THE STATUS OF ENTREPRENEURSHIP IN IRAN: OPPORTUNITIES AND OBSTACLES

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In the aftermath of the Arab Spring, traditional and social entrepreneurs in many Arab countries have received the Western media’s close attention in tandem with funding, and resources from top investors and entrepreneurs. However, neither the Western media nor academia has paid much attention to the burgeoning entrepreneurship in Iran. Therefore, raising the global public and the business communities’ awareness outside of Iran of the status of traditional and social entrepreneurship in the country is the first step toward developing better long-term policies and programs to forge new narratives and support these entrepreneurs to address various social, economic and environmental problems.

Although often overlooked by the West, Iran remains at the forefront of grassroots activism toward development and entrepreneurship in the region. Iranian entrepreneurs, however, continue to face many challenges related to their ‘ecosystem’. Since the beginning of his administration, President Hassan Rouhani’s efforts to rebuild Iran’s economy, coupled with the possible lifting of international sanctions, have spurred optimism among Iran’s entrepreneurs and startup founders. Iran is a highly innovative country with a population of approximately 77.9 million and 120% mobile penetration. In addition, the advent of higher Internet speed marks the beginning of a new era for traditional and tech entrepreneurs, who can breathe a sigh of relief now that doing business has become easier and faster.

In spite of persisting economic recession and the international sanctions imposed on Iran, the entrepreneurial spirit has fomented and evolved over the past 14 years as e-commerce and mobile technology created new opportunities for activism and change. In the late 1990s, tech savvy Iranians such as Reza Hashemi compiled web user blogs and manuals in Persian for Iranian users. Other experienced mentors and programmers including Nasser Ghanemzadeh and Mobin Ranjbar have launched Iran Startups and Techly, websites dedicated to inspire and inform entrepreneurs and startup founders of the tools of the trade. For the past two years, Iranian entrepreneurs have embarked on a gradual and organized movement spearheaded by the Iran Entrepreneurship Association (IEA) to build their own startups. Startup Weekend, Startup Grind, and TedEx are popular events where seasoned entrepreneurs and students network, build teams, and work on their ideas for various products and services.

However, there is limited information on Iranian entrepreneurship and startups through various media outlets in English and Persian in addition to the social media networks. In fact, a systematic and thorough study on this topic has not been done yet. By increasing understanding and knowledge in this field, state and non-state actors will be better disposed to develop long-term policies and programs that target the specific needs of these entrepreneurs.
We therefore seek to research and study the status of traditional and social entrepreneurship in Iran in addition to opportunities and obstacles that entrepreneurs and startup founders, including female entrepreneurs, face in order to start their own businesses in that country.

Moreover, we aim to assess the challenges and opportunities that Iranian entrepreneurs encounter throughout the business cycle including financing, growing, and scaling. It is important to follow through with these entrepreneurs over a long period of time to assess the various challenges they face and how they solve their day-to-day problems, using available, yet limited, resources including assistance from the public and private sector in addition to grassroots initiatives to foster innovative solutions.