Iran's Middle Class: An Agent of Political Change?

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The political and social processes underway in the Islamic Republic in recent decades have aroused growing interest in the Iranian middle class. Over the years Iran's middle class has played a central role in leading political and social change, and it is perceived as having the potential to lead public processes and even spearhead future political change. The central role of members of the middle class in Green Movement demonstrations after the presidential elections in 2009, in the election of Hassan Rouhani as president of Iran in 2013, and in his reelection in 2017 reflected their growing dissatisfaction in two main areas: socioeconomic and political. Rouhani was elected on the basis of his promise to improve the economic situation, rescue Iran from its long political isolation, and limit government interference in the private lives of citizens. His election after eight years in office of President Mahmoud Ahmadenijad (2005-2013), who adopted a populist policy designed especially to please the weaker strata of society, was seen to embody a process of change in Iranian society, reflecting the desire of the public, particularly the middle class, for substantive change.

Elsewhere in the Middle East, the events of the so-called Arab Spring, which were linked to the rise of the middle class in the Arab world, aroused new interest in this sector. The central role played by middle class youths in political developments in the region in recent years signaled the revolutionary potential of this class, which could help promote future democratization processes. In view of the growth of the Iranian middle class and its historic role in popular protest movements and deeper social and cultural processes sweeping Iranian society, it is impossible to ignore its potential as an agent of future changes and democratization processes. At the same time, specific

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weaknesses and limitations are likely to impede the implementation of these processes.

Who are the Iranian Middle Class?

Both the use of different indices to define the middle class and methodological difficulties of collecting data in the Islamic Republic complicate the attempt to define the Iranian middle class and estimate its size. Most of the accepted definitions are based on a variety of indices intended to reflect features that are usually linked to the middle class, particularly employment, education, income, lifestyle, and place of residence. Most researchers distinguish between the traditional middle class, which took shape in Iran before the modernization processes of the twentieth century, and the new middle class, which emerged as a result of the modernization processes, economic development, urbanization, bureaucratization, and expansion of higher education. The traditional middle class included primarily traders, property owners, and religious leaders. This class grew weaker during the twentieth century following the reforms introduced by the Pahlavi regime during the period of Reza Shah (1925-1941) and Muhammad Reza Shah (1941-1979), while a new middle class began to take shape. The creation of new modern institutions, the expansion of higher education, the establishment of a modern administrative system, and the rise of a new army led to the creation of a new middle class composed of civil servants, independent professionals, and intellectuals.[1]

The Islamic Revolution (1979) brought about significant changes in Iranian society, and the middle class shrank. The first decade of the revolution was shaped by the establishment of religious leaders in government, and by the Iran-Iraq War (1980-1988). The expectations of economic improvement were limited, and the revolutionary situation and ongoing war aggravated the economic distress. At the end of the war and during the second decade of the revolution, the private sector grew stronger, thanks to the liberalization of economic policy introduced by President Akbar Hashemi Rafsanjani. With the improved economic situation in the late 1980s, the middle class began to grow in numbers again.

Two economists of Iranian origin, Farhad Nomani and Sohrab Behdad, who studied class divisions in Iran, included in the middle class civil servants and people engaged in managerial and technical-professional jobs in the private sector. In their research they found that as in every other society, the Iranian middle class was not homogeneous and includes highly skilled

workers, highly paid professionals, managers, and administrative personnel in urban centers, as well as poorly trained and low paid individuals such as educators and paramedical staff, many of whom are employed in rural areas.[2]

It is difficult to estimate the size the middle class, in light of the many definitions and indices used to characterize it. In a survey of values and trends carried out among Iranian citizens in ten central cities between 2000 and 2003, over 50 percent of respondents defined themselves as middle class. This definition is not, however, based on objective economic measures.[3] The economist Djavad Salehi-Isfahani, who defined the middle class on the basis of expenditures of at least $10 per person per day, combined with basic education, estimated the middle class in Iran in 2007 at about 32 million salaried employees (46 percent of the work force).[4] Iranian sociologist Hamid-Reza Jalaeipour estimated the middle class at about 60 percent of the population, although he admitted the difficulty of estimating the size due to its heterogeneity.[5] Yet notwithstanding the differing estimates, there is no doubt that the middle class is expanding, not only in size but also in social, economic, and political influence.

The Effect of the Economic Crisis on the Middle Class

The economic crisis in Iran in recent years deeply affected the middle class. Some of the crisis was due to structural problems in the Iranian economy, such as the country's dependence on income from oil, the weakness of the private sector, and widespread corruption; some was the result of poor economic management; and some can be ascribed to the economic sanctions imposed on Iran by the international community. Although signs of the crisis were evident throughout the population, the blows sustained by the middle class were the most severe. While the upper classes were generally able to withstand the effects of the economic crisis and the lower classes received partial government compensation in the form of benefits and subsidies for basic imported goods, the middle class had to bear the brunt of the burden. In October 2012 the reformist newspaper *Ebtekar* defined the economic crisis as "the last nail in the coffin of the middle class," and warned that this class was being eroded and pushed below the poverty line.[6]

The economic damage to the middle class was aggravated further by the economic policy of President Ahmadinejad. Ahmadinejad was elected to the presidency largely because of his promises for a more equitable distribution of the country's resources, improvement in conditions of poor sections of

society, and a struggle against economic corruption. In order to implement these promises, the government took a series of steps intended to narrow social gaps and promote the President's idea of "social justice," but within a short time the economic policy became the government's Achilles' heel. Not only did it fail to improve the economic situation of Iran, but it even harmed the economy, as indicated by the rise in rates of inflation and unemployment and the drop in economic growth. In recent years the Iranian press and the Western media have published considerable evidence of the harsh effects of the economic crisis on the lives of middle class Iranians and their consumption patterns,[7] and overall, the galloping inflation and erosion of pay exacerbated the economic distress of the middle class. The President's critics claimed that the government's policies, particularly the subsidy reforms he introduced, were deliberately aimed at the urban middle class as part of the effort to suppress the reform movement after the 2009 disturbances that erupted following the presidential elections. A manifesto published by a group of students from universities in Tehran on November 6, 2010 stated that the government saw the middle class as enemies and wanted to impoverish them so that "they would not be able to think about anything except how to fill their bellies and won't think about the government." [8]

Since implementation of the nuclear agreement between Iran and Western powers signed in the summer of 2015, there has been an improvement in Iran's financial situation. However, the country is still having difficulty releasing tens of billions of dollars that were deposited in overseas accounts and frozen following the sanctions, and banks and companies in the West are wary of resuming business with Iran, mainly due to concerns about the reactions of the United States. Figures published in February 2017 by the International Monetary Fund show a mixed trend. The IMF estimates the rate of economic growth during the Iranian year that ended on March 20, 2017 at 6.6 percent and the rate of growth in the medium term as 4.5 percent. It also pointed to a dramatic drop in the rate of inflation. On the other hand, the Fund pointed to the high rate of unemployment and warned about consequences of the secondary American sanctions for Western companies willing to return to do business and invest in Iran.[9] In any event, effects of the economic improvements on the Iranian population in general, and the middle class in particular, could take a long time.

The Iranian Middle Class as a Possible Lever of Political Change

An article published in September 2009 on the reformist website Ayandeh ("future") defined members of the middle class as the "first and most important bearers of the Green Movement" and as "the engine" that drove the movement.[10] In a study based on field work done during the 2009 disturbances in Iran, the American sociologist Kevan Harris stated that the Green Movement was largely based on the urban middle class, which had emerged in Iran during the previous two decades.[11] However, the economic crisis and its effects on the middle class raised doubts regarding its continued ability to act as a central agent of change in Iranian society, as it did during the rise of the Iranian reform movement in the late 1990s and the disturbances of 2009.

The reform movement provided the Iranian middle class with an infrastructure through which it could present its demands not only for economic improvements but also for greater individual freedom. Alongside the financial distress, recent decades saw a growing gap between the institutions of the regime and the religious establishment on the one hand, and the Iranian public, particularly the younger generation, on the other. Many young people, particularly among the educated urban middle class, have moved away from the revolutionary values and adopted a Western lifestyle, in spite of the authorities' attempts to block what they perceive as the West's cultural offensive. Another social trend of concern among the religious establishment is the secularization process in Iranian society, alongside the erosion in the status of clerics in recent years. The leader of Friday prayers in the city of Mashhad, Ayatollah Seyyed Ahmad Alam ol-Hoda , expressed the concern of the religious establishment regarding society's movement away from the values of Islam when he warned, on the eve of the anniversary of the revolution, that Iranian society is in a worse state in terms of culture than before the revolution. He complained that young people prefer to watch satellite television and movies and listen to music instead of engaging in religious matters.[12]

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However, the erosion of the middle class has undermined one of the centers of power in the reformist camp. The economic crisis forced the middle class to focus on the struggle for daily survival and left it little time to continue the struggle to promote political freedoms

and change. Moreover, the financial crisis reinforced the middle class's dependency on the government, as most are employed in the public sector, and therefore reduced the chance that they would risk their economic security and employment for political and civic involvement. In a report published by the International Civil Society Action Network (ICAN) in 2012, it was argued that the urban middle class, which historically played a central role in bringing change to Iran, was the main victim of the sanctions, and that the sanctions were driving it out of existence.[13] Iranian economist Mousa Ghaninejad claimed that the economic crisis was damaging the potential of the middle class to demand political changes. The improvement in the economic situation in the 1990s was, he claims, what enabled the middle class to raise political demands and achieve them by electing a reformist government in 1997 led by President Mohammad Khatami. When citizens have to think about how to improve their economic situation, Ghaninejad said in an interview to the financial daily *Saramayeh*, they think less about politics, civil liberties, and freedom of the press.[14]

The head of the Iranian Association of Sociologists, Amin Ghaneirad, defined this trend as "the proletariatization of the middle class." He claimed that along with economic decline, the Iranian middle class was also experiencing a cultural and political decline. Like the lower class, members of the middle class were concentrating on improving their financial situation and therefore cutting back on political participation, and no longer filling a leading cultural role in education, arts, and cinema, as was the case during the reform period in the late twentieth century and the first decade of the current century.[15]

The Iranian Middle Class: Agent of Change or Prisoner of its Own Weaknesses?

The relatively large proportion of the middle class in Iranian society, its involvement in popular movements for change, and its identification with demands for economic improvements and greater civic freedoms make the middle class a potential agent of social and political change. However, in referring to the Iranian middle class as a catalyst for processes of political change, particularly the promotion of democracy, there is a tendency to ignore its weaknesses and constraints, which affect its ability to lead meaningful processes. Among these are its heterogeneity, its economic dependency on the government, and its growing tendency toward individualism and de-politicization, particularly among the younger constituents.

The considerable heterogeneity of the Iranian middle class, while contributing to its ability to represent a range of sectors in Iranian society (e.g., urban as well as rural, highly skilled managers as well as low skilled junior employees), also hurts its sense of cohesion and ability to unite in a joint struggle around shared ideological goals. Moreover, as most members of the middle class are employed in the public sector, their economic dependency on the government reinforces the tendency to "obedience." One of the features of the Iranian economy is the weakness of the private sector compared to the public sector. As a result, many members of the middle class are employed by the state, which provides job security, pensions, some medical insurance, and regular wages, and perhaps even housing benefits. This creates a middle class that is dependent on the state and therefore less likely to engage in political protest. The Iranian researcher Masoud Matlabi argued in this context that most managers belonging to the middle class are employed in the government sector, depend on the regime, and therefore avoid political involvement. This is also true of the liberal professions, such as doctors, engineers, and lawyers, whose financial position is relatively good. The only group within the middle class that is more likely to be involved in politics is the slice comprising students and intellectuals.[16]

In addition, researchers, social critics, and journalists in Iran point to the ethical weaknesses currently characterizing the middle class and affecting its historical role as an agent of social change. It is true that the growing exposure of Iranian society in general and the middle class in particular to Western culture encourages processes of social change, including secularization, and accelerates the demand for civic and political reforms that pose a challenge to the rule of the religious establishment. The middle classes are adopting a Western way of life, go to parties, consume Western products, and enjoy Western music, but these processes also encourage ethical changes that can hinder changes led by the middle class. In recent years there has been growing internal criticism in Iran regarding the weakness of the middle class, shown by the adoption of Western ways, the absence of social solidarity, and the growing trend toward individualism and escapism. For example, an article published by an Iranian journalist

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in March 2010 described the "double life" of members of the middle class who seize every chance to have fun, drink alcohol, and attend parties, while ignoring their social obligations.[17] In another social critique, reformist student activist Alborz Zahedi complained that members of the middle classes want all the rights of civilians in a modern democratic society, but are not interested in the social obligation to go out to the streets. They are not even interested in simple tasks, such as cleaning the streets around their houses, or demonstrating basic social solidarity: they act only for themselves and not for others.[18]

An expression of the growing trend toward individualism is clearly seen in the social media in Iran. In June 2016, for example, there was a heated discussion following large social encounters organized by thousands of young Iranians on social media in order to celebrate the end of the academic year. Many of the responses included scorn and mockery of the Iranian "Generation Z," born in the 1990s and the first years of 21st century, claiming that they prefer to have fun and pursue entertainment and shopping activities, with no proper purpose. They were compared to those born in the 1950s and 1960s who led the 2009 disturbances. The striking preference of today's urban middle class youth for encounters with no political-social purpose was presented by the critics as an expression of political escapism and a flight from engagement in political affairs to purposeless entertainment and leisure activity.[19] This does not necessarily mean that young middle class Iranians are not committed to any national or cultural collective, but they want to define these collectives for themselves, and their willingness to sacrifice for the collective has diminished.

Iranian middle class identification with secular and liberal world views is also in doubt. A study by two Iranian sociologists published in 2008 found that there was no definitive link between the urban middle class and support for liberal, secular, and Western ideas. The study looked at the degree of support among the urban middle class for various types of regimes, and showed that most of the respondents indicated a religious regime as their preferred model of governance.[20] Another Iranian researcher argued that it is not possible to define the Iranian middle class as having secular perceptions, since Iranian society is inherently religious. He estimated that the middle class was not interested in another revolution and was content with achievement of demands for gradual reforms.[21] Although a degree of skepticism regarding studies carried out under the watchful eye of the conservative religious establishment is in order, even the commitment of

the middle class with its heterogeneous composition to social and political changes in the spirit of the democratic-liberal West is in doubt. Indeed, conservative Iranian politicians, such as the Mayor of Tehran, Mohammad Baqer Qalibaf, and the chairman of the Majlis, Ali Larijani, enjoyed fairly broad support among the middle class in previous elections.

Conclusion

The social and political changes in Iran since the Islamic Revolution, and even more so in the last two decades, raise the question of whether significant change in Iran is possible under current conditions, and how the middle class can promote such change. Although it is clear that no single answer can be given to these questions, it is possible to define some of the important elements that could influence Iran's political reality in the coming years.

First is the attitude of the Iranian public to the regime. More than 38 years since the Islamic Revolution, the Iranian regime has not yet managed to meet the public's needs, and the gap between the public and the revolution's institutions is growing wider. However, it also appears that many Iranian citizens, including the middle class, have chosen gradual change over another revolutionary change with unpredictable results.

Second is the regime's ability to bring about economic improvements. The removal of economic sanctions following the nuclear treaty strengthened the citizens' expectations of a rapid improvement in their finances. There is a question over government's ability to keep its promises of dealing with financial distress, and above all with growing unemployment, in view of a whole string of structural failures in the Iranian economy. Any improvement that involves the penetration of Western companies into Iran may well contribute to regime stability in the short range, but at the same time, in the long range increase the society's exposure to Western influences and reinforce people's expectations, particularly among the middle class, for the achievement of civilian and political reforms.

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Third is the political reality in the post-Khamenei era. As long as government is in the hands of the current leader, it is very doubtful whether those seeking change in Iran will succeed in promoting far reaching reforms. The departure of the Supreme Leader, however, could uncover deeper social processes that could work to accelerate change.

The middle class stands to play a central role in any scenario of future political change in Iran as a large and important force that wishes to introduce changes into the revolutionary ideology in the spirit of modern reality and contemporary circumstances. The realization of this potential for political change is nevertheless dependent on its ability to overcome its weaknesses and join with other social forces, such as the working class.

Notes

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