



IRAN DEMOCRACY MONITOR

The American Foreign Policy Council's Review of  
Radicalism and Reform in Islamic Republic of Iran

# Iran Democracy Monitor 194

March 25, 2019 **Ilan I. Berman**

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## THE AYATOLLAH PREFERS GUNS OVER BUTTER

Amid worsening economic conditions within the Islamic Republic, Iranian leaders are doubling down on regime militarism. According to Mahmoud Negahban Salami, a member of the Iranian *majlis*, Supreme Leader Ayatollah Ali Khamenei has opted to withdraw some \$1.5 billion from the state's National Development Fund in order to continue funding the country's military development and deployments abroad. The move marks a major blow to already-fraught domestic conditions within Iran; the National Development Fund, established in the early 2000s, is intended to aggregate revenue from the country's oil trade as "permanent savings" for future generations of Iranians. (*Radio Farda*, February 5, 2019)

## TEHRAN LEADS IN EXECUTIONS, AGAIN

The Iranian regime remains one of the world's most notorious executioners, a new study from a prominent human rights group has documented. According to Iran Human Rights, an NGO focusing on domestic conditions within the Islamic Republic, "Iran is estimated to have executed 273 people in 2018" - the second highest recorded rate in the world. The country is also said to lead the planet in the execution of juvenile offenders, with an estimated eight such killings carried out last year. Capital punishment is meted out for crimes such as rape, murder and drug offenses, as well as for "corruption on earth" - a broad category of crimes that are determined by the country's Revolutionary Courts and range from economic corruption to extremism.

The past year's statistics actually mark an improvement over previous years, notes Iran Human Rights. But the real figures surrounding the country's state-sanctioned killings could be significantly higher; as the NGO notes, gathering accurate data from the Islamic Republic remains notoriously difficult. (*EuroNews*, February 26, 2019)

## GULF WORRIES OVER IRANIAN INTENTIONS

Iran's increasingly assertive behavior in the Persian Gulf and its principal waterway, the Strait of Hormuz, is prompting its neighbors to make contingency plans. Abu Dhabi's state oil firm, Abu Dhabi National Oil Co. (ADNOC), has reportedly signed a \$1.2 billion deal with South Korea's SK Engineering to build a storage facility on the Arabian Sea. ADNOC's CEO, Sultan al-Jaber, said that the project "will enhance the UAE's energy security" in response to Iranian threats to block the Strait. ADNOC is also exploring other ways of ensuring the UAE's energy security, including signing a memorandum of understanding with India's Strategic Petroleum Reserve to store crude outside of the country, as it already does in southern Japan. (*Radio Farda*, February 27, 2019)

## ISRAEL REDOUBLES ITS SYRIA COMMITMENT

Late last month, Israeli Prime Minister Benjamin Netanyahu met with Russian President Vladimir Putin to discuss the evolving situation in Syria, where the regime of Bashar al-Assad has turned the tide against its domestic political opponents. The Israeli premier used the occasion to publicly reiterate his government's commitment to displacing Iranian forces and assets from southern Syria, where they have become entrenched as a result of the Syrian civil war. "The greatest threat to stability and security in the region comes from Iran and its satellites," Netanyahu said in public comments to reporters. "We are determined to continue with our aggressive action against the efforts of Iran, which calls for our destruction, and against its attempts to entrench militarily in Syria." (Associated Press, February 27, 2019)

[EDITORS' NOTE: Netanyahu's comments are significant, given the recent escalation of tensions between Jerusalem and Moscow over Israel's ongoing military operations in Syria, where Russia has become entrenched. Harsh Russian reactions to recent Israeli incursions have led to speculation that Israel might curtail future military action there in deference to the Kremlin. Netanyahu's remarks, however, suggest that it won't.]

## **THE TRUE COST OF U.S. SANCTIONS**

Iranian leaders may be putting on a brave face, but the economic data suggests that U.S. sanctions are steadily ravaging the country's economy. According to Brain Hook, the State Department's special representative on Iran, the country has lost "\$10 billion in revenue" since the re-imposition of U.S. sanctions in November, as a result of which some 1.5 million barrels of Iranian crude daily have been "removed" from global markets. The pressure, Hook has explained, is part of the Trump administration's plan to eventually bring Iranian crude exports to "zero" as a way of weakening the Iranian regime. U.S. officials are confident that this effort will not adversely affect global markets; even with sanctions on Iranian oil, the U.S. Energy Information Administration has projected that "world supply will exceed demand in 2019 by 440,000 barrels per day." (Reuters, March 13, 2019)