

## The Meir Amit Intelligence and Terrorism Information Center





### Highlights of the week:

- ✓ First reactions to E.U. decision to impose oil embargo against Iran.
- ✓ Regime supporters strongly condemn growing domestic criticism of the regime.
- ✓ Debate between United Conservative Front and Steadfast Front heats up ahead of 2012 elections.
- ✓ Government, Central Bank increasingly criticized over rial's continuing slide against dollar.
- ✓ Prison for journalists: wave of journalists' arrests ahead of Majles elections.
- ✓ Pictures of the week: snow in Tehran.

#### First reactions to E.U. decision to impose oil embargo against Iran

Official spokesmen in Iran have dismissed the resolution adopted by the E.U. foreign ministers to impose an oil embargo against Iran as ineffective. Foreign Ministry Spokesman Ramin Mehmanparast said that the embargo is doomed to failure and will have no impact on Iran's progress towards the realization of its rights. He noted that Iran will find a substitute for any country that imposes an oil embargo against it, and called on European countries to consider their own national interests rather than act on U.S. dictates.

Alaeddin Boroujerdi, chairman of the Majles National Security and Foreign Policy Committee, speculated that the sanctions will prove more detrimental to the West

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than to Iran. In an interview given to ISNA News Agency, Boroujerdi said that, similarly to previous sanctions imposed on Iran, the oil embargo will cause damage to many Western companies and help many others that will cooperate with Iran. Esma'il Kowsari, Boroujerdi's deputy, also said that the embargo will have no real influence on the economy of Iran, since it will sell its oil to non-European countries. He threatened closing the Strait of Hormuz should the West attempt to prevent Iran from exporting oil.

Earlier, Iran's former Intelligence Minister Ali Fallahian also warned that Iran may close the Strait of Hormuz as part of its efforts to contend with the sanctions. He also suggested stopping the export of oil to European countries before the expiry of the six-month delay in implementing the embargo given by the E.U. foreign ministers. This will result in an immediate increase in oil prices and disrupt European plans to find substitutes for the Iranian oil, Fallahian said.

A special announcement released by the Iranian Petroleum Ministry on the heels of the E.U. decision said that Iran exports as little as 18 percent of its oil production to European countries and will have no problem finding new buyers. The Petroleum Ministry said in the announcement that it has been preparing for an embargo for a long time, and that European countries will suffer the brunt of its economic consequences.

Kazem Vaziri-Hamaneh, former petroleum minister in Ahmadinejad's previous government, also dismissed the decision of the E.U. and said that there will be no shortage of demand for Iranian oil. No country, not even Saudi Arabia, can provide oil of comparable quality to that produced by Iran, and even China's joining the embargo will not be significant since the Iranian Petroleum Company has diverse means of selling its oil.

As economic sanctions against Iran escalate, Mohsen Reza'i, chairman of the Expediency Discernment Council, announced this week that the economic war between Iran and the West has begun. He called on the authorities to wake up and adopt a strategy based on four principles: a program to provide economic prosperity and a solution to the unemployment problem, another program to neutralize the effects of the sanctions, increased cooperation with the "Islamic awakening" in the region, and active, influential diplomacy.

# Regime supporters strongly condemn growing domestic criticism of the regime

An interview given by former Majles member Emad Afrough to the Iranian television has drawn strong reactions from regime supporters this week. In the interview, Afrough said that any Iranian citizen has the right to criticize the Supreme Leader, and that in case the latter is unable to provide a satisfactory response, he has to be removed from office immediately. He also criticized the current composition of the Assembly of Experts, arguing that membership in it should be open to specialists and economists, not just clerics.

Afrough's remarks provoked considerable anger from regime supporters affiliated with the radical right wing of the political establishment. Ayatollah Seyyed Ahmad Alam al-Hoda, the Friday prayer leader in the city of Mashhad, strongly condemned the TV show that aired the interview with Afrough, saying that criticism against a regime led by the "Vanished Imam", as he put it, is inappropriate and must not be shown on official media. In addition, pro-regime Basij members held a protest rally in front of the Iran Broadcasting building in Tehran.

The public outrage over Afrough's remarks follows closely on the heels of yet another controversy, which began two weeks ago when a former Revolutionary Guards commander published an article implicitly comparing Iran's current situation in terms of the suppression of political freedom to the situation on the eve of the Islamic revolution. In the article, published by Hossein Alaei (who commanded the Revolutionary Guards navy during the Iran-Iraq War) in the Ettela'at newspaper, the former senior officer discussed how the Shah suppressed the riots which broke out in the city of Qom in early 1978 after an article was published against Ayatollah Khomeini. Alaei said that the Shah's fate could have been different had he not brutally suppressed the demonstrators who took to the streets after the release of the article. From the way he presented his arguments, it was clear that Alaei intended to implicitly compare the suppression of the demonstrations in Iran in 1978 to the current regime's suppression of the reformist opposition since the 2009 riots.

After the article was published, Alaei came under a fierce attack from regime supporters. Last weekend, on January 14, several hundred Basij members held a protest rally in front of his residence in the Revolutionary Guards veterans' compound in Tehran and sprayed hate-filled graffiti on the walls.

At the same time, a group of twelve former and current Revolutionary Guards commanders released a strong-worded public letter addressed to Alaei. Several other former Revolutionary Guards commanders, however, took Alaei's side and condemned the attack on his residence. Ahmad Tavakoli, head of the Majles Strategic Studies Center, also expressed reservations about the fierce attack on Alaei and said that his loyalty to the regime is beyond question.

As a result of the uproar provoked by his article, Alaei was forced to issue a clarification and express his regret for how his words were construed. Speaking at a meeting with the former Revolutionary Guards commanders who had signed the public letter against him, Alaei emphasized his loyalty to the regime and the Supreme Leader and noted that he had had no intention of comparing the Islamic republic to the royalist regime.

### Debate between United Conservative Front and Steadfast Front heats up ahead of 2012 elections

The political struggle in the conservative camp ahead of the Majles elections has reached new heights this week after the Steadfast Front, affiliated with the radical right wing, released an 80-page booklet strongly criticizing the United Conservative Front and Assembly of Experts Chairman Ayatollah Mohammad-Reza Mahdavi Kani, the top conservative cleric who supports the United Conservative Front.

Among other things, the booklet argues that Mahdavi Kani did not follow the Supreme Leader's instructions in his efforts to establish the United Conservative Front, and that the 7+8 committee that worked on Mahdavi Kani's behalf to formulate a list of candidates that the entire conservative camp could agree upon did not have Khamenei's approval. The booklet also criticizes the main political bodies working within the framework of the front, and accuses its activists of imposing their views, spreading lies, and exploiting the Supreme Leader's statements to advance personal interests.

In response to the booklet, Farda, a website affiliated with Tehran's Mayor Mohammad Baqer Qalibaf, claimed that the Steadfast Front misused unfounded quotations attributed to the Supreme Leader to argue that he purportedly supports its views. In addition, Farda alleged that Steadfast Front activists were the only members of the conservative camp who went against the position of the Supreme Leader and supported President Ahmadinejad during the political crisis

that broke out at the top levels of the regime after the intelligence minister was laid off by the president several months ago.

The United Conservative Front's official response to the booklet said that its content contradicts the Supreme Leader's clear instructions about the need to maintain moral values and avoid mutual accusations during the election campaign. In its response, the United Front said that it has no intention of addressing the lies and accusations contained in the booklet, since it is interested in protecting the interests of the regime and the conservative camp.

At the same time, a group of conservative students from a number of universities published an open letter addressed to radical cleric Ayatollah Mohammad-Taqi Mesbah Yazdi, a proponent of the Steadfast Front. The letter criticized his support for the Steadfast Front, arguing that its members espouse the ideological views of the "deviant faction".

Students who support the Steadfast Front counterattacked by condemning the United Front's response to the booklet, arguing that it is the Steadfast Front that has been the victim of attacks from the United Front. The students accused the mayor of Tehran's allies of trying to take advantage of the booklet to incite public opinion against the Steadfast Front.

Meanwhile, this week the Guardian Council completed another stage of vetting candidates for the elections. At this stage of the vetting process, some of President Ahmadinejad's critics in the conservative camp whose candidacy had been initially rejected by the Interior Ministry were ultimately approved. Some of them are Ali Motahari, Hamid-Reza Katouzian, and Ali Abbaspour. Also approved were a number of independent candidates affiliated with the reformist camp, including Daryush Ghanbari and Qodratollah Alikhani.

# Government, Central Bank increasingly criticized over rial's continuing slide against dollar

The U.S. dollar has continued making gains against the Iranian currency this week. On Monday, January 23, one dollar was selling for 2,200 tomans on the free market. The devaluation of the local currency continues despite the measures recently taken by the authorities in an effort to curb the rise of the dollar, including operations conducted by internal security forces against foreign currency traders who work in the cities, restrictions on the possession of foreign

currency by private citizens, and even restrictions on the publication of exchange rates.

As the currency continues to plunge, the government and the Central Bank have come under growing criticism from the media, which warned about the economic and social consequences of the ongoing devaluation of the rial and the loss of public confidence in the government's economic policy. The media called on the government to change its policy and take effective measures to stop the drop of the rial.

The Farda website blamed the plunge of the rial on the government's unsuccessful policy, arguing that the severe depreciation of the currency cannot be put down to economic sanctions, but rather to faulty management and lack of planning. According to the website, even those who have no understanding of economy know that the developments on the foreign currency market have to do with the erroneous economic policy pursued by the government, which has not raised the overly-low interest rate and caused damage to the productive sector by its inadequate implementation of the subsidy policy reform.

The Asr-e Iran website also accused the government of responsibility for the collapse of the rial, and complained that the government is doing nothing to prop up the value of the local currency. If the currency of any other country dropped by 30 percent in a month, that country's government would resign, the website said.

The economic daily Donya-ye Eqtesad reported that senior figures in Iran's private sector are becoming increasingly critical of the policy pursued by the Central Bank and the government and blame it for the increase in the dollar's exchange rate. In interviews given to the daily, top Chamber of Commerce officials argued that the measures taken by the authorities so far, including the operations against foreign currency traders, are ineffective, and that the macro-economic policy needs to change.

This week Economy Minister Shamseddin Hosseini was urgently summoned to appear before the Majles Economy Committee to provide explanations about the developments on the foreign currency exchange market. The committee chairman defined the dollar's current exchange rate on the free market as a "disaster" that requires the intervention of the government and the Central Bank, saying that,

despite the effect the sanctions have on the fluctuations of the exchange rate, the government's mismanagement is the main reason for the depreciation of the rial.

### Prison for journalists: wave of journalists' arrests ahead of Majles elections

This week reformist opposition and human rights sources have reported a wave of arrests of journalists and social media activists.

Shahram Manouchehri, a pro-reformist journalist and blogger, was arrested last Thursday, January 19. Journalist and photographer Sahameddin Bourghani was arrested one day prior to that. The latter worked as a journalist for the reformist newspaper E'temad-e Melli and editor for Iranian Diplomacy, a website affiliated with former top diplomat Sadegh Kharazi.

Also arrested last week were Peyman Pakmehr, a journalist from the city of Tabriz in north Iran; Marzieh Rasouli, a reporter on culture affairs for a number of reformist newspapers; and Parastoo Dokouhaki, a journalist, blogger, and activist for women's rights. Author and translator Mohammad Soleimani-nia and journalists Fatemeh Kheradmand, Ehsan Houshmand, and Hassan Fathi were arrested one week before that.

Reformist opposition sources have claimed that the wave of journalists' arrests has to do with the upcoming Majles elections. Reporters Without Borders reported last week that 30 journalists and 24 bloggers are currently under arrest.

#### First reactions to E.U. decision to impose oil embargo against Iran

Official spokesmen in Iran have dismissed the resolution adopted by the E.U. foreign ministers to impose an oil embargo against Iran as ineffective. Foreign Ministry Spokesman Ramin Mehmanparast said that the embargo is doomed to failure and that the energy demands of world countries are so great as to make it impossible to impose an embargo on Iran, the fourth largest oil exporter in the world. Mehmanparast said that the embargo, which should be viewed in the context of the economic and social crisis in Europe, is aimed to exert psychological pressure on Iran and will have no impact on its progress towards the realization of its fundamental rights. He noted that Iran will find a substitute for any country that imposes an oil embargo against it, and called on European countries to consider their own national interests rather than act on U.S. dictates designed to help the American administration achieve its objectives (Asr-e Iran, January 23).

Alaeddin Boroujerdi, chairman of the Majles National Security and Foreign Policy Committee, speculated that the sanctions will prove more detrimental to the West than to Iran. In an interview given to ISNA News Agency, Boroujerdi said that, similarly to previous sanctions imposed on Iran, the oil embargo will cause damage to many Western companies and help many others that are willing to cooperate with Iran (ISNA, January 23). Esma'il Kowsari, Boroujerdi's deputy, also said that the embargo will have no influence on the economy of Iran, since it will sell its oil to non-European countries. He said that the response to the new sanctions will be given on February 11, the anniversary of the Islamic revolution. Kowsari added that the Iranian people's hatred of the West grows whenever Western countries impose new sanctions on Iran, and that the sanctions have done nothing but good for Iran's development. He threatened closing the Strait of Hormuz should the West attempt to prevent Iran from exporting oil (Fars, January 23).

Earlier, Iran's former Intelligence Minister Ali Fallahian also warned that Iran may close the Strait of Hormuz as part of its efforts to contend with the escalating pressure against it. He also suggested stopping the export of oil to European countries before the expiry of the sixmonth delay in implementing the embargo given by the E.U. foreign ministers, to foil European plans to find substitutes for Iranian oil during that time. Fallahian noted that, according to Iran's estimates, Russia is the only country that can supply European countries with oil whose quality comes close to that exported by Iran (Fars, January 23).

Kazem Vaziri-Hamaneh, former petroleum minister in Ahmadinejad's previous government, also dismissed the decision of the E.U. and said that there will be no shortage of demand for Iranian oil. No country, not even Saudi Arabia, can provide oil that matches the quality of Iranian oil, he said, and the decision of the E.U. will have no impact other than a sharp increase in oil prices. The former petroleum minister added that even China's joining the embargo will not be significant since the Iranian Petroleum Company has diverse means of selling its oil. He estimated that other Asian countries, including Japan, India, and South Korea, will not join the sanctions against Iran (Mehr, January 23). Mehr News Agency reported this week that, of the total 2 to 2.5 million barrels Iran exports per day, about 450,000 oil barrels are exported to Europe.

A special announcement released by the Iranian Petroleum Ministry on the heels of the E.U. decision said that Iran exports as little as 18 percent of its oil production to European countries and will have no problem finding new buyers for its oil. The Petroleum Ministry said in the announcement that it has been preparing for an embargo for a long time, and that Europe and the developed countries will suffer the brunt of its economic consequences. It condemned the use of oil for political needs, warned against compromising the stability of the

global oil market, and said that the embargo's influence on oil prices may hurt consumers in European countries and further escalate the economic crisis in that continent (IRNA, January 23).

As economic sanctions against Iran escalate, Mohsen Reza'i, chairman of the Expediency Discernment Council, announced this week that the economic war between Iran and the West has begun. He called on the authorities to wake up and adopt a strategy that consists of four principles: a program to provide economic prosperity and a solution to the unemployment problem, another program to neutralize the effects of the sanctions, increased cooperation with the "Islamic awakening" in the region, and active, influential diplomacy (www.rezaee.ir, January 23).

## Regime supporters strongly condemn growing domestic criticism of the regime

An interview given by former Majles member Emad Afrough to the Iranian television has drawn strong reactions from regime supporters this week. In the interview given to the *Nation Park (Park-e Mellat)* TV show on January 15, Afrough said that any Iranian citizen has the right to criticize the Supreme Leader, and that in case that the latter is unable to provide a satisfactory response, he has to be removed from office immediately. Afrough, who served as chairman of the Culture Committee in the 7th Majles in 2000-2004, called for strengthening the civil institutions and the intellectuals and safeguarding the independence of the religious seminaries to facilitate effective criticism of the political system. He said that protecting the regime is important, but not at any cost. The government system is not a goal unto itself, the former Majles member stressed, but rather a means for promoting morals and values. Afrough also criticized the current composition of the Assembly of Experts, arguing that membership in it should be open to specialists and economists, not just clerics, so that it can do the best possible job in exercising its responsibility of monitoring the regime (Fars, January 17).

Afrough's remarks provoked considerable anger from regime supporters affiliated with the radical right wing of the political establishment. Ayatollah Seyyed Ahmad Alam al-Hoda, the Friday prayer leader in the city of Mashhad, strongly condemned the TV show that aired the interview with Afrough, and said that criticizing the regime is inappropriate. The radical cleric said that such criticism makes people question the regime and serves the enemies of Iran, and therefore must not be shown on official media. The media's job is to strengthen the regime led by the "Vanished Imam", as he put it, and its connection with the people. He rejected Afrough's remarks on the desired composition of the Assembly of Experts. Iran's

constitution requires assembly members to be knowledgeable in Islamic religious law, which is why membership in it is not open to non-clerics, he said (IRNA, January 20).



Emad Afrough in an interview to Park-e Mellat

In response to Alam al-Hoda's remarks, Afrough released a statement stressing that the regime is a means rather than an end. He noted that Ayatollah Khomeini, the founder of the Islamic revolution, had also stressed in his writings that the government is only a means for implementing the values of Islam and establishing justice (Khabar Online, January 21).

Afrough also came under attack from Steadfast Front member Baqeri Lankarani, who said that the former Majles member is one of those who had collaborated with the leaders of the 2009 riots, and decided to remain silent only after realizing that their path did not represent the path of the people. Lankarani said that Afrough's statement creates doubt and despair among the believers (Raja News, January 20).

A strong-worded article against Afrough published on the Raja News website this weekend accused him of supporting the reformist opposition leaders before the presidential elections and during the riots that broke out afterwards (Raja News, January 21). In addition, proregime Basij members held a rally in front of the Iran Broadcasting building in Tehran to protest the interview given by Afrough to the Iranian TV channel (Baztab, January 18).

On the other hand, Farda, a website affiliated with the pragmatic conservative wing, stepped up in Afrough's defense. An editorial published by the website said that his loyalty to the regime and the principle of "rule of the religious jurisprudent" is beyond question. According to the website, Afrough stood up against the riots that broke out in 2009 and was one of the first who warned about the activity of the "deviant faction" and the day its activists challenge the principle of "rule of the religious jurisprudent". There is nothing wrong with criticizing the statements he made during the interview, but the attacks and protest rallies that followed it are uncalled for. Afrough is an intellectual who has been speaking about his ideas on social and political issues for many years, and the views he expressed during last week's interview

have been voiced in the past by experts on politics, culture, and religious law. Even the Supreme Leader asked to hear different and varied views at his meetings with students and culture activists. Those who do not allow supporters of the revolution to voice new and different views prevent the freedom of thought and hold back constructive scientific criticism. Farda strongly condemned those radical elements that, according to the website, would like to harm supporters of the revolution under various pretexts and portray them as anti-revolutionaries and supporters of the 2009 riots (Farda, January 18).

Conservative Majles member Elias Naderan also stepped up in Afrough's defense. In an article published by the Alef website, Naderan severely criticized those who lashed out against Afrough for his remarks, and argued that Afrough had not expressed any unusual position against the regime during the interview shown on Iranian TV. Afrough is a dedicated, pious thinker who is also appreciated by the Supreme Leader, Naderan said. He has served the revolution for many years, worked to increase religious knowledge in society, and always protected the Islamic regime and the "rule of the religious jurisprudent" (Alef, January 22).

The public outrage over Afrough's remarks follows closely on the heels of yet another controversy, which began two weeks ago when a former Revolutionary Guards commander published an article implicitly comparing Iran's current situation in terms of the suppression of political freedom to the situation on the eve of the Islamic revolution.

On January 9 the daily Ettela'at published an article by Hossein Alaei, the first commander of the Revolutionary Guards navy. Alaei served in this position during the Iran-Iraq War, and later served in many other key positions in the Revolutionary Guards. He currently resides in the Revolutionary Guards veterans' compound in Tehran and lectures in the Revolutionary Guards' Imam Hossein University.

In the article, Alaei discussed how the Shah suppressed the riots which broke out in the city of Qom in the wake of a strong-worded article against Ayatollah Khomeini published by the Ettela'at newspaper on January 9, 1978. The riots sparked the revolutionary wave that culminated with the Shah's downfall. Alaei said that the Shah's fate could have been different had he not brutally suppressed the demonstrators who took to the streets after the article was published. Alaei brought up a number of questions the Shah could have asked himself in retrospect with regard to the policy he pursued during his last year in power: for instance, was it the right thing to do to put the opposition leaders under house arrest, and to prevent civilians from holding peaceful protest rallies? The formulation of the questions made it clear that Alaei intended to implicitly compare the suppression of the demonstrations in Iran in 1978 and the current regime's suppression of the reformist opposition since the 2009 riots.

After the release of the article, Alaei came under a fierce attack from regime supporters. The government news agency IRNA argued that the comparison between the royalist regime and the Islamic republic is utterly far-fetched and unjustified, and that it's inconceivable that a former top commander of the Revolutionary Guards should dare to make such a comparison (IRNA, January 11).

Last weekend, on January 14, several hundred Basij members held a protest rally in front of Alaei's Tehran residence, during which they chanted slogans against him and even sprayed hate-filled graffiti on the walls.



Basij members demonstrate in front of Alaei's residence

At the same time, a group of twelve former and current Revolutionary Guards commanders released a strong-worded public letter against Alaei, claiming that his words brought happiness to Iran's enemies and caused a great deal of pain to those who had fought by his side during the Iran-Iraq War. Several other former Revolutionary Guards commanders and fighters, however, released a public anonymous letter condemning the attack on Alaei's residence and expressing their support for him (Kalemeh, January 18). Former senior Revolutionary Guards commander Ali Sanikhani took Alaei's side as well. In a letter published by Sanikhani in response to the one published by the twelve Revolutionary Guards commanders, the former senior officer noted that there is no cause for concern when a Revolutionary Guards commander brings up the kind of questions Alaei did in his article. He expressed his hope to see the Iranian society reach a level where criticism of the regime and even of the Supreme Leader-is possible, and not only when it's coming from Iran's enemies. The time to look forward to is when all Iranians, whatever political views they may hold, can come together to fulfill the objectives set by the founder of the revolution and the martyrs of the war and the revolution, as was the case in the first decade of the revolution, Sanikhani said (Jaras, January 20).

Another former high-ranking Revolutionary Guards officer, Gholam-Ali Rajaei, also came to Alaei's defense this week. Rajaei wrote in his personal blog that criticism of the Supreme Leader exists in Iranian society, and that there is nothing wrong with writing articles that

express such criticism and bring it out into the open. Even if Alaei's criticism was indeed aimed at the Supreme Leader's views and conduct, Rajaei wrote, that does not pose a problem or constitute a violation of the law. If the Supreme Leader considers himself immune from criticism, then the circle of red lines in the country has grown so narrow that even a person like Alaei, one of the founders of the regime, cannot afford to dispense advice (http://gholamalirajaee.blogfa.com, January 22).

Ahmad Tavakoli, head of the Majles Strategic Studies Center, also expressed reservations about the fierce attack on Alaei and said that his loyalty to the regime is unquestionable. In an interview given to Mehr News Agency, Tavakoli said that the freedom of expression must be protected and that the recent attacks carried out in the name of defending the regime are cause for concern. He noted that he also believes that there is no room for comparison between Iran's current situation and its situation on the eve of the revolution, but stressed that Alaei's loyalty and good intentions are beyond question (Mehr, January 18).

As a result of the uproar provoked by his article, Alaei was forced to issue a clarification about his remarks. Speaking at a meeting with the group of former Revolutionary Guards commanders who had signed the public letter against him, Alaei expressed his regret for being misconstrued and apologized for offending regime supporters with his article, according to a meeting participant. He clarified that his remarks referred to the Arab dictators who need to learn the lesson from the Shah's regime, and that he had had no intention of comparing the Islamic republic to the royalist regime. He also emphasized his loyalty to the regime and the principle of "rule of the religious jurisprudent", saying that his loyalty and faithfulness to the Supreme Leader, whom he has known since before the Islamic revolution, remain unchanged (Javan Online, January 17).

### Debate between United Conservative Front and Steadfast Front heats up ahead of 2012 elections

The political struggle in the conservative camp ahead of the Majles elections has reached new heights this week after the Steadfast Front (Jebhe-ye Paydari), affiliated with the radical right wing, released an 80-page booklet strongly criticizing the United Conservative Front and Assembly of Experts Chairman Ayatollah Mohammad-Reza Mahdavi Kani, the top conservative cleric who supports the United Conservative Front.

Farda, a website affiliated with Tehran's Mayor Mohammad Baqer Qalibaf, posted a run-down of the booklet as well as a scathing commentary, and criticized the Steadfast Front for publishing it (Farda, January 18).

Among other things, the booklet, published on behalf of the Students' Front of Steadfast [Front] Supporters, argues that Mahdavi Kani did not follow the Supreme Leader's instructions in his efforts to establish the United Conservative Front, and that the 7+8 committee that worked on Mahdavi Kani's behalf to formulate a list of candidates that the entire conservative camp could agree upon did not have Khamenei's approval. The booklet also criticizes the main political bodies working within the framework of the front, and accuses its activists of imposing their views, spreading lies, and exploiting the Supreme Leader's statements to advance personal interests. In addition, the booklet highlighted radical cleric Ayatollah Mohammad Taqi Mesbah Yazdi's support of the Steadfast Front.

In response to the booklet, the Farda website claimed that the Steadfast Front misused unfounded quotations attributed to the Supreme Leader to argue that he purportedly supports its views. The quotations are not posted on the Supreme Leader's website, and therefore publishing them contradicts direct instructions formerly issued by the Supreme Leader's office, according to which Khamenei's website and office are the only official source to be relied on for any information about his views.



The cover of the booklet published on behalf of the Steadfast Front

In addition, Farda alleged that Steadfast Front activists were the only members of the conservative camp who went against the position of the Supreme Leader and supported President Ahmadinejad during the political crisis that broke out at the top levels of the regime after Intelligence Minister Heydar Moslehi was laid off by the president several months ago (Farda, January 18).

The United Conservative Front's official response to the booklet said that it's immoral and its content contradicts the Supreme Leader's clear instructions about the need to maintain moral values and avoid mutual accusations during the Majles election campaign. The response, posted on the United Conservative Front's official website, said that the front has no intention

of addressing the lies and accusations contained in the booklet, since it is interested in complying with the directives of the Supreme Leader and protecting the interests of the regime and the conservative camp. Referring to the booklet's criticism of top cleric Mahdavi Kani, the front warned against any attempt to promote conflict among the top clerics affiliated with the conservative camp (United Conservative Front website, www.jebhemottahed.ir, January 20).

At the same time, a group of conservative students from a number of universities published an open letter addressed to Ayatollah Mohammad-Taqi Mesbah Yazdi. The letter criticized his support of the Steadfast Front, arguing that its members espouse the ideological views of the "deviant faction" (a derogatory term used to refer to the political faction affiliated with the supporters of President Ahmadinejad and his office chief Rahim Masha'i). The students who signed the letter argued that the cleric's support of the front is detrimental to efforts to maintain the unity of the conservative camp and serves those who support the "deviant faction". According to the students, the statements and activity of the front members in recent years are an indication that they have no disagreement with the views of the "deviant faction" and are not committed to the principle of "rule of the religious jurisprudent", even though the front has publicly renounced this faction. In their letter, the students also complained that the Steadfast Front is putting most of its efforts into criticizing the United Conservative Front instead of focusing on criticism of the reformist opposition and the "deviant faction" (Alef, January 21).

Students who support the Steadfast Front counterattacked by condemning the United Front's response to the booklet published on their behalf, arguing that it is the Steadfast Front that has been the victim of attacks and accusations from the United Front. Supporters of the United Front profess to endorse the unity of the conservative camp while waging a fierce psychological campaign against the Steadfast Front. Supporters of the Steadfast Front accused the allies of Tehran's Mayor Mohammad Baqer Qalibaf of responsibility for the attempt to exploit the booklet to incite public opinion against them (Raja News, January 21).

As the conflict in the conservative camp escalates, top cleric Ayatollah Ahmad Khatami warned this week that the feuds among the conservatives must not continue. In an interview given to the Fararu website, the Friday prayer leader in Tehran said that he had not seen the booklet published on behalf of the Steadfast Front, yet stressed the need for maintaining unity in the conservative camp and noted that any action that creates division among the conservatives is contrary to God's will (Fararu, January 21).

Meanwhile, this week the Guardian Council completed another stage of vetting candidates for the elections. At this stage of the vetting process, some of President Ahmadinejad's critics in the conservative camp whose candidacy had been initially rejected by the Interior Ministry were ultimately approved. Some of them are Ali Motahari, Hamid-Reza Katouzian, and Ali Abbaspour. Also approved were a number of independent candidates affiliated with the reformist camp, including Daryush Ghanbari and Qodratollah Alikhani (Mehr, January 22).

# Government, Central Bank increasingly criticized over rial's continuing slide against dollar

The U.S. dollar has continued making gains against the Iranian currency this week. On Monday, January 23, one dollar was selling for 2,200 tomans on the free market. The devaluation of the local currency continues despite the measures recently taken by the authorities in an effort to curb the rise of the dollar, including operations conducted by internal security forces against foreign currency traders who work in the cities, restrictions on the possession of foreign currency by private citizens, and even restrictions on the publication of exchange rates.

As the currency continues to plunge, the government and the Central Bank have come under growing criticism from the media, which warned about the economic and social consequences of the ongoing devaluation of the rial and the loss of public confidence in the government's economic policy. The media called on the government to take effective measures to stop the drop of the rial.

The Farda website blamed the plunge of the rial on the government's unsuccessful policy. Farda argued that the severe depreciation of the currency cannot be put down to the economic sanctions imposed against Iran, but rather to faulty management and lack of planning. The government attempts to solve everything by using slogans or by blaming domestic and foreign enemies for its failures. Its policy only weakened Iran's economy and made the national currency lose over 30 percent in less than a month. Even those who have no understanding of economy know that the developments on the foreign currency market have to do with the erroneous economic policy pursued by the government, which has not raised the overly-low interest rate and caused damage to the productive sector by its inadequate implementation of the subsidy policy reform, the website said (Farda, January 23).

The Asr-e Iran website also accused the government of responsibility for the collapse of the rial. According to the website, top government officials remain silent over the rise of the dollar, even though it is leading to an increase in prices and putting more and more pressure

on the Iranian people. Shortly after the president had announced his intention to drive the dollar down to less than 1,000 tomans, the dollar hit an unprecedented high of 2,000 tomans. Nevertheless, the president is doing nothing to maintain the value of the national currency or at least protect the value of the promises he has made to the public. The president goes against the opinion of all economic experts and insists on not raising the interest rate in accordance with the inflation rate. If the currency of any other country dropped by 30 percent in a month, that country's government would resign, Asr-e Iran said (January 22).

The daily Khorasan also criticized the indifference shown by the president and the governor of the Central Bank towards the developments on the foreign exchange market. Perhaps the silence of the Central Bank governor can be explained by the failure of his efforts to persuade the government to raise the interest rate, said an editorial published by the daily, but the silence of the president and the economy minister is unacceptable. The daily warned that, unless the necessary measures are taken to restrain the appreciation of the dollar, the chaos on the foreign exchange market will spread to other markets as well (Khorasan, January 23).

This week the economic daily Donya-ye Eqtesad reported that senior figures in Iran's private sector are also critical of the policy pursued by the Central Bank and the government and blame it for the steep rise in the dollar's exchange rate in recent weeks. In interviews given to the daily, top Chamber of Commerce officials argued that the measures taken by the authorities so far, including the operations against foreign currency traders, are ineffective, and that the macro-economic policy needs to change. These officials defined the Central Bank's policy with regard to the developments on the foreign exchange market as "passive and reactionist", and said that the Central Bank had to increase the dollar's official exchange rate already several months ago to keep it from deviating so much from the dollar's price on the free market (Donya-ye Eqtesad, January 21).



Money changer at the Jamkaran Well (where in Shi'ite faith the Vanished Imam is prophesied to make his reappearance) (http://pejwake-hambastegi.blogspot.com, January 23)

This week Economy Minister Shamseddin Hosseini was urgently summoned to appear before the Majles Economy Committee to provide explanations about the ongoing drop of the rial against the dollar. Arsalan Fathipour, chairman of the committee, defined the dollar's current exchange rate on the free market as a "disaster" that requires the intervention of the government and the Central Bank. He noted that, despite the effect the sanctions have on the fluctuations of the exchange rate, the government's mismanagement is the main reason for the developments on the foreign exchange market. He called on the government, the Majles, and the judiciary to urgently summon a meeting of the economic emergency headquarters to discuss these developments (Fars, January 23).

### Prison for journalists: wave of journalists' arrests ahead of Majles elections

This week reformist opposition and human rights sources have reported a wave of arrests of journalists and social media activists. Shahram Manouchehri, a pro-reformist journalist and blogger, was arrested last Thursday, January 19. Journalist and photographer Sahameddin Bourghani was arrested in Tehran one day prior to that. The latter worked as a journalist for the reformist newspaper E'temad-e Melli, which was shut down by the authorities in November 2011 and resumed its activity last week. He was also the editor of Iranian Diplomacy, a website affiliated with former top diplomat Sadegh Kharazi, who served in the Foreign Ministry during the government of reformist President Mohammad Khatami. Sahameddin Bourghani is the son of Ahmad Bourghani, who was deputy minister of Islamic guidance in President Khatami's government and member of the 6th Majles in 2000-2004. He died from a heart attack several years ago.



"Who said we don't have complete freedom?" (Rooz Online, September 16, 2010)

Also arrested last week were the journalists Peyman Pakmehr, Marzieh Rasouli, and Parastoo Dokouhaki. Pakmehr is a journalist from the city of Tabriz in north Iran and director of the Tabriz News website. Following his arrest he was sent to Evin Prison in Tehran and released on bail several days later. Marzieh Rasouli was arrested at her Tehran residence on January

17 on charges of activity against national security and was also sent to Evin Prison. She specialized in literature and music and formerly worked for ISNA News Agency and the two reformist dailies Sharq and E'temad-e Melli. Parastoo Dokouhaki is a reporter, blogger, and activist for women's rights. She was likewise arrested on charges of compromising national security and sent to Evin Prison. She was one of the first female bloggers in Iran, and her blog, Zan nevesht, was awarded Blog of the Year by Germany's Deutsche Welle radio. She worked as a reporter for several newspapers affiliated with the reformist faction, including Sharq, E'temad-e Melli, Hambastegi, and Sarmayeh.

Author and translator Mohammad Soleimani-nia and journalists Fatemeh Kheradmand, Ehsan Houshmand, and Hassan Fathi were arrested one week before that. Reformist opposition sources have claimed that the wave of journalists' arrests has to do with the Majles elections slated for early March. Reporters Without Borders reported last week that 30 Iranian journalists and 24 bloggers are currently under arrest.

#### Pictures of the week: snow in Tehran











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