

Over the past 15 years, people's livelihoods have suffered due to sluggish economic growth. As an economist, how do you plan to implement reforms without hurting low-income groups?

We've been dealing with long-term economic damage. For decades, despite our hopes for better living standards, we're now facing the music. Over the past decade, in addition to the long-term harm from poor policies — which have shrunk household incomes and tightened family budgets — we've also had to contend with sanctions. Together, these challenges have brought about our current economic woes: slow growth, low per capita income, high inflation, and price hikes, with the economy riding out constant fluctuations. If we keep going down this path, the same problems will crop up again, and in another decade, even more people will fall below the poverty line. So, we need a real shift in the country's economic trajectory — a tough job that won't happen overnight or in a single year, but it's essential to get the ball rolling. Every economic reform is meant to boost growth and raise people's incomes so that everyone's standard of living picks up. However, any government policy can take a toll on certain groups, especially the vulnerable. That's why complementary policies must go hand in hand with major reforms to make sure the weakest aren't left behind. One reason I hammer on the need for gradual reforms is so we can ease into economic changes and cover weaker groups and businesses at a lower cost, giving them the chance to shore themselves up and ramp up productivity — so we don't see a spike in unemployment, which would open the floodgates to all sorts of other problems. The world's experience with economic reforms in the 1980s and 1990s drives home the lesson that sudden, radical changes can trigger major social harm.

What should be done to attract the investment the economy needs, and how can we channel both domestic and foreign investment into national growth?

Changing the current economic course, achieving growth, and jumpstarting production all hinge on investment and productivity gains. To spur investment, we must foster economic and investment security for the public. The economy should be as predictable as possible so investors and citizens feel confident enough to move their resources from non-productive or even harmful sectors into domestic production — whether agriculture, housing, industry, services, or oil. Economic stability, predictability, reduced uncertainty, and confidence in a healthy return on investment should all be top priorities. We also have significant domestic capacity, including among Iranians abroad. If we clear away obstacles to investment and production and offer a sense of security, many would be keen to bring their capital home. The government must line up projects and tell investors, "Just bring your resources, and we'll get the ball rolling." Beyond domestic resources, foreign investment can speed up economic growth. But as economic science teaches us,

more important than the sheer volume of foreign capital is the transfer of technology, technical know-how, and human capital. The transfer of managerial, economic, and engineering expertise is what will truly kick-start economic growth.

What does the justice-centered growth plan you presented to Parliament look like?

If we don't shake up economic policies, make structural and institutional reforms, and set new directions, we're bound to face another lost decade of economic stagnation, and the current situation will drag on. What we need is economic growth — a point repeatedly underscored by the Leader — focusing on production and serious investment. Naturally, growth is our main challenge now. If we don't get cracking, in 10 years we'll find ourselves lagging far behind neighboring and similar countries. Right now, regional countries are on the rise, but our economic growth rate is low. So, the government's core economic program must center around growth. Although we've seen periods of growth, the Gini coefficient and inequality remain high. Economic growth across provinces is very uneven — for example, compare Tehran's per capita income with other provinces. Such disparities can only be described as injustice. Despite efforts to root out deprivation in provinces, policies haven't necessarily been justice-oriented. Therefore, growth must be the primary goal. Justice-centered growth means growth that spreads across all segments of society and creates jobs for everyone, not just for a select few, leaving others ground under the wheels of development. This growth must be fairly distributed geographically and socially so everyone moves up together. This creates a multiplier effect for society and speeds up growth. This approach aligns with the country's ultimate goals, the Constitution, and general policies, emphasizing that while we focus on the economy, we must also keep justice front and center.

What is your plan regarding the capital market?

When we talk about justice-centered growth, we must see how this growth will come about. It happens through investment and productivity gains — this belief is our guiding light and main strategy. The Ministry of Economic Affairs and Finance has a diverse toolkit it can draw on to realize economic growth. For example, the ministry oversees the tax system and can leverage tax, customs, trade policies, the capital market, free trade zones, foreign investment organizations, and the banking, insurance, and state-owned companies sectors to kick off major projects that can be engines of growth and employment across the country, fostering balanced development, job creation, and income growth. We must bring together public capital alongside these tools to make growth happen. Naturally, the income generated will benefit all people. The capital market should be seen as a key pillar in production growth and a vital tool for popularizing the economy and attracting small investors into production and investment. Of course, there have been — and still are — some problems that have sometimes turned people off from this space. We must



nip these issues in the bud. We need to incentivize market participants to bring their resources into this sector and, importantly, steer more investment toward productive ventures.

What are your tax policy plans?

The tax system is designed to raise funds from the public to finance government spending on public goods and services like education, security, healthcare, and poverty alleviation. The tax system should be fair, though; Those who should pay more tax shouldn't pay less, and vice versa. One of my main goals is to design a tax system that boosts transparency, is intelligent enough to ensure tax justice, and integrates with the subsidy system. If implemented, this would end the current contradiction where we simultaneously give subsidies and collect taxes in other economic sectors, creating a more coherent system. This would reduce government costs while providing welfare for the public. Currently, the tax system is more of a headache for businesses — not just because of the tax amounts but due to the tax processes themselves. One of my serious priorities is to resolve this issue by smartening up the tax system, which would be a major help to businesses.

What is your plan to stabilize the exchange rate and reduce volatility?

Here as well, we must turn to economic science and the experience of various countries' economic and especially currency policies, which offer a treasure trove of knowledge and a good roadmap. What matters most to economic

actors and the public is predictability — especially regarding the exchange rate. Reducing uncertainty and maintaining economic and exchange rate stability is crucial. Stability doesn't mean a fixed number but rather a calm market where people aren't on edge about sudden currency jumps that wipe out their money's value. Those who get wind of changes early win the game, while those without resources lose out. This situation has worn people down and pushed the economy to the brink, causing a sharp drop in investment in production. Most people are motivated to park their savings in currency, gold, and other markets to preserve their assets. This stems from the policy environment over the years. While external factors certainly affect the economy, we must not be passive. We see in other countries that when shocks hit their economies, they try to soften the blow or even wipe it out through internal policies. We have not had such a policy. By law, the Central Bank is responsible for currency policy. However, the minister of economy, as a member of the Central Bank's High Council, the government's economic committee, and the economic coordination committee, can play a key role in currency policy. The minister of economy can also step up to coordinate between agencies, especially in adopting currency policies. The key point to keep in mind is that exchange rate policy must not harm people's livelihoods. When the exchange rate suddenly shifts or rises, its effects gradually trickle down into everyday life. However, the exchange rate

Iranian President Masoud Pezeshkian (front) defends the impeached economy minister Abdolnasser Hemmati in the Parliament in Tehran, Iran, on March 2, 2025. [president.ir](#)



Our hope is to reach a point where inflation is below 5 percent, and the exchange rate stays steady without shocks. But we must ensure exchange rate policies don't throw a wrench into production. Unfortunately, over the past decades, currency policies have sometimes taken a toll on either people's livelihoods or production. We must work to iron out these issues through coordination among the government's main economic bodies.

itself is a symptom, not the root cause. We need to dig into what caused the rise — how much stems from external shocks, how much from our passivity as policymakers, and how much from flawed monetary policies and liquidity growth that eventually spill over into the exchange rate. We shouldn't treat the exchange rate as an external factor; It's a consequence influenced by many economic variables. First and foremost, we must recognize that the exchange rate, as a product of economic policies, impacts businesses and people's livelihoods. Therefore, policies should be designed to keep the exchange rate predictable with relative stability. If we manage to reduce inflation with the Central Bank's help and create economic calm, we shouldn't see the exchange rate rising. In other words, if our inflation rate drops to 3 or 4 percent like in other countries, why should the exchange rate surge? It could remain stable or only fluctuate slightly based on economic conditions. Our hope is to reach a point where inflation is below 5 percent, and the exchange rate stays steady without shocks. But we must ensure exchange rate policies don't throw a wrench into production. Unfortunately, over the past decades, currency policies have sometimes taken a toll on either people's livelihoods or production. We must work to iron out these issues through coordination among the government's main economic bodies. These current currency policies have even caused problems in customs and goods clearance, leading to disasters like the Bandar Abbas incident. We shouldn't think these issues are unrelated. If we want to fix customs problems, we must trace the roots back to the exchange rate and trade policies.

How hopeful are you about Iran's economic future, and what honest message do you have for the people?

If I weren't hopeful, I wouldn't be here today. I wouldn't have studied, returned, and tried to help the country. I wouldn't be working on youth education and research development. I wouldn't be sitting here answering your questions. I accepted this responsibility out of religious, ethical, and professional duty. The president trusted me and gave me this role. I hope Parliament will also place their trust in me so I can step up as a servant of the people.

Why are you hopeful?

I'm hopeful for economic transformation, for change, for a shift in direction. I'm hopeful because of our educated youth, our hopeful people who expect and want the country to improve, and our economic activists — producers who stand firm not just for profit but out of deep patriotism, investing their resources and efforts. I'm hopeful because of our capable young people and efficient managers who may currently be sidelined but should return to economic management free from political noise and help restore rationality to the country's economic governance. I hope this path will slowly but surely bring about economic transformation with the people's help. These are the main reasons for my optimism about Iran's economic future.

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