

Ahmadinejad a progressive? Ahamdi's anti-imperialism is a myth and so are his leftist credentials

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Network of Iranian Labor Unions (NILU)

Iran Labor Report — There is a fiction going about in some progressive circles around the world according to which Ahmadinejad is a great nationalist crusader, that he is a champion of the poor and that he is a man of the people. This is certainly shocking to the ears of most Iranians (including many Iranian workers) who consider their president to be a demagogue and a petty dictator. Let's look at the facts in detail:

Subsidies Rationalisation Plan. The government's Economic Reform Plan first introduced in March 2008 followed up by the Doctor-Jekyll-like Subsidies Rationalisation Plan is a carbon copy of the IMF prescriptions for neoliberal restructuring. Its centrepiece is the wholesale axing of national subsidies within five years starting from January 2009.

One of the few victories of Iranian working class from the 1979 revolution has been the constitutionally guaranteed right of the Iranian people to make free use of billions of dollars in assistance provided in the form of state subsidies. Gasoline users, bakeries, city bus commuters and consumers of public utilities are among the tens of millions of people who have benefited to one degree or other from this policy.

For instance, bus commuters in urban areas pay only about a tenth of the fares they would have otherwise paid. Gasoline is only 40 cents per litre. Cooking gas is a fifth of its so-called market rate.

It is important to note that these benefits were not a result of an act of generosity or some kind of government largess but an achievement wrought by the sacrifice and blood of millions of Iranians. It is now all coming to an end. Ahmadinejad's government has brazenly set about ending this 30-year arrangement with a fanatical zeal. Starting this January, subsidies will be cut in large increments. In this, the government is supported by the majority of the country's ruling factions who expect to grab various chunks of the bonanza. (Significantly, opposition figure Mir Hossein Mousavi has sharply criticised the plan as ill advised and misguided.)

There is nothing novel or redeeming about the Subsidies Rationalisation Plan. Ahmadinejad's price liberalisation scheme is nothing but a regurgitated version of the infamous shock therapy treatment devised by the late Milton Friedman of the University of Chicago fame. It was first applied in Chile in the late 1970s and later in east and central Europe with devastating effect for the poor and working classes.

Privatisation. Ahamdinejad has dutifully signed on to the so-called Amendment to Article 44 of the Constitution, which envisions the wholesale dismantling of the public sector and its handover to crony capitalists.

According to the government's own 2008 statistics, one third of the state assets have already been privatised (US\$37 billion out of \$110 billion) of which 78% occurred under the Ahmadinejad administration. This too is a carbon copy of the IMF model for structural adjustment. In fact, despite abundant national resources, Ahmadinejad is eager to have Iran join the World Trade Organization at the earliest possible date. Too bad the WTO has only allowed his government observer status!

The only difference between privatisation in Iran and privatisation in the rest of the world is that it is not really the private sector that ends up with the public enterprises in question. Rather, it is the Revolutionary Guards Corps of Iran (RGCI) and its sundry subsidiaries—followed by less powerful players—that have grabbed the prized state assets. It would be a real stretch of imagination to call these RGCI-controlled entities as Iran's private sector. In the last year alone, tens of billions of dollars in state assets were handed out to the RGCI in no-bid, below-market-price sweet deals. For example, last October, in the stock market's largest transaction ever, an \$8 billion purchase was made of the country's telecommunication industry in a sweet deal that is costing the RGCI next to nothing.

In other words, the Iranian people are getting the worst of both worlds! They are gradually losing their public ownership rights while a small clique of hard-line military men and militocrats with absolutely no managerial or technical skills are calling themselves the new masters of the country. Already, many fraudulently "privatised" firms are being run to the ground or cannibalised of choice assets thanks to the inexperience, greed and venality of the RGCI.

Income redistribution. Much has been made of Ahmadi's pseudo-leftist Robin Hood-style rhetoric to steal from the rich and give it to the poor. The last four years have seen, thanks to the huge oil income windfall, possibly the largest-ever budget increase in Iran's 2500-year history; yet, all that Ahmadinejad and his defenders have to show for are the so-called Justice Shares; small salary increases for selected groups; and some paltry micro-credits for low- or middle-income families.

The much-touted Justice Shares have an uncanny resemblance to the voucher privatisation scheme that was practiced in Russia during the 1990s. The plan led to the destruction of the state sector and the accumulation of power and wealth in the hand of mafia oligarchs.

As for the salary increases, the 2007-2008 inflation rates of 36% and 33% swept away whatever income boost the government had promised to prospective voting blocs. As for micro-credits, according to the minister of trade, 56% of the micro-credit allocations "failed to reach their goals" with the majority given out to favoured individuals.

In short, as far as Iran's working people are concerned, Ahmadi's economic performance is at best poor and probably abysmal. But what of his social and political policy?

Social Policy. Since coming to power in 2005, Ahmadinejad has once again unleashed the loathsome religious "vice squads" on the population of the urban areas. In the last four years, hundreds of thousands of young people, particularly young women, have been subjected to searches, arrest and humiliating behaviour for such innocuous infractions as wearing boots in winter. Ahmadinejad has also closed down 48 newspapers and magazines; rolled back the limited social and cultural freedoms won in the old administration and generally allied himself with the most retrograde social forces in the country—possibly in the world—such as the fire-breathing ayatollah Mesbah Yazdi. The budget for the arts have been cut by 62% while that of the hard-line religious centres have increased exponentially.

Women, particularly working-class women, have seen their status eroded or under severe attack. For example, in 2007 the government introduced a bill on the floor of the parliament called the

Family Protection Act which nullified a woman's legal right to be notified of her husbands' intention to seek a second wife and to annul it once it has occurred. In the end, Iranian parliament members, no doubt fearing a backlash from their own wives and daughters, voted the disgraceful bill down. But they didn't veto another bill which made it obligatory for female civil servants to refuse overtime work and pay on the grounds that "women's true place was at home".

Democratisation. To our knowledge, Mr. Ahmadinejad has never had the pretense of being a democrat and we would certainly not want to contradict him on that score.

Anti-imperialism. It is a grave mistake to brand anyone who rails against the United States as an anti-imperialist. If that were the case, Osama Bin Laden and his murderous followers would have been the greatest anti-imperialists the world has ever seen. Ahmadinejad's anti-Americanism is fueled by a desire to become the region's new hegemon and nothing else. Iran's working classes have no interest whatsoever in seeing their rulers exploit other nations' peoples and resources.

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