

Iran's War on Workers and the Middle Class

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Introduction

In Iran, workers are central victims of the Iranian regime, with few legal rights or protections. On the first May Day after Iran's 1979 Islamic Revolution, Ayatollah Ruhollah Khomeini, the founder of the Islamic Republic, [proclaimed](#), "Dedicating [only] one day to the labourer, is as though we dedicate [only] one day to the light, [or only] one day to the sun." In practice, however, post-revolutionary Iran has a decades-long track record of trampling the rights of workers and responding to their demands for independent unions, fair wages, timely payment, and safe working conditions with repression.

According to the [U.S. Department of State](#), Iranian authorities "[do] not respect freedom of association and the right to collective bargaining"; "interfered in worker attempts to organize"; treat "labor activism ... as a national security offense" punishable, in some cases, by the death penalty; and, during widespread protests, "harassed trade union leaders, labor rights activists, and journalists," as it had in previous years.

Iran's Labor Code does not grant citizens the right to form independent unions, despite Iran's ratification of the UN's [International Convention on Civil and Political Rights](#) and membership in the [International Labor Organization](#).

Those who support the fundamental rights of workers—to assemble freely, protest unfair conditions, collectively bargain, receive fair contracts, and form independent unions—must stand against the abuses of the Iranian regime.

Labor Unions

Chapter VI of Iran's [Labor Code](#) grants workers the right to form "Islamic associations" and "guild societies," subject to the "approval of the Council of Ministers." These deliberately vague terms constitute a de facto denial of the right to form independent labor unions. Iran is a member of the International Labor Organization (ILO) but has not ratified three core [conventions](#) that guarantee freedom of association, the right to organize and collectively bargain, and minimum worker age. However, the ILO's [Declaration of Fundamental Principles and Rights at Work](#) states that "All members, even if they have not ratified the Conventions in question, have an obligation arising from the very fact of membership in the Organization, to respect, to promote, and to realize these core conventions."

Iran is also a party to the UN's International Covenant on Civil and Political Rights, which guarantees freedom of association. Articles 26 and 27 of the [Iranian Constitution](#) also guarantee freedom of association, putting Iran's labor policies at odds with its own laws. The "Islamic labor councils" approved by the Labor Code are chiefly ideological and have no function as defenders of workers' rights. They fall under the jurisdiction of the Worker's House, a state-sponsored labor organization beholden to the government. According to the [U.S. State Department](#), Iran's labor councils, "consist[ing] of representatives of workers and a representative of management, were essentially management-run unions that undermined workers' efforts to maintain independent unions."

Persecution

Labor activists who have attempted to organize unions or strikes have been met with harsh reprisals by the state, including arbitrary arrests and violence, according to the [State Department](#). Deteriorating economic conditions have led to numerous strikes and spurred thousands of Iranians to take to the streets to protest

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harsh working conditions, non-payment of wages, and increased costs of living since the revived Iranian protest movement emerged in December 2017.

Rather than addressing the complaints of protesting workers, in 2019, “[a]uthorities arrested scores of protesting workers on national security related charges and sentenced over two dozen to prison terms and flogging,” according to [Amnesty International](#). The [group notes](#) that many trade unionists face lengthy prison sentences on concocted national security charges, undergo torture and ill treatment in detention, and face continued harassment and violence from security forces and dismissal from their jobs, even after release.

Iran continues to imprison or unjustly detain trade unionists for their peaceful activism and efforts to organize workers. The [International Trade Union Confederation](#) placed Iran in its worst category (“no guarantee of rights”) for non-failed states when it came to upholding the rights of trade unionists in 2019.

According to [Amnesty International](#), “On International Workers’ Day, security forces used unnecessary force to disperse a peaceful demonstration in Tehran, beating and arbitrarily arresting dozens of workers. They included labour rights activists Atefeh Rangiz and Neda Naji, who were sentenced, respectively, to five years and five and a half years in prison for participating in the protest.”

Transportation Workers

Truck drivers have served as the engine of the revived Iranian protest movement due to their prominent role and their [demonstrated capacity](#) to organize and plan effective strikes and demonstrations. Truck drivers, particularly oil transporters, can [cripple Iran’s economy](#) through prolonged work stoppages, but the regime has responded to their protests over low wages and high maintenance costs with threats, intimidation, arrests, and violence.

Truck drivers in dozens of Iranian cities participated in a series of strikes and demonstrations in recent years to bring attention to their grievances, including low wages and the rising cost of gas, parts, and supplies. Iranian authorities arrested hundreds of truck drivers in 2018, including at least [261 drivers in 19 provinces](#) following a round of protests in September and October of that year. Iranian officials called for harsh penalties for striking truck drivers, and Iran’s prosecutor-general went as far as issuing a public statement calling for the [death penalty](#) for the initiators of the protests.

Teachers

In recent years, teachers’ associations have become a central target for [government repression](#). Police have initiated crackdowns on teachers who have been found to belong to these associations, or who have publicly celebrated International Workers’ Day, World Teachers’ Day, or National Teachers’ Day.

In the Rouhani administration, teachers continue to experience hardship, especially those who have played a role in the revived Iranian protest movement. The regime blocked teachers from celebrating International Workers’ Day and Teachers’ Day, and “continued to arrest and harass teachers’ rights activists from the Teachers Association of Iran and related unions,” according to the [State Department](#). Two prominent leaders of the Teachers Association, Mahmoud Beheshti-Langroudi and Esmail Abdi, remain incarcerated in Tehran’s Evin prison on national security charges for their past peaceful activism.

Unpaid Wages

The failure of the state and private employers to pay wages on schedule, mainly due to the regime's economic mismanagement and growing international isolation—has recently become a touchstone for recurring worker demonstrations.

In August 2018, police reportedly [arrested](#) five employees of the Haft Tappeh sugarcane company and charged them with national security crimes amid protests over unpaid wages and benefits. Iranian authorities released the protesting employees after their labor representatives struck a deal with judiciary officials. However, according to [Amnesty International](#), “in September of 2019, jailed labour rights activists Sepideh Gholian and Esmail Bakhshi were sentenced to, respectively, 18 years and 13 and a half years in prison and 74 lashes in relation to their participation in peaceful protests over unpaid wages at Haft Tappeh... and to public statements in which they said they were tortured in detention.”

According to the [State Department](#), “many workers continued to be employed on temporary contracts, under which they lacked protections available to full-time, noncontract workers, and could be dismissed at will. Large numbers of workers employed in small workplaces or in the informal economy similarly lacked basic protections. Low wages, non-payment of wages, and lack of job security due to contracting practices continued to contribute to strikes and protests, which occurred throughout the year.”

Unemployment and Rising Prices

Iran's war on workers goes beyond the regime's lack of labor protections. [According](#) to the Iranian Statistical Center, the official youth unemployment rate stands at almost 26 percent, with over 40% of college graduates jobless. Tens of millions of people remain trapped in an endless cycle of joblessness and poverty—according to [official Iranian statistics](#), between 23 and 40 percent of Iranians lived below the absolute poverty line during fiscal year 2018-19. These figures have likely gotten worse due to rising inflation and cost of living, as well as the novel-coronavirus (COVID-19) pandemic, for which Iran served as an epicenter.

Forecasts for the coming years remain bleak due to the Trump administration's “maximum pressure campaign” and effort to sharply reduce Iranian oil exports. As the World Bank [notes](#), “All major components of GDP (expenditure side) are contracting, pointing to a broad-based recession.” The combination of unemployment, negative economic growth, inflation, regime mismanagement, corruption, pandemic, and lack of political and economic liberties will continue to squeeze families across the Islamic Republic, portending continued domestic unrest.

Budget Battles

Iran's hardship comes on the heels of back-to-back austerity budgets presented by President Hassan Rouhani. For the fiscal year beginning March 2018, Rouhani sought a [\\$104 billion budget](#) that [slashed](#) popular subsidies for the poor. In late December 2018, President Hassan Rouhani unveiled his proposed [\\$47.5 billion budget](#) for fiscal year 2019-2020, which, due to the impact of sanctions and the precipitous devaluation of Iran's currency, was less than half the previous year's budget. The fiscal year 2019-2020 budget proposal was premised on an optimistic forecast for oil exports, leading to a large budget deficit. [Rouhani's 2020-21 budget proposal](#) suffers from the same problem—it anticipates that Iran would sell about a million barrels per day of oil, even though at the end of 2019 Tehran was only exporting

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[about 300,000](#). It also proposes a 13 percent tax increase that would bring revenues to almost two trillion rials, but Rouhani himself indicated that 1.5 trillion would be a more likely outcome.

Rather than benefits to the public trickling down, they are trickling up, being gifted to the highest echelons of the Islamic Republic. For instance, in 2018, hardline cleric Ayatollah Mohammad Taghi Mesbah Yazdi was expected to receive 280 billion Iranian rials—[eight times](#) what he received a decade ago, according to the *Financial Times*. Likewise, the supreme leader [continues](#) to draw from Iran's National Development Fund to increase Iran's defense budget. Thus, ordinary Iranians are being left on the margins of society while 'millionaire mullahs' are enriching themselves and their patronage networks and Iran continues to implement its hegemonic ambitions.

The bleak economic picture in Iran has laid bare the limits of the nuclear deal, which was expected to pay dividends to Iran in reconnecting the country, at least in part, to the global economy. While conservative elements of the Islamic Republic seek to lay blame at Washington's doorstep for thwarting the fruits of the deal as an answer to the protesters, the structural problems inherent in Iran's economy, for example, its banking sector's role in the financing terrorism and the prevalence of money laundering, are the true culprits. Iranian workers will continue to demand fair wages and improved working conditions, but as Iran's ability to provide these public goods diminishes due to the regime's mismanagement and increased isolation, it will likely rely increasingly on repression, ensuring continued unrest.

The Political Equation

It is significant that the first Iranian official to comment on the latest unrest was President Hassan Rouhani. But final authority and responsibility rests with the supreme leader, Ayatollah Ali Khamenei, who hasn't been shy of laying blame on the Rouhani administration for the country's woes. For example, in August 2017, the supreme leader [chastised](#) the Rouhani government on its statistics, saying "the economic statistics presented [by the government] are based on scientific rules, but these statistics do not fully and comprehensively reflect the country's real situation and people's living conditions... [b]ased on these statistics, the inflation has been decreased from tens of per cent to under ten per cent, but has people's buying power increased accordingly?" Khamenei has adopted a hedging strategy—rarely taking responsibility for government decisions and passing the buck to whoever is president to avoid blame and preserve maximum flexibility for future political utility. We've seen this movie before with the nuclear accord—while he [endorsed](#) the deal, he indicated his lack of trust in Washington to carry through on its commitments so as to be able to demonstrate his "wisdom" if he decided later on that the costs of remaining a party to the nuclear deal outweighed its benefits. In the coming year, we are likely to see Khamenei further test Rouhani and hold him accountable for the country's dismal economic performance.

Lastly, the bleak economic picture in Iran has laid bare the limits of the nuclear deal, which was expected to pay dividends to Iran in reconnecting the country, at least in part, to the global economy. Conservative elements of the Islamic Republic will continue seeking to lay blame at Washington for thwarting the fruits of the deal as an answer to the protesters. But the structural problems inherent in Iran's economy will dampen the ability of the authorities to make a difference.