



Protests have intensified in Iran as people push for a new regime

# Ayatollahs' days are now numbered as economics drive push for change

● Senior army leaders might yet side with the people as discontent deepens



**Barry O'Halloran**

**T**he brutal Islamist regime of the ayatollahs in Iran is under pressure like never before this weekend and a collapse cannot be ruled out.

The protests sweeping the country began two weeks ago and have spread to all 31 provinces. Initially, the protesters numbered in the low hundreds and were motivated by the collapse in value of the Iranian currency. These protests were spearheaded by small traders who shut down their businesses in bazaars across cities and urban areas.

The political significance of their disaffection can be seen from the fact that it was their support for the Ayatollah Khomeini's Islamic Revolution in 1979 that ultimately helped to make it happen.

In the last 24 hours, millions more ordinary Iranians have taken to the streets with a new demand: regime change. Over

the past 15 years, the Islamic Republic has faced mass protests. Each one was met with violent crackdowns that fractured the opposition networks. Nevertheless, each one helped to weaken the regime.

What is fundamentally different now is that the external environment has changed utterly.

Israel's 12-day war against Iran last June largely destroyed the country's nuclear and aerial defence facilities while at the same time eliminating the senior layer of its Islamic Revolutionary Guard Quds Force. This was a heavy blow both materially and symbolically.

In material terms, Iran's nuclear and missile production facilities were severely damaged and most of its aerial defence network was destroyed. As a result, Iran was completely exposed to Israeli airstrikes which could be mounted at will.

But this war may have caused even greater damage to Iran's prestige as the principal funder and armaments supplier to Hamas and Hezbollah and other jihadist terror groups in the region. Its effective defeat by Israel in this war undermined the ayatollahs' regime as the regional superpower it claimed to be.

But there was one other aspect of Israel's airstrikes on Iran that is noteworthy.

The Revolutionary Guard Quds Force is the elite military institution responsible for implementing the regime's foreign

policy through extraterritorial special operations and supporting a range of proxy organisations.

In every respect, it is a well-funded and extremely well-armed parallel military organisation to the Iranian army. The Israeli attack targeted individual leaders of the Quds Force — some were killed in their beds by rockets — while leaving the leaders of Iran's army untouched.

**This is unlikely to be accidental. It is** a recognition of the reality that while large-scale popular protests can help to undermine the regime, the only force that can bring it down is one with guns. The fanatics of the Quds Force are irretrievably wedded to the regime and will go down with it. However, senior army leaders might well be persuaded to side with the people and bring the Islamist regime to an end.

Despite its internal and external weaknesses, the regime still retains a substantial ballistic missile arsenal, a residual nuclear capacity and an undiminished ideological commitment to destroying Israel. Such a regime, even a dying one, remains extraordinarily dangerous.

While it may not collapse this week or next, its days are numbered. This is because of a fundamental fact of economic life. For a modern state to function, it needs to control its currency.

When the differential between the official and market exchange rates for the Iranian Rial reaches 35 to 1, as it is currently, it no longer functions adequately as money; economic planning collapses, business contracts lose credibility and savings become meaningless. No regime can withstand economic disruption on this scale for very long.

The consequences for ordinary Iranians are catastrophic. Even in major cities such as Tehran, water is intermittent and electricity and fuel are rationed. Inflation vastly outpaces wages and households are forced to either cut consumption or use meagre savings to survive.

In a major break with tradition, Iran's president, Masoud Pezeshkian, has publicly acknowledged the extent of the economic collapse. He has even gone so far as to express sympathy with the protesters, saying: "I have tasked the minister of the interior to hear the legitimate demands of the protesters through dialogue with their representatives."

Despite its antipathy to the Iranian regime, the Trump administration has offered it a way out. Drop the nuclear and ballistic missile programmes and end the financing of Islamic proxies and the sanctions would be lifted. The offer was rejected out of hand by Ayatollah Ali Khamenei, the state's religious leader, for whom regime identity and ideology take precedence over survival.

In the meantime, the mass protests continue to escalate. That we are witnessing the end of the 50-year Iranian revolution seems clear — when exactly that happens remains unclear.

The other unanswered question is whether it ends in a military coup or a bloodbath.