

Group 1

IRAN & THE YOUTH REBELLION



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Iran is facing a multi-dimensional crisis characterized by economic collapse, political fragmentation, and widespread youth-led protests challenging the legitimacy of the Islamic Republic.

The convergence of demographic pressures (60% of the population under 30), economic stagnation, and digital connectivity has created a generational rupture between the regime and its youth.

Young Iranians want change in their country from women's rights to jobs and freedom. Their movement is changing how we understand political risk around the world.



INTRODUCTION

Iran's youth rebellion began as a response to decades of repression, corruption, and lack of opportunities. A new generation grew up disconnected from the ideals of the 1979 Revolution and demanded change. Their voices called for freedom, equality, and a better future.

Protests gained strength after the death of Mahsa Amini in 2022, symbolizing resistance against the regime's control. Young people, especially women, led demonstrations across the country. Despite arrests and violence, their determination inspired global solidarity.

Today, the youth rebellion continues to shape Iran's political and social landscape. It reflects a deep generational divide and a struggle for democracy and human rights. The movement stands as a symbol of courage and hope for Iran's future.



THE YOUTH REBELLION

Youth Unemployment

- 20% in 2024
- Women aged 20 to 24 has reached a staggering 34.9%

Iran - Israel conflicts

18/06/2025

- Crude Oil Export dropped to 100 000 Baril a day
- Military Operation cost: 2,4 Billion \$

Gouvernement Debt to GDP

36,8% in 2024
Budget Deficit: 4,1% of GDP

Exports

Oil: 57% of total export earnings in 2025

Corruption

CPI Score: 23/100
151/180 Corruption Perception Index

Rial → EUR



ECONOMIC RISK

SOCIO-POLITICAL RISK

ANALYSIS

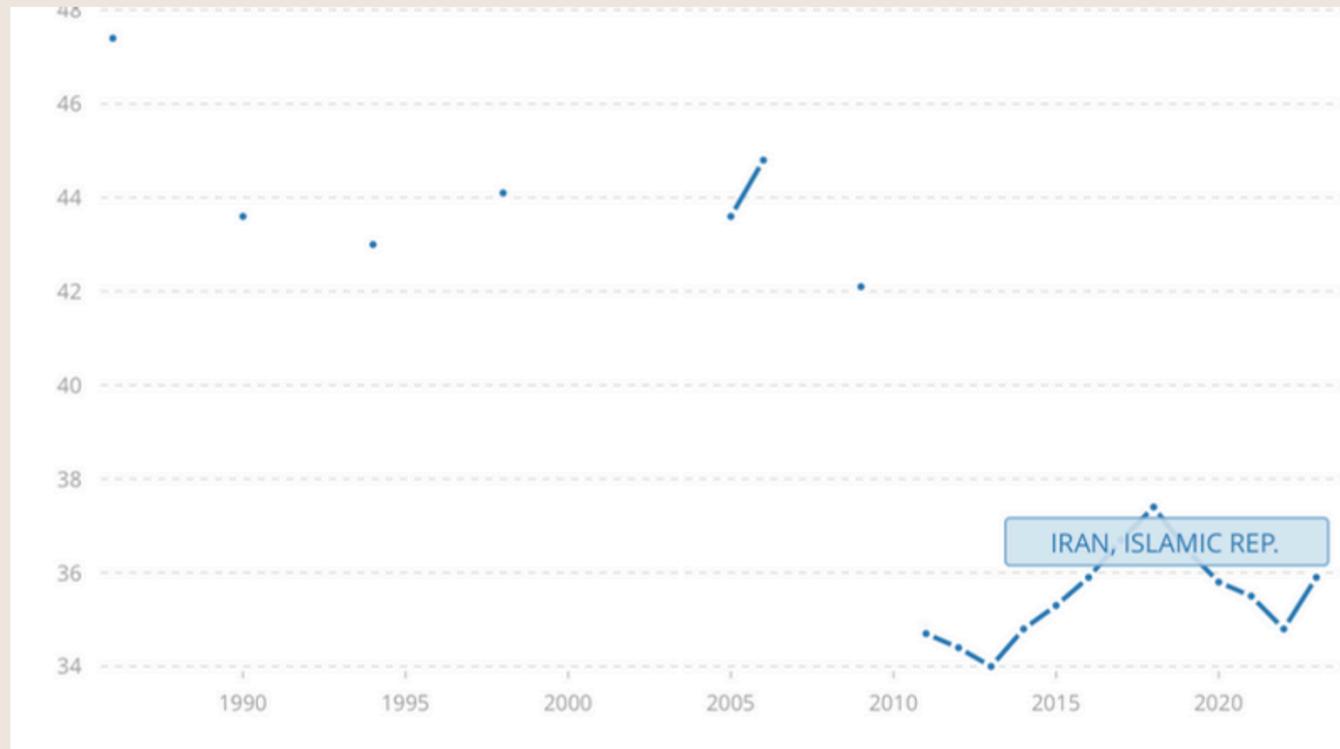
Political risks

- **Authoritarian Governance:** Iran remains a theocratic regime dominated by the Supreme Leader and the Islamic Revolutionary Guard Corps (IRGC), limiting democratic participation and civil liberties
- **Political Polarization:** The country is experiencing deep internal divisions, especially between reformists and hardliners.
- **Regional Instability:** Iran's involvement in proxy conflicts and its confrontation with Israel have escalated tensions. The 2025 Israeli airstrikes on Iranian nuclear sites have intensified geopolitical risks
- **Institutional Fragility:** The legal and administrative systems are weak, with unpredictable enforcement and widespread corruption. Business environments are rated as highly risky.

Social risks

- **Economic Collapse:** Iran's economy is in free fall due to decades of mismanagement, sanctions, and corruption. The national currency has devalued dramatically, inflation is soaring, and GDP is shrinking
- **Civil Unrest:** Widespread protests are expected as purchasing power declines and unemployment rises. The population is increasingly disillusioned with the regime's inability to deliver economic stability.
- **Human Rights Violations:** Ethnic and religious minorities, such as Kurds and Baha'is, face systemic discrimination and limited access to political and social rights.
- **Youth Discontent:** A generational shift is underway, with younger Iranians demanding reforms, gender equality, and freedom of expression. The regime's repressive response has further alienated this demographic.

Wealth inequality (Gini Index) :



HDI

Iran (Islamic Republic of)

2023 HDI value **0,799**

HDI change from 2022 **+0,006**

Life expectancy at birth **77,7 years**

Expected years of schooling **14,0 years**

Mean years of schooling **10,8 years**

Gross National Income per capita **16.096 (constant 2021 PPP\$)**

Life expectancy

Male

75.7

Female

79.1

Total

77.3

World Rank

49

GOVERNANCE RESPONSE

The Government, in response to the 2022 youth revolution, used similar action to protests in 2019 and others prior, including immense crackdowns and violence. This is seen in these categories of action:

- Live ammunition, which saw hundreds of protestors killed, including more than 44 children.
- Mass arrests with thousands being taken.
- Internet blackouts to try and cripple the youth's ability to coordinate.
- Very harsh sentences for protestors, including the death penalty.
- Aggressive and violent police action (aside from the live ammunition).

This extreme stance, taken in order to maintain the government's power over the people, was seen to have some effect. With increasing risk to the protestors, many were discouraged, killed, or punished for protesting, leading to a decline in overt civil disobedience acts.



IMPLICATIONS FOR GLOBAL GOVERNANCE

Investors and multinationals

- High governance risk: weak rule of law, corruption, and regulatory instability.
- Sanctions & compliance risk: renewed UN and Western sanctions restrict finance and trade.
- Operational risk: unrest, strikes, and internet blackouts disrupt business continuity.

→ *Face reputational and operational risks due to sanctions and instability.*

for

Policymakers & International Governance

- Youth rebellion signals a legitimacy crisis with regional spill-over potential (migration, security).
- Sanctions may unintentionally amplify social unrest by shrinking the middle class.*
- Need for early-warning systems integrating social indicators (youth protests, digital repression) alongside economic and political data.

*Farzanegan, M. R., & Habibi, N. (2025). The effect of international sanctions on the size of the middle class in Iran. *European Journal of Political Economy*, 90, 102749. <https://doi.org/10.1016/J.EJPOLECO.2025.102749>

Key Indicators to Monitor

- Governance scores (World Bank WGI)
- Youth unemployment & inflation (World Bank Data)
- Protest frequency & internet shutdowns (ACLED, NetBlocks)

CONCLUSION

- Iran's youth rebellion is not a fleeting protest: it's a structural signal of governance failure and generational rupture.
- Governance indicators and economic metrics reveal a state under stress, with legitimacy eroding across multiple fronts.
- The youth factor reshapes traditional risk models.
- For global stakeholders, early-warning systems, scenario planning, and youth engagement strategies are essential.
- Iran's trajectory will influence not just regional stability, but the future of global governance in volatile states.



THANK YOU
FOR YOUR ATTENTION!

Are there any questions?