

Who Took \$30 Billion out of Iran?

OE Watch Commentary: In the course of a May parliamentary debate in Iran, Mohammad Reza Pour-Ebrahimi, chairman of the parliament's economic affairs committee and a politician affiliated with the Islamic Republic's reformist camp, revealed that \$30 billion left Iran in the first couple months of the 2018 calendar year. The accompanying excerpted article addresses the various theories as to what has caused this capital flight. The chief of Iran's chamber of commerce sought to downplay the statistic, and suggested that it represented money spent by Iranians going on tours abroad. While Supreme Leader Ali Khamenei has subsequently urged Iranians not to travel abroad but instead take their vacations inside Iran, however, the money flight as tourism theory is credible from a certain perspective. While many Iranians do travel to Dubai or Istanbul for shopping, the \$30 billion number spent in just a few months is far greater than what Iranian statistics say they spend abroad in a year. For comparison, the number is also greater than the official defense budget. Meanwhile, Iranian economist Haydar Hosseini said in an interview published in the *Iran Labor News Agency*, that Iranians transferred \$27 billion abroad in 2017.

In addition to this, government spokesman Mohammad Baqer Nobakht suggested that the \$30 billion sum represented real estate investment abroad. If that were true, and it may be, then Iranian officials are either trying to evade sanctions through front companies or simply stashing money abroad so that it remains accessible to them even if the regime falters. Indeed, the transfers seem to coincide with the outbreak of widespread political protest in Iran.

It is well known that opaque and autocratic regimes often embezzle, and corruption is rife. But, to move so much money so quickly suggests panic may now be supplanting greed as Iranian security forces have failed to smother protests and instead seem to be playing "whack-a-mole." Even regime loyalists recognize with nationwide protests erupting in 1999, 2001, 2009, and now 2017-2018, that unrest is happening with greater frequency and the embers of internal opposition are becoming increasingly difficult to smother. **End OE Watch Commentary (Rubin)**

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Source: “Cheh Kasani 30 miliard dolar sarmayeh ra az Keshvar Kharej Kardand? (Who Took \$30 Billion out of the Country?),” *Saham News*, 24 May 2018. <http://sahamnews.org/2018/05/310424/>

“A sum of \$30 billion was taken out of Iran in the last two or three months of the previous year [roughly January 1-March 20, 2018]. This controversial sentence was uttered by Mohammad Reza Pur-Ebrahimi, head of the Majles Economic Affairs Committee...Some individuals’ interpretation was that he was referring to dollars taken outside the country by travelers. But this claim is inconsistent with Iran’s won statistical calculations. Because the amount taken outside the country in a year is much less than this figure, how could an amount approximately equal to the annual oil revenue be taken outside the country in “two or three” months?

Government Spokesman Mohammad Baqer Nobakht is of the opinion that these sums were spent on buying properties outside the country. Of course, international statistics also indicate that the amount of Iranians’ investment abroad has increased by two to five percent. Majid Salimi, head of the Chamber of Commerce’s Investment Committee, also said to Shahrvand that such figures show escape of capital, because whenever economic conditions worsen, some quickly take their money outside Iran through exchange bureaus.



Mohammad Reza Pour-Ebrahimi, chairman of the Iranian parliament's economic affairs committee.

Source: Azad News Agency, <http://www.ana.ir/Media/Image/1394/09/16/635850808043562831.jpg>.