Opposition Mounts against Reopening Commerce Ministry

By Steven Terner

The Ministry of Agricultural Jihad and twenty-six trade unions have called on the Guardian Council to prevent the reopening of the Commerce Ministry; they believe its import-driven model will undermine Iranian efforts to increase self-sufficiency, making the economy more vulnerable to international sanctions.

Plans to reopen the Commerce Ministry have provoked consternation among <u>trade unions</u> as well as <u>officials</u> in the Ministry of Agricultural Jihad. In particular, concerns focus on expectations that the Commerce Ministry would revert to the import-focused policies it exhibited when it existed from 2000 through 2011. This is feared to impede the progress the Agricultural Ministry has made in increasing Iranian agricultural self-sufficiency as a response to international economic sanctions.

Representatives of twenty-six trade unions signed and presented a letter to the Guardian Council asking them to prevent the reopening of the Commerce Ministry. Dependence on imports, an increasing demand for currency, increasing outflow of capital from the country, a decrease in foreign currency reserves, increasing foreign exchange prices, staggering inflation, and decreasing purchasing power for Iranians are <u>listed</u> among the negative implications of an import-focused economic plan that is anticipated by the reopening of the Commerce Ministry.

Since the imposition of the international sanctions regime in 2010, Iran has struggled to improve its levels of economic self-sufficiency. Agriculturally, it has made considerable progress, in particular in recent years. For example, it announced for the third year in a row that its wheat production has been sufficient to avoid having to import the staple. Nor will it have to import rice this year. It is also expecting an increase in saffron production due to improved mechanization and efficiency in the harvesting process.

Other efforts to increase Iranian self-sufficiency, and thereby undercut the pressure of international economic sanctions, include <u>using wheat crops</u> considered unfit for consumption to produce other products. The government also <u>banned</u> the import of power plant equipment in efforts to spur Iranian self-reliance and innovation, as well as to protect its electrical grid from

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the effect of international sanctions on spare parts. Technological innovation and self-reliance were the <u>focus</u> of the recent 19th Annual Tehran International Industry Exhibition.