

## The Leader's meeting with President Rouhani and his cabinet - 30 /Aug/ 2018

In a meeting with the Iranian President Hassan Rouhani and his Cabinet members this morning (Wednesday), Leader of the Islamic Revolution Ayatollah Seyyed Ali Khamenei cited the distinctive indexes of the true Islamic rule, namely "justice, chastity, piety and standing by people" as the yardsticks to measure and assess the steps taken by officials. He also mentioned some important points regarding economy, foreign policy, unity and internal coherence, adding, "In the field of economy, hard, voluminous and high-quality work must be done and economic officials must work round the clock to solve people's problems."

At the beginning of his remarks, the Leader of the Islamic Revolution extended his congratulations over the auspicious occasion of Eid al-Gahdir and described Imam Ali (Peace be Upon Him) as a great divine bounty in his capacity as the Guardian of the Islamic Ummah and the Prophet's successor. He said, "Our most important duty as an Islamic government is using Imam Ali (PBUH)'s method of governance as the benchmark and standard." He also felicitated his audience on the Administration Week, saying that this week brings to mind the everlasting names of former president, Mohammad Ali Rajaei, and his prime minister, Mohammad Javad Bahonar, both of whom were martyred in a terrorist attack in Tehran in 1981. Ayatollah Khamenei reiterated, "The Administration Week is an opportunity for the executive officials to evaluate their own performance. Furthermore, in this week, the statesmen, including the brethren and sisters present in this meeting must be told "may God give you strength," because management of a country with a population of over 80 million faced with various issues is a very difficult and heavy responsibility."

The Leader of the Islamic Revolution also stressed that the Administration Week is also an opportunity to assess weaknesses and strengths of the executive officials and bodies, adding, "In this assessment, positive and negative points should be seen together so that the strengths are enhanced and the weaknesses are eliminated." Appraising the performance of the first year of the 12th Administration, Ayatollah Khamenei said, "In this year, good steps have been taken with regards to economic growth, energy, increasing non-oil exports and reducing imports and the process of increasing exports and reducing imports must continue at a greater rate and at the same time, these services must be explained to the people in a dexterous manner."

Elsewhere in his remarks, the Leader of the Islamic Revolution elaborated on the country's economic issues and pointed to a coordination meeting held among the heads of the three branches of the government. He adding, "The objective of holding such a meeting is focusing on the main economic issues and coordination to resolve them as soon as possible; therefore, common grounds must be increased in these meetings through dialogue and consultation."

Ayatollah Khamenei stressed that the enemy has focused on the issue of the country's economy due to some weaknesses and economic voids, reiterating, "In the economic sector, strong and plentiful work must be done so that all of the voids are filled, because this is possible and doable and we have no deadlocks in the management of the country's economy."

He added, "The quality and quantity of the activity and performance of the country's economic officials must be such that they would work round the clock and the pivot of their actions must the policies of the Resistance Economy, whose basis is reliance upon domestic production."

The Leader of the Islamic Revolution stressed, "The Resistance Economy's policies both include digging a defensive trench and increasing our power in the face of the enemy while developing our capabilities for moving forward. Therefore, the Resistance Economy, with a focus on domestic production, has offensive and defensive aspects." Ayatollah Khamenei stressed that the issue of domestic production and the removal of its problems is one of the important issues that must be concentrated upon in the coordination meeting among the heads of the three branches of the government. He added, "There are solutions to production problems and economists have also offered resolutions for them, which if implemented, will result in an improvement in the livelihood of people, considering



that a large group of people in the society are currently having problems."

The Leader of the Islamic Revolution stressed that an all-out effort must be made to prevent the closure of factories and/or prevent them from working below their capacity. Ayatollah Khamenei then turned to the issue of economic management, saying, "Economic management is a responsibility of the administration. Of course, this management does not mean monopolization and the objective of the general policies related to the Article 44 [of Iran's Constitution] is that there would not be any monopolization."

Explicating economic management, Ayatollah Khamenei added that "opening the doors to honest economic agents as well as innovate and diligent youths, and removing the obstacles and the improvement of the business climate" in addition to "closing the avenues of corruption and fighting the corrupt" were two important pillars of the country's economic management.

The Leader of the Islamic Revolution said one of the ways to improve the business climate is to prevent issuing successive and perhaps contradictory directives, stressing, "Calm and stability must be ensured for economic agents so that they can make plans for their future."

Ayatollah Khamenei said fighting the corrupt and closing the loopholes of corruption require the open eyes and astuteness of the executive bodies. Pointing to the issues in recent months concerning the gold coin and forex market, the Leader reiterated, "Even though some justifications were provided for these issues, managerial negligence and oversight has occurred."

The Leader of the Islamic Revolution stressed that there are advanced methods for overseeing the allocation of foreign currencies, saying, "When foreign currencies are to be allocated and released into the market, this must be done with open eyes and it should not be such that in these hard conditions for the country, several million dollars would fall into the hands of a few so that they would smuggle them or make other uses of them in the name of importing goods or be earmarked for overseas recreational trips."

Ayatollah Khamenei stressed that the administration is capable of the country's economic management, noting, "The prerequisite for such an economic management is serious perseverance and dedicated struggle in the [economic] arena combined with full and continuous oversight to block the loopholes of corruption so that there would be no more need for action by the Judiciary."

The Leader of the Islamic Revolution said the shortage of some consumer articles and goods at certain junctures is artificial and some kind of sabotage, adding, "You must monitor such actions with open eyes and counter them." Continuing on the topic of the necessities of economic management, the Leader underscored "the utilization of the country's plentiful and outstanding potentialities" and citing a report from international centers, added, "Iran ranks first in the world in terms of untapped potentialities."

Ayatollah Khamenei then pointed out, "According to statistics released by international institutes, Iran is currently 18th among two-hundred-and-odd countries according to its gross domestic product index, and if better and more use is made of domestic potentialities, we can reach higher global rankings."

He described "disadvantageous use of domestic potentialities and resources" as another problem existing in the area of economic management, asking, "Why should Iran, which is among the biggest oil producers in the world, be importing gasoline? Whereas correct use can be made of the great bounty of oil reserves by building refineries and producing and even exporting oil products."

The Leader of the Islamic Revolution said the consumption of more than 100 million liters of gasoline a day is another example of poor use of domestic resources and potentialities, adding, "The Oil Ministry and other administration officials must explore ways to reduce gasoline consumption."

Ayatollah Khamenei criticized the unwillingness of the administration to widely use the huge potentialities of the private sector, saying, "The correct and complete implementation of Article 44 and using businesspeople, producers, industrialists, spare parts manufacturers and other segments of the private sector will certainly be effective for the country's economic management and progress."

The Leader of the Islamic Revolution said providing incentives for the involvement of the private sector in unfinished projects is one of the ways to tap into the potentialities of economic agents and containing the liquidity.

"The need to contain and manage the liquidity" was another point that the Leader of the Islamic Revolution reiterated in his meeting with the administration officials.

Underscoring the possibility of containing the liquidity, the Leader added, "Regardless of where the runaway



liquidity goes (into gold coin, foreign currency, or any other market), it will be destructive and a full-time, diligent and committed group must assume responsibility for controlling and managing it."

"The Central Bank's powerful control and management over other banks" was another recommendation by Ayatollah Khamenei for the country's economic management.

He criticized the continued involvement of banks in business activities and other costly measures such as increasing the number of bank branches, saying, "Through complete and close supervision, the Central Bank should prevent the emergence of problems such as those facing depositors in some banks and financial institutes."

The Leader of the Islamic Revolution added, "Indeed, the problems should be prevented at the outset; however, it is possible through effective means to deal with those financial centers that create problems for the people."

The second part of the remarks of Ayatollah Khamenei in the meeting with the president and Cabinet members was dedicated to foreign policy as the Leader emphasized good and ever-increasing relations with neighbors.

Speaking about European countries and the 2015 nuclear deal officially known as the Joint Comprehensive Plan of Action (JCPOA), the Leader of the Islamic Revolution said, "There is nothing wrong with ties and the continuation of talks with Europe. However, while carrying on with this measure, make them not pin any hope on issues such as the JCPOA or the economy."

The Leader criticized the inappropriate conduct of Europe on issues like the JCPOA and US sanctions against Iran, reiterating, "Serious care should be taken about the direction in which the existing issues move while being constantly skeptical about their promises."

Ayatollah Khamenei described the JCPOA as a means to protect national interests, adding, "The JCPOA is not an end, but a means and naturally, if we conclude that safeguarding national interests is impossible through this means, we will abandon it."

He said, "The Europeans must conclude from the statements and actions of Iranian administration officials that their measures will be followed by corresponding initiatives and reactions of the Islamic Republic of Iran."

The Leader of the Islamic Revolution emphatically ruled out any negotiations with Americans, adding, "This is the outcome of negotiations with former US officials, who at least maintained an appearance. Now what negotiations can we have with the current disrespectful and brazen US officials who are making no secret of their hostility toward Iranians? Therefore, no talks will take place with Americans at any level."

The Leader of the Islamic Revolution said all American administrations needed negotiations with Iran, reiterating, "They want to brag that we even pulled the Islamic Republic of Iran to the negotiating table; therefore, as I fully and reasonably stated before, there will be no negotiations with them."

In the final part of his remarks, the Leader of the Islamic Revolution said "unity and coherence among the country's officials" was necessary more than any other time. He added, "The heads of the three branches and the officials of various sectors must be supportive of and assistive to each other and, particularly, everybody must help the administration, because the administration is at the center of the stage."

Ayatollah Khamenei said differences of opinion among officials were natural, adding, however, "These differences of views should not be publicized, because they will make the people worried and agitated."

The Leader of the Islamic Revolution pointed to the Islamic Consultative Assembly's session on Tuesday and the lawmaker's questions from the president, stressing, "Majlis' session yesterday was a display of the power and stability of the Islamic Republic of Iran and God bless the president and the legislative branch that jointly made such a display of might."

Ayatollah Khamenei added, "Representatives of the Majlis asked questions from a president who has been elected with more than 23 million votes, and the president responds to the questions calmly and serenely and this means religious democracy."

The Leader of the Islamic Revolution pointed to the fact that there is a gap between the expectations of the lawmakers and existing realities, which must be narrowed, reiterating, "What is important is that what happened was a magnificent display of the power of the Islamic Republic and self-confidence of officials."

Ayatollah Khamenei stressed that the enemy pursued different goals through the Tuesday questioning session, adding, "Yesterday's very good session will boost both the president and the Majlis and will pave the ground for more cooperation and convergence of views."

In conclusion, the Leader of the Islamic Revolution stressed, "An active, ready-to-act and vibrant group must



become responsible for the resolution of each and every one of the economic problems." Prior to the remarks of the Leader of the Islamic Revolution, the president offered a report on the measures and plans of the administration.

Rouhani said all of the efforts made by the administration have been aimed at pushing the country toward the desirable point, saying, "Over the past five years, good achievements were attained, including reduction of inflation, economic growth and increasing the gross national income."

The president pointed to the services provided by the administration to villagers, noting, "All of the villages with over 10 families have been supplied with electricity and most of the villages are connected to the gas grid and communications network of the country."

Rouhani pointed to the measures taken by the executive branch in agriculture sector, including self-sufficiency in the production of wheat and sugar, adding, "The income of farmers, both in terms of produce quantity and in terms of prices, has improved and we have witnessed an increase in the production of most agricultural products." The president cited the 90-percent rise in the gas output from the South Pars gas field and increase in oil production from joint fields as some achievements of the administration in the energy sector. He then said, "The country has become self-sufficient in production of gas and diesel fuel and we can also reach self-sufficiency in gasoline production by the end of the [Iranian calendar] year (March 20, 2019)."

Rouhani added that renovation of the transport fleet, the two-fold increase in non-oil exports and greater reliance on non-oil exports as other services of the administration, saying, "Although we have faced some problems in recent months, particularly with respect to foreign currency, just as we have seen through tougher problems in the past, we can also overcome these difficulties with prudence."

The president pointed to the US sanctions, saying, "Today, we have no political solutions before us since the government that has imposed the sanctions on Iran against all international regulations is not committed to anything." Rouhani stated that the goal of Americans goes well beyond mounting economic pressure, as they want to return to Iran one more time and gain dominance over the country. He reiterated, "They want to trample upon Iran's independence again and boss the people of Iran; however, our nation will never accept such a thing and will show this to the world with its resistance and steadfastness."

The president stressed, "By rallying behind the Leader of the Islamic Revolution and through his guidance, the entire Iranian nation will not allow enemy's plots to be materialized."