

Economists Make Policy Recommendations in Open Letter to President

By Steven Turner

In a letter to President Rouhani, economists say problems due to mismanagement and “[internal sanctions](#)” significantly outweigh those caused by the international sanctions regime; recommend plan for economic recovery that includes breaking up monopolies, regulating banks, improving government efficiency, and creating an environment friendly to individuals and small businesses.

Economists last week wrote an open letter to President Rouhani in which they emphasized that the ill effects of international sanctions paled in comparison to [those](#) resulting from government [mismanagement](#) of the domestic economy. In particular, they identified allowing banks to gobble up [properties](#), and corporate entities to monopolize economic sectors, thereby making entering the market cost-prohibitive. Inefficiency and poor [execution](#) of government programs, such as ongoing [problems](#) with the gas subsidy card, and rampant waste in the Social Security Organization, were also listed as issues demanding immediate attention.

Regarding international sanctions, the letter did call on the government to create market opportunities outside the country by improving trade relations and ordering the banks to modernize SWIFT alternatives. But none of the foreign or domestic economic [issues](#) listed were previously unknown to the president and his team of advisers. In fact, some have already been addressed with legislation that has yet to be implemented. For example, Article 16 of the Business Improvement Act would create [opportunities](#) for small producers.

Considering the wave of protests expressing public outrage over the attempted deflection of governmental responsibility for the downing of Ukrainian Airlines flight 752, the regime will need to act quickly to increase public confidence. Otherwise, its legitimacy will be called into [question](#) by low voter turnout in the upcoming parliamentary elections on February 21, which could lead to further unrest.

However, mere public statements promising economic changes such as these could fall on deaf ears. After all, active legislation to address long-standing matters remains unimplemented, while

the implementation of others has been [bungled](#). Instead, concrete actions leading to visible successes will be immediately necessary.