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IRAN'S ECONOMIC DIFFICULTIES, THE ACHILLES HEEL OF ROUHANI'S ELECTION CAMPAIGN

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The political atmosphere is becoming intense inside Iran as the Islamic Republic is preparing for the twelfth presidential election. Six candidates passed through the Guardian Council's vetting process. In the list of candidates are President Rouhani, and his Vice President Mr. Eshagh Jahangiri, Ebrahim Raisi, who is the custodian of Astan Ghods Razavi, the biggest religious endowment in Iran, the Mayor of Tehran Mohammad Bagher Ghalibaf, Mr. Mostafa Mirsalim, a conservative candidate whose highest political post was to serve as the minister of culture and Islamic guidance, and Mr. Mostafa Hashemitaba who is a reformist centrist candidate and served as the minister of industries in the past. From the list of the six candidates, so far, Mr. Hashemitaba and Mr Ghalibaf have withdrawn their candidacy. While Hashemitaba invited his supporters to vote for President Rouhani, Ghalibaf supporters are expected to support Mr. Raisi. Mr. Jahangiri is also expected, but not confirmed, to withdraw his nomination in support of President Rouhani before the polls open on the 19th of May. Since Mirsalim has not attracted much attention during his campaign his votes are likely to be an insignificant percentage of the total. Therefore the only competitor of President Rou-

hani will be the conservative candidate, Mr. Raisi, who is known to enjoy strong support of the Supreme Leader.

The presidential election debates that are broadcasted live by the Iranian state television have stimulated political debate in Iran. Over the past months, public spaces across the country, universities, published and online media have been dominated by the upcoming election. Although, this year the presidential election strangely is organised on the same day as the elections for the City Councils, the presidential campaigns are at the center of attention. Over the past weeks the debate over whether or not people should participate in the election has been one of the key points of discussion amongst the Iranians inside the country and abroad. Since the election crisis of 2009 that led to indefinite house arrest of the two leaders of the Green Movement, killing of hundreds and arresting of thousands of people, many Iranians have vowed not to take part in any elections under the Islamic Republic. There is a large percentage of the citizens however; who strongly believe that the only way for reform is making change through the elections. Overall attendance is expected to be high in this election.

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At the heart of the political debate of this election lies the issue of economic performance. All the candidates have in one way or another used the economy to attract voters and to attack their opponents. This was particularly evident during the televised election debates. Both Mr. Ghalibaf and Mr. Raisi confronted President Rouhani's economic performance during their campaigns. They have frequently argued that President Rouhani gave false hopes to the nation during his 2013 presidential election campaign and attacked the government for having failed to fulfill the economic outcomes of the nuclear deal and the lift of sanctions. Unemployment was the main polar of the presidential debates. Iran's nearly 80 million populations are young, well educated and urbanised. 60% of the Iranians are under 40 years of age, 70% live in urban areas and nearly 20% of the working population has tertiary education. Iran's official unemployment rate stands about 12%, which is higher for youth and women by 25.2% and 19.7% respectively. The labour force is expected to grow around 2.5% each year and Iran will require 3 million new jobs each year to absorb this growth.

Other economic challenges such as the issue of illegal trade and smuggled goods (a significant share of Iran's trade with a total value of about 25\$bn), financial corruption of the candidates and their close associates, poverty reduction and social security policy, energy export strategy and the banking crisis have also been discussed during the campaign. Rouhani, Jahangiri and Hashemitaba have been successful in presenting well-informed and fact-based arguments to prove the

government's achievements over the past four years, but the populist lines of the three conservative candidates have undoubtedly attracted certain constituencies.

Overall, it is clear that the main challenge faced by Rouhani in this presidential election is the economic difficulties. An online survey by IranPoll.com in April that conducted a telephone poll for a small sample of 1,005 people reflects this reality. 37% of the people that participated in IranPoll survey said they just get by financially, while 54% said they either hardly get by or it is very difficult for them to get by. The survey also shows 51% of the participants believe their living situation remained unchanged during Rouhani's presidency. More than 50% said the economic situation of the country is getting worse. 55% of the people said President Rouhani has been somewhat unsuccessful or very unsuccessful and 70% of the people said the economic situations for ordinary people has not improved as a result of the nuclear deal.

IranPoll survey's sample size is extremely small to represent the Iranian population. However, talking with people across the board in Iran and monitoring social media will draw more or less the same conclusions. Although during this campaign Rouhani focused on highlighting the small yet visible economic differences that the government managed to achieve (e.g. availability of medical and pharmaceutical necessities after the sanction lift), the results may ultimately not be in his favour.