

Intelligence Briefing: Iranian Protests are a Long Fuse

Although the Iranian regime has quelled recent protests, the grass roots nature of the protests suggest that the Iranian regime remains strong but with an underlying brittleness. If protesters, now or in the future, are looking to bring additional pressure onto the ruling elites and the security forces, they will have to either coopt some segment of both or target the sources of their power and revenue, including the oil sector. It seems a long fuse has been lit.

The protests that have arisen over the past two weeks in Iran have raised questions of the country's overall political stability as well as the direction of its foreign and national security policies. Unlike the protests in 2011 – which grew out of discontent with what were viewed as rigged elections in 2009 and the broader political upheaval in the Middle East at the time (i.e., the Arab Spring), these most recent movements have not been driven by political figures in Tehran. Instead they appear to have begun in smaller cities and towns such as Mashhad and have been a bottom-up phenomenon. The causes are thought to be a mix of economic and political. The Iranian government has reacted by condemning the protests, blaming them on foreign governments and agitators, and sending contingents of the security services to outlying cities in attempts to quell them. So far the momentum of the protests, coupled with the government crackdown, does not appear to threaten country-wide stability or key sectors of the economy such as oil production and export. However, the systemic issues highlighted by the protests and the lack of a set of clear leaders make it more difficult for the government to predict or suppress them over the long run.

Reporting from Iran, limited because of crackdowns on social media, points to a mix of systemic and short-term causes for the protests. The systemic issues are the sluggish Iranian economy over the past decade brought on by international sanctions, low global oil prices, and more recently government economic reforms meant to tighten spending. The short-term causes have been posited as the closing of a number of corrupt banks and credit unions and an increase in the price of eggs due to a widespread case of bird flu. Note, the price of onions has famously influenced election outcomes in India. Unlike India, however, Iranian elections are highly constrained by those currently in power. This raises questions as to real threat to President Rouhani and his reformist allies as well as the Supreme leader and the more conservative clerical establishment, arises. The protests were likely exacerbated when President Rouhani's proposed government budget was made public, showing significant funds for clerical foundations controlled by the Supreme leader and his allies and for the Iranian Revolutionary Guard Corps' overseas activities. What is missing in Iran is the ability to hold the governing elite accountable absent significant upheaval.

Currently, it appears that the regime's security forces are succeeding in quelling the protests, but this does not mean that Iranian citizens unhappy with the economic and political status quo are going away. The protests could continue despite the crackdown or they could abate and come back in the near-term. It is highly unlikely that the underlying causes are going to be addressed, so the Iranian regime remains strong but with an underlying brittleness given its current unwillingness to allow for political accountability. If protesters, either now or in the future, are looking to bring additional pressure onto the ruling elites and the security forces, they have to either coopt some segment of both or they have to target the sources of their power and revenue, including the oil sector. The current protests do not look strong or organized enough at the moment to do either.