

Towards a 'Cooperative of Cooperatives'

An economic mechanism for achieving democracy in Iran and elsewhere

This abstract starts with the vexed question in the minds of many UK and EU-based administrators:

Is there any solution to continuous Middle Eastern conflict and the issue of immigrants?

The UK may be thousands of miles away from the Middle East, yet it is affected by every conflict that breaks out within that troubled region and in particular by the resultant stream of immigrants for whom home is no longer a safe place for their family.

It is widely agreed that Iran is a major contributor to this troublesome scenario and not just because of location, yet how can this be?

- Iran is a spacious, scenic and historic country boasting many UNESCO World Heritage sites and a climate ranging from +35 degrees in the south to -20 degrees in the north;
- It has the largest gas resources and the fourth-largest oil resources in the world;
- It is a key world repository of precious stones and its wide range of mines produce all kinds of other minerals and metals;
- It is known for the excellence of its carpets, caviar, pistachios, saffron and for its cuisine;
- It is a land of poets and thinkers and famed as the birth-place of human rights on this planet.

How come, then that this same country has in modern times earned itself the notorious reputation of being the region's chief exporter of terrorism and arch-exacerbator of international conflict?

Of course the finger points squarely at this country's government, the Islamic Republic of Iran.

The Islamic Republic of Iran or 'Iranian Regime'

The Islamic Republic claims to be at once the representative of the Holy Prophet of Islam and of God Himself on earth. Under this mantle of self-assumed, supreme religious authority it perennially proceeds to plunder the entire resources of the country, both natural and financial, including the very mountains! and to distribute these precious resources amongst a highly-select handful of the people. This 'chosen few' stash their haul away in international banks and create lavish lives for their families.

What formerly passed as the Iranian government has degenerated into one of the world's most internally repressive and outwardly threatening regimes.

Iranian regime activity within the country:

- Control of the population is secured via a mishmash of 'Revolutionary Guards' and other militia assisted by undercover operatives sent in to spy on citizens;
- All opposition newspapers are shut down;
- Students and journalists are imprisoned;
- All public protest is suppressed; dissidents are tortured in prison and hung in batches;
- Compulsory veiling is imposed on women while men enjoy polygamy and marriage with underage girls;
- Followers of religious groupings other than the state religion suffer heavy persecution;
- Ethnic minorities are oppressed and have no civil or political rights.

Iranian regime activity abroad:

The regime regularly intervenes in the affairs of Afghanistan, Iraq, Lebanon, Yemen, Saudi Arabia, Palestine and Syria through manipulation of their financial resources and weaponry and the deployment of its private militias; it fans the flames of war between Palestine and Israel and between Syria and its opponents; also, by strengthening Lebanon's Hezbollah, it fuels the instability of that country, while in Yemen and Iraq it continuously stirs up conflicts between opposing parties.

The regime ransoms all Iran's resources to the governments of China and Russia in order to buy their support.

Economic concentration = concentration of power = corruption + abuse of power = dictatorship = export of terrorism – how can the cycle be broken?

When all economic leverage is concentrated in one place within a country, there is always the risk of abuse of power and that the country's economic and military resources will be utilised for the imposition of private interests, however these are defined outwardly. Moreover, such a centralised government will tend both to suppress the people and to seek to extend its power beyond the country's borders. When a central bank and banking system are entirely in the hands of the government effectively a mafia will rule the country! The Islamic Republic is a glaring example of this syndrome.

If the Islamic Republic falls, will this solve the problem?

The pandemic of Coronavirus has momentarily brought a pause to public unrest in Iran. It could be a time for reflection. Let's visualise, therefore, that the Iranian regime does finally collapse and that opposition groups and the people establish a new Parliament or Citizens' Assembly and begin devising legislation to secure a permanent democratic future for the country.

A new government is formed and with it comes new hope. And yet, while the same centralised systems as before remain in place, there is always the risk that down the line, those in power will begin bending the laws in their own favour and that, bit by bit, the same corruption, dictatorship and terrorism will once again rear their ugly heads.

What is the solution?

There is only one mechanism that can prevent the syndrome of concentration or centralisation of power, hence obviate the risk of that degenerating into corruption and dictatorship. It is to de-centralise the economy in such a way that economic leverage can never be concentrated in one place. A de-centralised or 'devolved' economy is also the way to ensure that central government provides services to every citizen in exchange for income.

What is a de-centralised or 'devolved' economy?

The 21st century's communications and financial transactions systems offer the possibility of commercial activity carrying on independently from central banking systems.

For example: A theme park company in Brazil purchases raw aluminium from South Africa. They arrange for it to be delivered to a small factory in the UK which moulds and makes the wheels of its roller-coasters. This business has been carried out for the last five years without passing through Brazilian banks.

How will such an economy work in Iran?

1. The economy will be localised via an innovative use of Iran's main natural resource, gas

Iran has the largest gas reserves in the world (29.6 trillion cubic meters of certified gas resources) hence gas should be the country's main export. However, gas-piping for gas export today is by no means cost-effective, according to studies carried out by the World Bank; if gas pipelines exceed 1000 km in length, the amount of gas wastage becomes prohibitively expensive. Ideally therefore, Iran's gas should be utilised inside Iran.

2. Gas will be utilised as the resource for electricity-production and sold to the Iranian people!

A practical scenario of a de-centralised or devolved economy based on gas in Iran:

Consider a young man in a remote and deprived village, say nearby a town in Sistan, Iran. This young man has nothing in the world but the land he inherited from his father, which he has been cultivating, but due to drought this is no longer possible. He now plans to leave the area to find a job in a big city. But there there could be another option for him, namely, to set up as an electricity producer.

It could be that on the same land, a gas power-plant producer offers the young man a gas power-plant under a secure contract. At the same time, the largest and most advanced supplier of electrical power grid-lines is simultaneously re-building or renewing the countrywide grid; this company has signed a contract with every electricity-producer to deliver the power they produce to the European electricity market.

The grid will extend from the very south of Iran to the country's neighbours alongside the Caspian Sea also connecting via the Black Sea to southern Romania. The grid benefits from HVDC (high voltage direct current) rather than HVAC (high voltage alternative current), therefore involves less wastage of power.

The young man is now able to purchase gas from the government and use it to produce electricity which he can pass to the intercontinental grid feeding the European market. He trades the produced electricity in the European electricity exchange; the buyer could be any wholesale outlet or business in Europe. The buyer may pay in money or in goods of interest to the producer.

When the young electricity-producer receives the payment, he will in turn pay the government for the gas, with a set portion to the power-plant owner and a further part to the grid-provider.

In this way, firstly, the country's domestic needs for electricity are met and the growth, development and expansion of each region of the country is boosted. The country no longer needs nuclear energy to generate electricity (Iran's nuclear issue will be rectified). Surplus production may be exported and sold in the global electricity network.

In the 21st century, technology is just a commodity, no more than that. No one pays to own the technology, but only pays to use it! According to our scenario, the gas power-plant supplier offers 'gas-to-power' as a service, and the grid-provider offers 'access-to-grid' as a service. The young Sistani electricity-producer will be only the 'user of the service' and is certainly not employed by anyone. The concept of 'technology-as-a-service' will empower the partnership between all the parties. A more efficient power-plant will offer better income and the same with the grid-provider.

The financial part of this hypothetical project has been carefully calculated end-to-end at Heriot-Watt University in Scotland and both power-plant and transmission-line companies have confirmed that they could deliver their technology and services based on these calculations.

The system must be fair so that the young Sistani electricity-producer can fully benefit and his company remain viable. At the same time, he will be able to pay income tax to the Iranian government and thus he will also benefit the economy of his region.

By this mechanism the electricity-producer's company will receive its income directly from the European Electricity Exchange or the Energy Treasury and does not have to rely on the banking system of Iran and the central government in any way; it will pay the government only for the gas consumed as it has a gas contract.

The central government relies financially on such buyers to buy their gas as well as to pay tax. It must therefore provide social and civil services in return for the tax received, otherwise this income will be lost. On the other hand, the market will protect the supplier from any abuse.

Now, suppose that around the country there are several thousand people like our young Sistani who wish to generate electricity by availing themselves of Iran's abundant gas-supply. That is several thousand energy production centres and economic centres throughout the country. In order for this burst of countrywide new economic activity to run smoothly it needs to be coordinated under a mechanism endorsed by all participants.

The proposed new mechanism or system can be briefly described as 'mutually-supportive' or '**cooperative**' and to ensure widespread participation it needs to be coordinated by a '**Cooperative of Cooperatives**'.

How will such a 'cooperative system' work in practice in Iran?

In the above scenario, the young Sistani man needs to establish a cooperative in order to run the electricity-plant to best effect. The entire supply-chain of the plant should rely on a number of such cooperatives, from the maintenance workers repairing gas pipelines to the experts engaged in monitoring quality and production targets and so on. Each part of the production should organise a specific cooperative according to the type of work it carries out.

Every Iranian can be a member of any number of cooperatives formed through the cooperation of cooperatives. The work and interests of one cooperative might overlap with the interests of other cooperatives, generating mutual interdependence and respect for rights between cooperatives.

In fact, the cooperative model can be applied right across the whole of society, linking families and groups of neighbours, local service providers, sports, leisure and cultural amenities, educational establishments, businesses and retail outlets and so on. Every Iranian could and should become a member of at least five cooperatives linked together for mutual benefit and support!

The people of Iran are deeply fed up with and tired of the suffocatingly repressive system under which they have struggled to live their lives for over four decades. Here at last is the means of bringing the nightmare to an end, swiftly and conclusively, in the form of a new mechanism for re-ordering and re-empowering society which is entirely simple and straightforward: that everyone working or active in the society should form a cooperative with others with whom they share a common interest and then, that all together demand their civil rights and liberties from central government!

Throughout the world, no one should be ever be prosecuted for demanding their civil rights. The whole world will stand with the mass of the Iranian people peacefully demanding the return of their rights from the dictatorship that has withheld these rights from them ever since 1979, as well as posing a threat to the stability of the wider international community.

There is no other way of toppling the mullahs' regime. 'Popular cooperativism' is the way of the 21st century and the supreme antidote to the type of dictatorial regime long suffered by the Iranian people and other peoples around the world.

What will be the domestic and international pay-offs of this plan?

Inside Iran:

- Democracy and fair distribution of the country's resources amongst the people of Iran;
- With better financial distribution, all parts of the country will enjoy a better standard of living and the economy of the whole country will change for the better;
- Iran will even be able to invite labourers from other countries to join its workforce.

Outside Iran:

- A new power-grid stretching from the southernmost part of Iran to the countries around the Caspian Sea will benefit local economies everywhere within its ambit;
- Iran and the Caspian littoral states will be able to enter the European market;
- The same power lines could extend eastwards towards India and China and westwards towards North Africa;
- With the arrival of these energy-lines in Europe, Russia's predominance over the energy market will be brought into balance with European countries;
- Instead of regional conflicts, the countries of the region will move towards economic cooperation and friendship with each other; differences of religion and ethnicity will pose less and less problems;
- The problem of immigrants in European countries will be resolved;
- Many more such kinds of benefits will result!

Author's Note

"I'm not a Capitalist nor a Communist, I'm a **Cooperativist!**" I tell people. The '**Cooperative of Cooperatives**' or '**Cooperativist Movement**' is a new movement for the 21st Century which has only become viable as of this new millennium because of advances in communications and financial streamlining via the internet. Taking advantage of these, I have designed this plan as a blueprint for the permanent establishment of democracy in Iran or any other country being held back by a dictatorship. I claim no property rights regarding it; anyone may use this plan to achieve democracy in their country. At the same time, utilising this plan for private or individual benefit is strongly discouraged. The intended beneficiaries are those fighting for freedom and democracy in their country, as in Iran.

If you aim to use this information honourably for the purpose intended, I will provide you with all the relevant resources for free.

This plan is no more nor less than a mechanism for securing and consolidating democracy in any country. It is not claiming equal status with invention. It has arisen organically out of the human situation of a country and people suffering tyranny and oppression for over forty years.

At long last, a major door has opened, for all on this planet.

Kambiz Moslehi – Belinda McKenzie

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