

# AMERICAN FOREIGN POLICY COUNCIL



# Iran Democracy Monitor No. 199

August 23, 2019 Ilan I. Berman, Paisley Turner

Related Categories: Democracy and Governance; Economic Sanctions; Human Rights and Humanitarian Issues; Islamic Extremism; Resource Security; Iran; Middle East

#### **IRAN'S WILTING ECONOMY**

The Trump administration's campaign of "maximum pressure" is having a deepening impact on Iran's already-ailing economy. One of the principal objectives of the campaign, according to White House officials, is to bring Iran's exports of crude oil - which represent the regime's single biggest economic earner - to "zero." While that hasn't yet happened, pressure from Washington - and the resulting constriction of the Iranian energy sector - is nonetheless having a profound effect on the Islamic Republic's economic fortunes. In June, the Statistical Center of Iran, a government-linked economic think tank, issued a new report laying out the scope of the country's present economic downturn. According to the study, Iran's gross GDP dropped by nearly five percent in fiscal year 2018-2019, even as dropped from 2,000,000 barrels per day in March 2018 to around 400,000 a year later - the steepest such decline since the 1980s. (*Radio Farda*, June 18, 2019)

## **IRAN EXPANDS ITS ROLE IN THE ORGAN TRADE**

The head of Iran's Judiciary, Ebrahim Raeesi, has reportedly introduced a new law that would allow prisoners on death row to proactively sell their organs before execution. The measure represents an acknowledgement of market realities; Iran is the primary market for organ transplants in the Middle East because the organ trade remains legal there. As a result, however, there is a shortage of organs available for sale in Iran, due to the high number of kidney, heart and liver patients. The moral picture, however, is more murky. Raeesi's new law would make Iran the only country in the world that allows the organs of executed prisoners to be sold (China, the last government to condone the practice, outlawed it in 2015). Iranian doctors have expressed outrage at the proposed measure, with prominent practitioners saying that they "will never abide by this law" because death row convicts would not be in the "right frame of mind" to make such a decision, even though it would technically be "voluntary." (London *Telegraph*, July 7, 2019)

### **EXPORTING THE REVOLUTION... AGAIN**

Iran's strategic culture of "sacred defense" could soon become an export commodity. Hassan Abbasi, head of the IRGC-linked Center for Doctrinal Strategic Studies, has argued that the Islamic Republic - buoyed by its strategic successes in Syria, where the IRGC created a "Shiite NATO" and liberated the country from ISIS - can translate these gains to other theaters. The key, according to Abbasi, is to spread its doctrine of "sacred defense" - under which the Islamic Republic has successfully opposed and confronted more powerful nations (like the U.S.) via asymmetric means - to its assorted international proxies, thereby strengthening their resolve to confront Western imperialism. (Riyadh *Al-Arabiya*, July 12, 2019)

#### **IRAN'S DEEPENING WATER WOES**

The Islamic Republic is now grappling with an "extraordinary water crisis," a new report from a leading American policy institute has assessed. According to the World Resources Institute, a top environmental think tank headquartered in Washington, DC, Iran - together with Israel, Lebanon, and Qatar - is now among the most water-stressed nations in the world, and consumes some 80% of its available water resources every year. This situation, WRI warns, means that "even small dry shocks – which are set to increase due to climate change – can produce dire consequences."

The study confirms the dire predictions of Iranian officials themselves, who are speaking about the country's hydrological crisis with increased frequency. Mohammad Hossein Shariatmadar, the head of Iran's national center for strategic agriculture and water management, warned last year that the Islamic Republic "is only five years away from an all-encompassing water disaster as a result of five decades of mismanagement."

Nor are Iran's neighbors in a position to help. As the WRI study notes, the vast majority (12 out of 17) of nations catalogued as "facing severe water stress" by the WRI are located in the vicinity of Iran, making it impossible for the Islamic Republic to seek regional support to alleviate its hydrological problems. (*Radio Farda*, August 8, 2019)