but now he emphasize that did not decide alone to increase petrol price and that came out from "Economic Cooperation Council" which was established by an order from Khamenei after return of US sanctions. Rouhani does not want to be responsible for what's happening now.

The Economic Cooperation Council is the new foundation which was established as the result of struggle between different factions. Similar to the Iran-Iraq war years when at that time Ali Khamenei was president of Iran and he asked "Ayatollah Khomeini" to authorize him specific powers. After return of US sanctions Hassan Rouhani said Iran is at the economic war therefore he has asked Khamenei to give him specific authority to confront with the new developments. The powers had given to Khamenei by Khomeini in 1980s during the war, decisions were made centrally and institutions would listen to Iran's president but this time Ali Khamenei instead to hand such power to Rouhani he established this economic cooperation council which officials from three main authorities of Iran are members of the council. Through this foundation Khamenei has blocked Hassan Rohani take over power alone under pretext of economic power. Now as the situation deteriorated and people came to the street, Rouhani does not want to be responsible for that decision and said that he managed to stop rise prices of petrol for 5 times higher!

Another point is that if the protests continue, is most likely the elections to be postpone, if not then because of people anger is expected turnout in elections will be less than before.

Conclusion

Petrol was only a factor to express people's accumulated anger and dissatisfaction of Iran's bad political and economic situation. When the Iranian officials have decided to increase petrol price did not seem expected such reaction from the street. After return of US sanctions, Iran through control price of petrol and bread which both are very important for the middle class and poor people has tried to reduce people's anger. But touching one of the main needs can make more protests. The past three years' experience of Iran proved that oppression could not stop resume protests. Cutting internet and disconnecting people can impact the protests but is impossible to end protests. Even if the protests calm down, again political change in Iran sooner or later definitely will happen. Therefore the Kurds in general and Kurdistan region particularly need to be prepared for different scenarios of Iran's developments.

[1] Rudaw Research Center in Analysis No (64) which was written a week before Iran protests predicted this:

Another issue that made Tehran unhappy is the likely Iraqi events domino's impact on Iran. Bad economic situation, increasing internal factions of power in Tehran, upcoming elections next year which can lead to more tensions it carries potentials for starting new protests in Iran, and continues Iraqi developments can have catalyze role in resuming internal protests in Iran. Therefore Tehran is willing to end Iraqi protests sooner.

[2] <https://www.bbc.com/persian/iran-50440411>

[3] <https://www.bbc.com/persian/business-49552723>

[4] <https://aftabnews.ir/fa/news/621924/%D9%85%D8%B1%D8%A7%D8%AC%D8%B9-%D8%AA%D9%82%D9%84%DB%>

[8C%D8%AF-%D8%B9%D9%84%DB%8C%D9%87-%DA%AF%D8%B1%D8%A7%D9%86%DB%8C-%D8%A8%D9%86%D8%B2%DB%8C%D9%86](#)