

Socioeconomic Transformation of the Islamic Republic

Moonshot Project, Iran G8

The purpose of this study is to broadly outline development plans that can catapult Iran's arrested socio-economic development to the level of G8 countries in about 15 years. The means to achieve rapid economic expansion lie in Iran's most valuable untapped resource: its highly educated and capable young people, many of whom are leaving Iran and taking the economic and social benefits of their educations elsewhere. A comprehensive and rapid developmental plan can put this group to work for the benefit of Iran. The challenge is to find a suitable plan to animate their full potential before they age out and become an economic liability for the country.

Background

Iran has one of the best-educated populations in the world. And for the past thirty years, it has had one of the highest levels of brain-drain in the world. (1) These migrated Iranians, in general, rank among the most successful immigrant populations of their host countries, and have shown a robust capability for entrepreneurship and economic success.

Much of this entrepreneurial spirit originates in the culture of Iran. Communities in Iran have a strong tendency to compete socially and economically, to receive more recognition. The competition between the cities of Lar and Evaz, for example, has helped both develop much more rapidly. This kind of competition, which can be seen among many Iranian communities, creates enormous potential for healthy socio-economic development, if only it can be effectively directed. When this happens, communities can use their unique resources and the creativity of their residents to help their communities thrive and grow in a healthy way. The growth of local entrepreneurship is the key to the rapid economic development of any society. The challenge, in Iran as elsewhere, is to figure out how to empower communities to employ their resources in an organized, strategic fashion. The Moonshot Project provides an outline for accomplishing this.

Moonshot Project

The Moonshot Project is a fifteen-year development plan with the goal of totally transforming Iran both economically and socially. It will end with Iran's full integration into the global market economy, and with the purchasing power of everyday Iranians on par with their counterparts in other high-income countries. With this level of integration and purchasing power, an Iranian worker could afford to take two weeks vacation in Europe or anywhere in the world. They could send their children to the school of their choice. They could enjoy a comfortable middle-class life. They could be largely freed from want and deprivation.

To achieve these goals requires a comprehensive plan, a population willing to endure some pain and hard work, and a strong social commitment. We envision a development period divided into three-five years phases, as outlined below.

Phase I: Restoration and Stabilization.

The first five years of the Moonshot Project will be devoted to restoring the Iranian economy to a rational and sustainable market-based economic model with an emphasis on transparency and checks and balances.

One aspect of Phase I will be international, as Iran takes steps to reintegrate into the world community. To do this, it must pursue three concrete goals: completing its membership in the WTO, normalizing relations and reinstating alliances with the USA and other world nations, and recognize the state of Israel. In addition, Iran will immediately end support for all terrorist organizations, and participate in international standards of justice. This will enable Iran to gain much needed access to international markets and capital.

At the same time, Iran will work to get its domestic house in order. At present its highly centralized and politically driven government has drawn conglomerate webs of private interests around influential centers of power, where connected individuals have pursued personal goals designed to enrich and empower themselves. As a result, the government is controlled by a small coterie of powerful people who do not

have the citizens' interests at heart. Unbiased oversight of regulatory rules and the economy is currently nonexistent in Iran. Privately owned business and industrial entities survive based not on the strength of their offerings to the marketplace, but to their connections to the center of power. Consequently, the government has become the employer of last resort and manages a vast interrelated web of both large and small businesses that are not economically sound.

To counter this, we need to develop plans of action that will put an end to this corrupt, crony-supported economy. But we must understand that doing so will have a real impact on people. As such, our action plans must have as little impact on the social welfare of the population as possible. Two sets of separate plans of actions are needed to reduce and minimize the social impact on the population and rejuvenate Iran's economy.

Any attempt to improve the existing governmental institutions would require many more resources both in terms of time and treasure than starting new institutions that are competent and efficient. The answer, then, is to build new government structures to regulate, enforce, and provide social services and social maintenance. I believe that the best way to do this is to create a bifurcated government. In such a system, the central government would provide regulatory and oversight duties, which social services and social maintenance would be provided by local government. These community governments will also have access to capital for the undertaking of local entrepreneurial projects. This will be an enormously important part of the success of the new narratives for social change.

The development of community-based governments will begin with trial runs in at least ten diverse locations. Groups of university graduates and students from various backgrounds - sociologists, cultural anthropologists, economists, journalists, social workers, and entrepreneurial businesspeople - will be assigned to each community to provide a knowledge base, to accept input from knowledgeable citizens, to direct and document all processes, and to create a new narrative of success. This narrative will provide an emphasis on inclusiveness, collective action and decision making, personal liberty, and entrepreneurship.

The experiences of these collectives will add to the knowledge pool, which will be shared with all trial communities.

Once the central and community-based governmental structures are established, the old institutions can be used as a human resource pool, while the new institutions can employ all the good and experienced workers. These new institutions will pay their employees a decent living wage, but will demand high productivity and honesty. They need to provide a high level of unbiased regulation without any corruption, in fact, the slogan should be “no corrupt behavior will be tolerated,” and it must be repeated over and over. In order to secure the nation’s finances from corruption and ensure their effective investment, a National Trust Fund will be established. All long-term asset holdings of government will be transferred there for safe keeping.

The present central government institutions require a different set of solutions. To simply abolish them and send the workers home is not an option that any society can accept. Nonetheless, the central government must go through a rapid drawdown with full dissolution complete within the five years of Phase I. However, workers currently employed by the central government may be able to find work in a similar agency in the new central or the community government side. Those who cannot will be supported with capital for new ventures, welfare, retraining, and job search support provided at the community government level.

The reorganization of the political economy of Iran will have a tremendous impact on society. Before this can be undertaken, of course, effective public education and communication of the goals of the Moonshot Project must be given priority. Citizens must clearly understand and support the objectives of the Moonshot Project, and those who will be transitioned out of government jobs must be aware of the available support system that will transition them into new ones.

At the same time as the dissolution of the central government takes place, its business holdings will be slowly transferred to the Iranian private sector in a transparent process that avoids enriching the few at the

public's expense. All proceeds from sales will go to the National Trust for the benefit of the nation. The goal of the process will be to make as many of these entities run as profitable businesses by finding experienced management teams to operate them. All obligations such as unpaid workers' wages and dues will be converted to a percentage ownership interest, and these businesses will be offered to both Iranian and non-Iranian buyers alike. But the Iranian people must have the first chance to hold these companies instead of outright sales to foreign companies.

Iran's GDP is reported to be \$430.7 billion (2017 est.). However, at purchasing power parity (PPP) - exchange rates are the sum value of all goods and services produced in the country valued at prices prevailing in the United States is \$1.64 trillion (2017 est.).⁽²⁾ These indicators show that Iranians' purchasing power is comparatively much lower than Americans', which is one gauge of the lack of health in Iran's financial system. I believe, if previously mentioned reforms of economic and financial institutions are done in this five-year plan, The gap between GDP and PPP GDP will diminish very rapidly. This conversion will cause rapid economic growth, but the government needs to be very vigilant to make sure that it will be evenly distributed across the citizenry.

The first five years of the Moonshot Project should end the endemic patterns of social and economic corruption in the country and create strong regulatory agencies. But this cannot be done without the support of an independent, free and capable complement of mainstream and social media outlets, which can play a role in ensuring transparency and giving voice to all political opinions. Restrictions on free speech and journalism must be rolled back.

Under the new system, the central government will establish and enforce reasonable regulation. Government social services will be decentralized and competent, inclusive and effective. Achieving these goals requires a very effective communications campaign to make sure that the population of the country is well informed and they also share these objectives. Once the nation reaches this platform, then the stage

is set for rapid socio-economic development. But without a capable government and social institutions that are trusted by the people, progress is impossible, and we can never achieve our goals.

Phase II: Demographic Juxtapositions

Our approach to economic development is based on developing entrepreneurship at the community level. To do this, we will need to access relevant knowledge and experience available at the community level, including well-educated young people.

Once the first ten community governments have worked out their bugs in Phase I, we will proceed with the development of community governments nationwide, some 300 in all. They will be rolled out in groups of 100, with each sharing knowledge and supporting development of the other.

In order to develop a strong, community-based economy, we need to have a practical understanding of Iran's socio-cultural strength and potentials, as well as knowledge of its weaknesses.

Positive Cultural Strengths and Assets

1. Iran possesses a vast pool of well-educated young people who are eager to participate in positive economic development.
2. There are between two to three million Iranian in the diaspora, a disproportionate number of them are wealthy and very well educated. A significant number of them are very enthusiastic about Iran and identify as patriots. This group can play a key role in transferring knowledge and capital for various development projects.
3. As a natural oil and gas producer, Iran should generate enough wealth for capitalizing all reasonable projects.
4. Availability of decent ports and transportation network facilities throughout the country is adequate, but future improvements must be studied.
5. A culture of rivalry between communities and individuals can be used to accelerate economic growth

and entrepreneurship.

6. Over the centuries, Iranian workers have shown to be highly adaptable, with a high level of professionalism and dedication to the work and the quality of craft.

Vulnerabilities and Deficiencies

1. Water shortages are becoming an endemic national problem. The water shortage impact will ever sector of society.
2. There is an absence of a narrative of success in Iranian communities and in its place a pompous self-adulation of the glorious past has replaced the devotion to search for perfections.
3. Lack of local community capital markets.
4. Perceived social significance based on false class divisions and entitlements.

Overcoming Deficits

The population of Iran is approximately about 85 million. For a population of this size, the water shortage will always have a constant negative impact on any types of development. Development experts have pointed out that current water sources cannot be a reliable source for more than 40 million of those people.

Therefore, we must endeavor to develop a new way of bring prosperity to Iran and a new way for Iranians to live. Iran has about 1520 miles of coastline in the south, but historically the coasts of the Persian Gulf and the sea of Oman were considered to be very undesirable. The hot and humid climate of summertime was unbearable for the mountain people of Iran. In fact, as a punishment, criminals were sentenced to live there for some years. Iranians never developed any interest for sea voyages; they were first exposed to European trade vessels in the seventeenth century who were congregating at the southern ports for trade, they never demonstrated any interest to learn about navigation or ocean voyages. Iranians somehow looked down on Europeans as non believers and greedy people who would do anything for gold, and did not believe they can learn from them.

This attitude and the harsh climate left this part of the country undeveloped, but today it represents opportunity: it can be used as a frontier for population expansion away from the diminishing aquifers of the north. Picturesque sand beaches, the warm waters of the Gulf and a number of significant historical and geological attractions give this area enormous tourist potential, especially for those from the colder northern latitudes.

The warm ocean waters of the Iranian coastline also provide great potential for aquaculture. The Indian Ocean and East African coast are currently among the significant sources of fishery activities of the world, but natural fisheries are being strained to their limits. But the nations of the world are learning how to develop sustainable aquaculture, and Iran could participate. The development of tourism and aquaculture could also provide impetus for a maritime industry. The manufacture and maintenance of pleasure yachts and small boats could be very lucrative industries for regional entrepreneurs.

These potentials can only be realized with the support of motivated individuals and a government that can provide the basic necessities of living, including first and foremost fresh water. The following are needed to meet a basic standard.

1. Developing many desalination plants and atmospheric water projects for the production of fresh water. Atmospheric plants along the coastlines can be very feasible both for small or large agricultural projects and living communities. The extremely high humidity of the air can be a very reliable low-cost source of fresh water that can be gathered through fog collectors or more advanced technologies.
2. A strong refrigeration industry to provide cooling for homes and industrial refrigeration for products.
3. Reliable modern airlines. Both tourism and the transportation of seafood and other agricultural products require a fast, inexpensive, and dependable air transportation system. Fortunately, there is an excellent synergy between tourism and perishable food commodities transportation so that ordinary local businesses can have access to world markets that would benefit these local ventures. .
4. A large hotel industry, with a variety of options for every budget.

5. Reliable civic infrastructure

Based on my estimation, migration to the southern coastlines will require the construction of about 140 communities along the 1520 miles of coastline. There are many natural and climate challenges to overcome, but these communities will be able to thrive if they adopt a new way of life that puts them in harmony the natural world. This will be an enormous socio-economic transformation, but it is also an opportunity for Iran to become a world leader in sustainability.

No development plan can be considered to be successful if a reasonable source of employment and comfortable living cannot be found in the country. But without adequate access to water, the development of Iran will be impossible. Encouraging Iranians to move away from the traditional aquifers in the north, and to live in tune with the climate, is a must for the Moonshot Project.

Phase III: Subsistence, Sustainability, and Continuous Development

In any nation, socio-economic development is achieved through the efforts and hard work of entrepreneurs' creativity, personal sacrifice, and endurance. These efforts can only become successful when these visionaries are part of a supportive community. But in order for Iran to benefit from the wealth it generates, that wealth should be recycled through local markets – not siphoned off. This creates a cycle in which continuous development is sustainable. The objective of Phase III is to make this process universal and effortless throughout the entire nation.

During Phase III, all efforts will focused on furthering community-based socio-economic development that creates enduring institutions of governance with built-in checks and balances against corruption and authoritarianism. Community cooperation, the fair and equitable distribution of wealth, and cultural inclusiveness must all be ensured.

Healthy economic competition will encourage citizens to support their local entrepreneurs in creating better living standards in their communities. Collectively these efforts will increase economic growth and create the foundations for the next generation of entrepreneurs.

But building and adjusting the community governments and their institutions will require skill, dedication, and commitment on the part of community organizers and officials. They must manage the communities and develop metrics to keep track of economic growth, living standards, and wellbeing among the people. In this way can the communities and government officials be held to high standards.

Creating and training community leadership teams will be challenging. One possibility might be to create programs at universities that guide students in the fields of social science, economics, and personal and social psychology into public service once they graduate.

Ultimately, these inclusive communities will learn to value individual freedom, and will support and respect entrepreneurship because it will be the driving force behind continued, sustainable, and efficient economic development in Iran.

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Mohammad A. Chaichian, (2011) "The new phase of globalization and brain drain: Migration of educated and skilled Iranians to the United States", *International Journal of Social Economics*, Vol. 39 Issue: 1/2, pp.18-38,

2.

country comparison to the world: 18

GDP (official exchange rate): This entry gives the gross domestic product (GDP) or value of all final goods and services produced within a nation in a given year. A nation's GDP at official exchange rates (OER) is the home-currency-denominated annual GDP figure divided by the bilateral average US exchange rate with that country in that year. The measure is simple to compute and gives a precise

measure of the value of output. Many economists prefer this measure when gauging the economic power an economy maintains vis- . . . more GDP (official exchange rate) field listing