

# NEWS ON IRAN

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## **Khavar Mercedes Workers Strike**

Voice of Mojahedin radio, July 26 - A large number of workers at Khavar Benz Assembly Plant, 8 kms south of Tehran, staged a strike from Saturday, July 22 to Wednesday, July 26. They protested low wages and lack of bonuses and overtime pay as well as methods of workers' council elections. The latter was the main issue which ignited the clashes and strike and overshadowed the other problems.

Agents from the Ministry of Intelligence and the Interior Ministry intervened and the factory was under tight police control. An official at Behjat-Abad security precinct, said they were steadily on alert during the strike and under-cover detectives were dispatched to the factory. The Intelligence Ministry disconnected all the 12 telephone lines of the factory.

They feared the strike's spread to other major factories in the area.

Like the two other major truck assembly plants in Iran, Zamyad and Iran Kaveh, Khavar's production has leveled since two years ago. In March 1993, 1,200 workers were dismissed from Khavar's Mercedes. In 1992, workers staged a major protest to the policies of the factory officials. Another major strike in this factory was in December 1993, during which one of the workers set himself on fire to protest his dismissal.

## **Protests**

Voice of Mojahedin radio, July 29-30 - Once again, came the turn for the soccer match in Tehran between the two most favorite Iranian teams, Esteghlal and Piroozi. Last year, the game was followed by a massive anti-government demonstration by the 100,000 spectators of the game.

This year, Tehran's security forces were put on alert for the game. All streets and roads leading to the stadium were placed under full police control. Eye witnesses said the police and security forces, in special anti-riots gear, occupied the area. Anti-riot guards stopped the buses and taxis and searched the passengers.

## **Urban Maneuvers**

Agence France Presse, July 25 - Several thousand men and women members of the Guards Corps Bassij staged an urban maneuver in Rasht, capital of the northern Gilan Province. The objective of these maneuvers was to "prepare the Bassij forces for establishing law and order" and "controlling the main thoroughfares."

## **Toxic Gas Poisoning**

Voice of Mojahedin radio, July 19 - Reports from Qazvin (west of the capital) indicate that more than 2,500 persons were poisoned as the result of gas leakage during a fire in a pesticide plant in Alborz Industrial Complex. 120 of the victims are hospitalized in Bou-Ali and Rajai hospitals. Reports say that the fire in Keshavarz Chemical Plant was so extensive that reinforcement troops were dispatched from Tehran and Karaj. The fire lasted two days and inflicted damages worth \$10 billion. State-run papers

blamed the fire on the factory's non-standard and dangerous storage methods.

600,000 residents of Qazvin, Alvand, Mohammadieh, Egbalieh ad Bidestan are within 10-kms distance from the factory and are thus exposed to the danger of poisoning by toxic gases.

## **Fraud**

*Ressalat*, July 24 - Perpetrators of a two-billion-rial embezzlement case in the Melli Bank were arrested. The President and vice-President of a branch were arrested while trying to leave the country. Their departure coincided with the beginning of investigations, when agents noticed their absence.

## **Majlis Majority's Letter: Tolls Alarm on Restrictions on Currency Exchange**

More than 140 members of the mullahs' *Majlis* addressed a letter to Rafsanjani in which they expressed concern about reduction of domestic productivity. The letter was a reaction to the failure of the freeze imposed since two months ago on all trade and economic exchanges.

The deputies have urged Rafsanjani to cancel the Central Bank's restrictions on industry owners, and change the banking system. Investment security has disappeared, the letter reads, and an "irreversible blow" to the trend of production is possible.

The deputies also assail the Central Bank for its swaying regulations and banking bureaucracy. They demand that the Central Bank opens the way for imports based on a fixed foreign currency rate.

In the meantime, seven other members of Majlis have officially interpolated the Minister of Finance on his decision to designate a 3,000-rials rate for dollar exchange while the country's budget is based on the 1750-rials rate?

Together, the letter and the parliamentary question comprise a heavy political strike at Rafsanjani and his cabinet. At the same time, they convey a tremendous feeling of fear of a complete halt in the economy.

Early in May, the United States' boycott of the regime gravely affected the exchange rate for foreign currency, gold and other consumer goods in Iran. The price for a dollar boosted up to 7,000 rials. The clerical regime did not find any solution to the economic free fall.

On May 20, the Council for the Determination of Exigencies of the State ratified a set of regulations which banned all exchanges of foreign currency. Exporters were instructed to return all their foreign currency revenues to Central Bank. In addition, the dollar exchange rate was announced to be 3,000 rial and the regime tried to keep the rate fixed at the expense of arrests and extensive harassment. The decision, however, was a *coup de grace* at Rafsanjani's motto of free market economy in recent years. It was viewed not as a solution but as a measure to stop the wheels of the economy from turning. The consequences rapidly surfaced. Imports and internal production plunged to zero, non-oil exports stopped with

Iran's export of carpets suffering an irreversible blow. The country's production level is said to have reached its lowest in the past seven years.