



Corruption in Iran. Experience, perception, and reform efforts – A literature review

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Summary

This report reviews Farsi academic and media sources on corruption and anti-corruption policies in the Islamic Republic of Iran. It identifies several trends in the literature which suggest that corruption is generally seen as an issue of concern for governance in Iran, most notably in the security forces and judiciary. Scholars observe that several Iranian administrations have passed legislation aimed at reducing corruption, but some are critical about its effectiveness. The report concludes that a culture of fear around criticising senior government figures and officials has led to a lack of detailed research into the nature of corruption in Iran.

چکیده

این مقاله در مورد نوشته های علمی و رسانه ای به زبان فارسی در باره فساد و سیاست های مبارزه بر آن در جمهوری اسلامی ایران را در بر می گیرد. تحلیل و بررسی چند روند در نوشته ها را تمیز می دهد که بر نگرانی عمومی راجع به اشکال فساد در کشور اشاره می کند، خصوصاً فساد در نیرو های امنیتی ایران و قوه قضاییه اش. نویسندگان ملاحظه می کنند که چند دولت قبلی ایران قانون های برای مبارزه بر فساد تصویب کرده اند، ولی بعضی از محققان نسبت به اثربخشی این قوانین انتقاد می کنند. این مقاله نتیجه میگیرد که یک فرهنگ ترس از انتقاد به مسئولین ارشد و امنیتی باعث نقصان تحقیقات دقیق در باره ماهیت پدیده فساد در ایران شده است.

1. Introduction

The aim of this report is to provide an overview of existing literature on corruption in state institutions in the Islamic Republic of Iran. It is based first and foremost on academic and media texts written in Farsi, most of which were for the government or state institutions or their allies risking persecution and produced in Iran, although some journalistic articles are the work of Iranians based overseas. This reflects the fact that the position of journalists working in Iran is highly sensitive, with writers who criticise powerful figures working arrest. However, news media based in Iran have also provided useful sources. Social media has proved a less informative source of information on this topic, due to strict control and monitoring of its use by the Iranian state.

Corruption in Iran's state institutions is often one of the topics debated in election campaigns in the country, and the Islamic Republic currently ranks 130th out of 180 in Transparency International's Corruption Perceptions Index. The Islamic Revolution of 1979 gained popularity in part because the Pahlavi monarchy was seen to be corrupt, showing that this issue has significant political weight among the Iranian public. Yet there has been relatively little research, either in English or Farsi, on the specific forms corruption takes in Iran, which institutions are most characterised by corrupt practices and how these practices affect citizens going about their daily lives. Perhaps the most noticeable common theme highlighted in the news media articles analysed is that the security services – particularly the Police and Revolutionary Guard – and judiciary are seen as especially corrupt, having been the subject of scandals in recent years. Those state institutions which come under the remit of the Supreme Leader, including the judiciary and armed forces, appear to be subject to more criticism and seen as more corrupt than those managed by the Presidency or Parliament. This may be because of tensions created by the ways in which power is distributed in the Iranian Constitution, making it difficult for Parliament to effectively control their activities.

The literature has proved more informative on government anti-corruption measures, and on some of the broad causes of corruption in Iranian society. The academic literature is generally based on quantitative studies analysing the conditions necessary for corrupt systems to develop, with only limited applied analysis of the Iranian case itself. Perhaps the most interesting aspect of these studies for the purposes of this review is the ways in which the need to study corruption is justified as being in the national interest. While authors do not explicitly describe corruption in Iran, its existence is taken as a given. This impression is reinforced by discussion in the literature of anti-corruption measures, and more generally allusions to the “fight against corruption” in the news media. Authors refer to several broad “types” of corruption, principally administrative corruption (feshad-e edari (فساد اداری), economic or financial corruption (feshad-e eghtesday ve maly (فساد اقتصادی و مالی), political corruption (feshad-e siyasi (فساد سیاسی), and moral corruption (feshad-e akhlaghy (فساد اخلاقی). The last of these reflects an important aspect of the debate around corruption in Iran, in which all types of corruption and malpractice are seen as being connected to a lack of morals, both on the part of individual perpetrators and within society as a whole. This aligns with official discourse on the need to uphold the aims and values of the Islamic Revolution as interpreted by the political elite. Within this paradigm, criminal activity is understood as a deviation from good Islamic practice and from revolutionary ideals. This is not the place to debate the logic of this way of understanding corruption; it is simply an important point to observe for those wishing to understand Iranian policy-making in this area, as well as for those working in international anti-corruption organisations seeking to contribute to anti-corruption work in Iran.

This review begins with an analysis of academic work on corruption in Iran, with particular emphasis on how corruption is understood. It then goes on to discuss the anti-corruption regime in the country as portrayed by academic and journalistic texts, before giving an overview of perceptions of

corruption in two important sectors of government – the security services and the judiciary. This last section is based primarily on media reports covering specific scandals, most notably that surrounding the current Head of the Judiciary, Sadeq Larijani. Reference is also made to corruption scandals involving Iran’s banking sector, which appears to play an important role in enabling both public and private sector corruption. This highlights the problems which arise when anti-corruption efforts focus only on one sector. Finally, a short conclusion summarises the findings of this study, and recommends areas for further in-depth research.

2. Academic views of corruption in Iran

Social scientists working on corruption in Iran tend to place the phenomenon in the context of the country’s recent political history. The Pahlavi Monarchy which was overthrown in 1979 was largely seen as corrupt, leading to the introduction of commitments to fight corrupt practices in the new constitution of the Islamic Republic¹. Indeed, it is estimated that immediately after the revolution, Iran’s informal economy accounted for 18% of GDP². Seresht argues that efforts to eradicate corruption were delayed and limited by the war with Iraq (1980-1988), and this telling of Iran’s recent history with regards to corruption is reproduced by other scholars working in this area (Malek Mohammadi and Haq Shenaz; Pakseresht and Ifshar; Shahnousi and Dadkhah). Indeed, Chapter 3 of the Islamic Republic’s Basic Law sets out the state’s responsibility for dealing with all forms of corruption; more detail about legal anti-corruption mechanisms will be given below.

One of the key debates in Iranian academic writing on corruption is around the factors which cause it to develop and become systematic. Scholars including Seresht, and Azaty et al, argue that the structure of Iran’s economy plays a significant role in allowing corruption to flourish, since oil rents allow the state a disproportionate level of influence over economic activity. Zarandi et al also argue that state-imposed limits on business and exports contribute to the development of corrupt practices, since this creates opportunities for enrichment through illicit means. Indeed, it would seem that it is possible for Iranian officials to make significant profit from practices such as bribe taking and embezzlement. Seresht argues in favour of salary increases, particularly for low-level officials and police officers, as a means of reducing economic incentives to participate in corrupt practices. It is generally agreed among Iranian scholars that the economic environment in Iran is over-legislated, stifling legitimate competition and means of doing business. Scholars link this to the idea of economic growth and development, contrasting Iran’s position in Transparency International’s Corruption Perceptions Index with those of wealthy liberal democracies. The Iranian government does not publish measures of corrupt activities other than the number of arrests for “economic” or “administrative” crimes. Such figures cannot be relied upon to give a complete picture of the status of corruption in Iran, particularly as they do not include practices which do not constitute criminal acts, but which may nevertheless be understood as corrupt, such as nepotism or non-monetary *quid pro quos*. For example, alliances are often primarily political, with different factions within the Islamic Republic making use of influence networks in order to build or retain power over policy. This point is not reflected in Iranian academic analysis of corruption in the country but is reflected in media reports and Western analyses about Presidents, Ministers and others awarding government positions to friends and relatives³.

¹ Seresht, pp. 66

² Pakseresht and Ifshar, pp. 181

³ <https://freedomhouse.org/article/iranian-regime-increasingly-repressive-and-corrupt>, “Iranian Regime Increasingly Repressive and Corrupt”, Freedom House, 2007

Farjiha and Javadi also argue that the structure of Iranian institutions themselves can promote corrupt practices, as the complicated nature of Iranian bureaucracy motivates citizens to pay bribes in order to speed up routine processes. They point out that in many cases, regulations are contradictory or non-compulsory, allowing for manipulation. In fact, Shahnousi and Dadkhah argue that complicated laws can be used to the advantage of corrupt managers and members of their patronage networks: “sometimes laws and regulations, regulations, directives and directives become a barrier to the fulfilment of meritocracy, and sometimes administrators consider themselves to be immune to the rules and their enforcement⁴”. Furthermore, Farjiha and Javadi, and Zarandi et al argue that the lack of protection of workers’ rights, and especially lack of job security, in the Iranian system means that state employees are less inclined to adhere to rules and regulations and feel justified in trying to profit from their positions while they can. However, Khodri argues that most people in Iran see corruption as a problem stemming from a few bad officials, rather than systemic; this perception may limit public engagement in the debate around potential anti-corruption measures, as people may simply view corrupt practices as one-off crimes requiring simple law enforcement solutions.

According to Khodri, “unfortunately, in Iran, news and information regarding corruption (its scope, the areas of corruption, etc.) is rarely published, and public opinion is not taken into account during anti-corruption measures⁵”. He argues that speaking out against corruption in state institutions is risky, as it may be interpreted as a criticism of the political system as a whole, leading to an atmosphere of impunity. This view may be seen as outdated, as a review of media reports suggests that discussion of corruption has become relatively common, with senior figures including Supreme Leader Ayatollah Khamenei and President Hasan Rouhani identifying it as a problem. Although public opinion may not be sought when designing and implementing anti-corruption programmes, it is clear that public dissatisfaction about corruption is a source of concern among Iran’s politicians as well as in the popular press.

Khodri also argues that anti-corruption laws are not well understood among members of the public, and are, in practice, poorly enforced. This is supported by Seresht, and Zarandi et al, all of whom argue that enforcement is weak, a view which is borne out in the media reports to be discussed later on. It is true that in recent years Iran has seen several prominent court cases in which senior figures have been tried for corruption, including former Vice President Mohammad Reza Rahimi⁶. However, some observers have commented that such legal actions are tainted by political factionalism, and do not form part of a comprehensive effort to pursue all those guilty of corrupt practices.

The distribution of patronage through informal kinship and friendship networks is also understood to influence corrupt practices in Iran. According to Ashayeri and Ahmadi, “Iranian society puts a lot of pressure on people with government positions to find roles and provide advantages for their family members, and people who refuse are viewed very negatively⁷”. This suggests that corruption in the form of nepotism and *quid pro quo* is highly normalised in Iranian society, and that this normalisation perpetuates such favours between friends and relatives. According to Farjiha and Javadi, “in the current administrative system, the appointment and assignment of organizational posts based on relationships has become commonplace, and collusion between influential individuals, politicians and administrative staff has been accepted as a passage through the

⁴ Shahnousi and Dadkhah, pp. 213; author’s translation

⁵ Khodri, pp. 818; author’s translation

⁶ <https://www.theguardian.com/world/2015/feb/16/irans-former-vice-president-jailed-for-corruption>, “Iran’s former vice president jailed for corruption”, The Guardian, 2015

⁷ Ashayeri and Ahmadi, pp. 7; author’s translation

administrative system's filters⁸". Seresht, Shahnousi and Dadkhah, and Zarandi et al also refer to the importance of informal networks and patronage in the Iranian system. Indeed, Zarandi et al include a quote from Supreme Leader Ayatollah Khamenei: "the greatest corruption is that there should be discrimination in the enforcement of the law, and that the merits and qualities of individuals should not be acknowledged⁹"; this suggests that nepotism is seen as a highly significant problem in Iran. However, more research is needed into the nature of these networks and how they function – are they based solely around family, or does membership of other groups, such as a neighbourhood mosque or Basij militia, also allow individuals access to favours?

Scholars are in broad agreement about the existence of a "culture of corruption" in Iranian society, represented by the pervasiveness of patronage networks, and the prevalence of bribe-taking. Khodri cites a 2002 survey which found that around 2/3 of respondents had either given or received bribes¹⁰. Throughout the academic literature, moral deficiency within society are given as causes of corruption, suggesting that anti-corruption measures would have to take a holistic approach in order to have significant impact. Shahnousi and Dadkhah refer to a lack of understanding of religious values within Iranian society as a possible contributing factor to the spread of corruption, while Farjiha and Javadi argue that "the interest of young people in religious culture and the rehabilitation and teaching of ethical values and social discipline can be considered as an effective factor in prevention of corruption and corruption by increasing self-control¹¹". This suggests that corruption is seen as being as much a moral as an economic and social issue in Iran.

Although little detail is given on the specific nature of corruption in Iran, Zarandi et al do provide a broad typology of corrupt practices. Firstly, they divide corrupt practices by sector:

1. Internal Corruption (between public sector workers within their own organisation)
2. Political Corruption (engaging in politics for personal or business advantages)
3. State Level Corruption (corruption using public funds)
4. Public Sector Corruption (for example in the judiciary or by elected representatives)
5. Private Sector Corruption (linking up to public sector corruption networks or exploiting the public tendering system)
6. Mass Media Corruption (manipulating information)
7. Municipal Corruption (for example in the offices of mayors or local councillors)

This is followed by a delimitation of types of corrupt action: nepotism, clientism, bribery, and lobbying. It is unclear in the article itself how far each of these activities are part of Iranian political life, but scandals reported in the media such as that involving Mahafarid Amir Khosravi, also known as Amir Mansour Arya, a banker whose embezzlement charges were linked by some to the Ahmadinejad administration¹², suggest that various forms and combinations of forms of corruption are to be found within the upper echelons of Iran's political system.

⁸ Farjiha and Javadi, pp. 249; author's translation

⁹ Zarandi et al, pp. 170; author's translation

¹⁰ Khodri, pp. 814

¹¹ Farjiha and Javadi, pp. 243

¹² <https://edition.cnn.com/2011/10/05/world/meast/iran-bank-scandal/>, "Epic bank scandal investigation hits Ahmadinejad", CNN, 2011

3. Anti-Corruption measures and legal context

Given the apparently wide-spread nature of corruption suggested by the academic texts discussed above, it is perhaps unsurprising that anti-corruption measures are seen as being of vital importance by Iranian media outlets such as the economic magazine *Donya e Eqtesad*¹³. In a 2013 article in the magazine, it is suggested that companies were faced with being charged huge amounts in tax by state employees hoping to extract a bribe in exchange for waiving the bill. As mentioned previously, Iran's Basic Law, established following the 1979 revolution, obliges governments to "create a favourable environment for the growth of moral virtues¹⁴" by working to counter all forms of corruption. The 10th Clause of Chapter 3 of the Basic Law calls for the creation of a legitimate administrative regime, while Chapter 49 obliges the state to return all profits of extortion, bribery, embezzlement, theft, gambling, exploitation, and unlawful sale of land to their rightful owner or to the exchequer. The presence of these clauses reflects the opposition to corrupt practices expressed by participants in the 1979 revolution against the Pahlavi monarchy. However, they have proved insufficient to prevent such practices from continuing and flourishing under the Islamic Republic. Malek Mohammadi and Haq Shenasi argue that bribery and embezzlement, chiefly from the expropriation of profits from the sale of state-owned land and enterprises, remain a significant problem¹⁵.

This has led to further anti-corruption laws being passed, and state institutions being established in order to oversee their enforcement. Chapter 90 of the Basic Law established a Commission to receive complaints about parliament and its members, the presidency, and the judiciary; this is overseen by the Shura Council. The Commission on Article 90 was officially re-designated as a court in 2014¹⁶; however, political pressure from senior officials and institutions has limited the action taken by MPs working on the Commission. The Court of Audit, established under the Shah, was brought under the supervision of Shura Council in 1982; the National Inspection Organisation, supervised by the judiciary, was established the following year¹⁷. The National Audit Organisation, which is supervised by the presidency through the Ministry of Information, was established in 1987 to audit state-owned organisations. Finally, the Court for Administrative Justice, which provides a means of complaining against government officials and departments, and is supervised by the judiciary, was founded in 2013. This was a result of the introduction in 2001 of the Programme for Promoting Best Practice and Tackling Corruption, which led to the passing of a law under the same name a decade later¹⁸.

¹³ <https://donya-e-egtesad.com/%D8%A8%D8%AE%D8%B4-%D8%B3%D8%B1%D9%85%D9%82%D8%A7%D9%84%D9%87-28/777311-%D8%B6%D8%B1%D9%88%D8%B1%D8%AA-%D8%B4%DA%A9%D9%84-%DA%AF%DB%8C%D8%B1%DB%8C-%D8%AC%D9%86%D8%A8%D8%B4-%D9%85%D8%A8%D8%A7%D8%B1%D8%B2%D9%87-%D8%A8%D8%A7-%D9%81%D8%B3%D8%A7%D8%AF-%D8%A7%D9%82%D8%AA%D8%B5%D8%A7%D8%AF%DB%8C>, *Donya e Eqtesad*, 2013, "The Need to Establish a Movement Against Economic Corruption"

¹⁴ Malek Mohammadi and Haq Shenasi, pp. 146

¹⁵ Malek Mohammadi and Haq Shenasi, pp. 146

¹⁶

<https://www.tasnimnews.com/fa/news/1396/09/29/1606180/%DA%A9%D9%85%DB%8C%D8%B3%DB%8C%D9%88%D9%86-%D8%A7%D8%B5%D9%84-%D9%86%D9%88%D8%AF-%D8%AF%DB%8C%D9%88%D8%A7%D9%86-%D8%B4%D8%AF> "The Commission for Article 90 has become a Court", *Tasnim News*, 2015

¹⁷ Pakseresht and Ifshar, pp. 182

¹⁸ Pakseresht and Ifshar, pp. 183

Pakseresht and Ifshar provide this table of anti-corruption schemes established since the introduction of the principal anti-corruption programme:

Anti-Corruption programmes – Content and basic concepts	The founding logic and mechanisms of the programmes
<p>Programme for Reducing the Opportunities for Corruption</p> <p>The law prohibits employment in more than one state position, benefitting from foreign transactions, the intervention of ministers and parliamentarians and employees in government transactions; the law also deals with the property of ministers and government employees</p>	<p>Aims of Programme: Control corruption by eliminating the possibility of corrupt practices, especially for senior staff.</p> <p>Mechanism: Developing a commitment to anti-corruption and fear of punishment</p>
<p>Inhibition and Punishment Program</p> <p>Principle 49 of the Constitution relating to illicit wealth; The Islamic Penal Code; The law on aggravating punishment of perpetrators, embezzlement and fraud; The law of punishment of economic system disrupters; The law on the punishment of collusion in government proceedings; The law on the prosecution of administrative offenses; The law on the supervision of the conduct of agents; The law Supervising the behaviour of judges; Executive code of newspapers; Article 4 and Article 6 of the Administrative Health Act</p>	<p>Aims of programme: control of corruption through punishment</p> <p>Mechanism: Developing a fear of punishment</p>
<p>Transparency Programme</p> <p>The law on the dissemination and free access to information; The Anti-Corruption Convention; The Money Laundering Act; The Electronic System Code in the Banking Network, Executive Order, Article 3; The Law on the Promotion of Public Health (National Data Contracts Database); The Executive Order on National ID, 1, paragraph B; Article 12 of the Administrative Law Promotion Act (National ID) Executive Order, paragraph (a); Article 12 of the Administrative Health Act (algebraic designation), executive act,</p>	<p>Aims of Programme: to control corruption by building transparency, freedom of information for all members of society</p> <p>Mechanism: Fear that corrupt actions will be uncovered, leading to punishment and loss of money</p>

paragraph (c), article 28 of the Administrative Health Promotion Act (Council of Executive Agencies)	
Economic Liberation Programme The Code of Conduct of General Principles 44	Aims: Control corruption through liberalisation and competition, privatisation Mechanism: Building private sector capacity, limiting the formation of monopolies
Budget and Financial Regulation Program General Accounting Law, Budget Law (Plan and Budget Organization, Ministry of Finance accounts)	Aims: Control corruption by regulating and overseeing budgets Mechanism: Financial accountability
Disclosure and Monitoring Programme Law of the Court of Accounts; Law on Inspection of the Country; Law on the Organization of Audit; Article 4 of the Law on the Promotion of Health and Corruption (Ministry of Information Coverage)	Aims: Auditing through the Audit Office and Court of Audit Mechanism: Fear of discovery and punishment
Administrative Reform, Meritocracy, and Institutional Culture Programme General policy of the administrative system; Supreme Administrative Court resolution; Code of conduct for responding to public complaints; Article 7 of the Law on the Promotion of Administrative Best-Practice (Professional Ethics Charter); Executive Order, Clause 1 of Article 25 of the Civil Service Act (Employee's Code of Conduct and Charter), People's Reward Plans and Client Satisfaction	Aims and mechanisms: Accountability, monitoring and evaluation, promotion of ethics/values

In addition to measures under the Programme for Promoting Best Practice and Tackling Corruption, the Islamic Republic has passed legislation designed to prevent nepotism and other corrupt practices. Shahnousi and Dadkhah note that “in accordance with Article 19 of the Law on State Service Management [passed in 2007], the appointment and promotion of employees must be carried out in accordance with the required academic and empirical conditions, after having obtained the qualifications and the successful manner in which they are provided. The Law on State Service Management emphasizes the choice of meritocratic standards¹⁹”. 2001 also saw the criminalisation of police officers demanding or accepting bribes²⁰; a scheme was introduced whereby if officers decline and report bribes, they were to be rewarded with twice the proposed amount.

¹⁹ Shahnousi and Dadkhah, pp. 200

²⁰ <http://www.magiran.com/npview.asp?ID=2436299> “Police Officers Taking Bribes Now a Criminal Offence”, Magiran, 2001

The political situation in Iran means that academic critique of the work of anti-corruption programmes and institutions is limited. Nonetheless, the authors cited here are clear about the fact that the measures taken against corruption since the establishment of the Islamic Republic have not had the desired effects. Malek Mohammadi and Haq Shenasi attribute this lack of success to a lack of a comprehensive strategy and weak civil society involvement. They argue that Iran essentially has two anti-corruption policies, one run by its bureaucrats and one run by its regulatory bodies, meaning that programmes often operate independently of one another rather than each reinforcing the other's work. They also contend that understandings of corruption in Iran are largely one-dimensional, either focussing on political or economic corruption, rather than addressing relationships between economic, political, and administrative corruption.

Pakseresht and Ifshar dispute the idea that a strategic incoherence is to blame, arguing that anti-corruption does not have to be limited to establishing institutions and giving them special powers. Their focus is on the lack of collective action, cultural change, and change in political patronage networks, all of which would be instrumental in supporting government anti-corruption agreements. The two articles are in agreement about the limitations of Iran's "top-down" approach to anti-corruption, which does not invite public involvement. It does not appear that mechanisms for complaining about corrupt practices have been sufficient to inspire genuine public engagement. Similarly, Shahnousi and Dadkhah acknowledge that legal measures aimed at promoting meritocracy are ineffective without cooperation from state officials. These arguments appear to present a more realistic assessment of the nature of corruption in Iran. Iran's *de facto* political economy appears to undermine legal efforts against corruption, as intense disputes and contests for influence between members of different factions make practices such as clientism and network building through self-interested appointments highly attractive²¹.

4. Corruption in the security services

Iran's security sector is unusual in that several separate institutions have responsibility for domestic security – the police, traffic police, religious police, and Revolutionary Guard are all independent of one another, and have different remits. In addition to this, many neighbourhoods also have a local Basij Militia to act as a voluntary police force. These militias were established during the Iran-Iraq War, and tend to operate based on a patriotic and religiously conservative ideology. Many are managed or funded by the Revolutionary Guard, and also have strong links with the police. This multiplicity of organisations increases opportunities for corrupt practices at all levels, from non-monetary favours for friends and family members to high-level bribery and embezzlement. Media reports suggest that all these services are seen as being corrupt to varying extents.

The existence of corrupt practices in Iran's police service is reflected by government measures to prevent bribe taking, as discussed above. A 2015 article on Farsi-language website fazoolemahale suggests that public experience of both the police and traffic police is of corrupt officers, many of whom volunteer in local Basij Militias in their spare time²². This leads to the perception that both

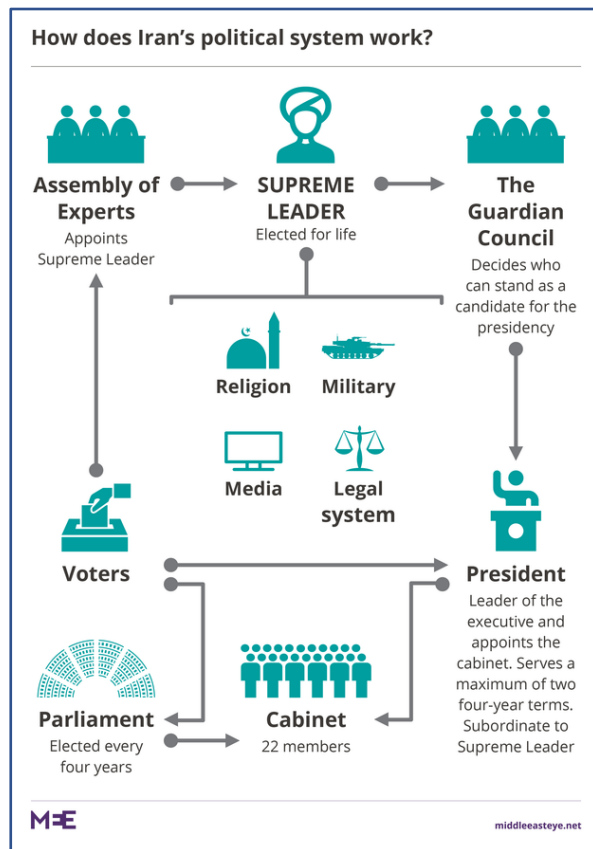
²¹ See, for example, the number of former Commanders of the Revolutionary Guard who have been preferred for appointment to senior positions in government, including the Supreme National Security Council and the Expediency Council - <https://www.cfr.org/background/irans-revolutionary-guards>, "Iran's Revolutionary Guards", Council on Foreign Relations, 2013; See also the relationship between President Rouhani and his brother Hassan Faridoun, who is also the President's special adviser and played an important role in the negotiations for the P5+1 nuclear deal - <https://www.aa.com.tr/en/analysis-news/nepotism-in-iran-s-political-system/868383>, "Nepotism in Iran's Political System", Andalou Agency, 2017

²² <http://www.fozoolemahaleh.com/2017/04/03/%D8%A2%DB%8C%D8%A7-%D8%A7%D8%B2-%D9%BE%D9%84%DB%8C%D8%B3-%D8%A7%DB%8C%D8%B1%D8%A7%D9%86->

police services work for the state against the average citizen, rather than for the benefit of the public. Trust in the police has been undermined by scandals involving senior officers, including former Chief of Police, and brother-in-law of former President Ahmadinejad, Ismail Ahmadi Moghadam. Ahmadi Moghadam was dismissed in 2015 for embezzling an estimated 633 billion Tomans (roughly £100,000,000) through illegal oil sales²³. It is thought that he began stealing oil revenues while in the navy. Ahmadi Moghadam later claimed he was forced out of the police because he threatened to expose other corrupt senior officials²⁴.

Iran’s other main security service, the Revolutionary Guard, is also thought to contain corrupt networks. The Guard, set up by Ayatollah Khomeini in 1979, has become an economic giant, controlling banks, energy companies, and hundreds of Basij militias and charitable foundations across the country. Rahe Sabz, an online magazine supporting Iran’s Green Movement, claims that the Revolutionary Guard’s position within the Iranian political system makes it relatively immune to scrutiny, either by parliament or the judiciary²⁵. According to the Iranian constitution, the Office of the Leader is subject to the scrutiny of the Assembly of Experts (See Figure, from *Middle East Eye*, 2017²⁶) but in practice this mechanism has not resulted in appropriate checks on the power of the Leader and his allies.

It is said that the Revolutionary Guard’s role in border security allows it to engage in large-scale smuggling operations, avoiding customs duties and import taxes²⁷. This is difficult to verify, as reports of Revolutionary Guard corruption tend to come from outside Iran; however, smuggling is a significant problem in Iran, with goods worth a total of \$15.5 billion



[%D8%B1%D8%A7%D8%B6%DB%8C-%D9%87%D8%B3%D8%AA%DB%8C%D8%AF%D8%9F](#) – “Are You Satisfied with Iran’s Police?”, Fazoolemahale in 2015

²³ <http://irankhabarnews.com/2017/07/27/%D8%A7%D8%AD%D9%85%D8%AF%DB%8C-%D9%85%D9%82%D8%AF%D9%85-%D8%A8%D9%87-%D8%A7%D8%AA%D9%87%D8%A7%D9%85-%D8%A7%D8%AE%D8%AA%D9%84%D8%A7%D8%B3-%D9%88-%D9%86%D9%81%D8%AA-%D8%AE%D9%88%D8%A7%D8%B1%DB%8C-%D8%A8/>, “Ahmadi Moghadam is Dismissed for Embezzlement and Oil Smuggling”, Iran Khabar News Agency, 2015

²⁴ <https://www.telegraph.co.uk/news/worldnews/middleeast/iran/11676847/Money-can-buy-anything-in-Iran-says-ex-police-chief.html>, “Money can buy anything in Iran, says ex-police chief”, The Telegraph, 2015

²⁵ <http://www.rahesabz.net/story/88553/> “The Columns of Corruption in Iran: Law Enforcement and Institutions in the Control of the Leader?” Rahe Sabz, 2014

²⁶ <http://www.middleeasteye.net/news/long-queues-iranians-start-voting-presidential-election-126962014>

²⁷ http://www.iranfocus.com/en/index.php?option=com_content&view=article&id=31559:iran-revolutionary-guards-corrupt-smugglers&catid=4&Itemid=109, “Iran Revolutionary Guards: Corrupt Smugglers”, Iran Focus, 2017

having been seized in 2017²⁸. Indeed, at the time of writing this report, Iran's National Security Council announced the establishment of a Committee for Combatting Smuggling²⁹. As might be expected, state-aligned news outlets in Iran present the Revolutionary Guard as leading the way in the fight against smuggling, while sources outside the country claim they are at its centre.

Similarly, in 2017, Western-based news outlets reported that an official within the Guard had for the first time acknowledged the problem of unspecified monetary corruption within the institution; the story was not covered in Iran itself³⁰. Indeed, the Guard has been able to develop a foothold for itself in the national media landscape, including through the appointment of a former commander to a top post in the Islamic Republic of Iran Broadcasting Corporation³¹. This reflects both the influence of the Revolutionary Guard and the importance of connections and networks in the *de facto* functioning of Iran's political system. The range of institutions and organisations to which the Revolutionary Guard has either formal or informal connections gives it power beyond that which stems from its constitutional position.

5. Corruption in the judiciary

The Judiciary is also frequently referred to in discussions around official corruption in Iran. As with security sector corruption, this issue is controversial and not widely discussed in academic circles. However, news reporting suggests that corrupt practices are a problem throughout the judicial hierarchy, with Iran's most senior judge, Sadeq Larijani, accused of embezzling 250 billion Tomans (around 500 million pounds)³². It is thought that this money proceeds from systematic corruption, with the head of the judiciary possibly taking a cut of bribes and other embezzled funds in exchange for impunity. Larijani is also accused of presiding over a system in which judges are able to protect themselves from criticism by taking out law-suits³³. In an interview with Bartahinar in 2015, Kazem Abbas Palizdar, the former Secretary of the Judiciary Inquiry and Review Committee who in 2008 was arrested for public criticism of several senior judges³⁴, refers to the common practice of bribing judges and court officials³⁵. An anti-corruption campaign led by Hezbollah in recent years has also

²⁸ <https://en.radiofarda.com/a/iran-smuggling-increase-by-half/28756532.html>, "Iran Smuggling Increases By More Than Half", Radio Farda, 2017

²⁹ <https://www.tasnimnews.com/fa/news/1397/01/27/1701575/%D8%AA%D8%B4%DA%A9%DB%8C%D9%84-%DA%A9%D9%85%DB%8C%D8%AA%D9%87-%D9%85%D8%B4%D8%AA%D8%B1%DA%A9-%D9%85%D8%AC%D9%84%D8%B3-%D8%A8%D8%A7-%D8%B3%D8%AA%D8%A7%D8%AF-%D9%85%D8%A8%D8%A7%D8%B1%D8%B2%D9%87-%D8%A8%D8%A7-%D9%82%D8%A7%DA%86%D8%A7%D9%82-%DA%A9%D8%A7%D9%84%D8%A7-%D8%A8%D8%B1%D8%A7%DB%8C-%D9%85%D9%82%D8%A7%D8%A8%D9%84%D9%87-%D8%A8%D8%A7-%D9%82%D8%A7%DA%86%D8%A7%D9%82>, "Establishment of a Joint Committee for Tackling Corruption", Tansim News, 2018

³⁰ <https://www.youtube.com/watch?v=QtZMFqdbszw>, "Confirmation of Revolutionary Guard Corruption for the first time by a system official", Iran International, 2017

³¹ <https://www.cfr.org/background/irans-revolutionary-guards>, "Iran's Revolutionary Guards", Council on Foreign Relations, 2013

³² <https://www.peykeiran.com/Content.aspx?ID=119371>, "Financial Corruption is Worth at Least 1000 Billion Tomans a Year, of Which the Head of the Judiciary Takes 250 Billion", PeykelIran, 2016

³³ <https://www.radiozamaneh.com/372592>, "Structural corruption in the judiciary and denial of it", Radio Zamaneh, 2015

³⁴ <http://www.washingtonpost.com/wp-dyn/content/article/2008/06/11/AR2008061103864.html>, "Iran Official Arrested for Criticizing Clerics", Washington Post, 2008

³⁵ <http://www.bartarinha.ir/fa/news/580682/%D8%B2%DB%8C%D8%B1-%D9%88-%D8%A8%D9%85-%D9%85%D8%A8%D8%A7%D8%B1%D8%B2%D9%87-%D8%A8%D8%A7-%D9%81%D8%B3%D8%A7%D8%AF->

highlighted the role lawyers play in courtroom corruption - “lawyers are corrupt, bribed and paid, negotiate with the judge, the judges give the numbers in the case, and inform the lawyers³⁶”. Hezbollah and its allies in the campaign against judicial corruption have struggled to indict judges accused of speculating on land and water contracts, dealing in drugs and arms, forgery, and so-called moral corruption (this could refer to visiting sex workers or other forms of conduct deemed inappropriate for senior clerics)³⁷. It is interesting to note that groups working with Hezbollah in this campaign are seen as “fundamentalist” or conservative, often aligned with former President Ahmadinejad, yet Palizdar argues that the Ahmadinejad government failed to do as much to tackle corruption as Presidents Rafsanjani and Khatami. This highlights the difficulties of dealing with corruption in Iran, and the fact that it is seen as a problem across the political spectrum.

Nonetheless, it would appear that some criticism of corrupt judges and officials is possible, and that efforts are being made to reduce the impact of corrupt practices on the Iranian justice system. Twenty-five judges were suspended on grounds of corruption in 2016³⁸. This followed much public criticism of the judiciary, including protests against the acquittal of a Quran reader accused of child sexual abuse, suggesting that the justice system is feeling the impact of greater media scrutiny. Similarly, in 2018, the Appeals Court of Khorasan province convicted 21 defendants, of whom about 16 are thought to have been government officials or law enforcement officers, of bribe-taking³⁹. Indeed, the Deputy Chancellor of the Judiciary has recently spoken out against corruption, saying that bribery and case-rigging in the judiciary have increased. However, it is easier to prove cases of bribery in which cash exchanges hands than those in which services are exchanged for other non-monetary services or shares in a company. Quid pro quos based around favours such as finding employment for relatives may not be honoured for some time and are unlikely to be documented.

Scandals involving judicial human rights abuses and gross misconduct have also hit the headlines, most notably the case of former prosecutor, Saeed Mortazavi. In April 2018, Mortazavi, who was found responsible for the deaths in custody of three protestors in 2009, was detained and imprisoned for two years⁴⁰. However, Iran Wire points out that this conviction was made possible by the fact that one of his victims was the son of an influential conservative politician, highlighting the importance of connections and influence in accessing justice in Iran⁴¹. The former Tehran prosecutor is also accused of repressing media outlets⁴² and involvement in embezzlement and misappropriation of funds during his time at the Social Security Office⁴³. This highlights the way in

[%D8%AF%D8%B1-%D8%A7%DB%8C%D8%B1%D8%A7%D9%86](#) – “The Peaks and Troughs of Anti-Corruption in Iran”, Bartahinar, 2015

³⁶ <https://www.radiofarda.com/a/new-attempt-on-proving-corruption-in-iran-judiciary/28922210.html>,

“Hezbollah Makes Another Attempt to Prove Corruption in the Judiciary”, Radio Farda, 2018

³⁷ <http://www.pezhvakeiran.com/maghaleh-85459.html> “Efforts to Put Pressure on a Band of Corrupt Judges Continue”, Pezhvakeiran, 2018

³⁸ <https://www.manoto.news/news/cultureandlife/n8xy4d/news30724>, “Corruption in the Judiciary: 25 Judges Suspended Last Year”, Manoto News, 2017

³⁹ <https://www.radiofarda.com/a/f8-iran-bribery/27262354.html>, “A Bribery Bazaar in Iran’s Economy”, Radio Farda, 2018

⁴⁰ <https://www.hrw.org/news/2018/04/24/notorious-iranian-prosecutor-behind-bars-now>, “Notorious Iranian Prosecutor Behind Bars ... For Now”, Human Rights Watch, 2018

⁴¹ <https://iranwire.com/en/features/5278>, ““Butcher of the Press” Mortazavi in Jail — Finally”, Iran Wire, 2018

⁴² <http://iran-hrm.com/index.php/2018/04/17/saeed-mortazavi-disappears/>, “Iran: Former Notorious Judge Disappears And Escapes Arrest”, Iran Human Rights Monitor, 2018

⁴³ <https://www.radiozamaneh.com/373484>, “The Corruption of Saeed Mortazavi, according to the Lawyer Representing Social Security Workers”, Radio Zamaneh, 2015

which corruption and human rights violations can go hand in hand, especially where elites rely on a combination of repression and *quid pro quos* for political survival.

As with security sector corruption, the pursuit of accountability for corruption in the judiciary is complicated by the fact that it is controlled by the office of the Supreme Leader, giving it relative autonomy from parliament. Furthermore, the prevalence of corruption among senior officials arguably creates a disincentive against punishing those lower down in the hierarchy. The efforts of Hezbollah to take corrupt judges to court highlight the difficulties involved in using the judicial system to hold members of the judiciary to account.

5. Conclusions

Corruption in all sectors in Iran remains under-researched, meaning that the overall picture of how it affects Iranian society is limited. This report has highlighted some of the main areas in which research would be most beneficial, namely security sector corruption and corruption on the judiciary. These sectors appear to be perceived as particularly corrupt and are also very powerful players in Iran's political system. This creates a dilemma for researchers interested in corruption, since the very reasons that justify research in this area also make it very difficult. Although Iran's security services and judiciary are criticised in broad terms, with some individuals held publicly to account, there is very little academic or political discussion of the possibilities for whole-scale reform. Furthermore, existing literature does not give much detail on the nature of corrupt practices most prevalent in Iran's judiciary, security services, or other sectors. In his interview with Bartahinar, Kazem Palizdar alludes to fraudulent sales of state-owned land, as well as other forms of embezzlement, but is unable to provide specific examples. Indeed, Palizdar's arrest in 2008 shows that the Iranian establishment is highly uncomfortable with anything more than vague condemnations of corruption in general.

It would also appear that several other sectors in Iran suffer from prevalent corruption, and as such could prove fruitful areas for research. All areas of government administration appear to need reform, including regional government; the example of thousands of so-called ghost civil servants in Khuzestan (i.e. positions for which a salary is paid but no-one is actually doing the work) is illustrative of this⁴⁴. It may be that senior officials in regional government create such posts in order to embezzle the salaries attached to them, but far more evidence is needed to substantiate this theory. Similarly, private sector corruption has not been studied in any great detail by Iranian academics, though it has become a subject of public debate since the conviction of Babak Zanjani, a billionaire businessman, for involvement in corrupt oil deals under the Ahmadinejad government⁴⁵. In so doing, he allowed his allies in government to defy international sanctions, but also contributed to a loss of public trust in the Iranian banking sector⁴⁶.

⁴⁴ <https://www.tasnimnews.com/fa/news/1395/10/22/1294203/%D8%A8%DB%8C%D8%B4-%D8%A7%D8%B2-10-%D9%87%D8%B2%D8%A7%D8%B1-%D9%BE%D8%B3%D8%AA-%D8%A8%D9%84%D8%A7-%D8%AA%D8%B5%D8%AF%DB%8C-%D8%AF%D8%B1-%D8%AE%D9%88%D8%B2%D8%B3%D8%AA%D8%A7%D9%86-%D9%88%D8%AC%D9%88%D8%AF-%D8%AF%D8%A7%D8%B1%D8%AF>, "There are more than 10,000 empty posts in Khuzestan", Tansim News, 2016

⁴⁵ <http://www.middleeasteye.net/columns/corruption-has-become-way-life-iran-1127296548>, "Corruption a way of life in Iran", Middle East Eye, 2016

⁴⁶ <https://www.nytimes.com/2018/01/20/world/middleeast/iran-protests-corruption-banks.html>, "How Corruption and Cronyism in Banking Fuelled Iran's Protests", New York Times, 2018

Despite limitations in the literature, this report has shown that corruption is broadly accepted to be a problem in Iran, and that scholars, activists, and politicians from across the political spectrum are keen to tackle it, although those willing to turn rhetoric into action may be in the minority. Public scandals such as those of Larijani and Zanjani have opened up the debate around high-level corruption somewhat, although there is still a reluctance among scholars and journalists to point to the flaws in the system which allows these practices to take place. The structure of Iran's political system means that some state institutions are protected from the scrutiny of parliament, including the Revolutionary Guard and judiciary. Furthermore, while efforts have been made to limit corruption through legislation, they have been top-down, and failed to address the drivers of corrupt behaviour among government officials, not least a culture of favours and *quid pro quo* which is difficult to measure, let alone eradicate.

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