

The following is a translation of the VOA TV Persian program "Roundtable," which was broadcast via satellite on September 13, 2007 at 1730 UTC.

TRANSLATION BEGINS HERE

[Host Ahmad Reza Baharlou]

Good evening! From Washington; Voice of America! Greetings to you dear viewers of "Roundtable with you"! Ms. Robin Wright, an American journalist, in an article published in today's Washington Post, writes, "The Bush administration tries to push for tougher sanctions against Iran through the United Nations." This resolution will have tougher sanctions against Iran. It is, however, faced with resistance by China, Russia, and Germany who try to make it softer. This article then discusses Iran's interferences in Iraq. In short, the article claims that if the issue of uranium enrichment and the insistence of the Islamic Republic on pursuing the nuclear program in spite of worldwide opposition has brought about the current sanctions against Iran, today the enormity and depth of the involvement of the Islamic Republic in Iraq have paved the way for a face to face confrontation.

In this article Ms. Robin Wright discusses the comments made yesterday by Condoleezza Rice saying Iran is a troublemaking neighbor for Iraq. She, furthermore, points out to Ahmadinejad's statements saying that Iran will fill the vacuum left by the withdrawal of the US forces from Iraq. This article, in essence, recounts how the statements of the Iranian officials (which for the most part have domestic use in spite of their global reach) are taking Iranian people from the pit of "Nuclear Energy; Our Undeniable Right" to the well of Iraq and confrontation with the US forces.

Tonight we are joined with Dr. Shahin Fatemi, a professor of the American University in Paris. We will be talking about these "pits and wells" as well as their economic repercussions for the people of Iran. Greetings Dr. Fatemi! Welcome!

[Dr. Shahin Fatemi]

Greetings to you Mr. Baharlou! I'm happy to be here again.

[Host Ahmad Reza Baharlou]

Dr. Fatemi, there are important discussions surfacing in Iran concerning the actions of Ahmadinejad's administration. Even a government official such as Mohammad Hashemi, a member of the Expediency Discernment

Council of the System, had this to say about the foreign policy of the ninth administration, “Today the region and the world at large are attempting to join against Iran.” He then talks about the how the hardliners have set out to prevent negotiations between the US and Iran. Imam Khomeini has said that there should be no negotiations with America and that the slogan “Death to America” is unchangeable. He believes this to be against the interests of Iran and could potentially threaten the country. Nonetheless, [The hardliners] are continuing their position on this.

Concerning economic issues Mr. Hashemi says, “In the ninth administration, all the indexes are negative. Unemployment has increased. The nation’s buying power as well as the people’s ability to purchase has decreased. A 5,000 toman bill does not have as much buying power as a 2,000 toman bill of last year. He adds, “In the administration’s two year report card we see an increase in corruption, a decline in the level of education in schools, the heightening of foreign threats, the darkening of international relations, an increase in divorce and unemployment, a declining value of the national currency, an increase in the consumption of narcotic drugs resulting in higher drug addiction, criminality, and promiscuity.

Mr. Fatemi, these statements are not ours, but the words of Mohammad Hashemi, a member of the Expediency Discernment Council of the System and brother of Mr. Hashemi Rafsanjani. In your article, you mention that oil, which should be a source of blessing to any country, has turned into a plague for Iran. Putting everything aside, please explain to us how in a country which has had 120 billion dollars in oil revenue since Ahmadinejad took office, the words of Mohammad Hashemi could still be true. And why is it that you describe oil as a plague for the people of Iran.

[Dr. Shahin Fatemi]

Mr. Baharlou, I think this is a very good place to start tonight’s discussion. I consider oil to be a plague for the people of Iran for a number of reasons. I want to put aside the political issues because it should be a separate topic. People believe that the misfortunes of the past century all had to do with Iranian oil. From the economic perspective, oil has caused two problems. I wish we did not have oil in order to avoid struggling with these issues. The first issue is that everywhere in the world, governments are servants to people. Why is this the case? That’s because government officials are paid

by people's taxes. If people don't like an administration they simply change it, thus, governments cannot do anything without the support of the public.

The opposite happens to be true in countries rich in oil such as Iran, where the entire oil revenue goes to government's pocket. The government then becomes the master of people. It could choose how to spend the money. They could spend some money here, spend some money there; put some pressure here, put some pressure there. Therefore the relation between people and the government becomes acrimonious, displaying anger and resentment. This in turn leads to authoritarianism.

By having access to such huge revenue, the government is capable of doing whatever it desires. More importantly, it simply doesn't need people anymore. It is no longer a servant of people but rather their master. Secondly there is a known economic problem called the Holland Disease. This phrase was first used in the Economist Magazine to describe Holland in the seventies. Holland had discovered gas resources and it was cheaper for it to import everything.

The value of its currency went up as a result of this money entering the country. This resulted in them letting go of their industries and imported everything. Suddenly, however, they realized that their country is becoming deprived of industry and started to think about the day when the gas revenue would no longer be there. What would happen then? This is called the Holland disease. The same has happened in Iran. Meaning that if the oil revenue were not there in order for our country to secure its imports, it would have to have other exports. This would therefore imply some fundamental changes in its economic structure, leading to some segments of Iranian economy partaking in the international market.

That was another damage that we've suffered from oil. But it did not necessarily have to be this way. Had this oil revenue been used wisely, meaning that if 80% of the oil revenue had been invested in building roads and the country's infrastructure in irrigation, dam making, and things of this nature, we would not be faced with these circumstances today. When the oil revenue is depleted, the country would have a complete economic infrastructure that could have solved its issues by using its human force.

This did not happen. Other countries, such as Kuwait, spend 10% of their oil revenue abroad; in Norway for instance they spend the entire revenue

on investment. That's because they realize that oil is not just for the current generation; it is also for the generations to come. In Iran, Therefore, oil has truly become a plague and has done a great deal of damage to the country. Mr. Ahmadinejad's name will go in history because he has done something with the oil revenue that confuses all economists.

I will explain what I mean by that. In big economies, we are faced with one of two issues. We may either be faced with inflation when demand is more than supply; in this case inflation has to be curtailed using methods that are available. Or we may be faced with a recession and unemployment, in which case more investment is needed and you would have to increase the demand for the economy to run. Mr. Ahmadinejad, having access to oil revenue has misused this revenue by frivolous spending.

In fact, it is because of him that today we are faced with both of these issues. In English they call it stagflation, meaning there is both stagnation and inflation. In other words, we have both economic recession and inflation. Believe me, this is not only unprecedented in history of our country that he was able to do this, but also unprecedented in most other countries as well. This, however, is just the beginning. If the rate of unemployment is 25% and the rate of inflation is 20% or higher, they will certainly go up even further. As time goes on, it is going to get worse. They have no economic knowledge and simply refuse to listen to anyone. Whoever challenged in this path and said this is not in the interest of the country, was a hindrance and became unemployed.

Take the example of the Central Bank or Management and Planning Organization. Everywhere in the world, when a country is faced with inflation they increase interest rates to curtail inflation. [Ahmadinejad,] however, orders against the verdict of the Money and Credit Council and bring the interest rates down. He behaves like the monarch living 200 or 300 years ago, yet he is living in a world in which economies are increasingly global and a small mistake could change the country's entire economic principles.

These are the tragic events that are taking place in Iran today. We could talk about each of them in due course, as well as their repercussion. As you mentioned earlier, the political and economic issues are extremely close to one another in today's world.

Part of the calamity or the misfortune that we are experiencing in Iran is that each year 800,000 people join the job market and the government can not even provide half the jobs needed, which would be 400,000. Why? Because there are no investments. The domestic assets are leaving Iran. They are leaving the country and going elsewhere, anywhere as long as they get out of Iran. There is no foreign investment in Iran. Last year all the investments that took place in Iran were less than one billion dollars. This is less than a tenth of the foreign investments that is taking place in Turkey or Egypt, both of which have a similar economy and population. In other words, the foreign investments in Egypt and Turkey are ten times that of Iran. Why? That is because Iran is in an economic isolation for its political behavior. Iran is under pressure by the US and other countries. Therefore, you see that political misbehavior influences economic issues such as unemployment, inflation, and issues that are unprecedented in Iran's history.

I don't think it's ever been this bad in the history of Iran. I wasn't there at the time of the Second World War but from what I've read from those who were alive during that time, the people were not under so much pressure to make ends meet even though the country was going through numerous problems. It's getting worse everyday. The political and economic issues have jointly contributed to a crisis, which is not known to everyone. But it does have a solution and we will be talking about these issues tonight. People do not always have to be spectators; they could enter the scene and be influential in the country's future.

[Host Ahmad Reza Baharlou]

What I read to you from Mr. Mohammad Hashemi, a member of the Expediency Discernment of the System was ...

[Dr. Shahin Fatemi]

Hello.

[Host Ahmad Reza Baharlou]

It seems like Dr. Fatemi is not hearing my voice. Those of you in the control room please do something about the connection. If there is a problem in my voice please fix it. Do you hear me Dr. Fatemi? Apparently he does not hear me. In the meantime, allow me to read an email to you.

[Dr. Shahin Fatemi]

Mr. Baharlou do you hear me?

[Host Ahmad Reza Baharlou]

Yes, I do hear you.

[Dr. Shahin Fatemi]

It seems like I've been talking to myself for a while.

[Host Ahmad Reza Baharlou]

No I heard everything you said but apparently you cannot hear my voice.

[Dr. Shahin Fatemi]

I do not hear your voice. Now I do.

[Host Ahmad Reza Baharlou]

It's fixed now. Wonderful! I was pointing out that Mr. Mohammad Hashemi, a member of the Expediency Discernment Council of the System, discusses the causes of the current circumstances. He points out that in economy we see the result of the activities of two years of this administration: a fifty percent decline in people's purchasing power. In the social and cultural arenas, we see a decline in the students' education level. Concerning the quota on gas, the administration did such a bad job on enforcing it that it turned out to be counterproductive.

He then explains that the administration does not believe in what the specialists have to say nor does it have an accurate understanding of people's desires. This issue of the change in daylight saving which is customary around the world is not being implemented simply because it was implemented during previous administrations. Even the Minister of Energy has announced that we have suffered a financial loss by not implementing the daylight saving time.

We could also talk about the sanctions. Dr. Fatami, with all these "extraordinary" economic policies of Ahmadi Nejad's administration, the country's economy will not go anywhere regardless of whether there are sanctions in place. In any case, we see that whenever they come across a problem they blame it on sanctions and America. Taking into consideration your explanations as an economist (as well as those of the officials of the regime into consideration), there is really no need for sanctions. The path taken [by Ahmadinejad] does not lead to Kaba and goes to Turkistan.

[Dr. Shahin Fatemi]

That's exactly right, but I need to clarify something before we start our conversation on this topic. I really don't believe that Ahmadinejad should be held responsible for all this mess. It is true that things have gotten worse in the course of the past two years, but he has turned something bad into something worse. The misfortunes of the country really started when the Islamic Republic assumed power. It started when they used Article 44 to nationalize everything, making everything governmental, that's when the country's economy started to suffer. The problems started when the Revolutionary Guard became a contractor. Southern Pars recently signed a 2.3 billion dollars contract with the Revolutionary Guard. Where in the world do you see a country's police force, which is paid by people, act as a contractor? You don't see this anywhere in the world.

Therefore, Mr. Ahmadinejad has made things worse. But we could in no way hold him personally responsible for twenty-eight years of wrongdoings that have destroyed the private sector and expanded the size of the government. All these issues have existed throughout these years. The country has had corruption since day one. You can't blame all of this on Mr. Ahmadinejad. There are people who are making every effort to do this. They say Ahmadinejad is responsible for everything, but that is not the case. The real problem is in the system of the Islamic Republic, a system which is still trying to expand the size of government in the 21st century, at a time when the world has become a global market.

The Islamic Republic is controlling more than 80% of the economy while it should be 25% to 30% at most. All important economic affairs are being conducted by five hundred government corporations as well as a thousand other corporations which are dependent on [government] institutes. When you examine these circumstances you will see a mafia network [that has monopolized the economy] in the past few years. Let's put aside the years there was a war going on, even after the war, they couldn't reconstruct the country. They weren't even capable of receiving war restitutions from Iraq. All the specialists agree that Iran suffered more than 100 billion dollars. Nothing happened. Saddam was later executed and nothing happened. Kuwait is going to receive the last penny it was promised, but [the Islamic Republic] was incapable to getting the restitutions.

Mr. Baharlou, all of this goes back to the fact that this government is not liable to the Iranian public. This government is not elected by the Iranian people. This government has not come to power by the people of Iran and is not enforcing laws desired by the people of Iran. They consider themselves to be representatives of God on earth, and you see the result. But what we are faced with today is that ... it is true that people are going to suffer a great deal, but this economic isolation together with the sanctions will eventually bring the [regime] to their knees. In today's world, it is impossible for anyone to continue in this method and be so indifferent to international laws. Therefore what we are going to see in near future is the intensification of sanctions. Next would be the issue of importing of benzene and the exporting of oil. These are steps that we are soon going to be taken up. It's much better for the world to go through this path than try to solve the problem through war and further destruction of the country.

[Host Ahmad Reza Baharlou]

But the opposite is happening in today's world. While the Islamic Republic has barely come out of the "pit" of nuclear energy, uranium enrichment, and Yellow Cake it is now creating another front in Iraq. Just today, it was said that the missile that hit the American bases was given to the Iraqi Shiites by Iran. Therefore this raises the stakes to a point where the first issue becomes secondary. Do you see any logic in this?

[Dr. Shahin Fatemi]

Just as you said, in Mr. David Petraeus's testimony before the congress he made ten references to Iran; this is unprecedented. This person cannot come before the congress of the United States in front of the hundreds of reporters and say things that Iran could simply refute. What they say is actually documented. Otherwise, the Democrats will stand against them. Therefore, Iran is definitely doing what it is claimed if not more.

Now we have to ask 'Why?' First, each the family members of the Americans who are getting killed are going to bring charges against [Iran]; in the same way that the marine riflemen in 1983 in the Beirut bombing brought charges. As you know, in the past few days more than two billion dollars of Iran's frozen assets was given to them by a court. All of them will be bringing charges.

Now let's leave this issue for now. Please just imagine what the Iraqi people think about the crimes that are taking place in Iraq by the Islamic

Republic? That at a time when their country was faced with so many issues, instead of helping them we have become one of the destructive elements there.

The United States will eventually leave, but the Iraqis will forever remain our neighbors. What are they going to say? Wouldn't they say that at the darkest and most painful moments in their history, a neighboring nation made every effort to further exacerbate their problems, instead of sympathizing with them? Your question is, therefore, perfectly logical. Why is it that the Islamic Republic, which is aware of the dangers in a confrontation with the United States, is still pursuing this course?

I could only come up with one reason. The Islamic Republic is worried about the stability in Iraq. The Islamic Republic does not even want the illusion of democracy to exist in Iraq or Afghanistan. They would prefer the regime of Saddam to stay in power in Iraq because the regime of Saddam is very similar to the regime of the Islamic Republic. It had the same bogus elections, the same secret police, the same murders, the same crimes, and the same corruption.

In Afghanistan, too, [the Taliban] were quite similar to the Islamic Republic. The Islamic Republic is in essence a Taliban regime, though a bit weaker. They did not have the strength to do what the Taliban did. Otherwise, if you look at the way they treat women, the way they act toward the youth, and everything else that the Taliban was doing in Afghanistan, such as Islamic punishment, execution after execution, stoning of women, and whipping of people in public, they are doing the exact same things that Taliban did.

Therefore the Islamic Republic was happy to see the Taliban and Saddam in power in Afghanistan and Iraq. And from the very first day that these issues started, they were determined not to let it go anywhere. I personally think that the Islamic Republic has been defeated. The Islamic Republic could no longer go back to where it was before, in spite of everything that has happened to the people of Iraq. Today they have free elections; more than fifty newspapers are being published there without censorship. Compare that to the Islamic Republic. There are free parties in Iraq. There are free demonstrations in Iraq. In my opinion, the Islamic Republic does not want to see this in a neighboring country. This endangers the country and its future, that's why it intervenes in Iraq. The American people, the Iraqi people, and the Arab nations are not going to remain silent on this

issue. As you said, the repercussions of their terrorist actions in Iraq are going to be greater than their nuclear program. This is going to be the real issue and might lead us to a dangerous war.

[Host Ahmad Reza Baharlou]

Now Dr. Fatemi, please take a look at how the economic issues are being dealt with in Iran. We have an email from a colonel that says, "They are thinking of deleting three digits from the paper money. What effect could this have on the economy?" We also have an email from Maysan in this regard. He says, "Will they at some point try to stall this from passing in order to buy time for the government?! Today they seek to change the country's currency in order to present themselves as the founders of the history of Iran and to claim that prior to them there was no history. What are they trying to achieve by doing this? Is it the case that they think they are the ones who will vivify and bring to life the Safavid Dynasty? Dr. Fatemi, what do you have to say about this business of Noor currency?"

[Dr. Shahin Fatemi]

Well, the dear viewer asked many questions and I cannot possibly answer them all. As for this particular issue, it is a common practice to take a few zeroes from a country's currency. They have done it in Italy, where they took six zeroes out. The same has been done in Turkey. In Brazil at one point they took out 18 zeroes. That's not important. It's just a superficial difference. Renaming of the currency simply changes the printing of paper money and not the nature of the economy.

The real issue is that the value of money is inversely related to the rate of inflation, the more inflation you have the more the value of money decreases. And from an international point of view, the value of our money has gone down. If you compare it to before the revolution, you could have bought a dollar with seventy rials. Today in order for you to get one dollar, you have to pay 700 thousand rials or even more.

Why has this come about? The real reason is that first, the Central Bank, which is independent in all civilized countries and given the responsibility for maintaining the value of money, [is not independent in Iran]. The reason it needs independence is to prevent government from intervening in its affairs. Governments normally try to publish paper money. The printing of money creates inflation. Why do they print money? Because, in Iran's case, it can't provide for the country's expenses in spite of the oil revenue.

When the national bank is independent and is not under governmental supervision, it would not allow for this to happen. I previously wrote an article detailing this issue and don't want to take your time with it. They studied ninety seven countries in a period of fifteen years. The countries included those in which the central bank was independent as well as those in which it wasn't. In more than 80% of these countries there was a direct relation between the rate of inflation and the rate of freedom of the central Bank. The more independent the central bank, the better the value of money was maintained.

A good example would be the Bank of Germany prior to the creation of the European Union. Today the reason the European currency has so much value is because the pressure exerted by the Germans. The European Central Bank is 100% independent of any government. Why did the Germans do this? Because they have learned a lesson from the post World War I period when the condition were so bad that one had to take a whole suitcase of money to buy a loaf of bread. They haven't forgotten that. That's really the direction we are heading toward.

Today the central bank has fallen under the hands of Ahmadinejad. In other words, even the facade of its independent under the law pertaining to the Money and Credit Council is now being undermined. Why? Because he wants to do whatever he wants. He wants to spend as much as he wants and not be liable to anyone. Foreign Exchange Reserve Account had fourteen billion dollars in it when Khatami left office. Since then another sixty five billion should have been added to it. That's in accordance to the law that is in existence today. This means that he took eighty three billion dollars from the Foreign Exchange Reserve Account in addition to the oil revenue which he has spent, yet he is not liable to anyone. That's the real issue in the country when talking about unemployment, inflation, fleeing of assets. Nobody invests in that country. And these are the reasons why.

How could we bring about some level of order? As long as this regime is in power and people do not stand against it, this is going to continue. When the basis of a country's economy is destroyed everything else will subsequently be ruined. I'm not saying this just because I work in the field of economy. If you look at world history, in the past fifty to hundred years, you will see that only those countries which had a sound economy by maintaining banking independence were able to create comfort and

convenience for its people. The Islamic Republic has done a great deal of damage to the country and to the people of Iran. More importantly, however, it has crippled and even destroyed the economy. Today even if the value of oil reaches eighty dollars or even hundred or two hundred dollars [per barrel], not only will the problems of the Islamic Republic not go away, but in fact, they will be exacerbated.

[Host Ahmad Reza Baharlou]

Now allow me to announce the phone numbers. If you have questions or comments you could share them with us. Also you will see the email address on your television screens. Please stay with us.

[Interlude]

[Male Announcer]

Contact the program "Roundtable with You" and participate in our program. Our contact number is 202-619-3062 our email address is roundtable@voanews.com, our website address is www.voanews.com/persian

[Host Ahmad Reza Baharlou]

We have an email from ... I'm not sure who it's from because it does not have a name. It says, "I wanted to say to Mr. Shahin Fatemi that presently when the economic advisor of Mr. Ahmadinejad is his neighborhood butcher, one could not expect a flourishing economy." Alireza points out that at the time when Hashemi Rafsanjani became president, the country had inherited the damages of a destructive eight-year war, the treasury of the country was empty, and the country had more than thirty billion dollars in debt. When Khatami became president the country was still in debt and the price of oil was less than eleven dollars per barrel. But when Ahmadinejad came to power the oil was over sixty dollars but the economic condition kept getting worse in relation to the previous administrations." Allow me to take a phone call from Mahshahr. Please go ahead.

[Caller #1]

Hello.

[Host Ahmad Reza Baharlou]

Yes please go ahead.

[Caller #1]

Greetings Mr. Baharlou! This is Ahmadirad, calling you from Mahshahr. Greetings to you and Dr. Fatemi. I send my condolences regarding yesterday's events to anyone who has a heart. Mr. Baharlou, your guest pointed out some interesting issues. I only want mention a few points because we had a problem reaching you by phone everyday. Mr. Baharlou, I kiss both of you. One of the problems that the Iranian economy is faced with is ... We are a minority living in Iran.

Mr. Fatemi, the Islamic community and the Iranian culture must accept us. I want to point out something. I kiss the hands of anyone who gets our message across. We are a black minority living in Iran. We left our hometown Khoramshahr at the time of war. We have absolutely no rights; let alone economic [rights]. Believe me Mr. Baharlou, ask your dear guest, ask Dr. Fatemi, Mrs. Hicks, Dr. Ganji, Mr. Mesdaghi, who came yesterday. God is my witness Mr. Baharlou that there are 100 to 150 black people living in this country.

Where are they? Where are they working? I want to ask this question from Mr. President who helps Africa. We are living in Iran. Where are we working? I challenge that you show me 100 black people in Iran who have social security. They are living in Iran, in the Persian Gulf that everyone is fighting over. We are black people living in Iran. You see us in Shadegan, Bandar Imam Khomeini, Bushehr, Hormozgan, and Pishin. Doesn't Mr. President know about this when he talks about a nuclear holocaust, accusing Israelis and Americans as racists? This is while we see the previous Secretary of State, Mr. Powell leave and Mrs. Rice replace him.

Well, that's the problem with economy. When a black person, like me, has immigrated and become Iranian, Turk, or Arab, we are still unemployed. After 300 years we still haven't gone to work. Mr. Baharlou, God is my witness. I'm not making this up, please come and see it yourself. Ask the people of Mahshahr. Ask the people of Abadan. You show me two black people in this country who have an official job, a teaching job, or one who is a school principle. The presence of us in Iran is longer than the history of the United States. We are worse than slaves in this country.

Mr. Baharlou, when our countrymen buy the cassette tapes of Mr. Daneshmand ... This is an economic issue. Please purchase Mr. Daneshmand's tapes and see what he says about black people and how

he insults them in every single one of his tapes. He keeps saying “the blacks, the blacks”. Why doesn’t anyone say anything to Mr. Daneshmand? Mr. Baharlou, God is my witness; the black community in Iran is larger than the Zoroastrian community. There are more blacks than Zoroastrians. There are more than 150,000 blacks [in Iran]. Where are they? Where have they been in throughout the history of Iran?

Mr. Baharlou let me tell you something so you wouldn’t think I’m just making things up. Profit Mohammad, may God bless his soul, told Balal to recite Azan. Now you find one black Azan reciter in this country, or one black person who has a diploma, or university education. Don’t they always say free education? This is the problem with Iran’s economy. When you don’t allow jobs for Zoroastrians, when you don’t allow jobs for the Jewish people, when you don’t even count the black people because 3000 years ago in Persepolis ...

[Host Ahmad Reza Baharlou]

We lost the phone call. Mr. Fatemi, interestingly today I received an email from a viewer saying some of the things that Mr. Khomeini had said at Nofel le Chateau which really ties in with what our dear listener had to say. On Nov. 9, 1978 Mr. Khomeini said in a news conference in Nofel le Chateau that all religious minorities will have complete freedom and everyone will be able to express opinions about everything. He was talking about religious beliefs. Concerning political views Khomeini said in an interview with Amnesty International at Nofel le Chateau on Nov 10 1978, that in the Islamic Republic even communists will be free to express their beliefs. On Aban 1, 1357 in an interview with the Guardian Newspaper again at Nofel le Chateau he said that in Islamic Republic women will have the exact equal right as men.

And again, in an interview with [inaudible] on November 2, 1978 he said that in the Islamic government radio, television, and newspapers will be completely free and the government will not have the right to supervise them. Mr. Shahin Fatemi, let’s put all of these side by side and see what we get. This is what the founder of the Islamic Republic said twenty-eight years ago; let’s [do a reality check] by comparing them with what our viewer had to say 28 years later.

[Dr. Shahin Fatemi]

Mr. Baharlou one of my biggest regrets is that since the nuclear issue surfaced - and now the issue of interventions in Iraq - the problem of human rights is not being discussed anymore and it ought to be one of the most important issues. The violations of this system from the Universal Declaration of Human Rights should be regarded as a something serious. The Universal Declaration of Human Rights has two amendments which the regime of Iran accepted them prior to the Revolution, thereby committing themselves to implement them.

When you sign a treaty, it becomes more important than the laws of your land. They've taught us that if a country has a local law or national law that is in contradiction with a treaty, the treaty is more important since is a part of international laws. Now, Iran did not take back the signature after the revolution. What does that mean? This means that they are obligated to bring about all those social and political rights it committed itself to and implement all the contents of the Universal Declaration of Human Rights as well as its amendments. Unfortunately, the world is waiting while everyone is talking about the nuclear issue, interventions in Iraq, missiles, and terrorist activities.

It is an obligation of all of us living outside the country to put emphasis and pressure on the issue of human rights because if the issue gets fixed, other issues will automatically get fixed, including the problems that our black countryman pointed out, or the issues of our Zoroastrian or Bahai countrymen, as well as the tyranny against women. These issues would go away, because by complying with the Universal Declaration of Human Rights everyone will be equal before the law and everyone will have basic rights.

What he said was quite true. It is shameful to all of us Iranians, that a fellow compatriot had this to say about our country. I personally did not know about this. I don't know if you knew about 150,000 black people living in Iran, who are deprived of equal rights. This is shameful. The actions and behaviors of this regime toward religious minorities and the treatment of the Iranian people in general, regardless of whether they are in minority or majority [is shameful]. Therefore we should not allow other issues to overshadow the issue of human rights. If we comply with the principles of democracy, such as the freedom of gathering or the freedom of publications are realized, these other issued will be fixed by themselves.

A government which complies with those principles is a democratic government. It would be a national government and if it doesn't prove itself as capable, then people could replace it through an election. The country will test the plans of other political parties and bring those in power who not only have plans but have the ability to enforce their plans. And that's why we should not put aside the issue of human rights nor let it be overshadowed by other issues. The real issues in Iran are the issues of human rights and democracy. All the other issues are rooted in the lack of correct implementation of the Universal Declaration of Human Rights.

[Host Ahmad Reza Baharlou]

Allow me to take a phone call from Dubai, Dubai please go ahead.

[Caller #2]

Greetings to you Mr. Baharlou and to your dear guest! I wanted to bring up a point about the economy of Iran and the calamities that we suffered as investors. I wanted to work there. But what happened to us? I started a corporation and spent 1.5 billion tomans in advertisement to create services for automobiles after they had been purchased, primarily because such services are quite bad in Iran. Do you hear my voice?

[Host Ahmad Reza Baharlou]

Yes go ahead.

[Caller #2]

Once we started to get some results, they came and arrested me. They detained me for twenty-five days under sever torture saying, "Who is behind it? What do you do? The automobile business belongs only to the government. Why are you intervening in government affairs?"

At the end, we sold everything we had. Whatever else was left, they took it from us and said goodbye. The government does not want anyone to interfere in its affairs. Many people are selling their [businesses]. They recently sold an oil extraction factory and the person sold the land. They're now building a house in it. Do you really call this privatization? In other words, they are selling it for less than the value of its land.

The population has increased twofold but the roads going to the north of Iran have not increased from three to four. At the time of Shah, there were three roads and to this day they are three. They haven't done anything for

this country. If someone wants to do anything they arrest and detain him. Where in the world can one small apartment have a price of six million tomans per square meter? A normal apartment has become six million tomans per square meter. Where in the world do you see this? They were showing this on television the other day, and you would be surprised to hear that in Shahr e Ray, which is the southernmost part of Tehran, a house is 1.5 million tomans per square meter. Why? Because they're taking the money and [inaudible]. Thank you. I'll listen off the air.

[Host Ahmad Reza Baharlou]

Thank you for your telephone. Mr. Fatemi, I think that he is pointing out to the same issue that you pointed out earlier. The government has essentially cut off the hands of the private sector from everything and all the industries. If you have something to say about this please go ahead.

[Dr. Shahin Fatemi]

I think he summarized everything I tried to say tonight in a nutshell. He is an innovative person, someone who realized that good automobile services do not really exist in Iran and took the opportunity to seek out and do something about this deficiency. They arrested him and asked him, "Who is behind it?" Why? All this, because he is not one of their own guys.

In this country, privatization does not mean anything. Privatization means that they have taken the wealth of the government and spend it among themselves. When someone like him comes and shows innovation, they do something for him to flee the country and go to Dubai. It is not a matter of whether he took the money with him or whether the money was destroyed. The personal innovation was what was really destroyed. They call someone like him an entrepreneur. These are the people who made the western world; these are the people who have created the United States and Europe and not the governments. Governments are pests in economies not contributors. It is the private sector that creates wealth. The government is there so that once wealth is created it could eliminate economic and social injustices through taxes that need to be approved by the representatives of people.

Where in the world does the government actually intervene in manufacturing? Yes, they did in the Soviet Union and we saw the result. We saw where it got them. In China today all the innovations are given to the private sector, and everyday they execute those who are corrupt. And I

think China has issues similar to that of the Islamic Republic. If they execute 100 more people, it wouldn't affect anything so long as there is dictatorship and "strangulation" in place. As long as you have dictatorship, and strangulation and a lack of freedom of the press, corruption will always exist. Eradicating this could only happen when newspapers are free and the society could say what it wants; only then would corruption go away.

Countries such as China and Iran will not ever be able to fix their economic issue because they are the actual creators of corruption. I was quite disheartened to hear what our compatriot went through. He went to his own country with a great deal of passion and interest to render services and they detained him saying, "Who is behind it?" It is as if innovation in services, creating jobs in the country, creating a certain kind of a service and making money are considered crimes. They have to find out who is behind it!

I think that this listener summarized everything I wanted to say in the best way possible. I only hope that this person does not get disappointed and I hope that young people like him do not give up hope. This country will not stay like this and it will be fixed by the younger generation and the nation of Iran. They will build an Iran that would serve as an example to the whole world. We should always keep this hope and have this confidence in ourselves because once we lose that confidence there will be no Iran.

They are simply too weak to be able to stop the nation of Iran. The day will come when Iran will surpass Dubai, the country in which that viewer is currently living. We should be optimistic about the future and be certain that these guys will leave. They are living in a world in which they have no place. They are "anti-history" and have reached the end of the line.

[Host Ahmad Reza Baharlou]

Arman from Maragheh shows another economic magnum opus! Dr. Fatemi, he says "The State Department has declared that in the month of Ramadan the working days will be two hours and a half less for government institutions. This means that for every three days of work, there will be three holidays. If we assume that there are twenty-four days of work in the month of Ramadan, today eight holidays have been imposed on the economy. Isn't this a great strike to the country?" We have a telephone call from Sarry. Sarry please go ahead.

[Caller #3]

Hello.

[Host Ahmad Reza Baharlou]

Hello, please go ahead.

[Caller #3]

I say hello to Mr. Baharlou and your dear guest.

[Host Ahmad Reza Baharlou]

Thank you.

[Caller #3]

My father has had a turnery for years in Mazandaran and we have continued his line of work and started a branch in the Mazandaran countryside. Believe me we are not even making ten thousand tomans a day. What is the problem? I would like your dear guest to guide us. What is it that we should do?

[Host Ahmad Reza Baharlou]

Mr. Fatemi, I don't think you could write a prescription so to speak without knowing the facts. [The viewer] started another branch in another location and he is still not making 10000 profit. Mr. Fatemi.

[Dr. Shahin Fatemi]

This is another example of the issue at hand. This is of course expected given the circumstances. Of course I don't have a "prescription" for it but I know the root of the problem. It is rooted in the fact that every foreign junk is imported to Iran. The oil revenue goes to that. Why do they do this? Because they think that they are preventing inflation by frivolous spending. By having wrong policies they have actually created inflation. They have added to the cash in the market.

In order to fight inflation they bring any kind of junk from Ukraine, Russia, China, and wherever else they can. As a result, the people of Iran will not buy domestic products. When people don't buy domestic products, their fellow countrymen become unemployed and a factory owner becomes unable to afford to pay the salaries of its workers.

As you know, there are hundreds of factories in Iran which haven't paid their workers. Why is that the case? Because they have brought all that junk from outside, thinking they're fighting inflation. But they didn't think about this. This is the Holland Disease that I talked about earlier. When you import products from abroad, these foreign products are cheaper than the domestic products for a variety of reasons. Why? Because many of these products are made in large volumes and when you manufacture ten million product of the same kind, the final price of each unit will be obviously be considerably lower than that of an Iranian factory; since they only make only ten or twenty thousand of them. Therefore, they bring in these large units thinking they are fighting inflation. As a result, fellow countryman become unemployed and hundreds of factories go out of business.

The people's individual problems are rooted in a faulty government economic policy together with unhealthy interventions of the government in the economy. I don't want to take too much of your time but let me briefly mention that last year, there was a study published in the book – an annual study – concerning the economic freedom in the world. 157 countries were examined and Iran's place was 156th. There was only one country that did worse in the economic realm in connection with economic freedom and that was North Korea. In other words, among 157 countries, Iran was ranked 156. This is the result. The circumstances that people are faced with, including poverty, unemployment, inflation, could be fixed by gradually minimizing the size of government and strengthening the private sector. We must make these fake [government] institutions liable and make them pay taxes. As long as they could get away with not paying their taxes, no one could compete with them.

[Host Ahmad Reza Baharlou]

In the time we have left, allow me to take a phone call from Ahwaz. Ahwaz please go ahead.

[Caller #4]
Greetings!

[Host Ahmad Reza Baharlou]

Please bring down the sound of your television.

[Caller #4]

Greetings to you and Mr. Fatemi! I want to send my condolences to all people who suffered from the Sep 11 attacks. The reason for my call is that I really agree with the caller from Mahshahr. I'm calling from Khuzestan. We at Khuzestan do not even know what economy means. We have so many problems that we can't even understand economy.

I'm a twenty-seven year old man with about ten years of criminal background. I was charged with insulting the Supreme Leader and the flag at age seventeen or eighteen. I was sentenced to 15 years in prison. How would I know what economy is? If I spent 15 years of my life in prison, how could I know anything about economy? I swear to Holy Quran, I have no understanding of it.

We have so many problems. I swear to Abbas' Excellency and Holy Quran that last night some policemen stopped me in my way back from the hospital. They broke my leg without even informing me of my crime. They came by my door and beat me in front of my family, my mother, my father. Aren't we humans?

We Iranians have many years of civilization. These Arabic countries didn't even have water to drink. I don't want to insult anyone but our country has all these oil resources. It had the first refinery in the world. None of us has gas anymore. I don't know where to start. Khuzestan is really the "kitchen of Iran" and all the misfortunes of Iran happen here.

Where are those who are talking about political parties? I want them to come on VOA and show us their supporters. Once this regime leaves, it might be replaced by someone who is even worse. I swear to Quran, I don't know what is going to happen. I don't want to take the time of your program.

[Host Ahmad Reza Baharlou]

Unfortunately we ran out of time. Mr. Fatemi, we don't have time to hear your answer. But he mentioned something along the same lines as our earlier caller from Mahshahr. He said he spent 15 years of his life in prison. He is in a circumstance where he doesn't even know the definition of economy. At any rate, Shahriar says in his email that "If the Islamic Republic didn't have anything for the people of Iran, it had plenty for the people of China and Russia!" We have now reached the end of the program "A Roundtable with You."

I say goodbye to you Dr. Shahin Fatemi. Thank you for your participation in this program. Mr. Fatemi, I wish you success. I also want to thank the dear viewers who were with us tonight in the program "Roundtable with You." Let me to go to Studio 50 with Behnood Mokri who will start the program Shabahang [Late Edition] in a few moments. Dear Behnood Please go ahead.

[Behnood Mokri]

Thank you dear Baharlou. I also say greeting to all our dear viewers wherever they are. We will have another Shabahang program tonight. Please stay with us.

[Voice of a Behnood Mokri]

Tonight at Shabahang ...

TRANSLATION ENDS HERE