

IRAN UNDER SANCTIONS



Publishing
Sanctions

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ABOUT IRAN UNDER SANCTIONS

Iran is the most sanctioned country in the world. Yet, there has been little investigation of the systemic impacts sanctions have had beyond their targeted economic effects. The focus has often been on a few metrics that flare up with tightening of sanctions: currency depreciation, inflation, and recession, which are then followed by increases in unemployment and poverty. But the more comprehensive picture is lost in political cacophony around the policy's merits. This is the gap that SAIS is filling with its Iran Under Sanctions project. This multi-year interdisciplinary project aims to provide a holistic perspective of the consequences of sustained sanctions to help inform the political and academic discourse surrounding this widely used foreign policy tool. For any questions or feedback on the project, please reach out to Narges Bajoghli at narges.bajoghli@jhu.edu.

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I. INTRODUCTION

In the fall of 2012, I accompanied Payam Jalili¹, a relatively young publisher with less than a decade of experience, on a visit to a well-seasoned publisher and translator, Iraj Safari, who had deep familial ties to the industry. Mr. Jalili was eager to seek out Mr. Safari's assessment of several books he was considering for publication. Specifically, he wanted to know whether Mr. Safari thought the books would make it successfully through the censorship process since all books in Iran must be approved by the Ministry of Culture and Guidance (MCIG) before mass publication. However, the conversation soon shifted to another topic and remained there for the rest of the visit: paper. Mr. Jalili had brought four samples of paper for Mr. Safari to examine, explaining that a contact had acquired them from an exhibition in Dubai and that he might have a connection that would allow him to import mass quantities from the UAE. Almost all publishers at the time were using Indonesian-produced white paper due to reader preference, and Mr. Jalili hoped to change that. At one point, Mr. Jalili turned directly to me and said wistfully, "Look at our country...where else do you see a publisher having to run after deals on paper? I should be selecting books and overseeing their editing, but instead - here we are."

To understand why paper was *the* issue my interlocutors needed to discuss with

one another, we need to contextualize their conversation on paper availability and quality within the history of sanctions against Iran. Acquiring paper became an acute crisis for publishers in the fall of 2012 due to an escalation of international sanctions. Although the US has imposed various sanctions schemes on Iran since the Islamic Revolution in 1979, between 2006 and 2012, the UN Security Council enacted additional sanctions in response to Iran's nuclear program. The effects of these sanctions intensified after 2012, particularly following the ban on Iran's access to international banking systems such as SWIFT, which impacted all sectors of Iranian society and economy, including the cultural sector.

In this report, I examine the effects of sanctions on Iran's publishing industry in the last decade (2012-2022), a particularly challenging time for publishers. Here, I will primarily focus on the perspectives and labor of private publishers, their employees, and translators. Publishers are not just major gatekeepers of ideas but are also producers of material objects central to the circulation of ideas; "a person invested with the extraordinary power to ensure publication, to confer upon a text and its author a public existence (*Offentlichkeit*)" (Bourdieu 2008, 123). I first provide some background on the economic structure of publishing in Iran, before fo-

ocusing on some of the choices and strategies publishers have been using to keep afloat since 2012. I then consider some of the unexpected, social effects of sanctions on book publishing before turning to a brief conclusion.

Studying the effect of sanctions on book publishing is worthwhile because the circulation of ideas is vital to any given society's intellectual and social robustness, and books play no small part in that circulation – especially in Iran, where they constitute an important element of the independent media. The effects of sanctions on the publishing industry also pose an interesting puzzle insofar as the industry has proved surprisingly resilient. Given that books are hardly an essential item in families' bread baskets and that Iranians are notorious for low readership rates, one might have predicted catastrophic effects for the industry. As one publisher told me: "Books are tricky; they're non-essential commodities. If you double the price of bread, the demand for it won't be reduced by half. But books aren't like that. If you double the price of books, the demand will go down by half or even more..." Yet almost all of Iran's major, established private publishers, most of which are small businesses with fewer than 50 employees, have survived the economic tempest in the last decade and continue to make profits, albeit profit margins are thinner than before, and publishers have had to make significant compromises. A close examination of the publishing industry reveals how

international sanctions have affected not just commodity production and circulation but also intellectual expression, professional relationships, and trust ties in Iran. Paying attention to the publishing industry also provides insights into how citizens continue to labor creatively under social and economic duress.

Methodologically, this report emerged from a broader qualitative research project that examines the circulation of texts on the Western human sciences in Iran as a case study for reflecting on how and why knowledge travels. My findings are primarily based on over 30 months of ethnographic research performed between September 2012 and August 2014, during which I carried out over 90 interviews, including fifteen career history interviews, with translators, publishers, public intellectuals, students, editors, distributors, bookstore owners, and censors. To gain insight into the daily operations of publishing, I also carried out participant observation in two major publishing houses well known for translations of the Western human sciences, as well as the 10-day-long annual Tehran International Book Fair, a major event for Iran's publishing industry. Since then, I have visited Iran and conducted follow-up interviews in 2018, 2019 and 2021, with an eye to the effects of sanctions on the industry. Throughout 2022, I carried out additional phone interviews with new and former interlocutors.

II. BACKGROUND

In the late summer and fall of 2012, Iran faced hyperinflation due to sanctions imposed by the US and Europe in response to Iran's nuclear energy program, as well as the government's fiscal mismanagement under President Mahmoud Ahmadinejad (2005–2013). By September 2012, the *rial*, Iran's official currency, had lost its value against the dollar by more than 80% compared to the year prior (Yildiz 2020). There was also a shortage of US dollars in national circulation, deeply affecting publishers, who were, and continue to be, reliant on various imported raw materials. Nearly every publisher I spoke to at the time expressed their frustration and indignation at the effort required on their part to secure affordable paper. In addition to paper size, color, thickness, and overall quality, the quality of glue used in book bindings, cover materials, and ink were common topics of discussion.

Furthermore, the underlying economic structure of the publishing industry, both in Iran and elsewhere, leaves it particularly vulnerable to such market fluctuations stemming from inflation (Coser, Kadushin, and Powell 1982). Publishing is generally considered a cash-poor business because the time lag between production to return on investments is longer than in many other industries, making cash flow projections crucial to publishers' survival (Woll 2014, 76). When compounded by inflation, this

relatively long gap between production and profit means that publishers' profit margins are considerably devalued and frustrated publishers' cash flow projections. With rising prices for raw materials such as paper, profit margins from books published even a few months prior failed to provide sufficient capital to cover the cost of producing a new book. When book sales are down, publishers will often strive to recuperate their investments by selling older books that they had previously published at a lower cost and set aside in storage. But because publishers are legally prohibited from increasing the cover price printed onto a book, it is impossible for them to recoup their losses this way.

For publishers, this sudden and rampant inflation was compounded by ongoing subsidy reforms. Until 2011, the Iranian government, under the auspices of the MCIG and in partnership with Tehran's Publishers Union, subsidized the cost of imported Indonesian white paper for many private publishers. After the removal of paper subsidies for private publishers, the cost of imported paper had more than doubled, leaving many of these publishers in a bind.²

These challenges had severe effects on the industry. Between 2011 and 2014, a period that publishers referred to as an acute crisis (*bohran*), the price of

books nearly tripled to cope with rising production costs, even as readers' purchasing power decreased and wages remained relatively stagnant. While the temporary relaxation of some sanctions as well as the election of moderate President Ahmad Rouhani (2013–2021) helped to temporarily ease the crisis, after the US's withdrawal from the JCPOA in 2017 and under Donald Trump's "maximum pressure" policy, publishers have once again been operating under significant economic duress as rising inflation continues to the present day.

III. PUBLISHER'S DECISIONS AND STRATEGIES

The scarcity and high cost of paper forced publishers to adopt numerous strategies to keep their businesses running, with implications for books' circulation, content, and material quality. The most obvious and immediate effect of the economic crisis was a significant reduction in the number of books issued in any given print run, despite an increase in the production cost per book for the publisher. In the early 2010s, print runs dropped from 1,000–5,000 copies per run to under 1,000. By 2014, most publishers were issuing 300–500 copies per print run; by 2022, publishers reported printing under 300 copies per print run, with a few as low as 200 copies. As of 2022, it has become highly unusual for a publisher to issue 1,000 books per run – a number that was the minimum just over a decade ago. The most significant result of this strategy is a reduction in the total number of books in circulation, which inevitably has implications for reach and readership.

Low print runs also affect the overall quality of the book's content – given the low number of copies per print run, some

publishers opt out of paying for substantive upfront costs, such as copyediting. Instead, these publishers will only make the investment in editing if and when the book sells enough copies to merit a second print run.

In addition to reducing production, publishers have had to make several changes in their overall *selection* strategy for determining which books to publish. Initially, in the crisis period following 2012, some publishers were forced to reduce the proportion of new books to reprints that they produced, since new books have more upfront costs for editing, copyediting, typesetting, and advertising, as well as the occasional author or translator advance. However, this did not prove to be effective in the long-term, since, unlike in the US market, Iranian readers regularly buy books based on the identity and reputation of the publisher. Without new releases, publishers risk losing their reputations with readers as savvy, productive, and up-to-date cultural actors. Newly published titles releases often entice readers to purchase older books from the same publisher as well.

Eventually, in response, publishers willingly and unwillingly adopted other strategies to produce new books at a lower cost. First, publishers began giving preference to shorter books that required less paper per copy. Many publishers told me outright that longer books were too expensive to produce, especially during the initial crisis. As a corollary, publishers became more likely to publish standalone books rather than preplanned series, since multivolume projects also require the services of advisors and/or general editors, which represent an extra cost for publishers.

Secondly, the percentage of new books that are translations has increased under sanctions, as translations are cheaper to produce than original authored works. Given that Iran is not a member of the World Trade Organization (WTO), nor a signatory to either the Universal Copyright Convention (UCC) (1952) or the Berne Convention for the Protection of Literary and Artistic Works (1886), the unauthorized reproduction or translation of foreign works is domestically legal. Thus, Iranian publishers are legally free to copy and disseminate any work produced outside of Iran without paying any licensing or copyright fees to the original publisher and/or foreign author. Editing costs for translated works are generally lower than for original works. Finally, according to my interlocutors, translations tend to sell better than Persian-language authored works, making them a more secure investment for publishers.

Third, publishers feel considerable pres-

sure to select books that cater to popular readership, regardless of their own former policies or personal preferences. As one editor and translator complained, "People are interested in reading pop psychology books, or yellow books (*ketab zard*). When I ask people why they buy these books, they say: 'They make us happy for one or two weeks.' Publishers tell me they have no choice but to give people what they want - [these topics] sell." Whereas the early 2000s witnessed a flourishing of sales of translations of social science and philosophy, there has been an ongoing and increasingly steep trend towards pop psychology and self-help books, to the frustration of some publishers I spoke to who unwillingly obliged readers' tastes. Of course, one might counter that any publisher who wants to maximize their profit margins might make similar choices. However, what is significant here is that sanctions have *required* Iranian publishers to adopt such approaches. Even those publishers who are not interested, for example, in publishing self-help books have been forced into doing so in order to stay in business.

Publishers have also made significant compromises on the quality of materials and services used for book production, much to the frustration of their readers. While some publishers intentionally purchase cheaper quality materials to cut costs, sanctions have affected supply chains to the extent that publishers must use whatever ink, glue, and paper are available,

regardless of quality. In a public seminar I attended in 2014, the speaker whipped out the loose-leaf pages of a book that had come undone to demonstrate and decry the abysmal standards of book production. A reader recently showed me a book produced by a well-known publisher with four different types of paper in the same copy. Furthermore, the limited availability and increased cost of specialty paper, such as glossy paper used for covers and images, continues to present an ongoing challenge. One publisher I spoke to in 2013 explained that he had decided to indefinitely hold off on printing an art history text that included numerous color images despite his awareness of its significance and value for Iranian readers. Publishers have also sacrificed their expenditure on cover art, which had become a point of pride for top publishers in the early 2000s.

Finally, it should be briefly noted that in recent years, some publishers have turned towards promoting electronic books, which omit the need for mass publication and cost about half the cover price of paper books. However, there are only limited e-ink devices on the market and e-books remain unpopular with Iranian readers, representing just a fraction of total book sales.

IV. THE EROSION OF TRUST

Publishers' attempts to navigate the ongoing pressure exerted via sanctions have had social repercussions for the industry. Significantly, it has diminished readers' and other book producers' trust in publishers' products. In our conversations, interlocutors would openly name various publishers whose book bindings, font size, and cover art rendered the material product cheap or even illegible. One translator whose book was published in 2021 told me: "After my book came out, a friend called and said: 'Take an eraser and wipe it across the cover - the image comes right off. I tried it, and it did. When I called the publisher to complain, he tried to blame it on the printer, saying he'd been swindled. But it's the publisher's responsibility to ensure a high-quality product. Even the most famous publishers are cutting corners now.'"

Others I spoke to believed that publishers used sanctions *as an excuse* to skimp on higher-quality materials for their books – a testament to the damage done to publishers' reputations. Given that Iranian readers often choose which books to buy based on the reputation of the publisher, this has significant implications for the industry. As Maryam Nobakht, a translator and editor who has worked with numer-

ous publishers told me, "Of course, the sanctions have driven up costs, especially paper. But there are also psychological effects – lots of people behave like charlatans (*charlatan bazi*) in the name of sanctions." Some of this behavior was certainly unethical but not necessarily illegal. For instance, in their haste to be the first to publish the translation of a foreign bestseller, publishers were permitting famed translators to divide a book among their proteges and students and then published the final product as-is, without any major editing, under the name of the famed translator. Other publishers pressured their authors and translators to accept a lower commission rate: 8% of the total cover price sales, rather than the typical 12-15%. Some even reduced their rate to 5-6% for reprints and told their authors that if they were unhappy, they could take their work to a different publisher. Some publishers support a burgeoning CliffsNotes-type industry, in which they hire a writer to read and summarize the book, publishing and distributing the summary. Thus, for example, readers can read the summary of Jared Diamond's 2005 bestseller *Collapse: How Societies Choose to Fail or Succeed* for 30,000 toman rather than the well-received translation, which costs 400,000 tomans.

However, there are other instances of illegal or legally questionable behavior. An egregious example of illegal activity is the rise of legally registered publishers who re-print other publishers' books. While Iran has domestic copyright laws, the judicial process is complex enough to dissuade most publishers from pursuing any legal action against the perpetrators. These secondary publishers produce the same text for roughly half the original publisher's price and distribute them through a network of street sellers rather than bookstores. Ms. Nobakht told me: "I was walking on Enqelab Ave. and saw my own book on the ground [printed by a different publisher], with the exact title I had chosen for the translation. When I contacted the publisher and asked how he dared do such a thing, he had the gall to say he was providing a cultural service because people couldn't afford to buy the original version!"

Iran's private publishing industry has historically been based on interpersonal trust ties and long-standing social relationships. The indirect effects described above – both legal and illegal – all have the effect of eroding trust not just between readers and publishing houses, but within internal relations in the publishing and translation industry. In addition to the instances above, it is increasingly difficult for a publisher to trust the editors and typesetters they work with. One publisher recently told me that a well-established translator he had worked with for many years ac-

cepted a considerable advance and has since stopped answering his calls. Due to financial duress, some typists, editors, and others who work for major publishers are willing to sell digital files of books to the secondary publishers described above for a cut of the profit. As people struggle to make ends meet, money plays an increasingly important role in producers' relationships with one another, overriding pre-existing friendships or professional allegiances.

V. CONCLUSION

In the past decade, sanctions have driven up the cost of book production and, thereby prices in Iran since the basic materials required to produce them (paper, glue, zinc, etc.) have become increasingly expensive and scarce. Nevertheless, the Iranian publishing industry has demonstrated remarkable resilience: no major publisher has gone out of business in the last decade, but rather, they have adjusted their production policies to weather the difficulties they face. Yet, publishers have had to make difficult compromises to stay afloat, such as reducing page count, skewing towards translation and popular topics, cutting editing costs, and sacrificing both the content and the material quality of their final product. These decisions contributed to an increase in poorly edited and translated texts, a dearth of longer texts on more academic topics such as social science or philosophy, fewer books with images, and fewer investments in series or multivolume projects, which often represented a publishers' stake in shaping public interest. Furthermore, sanctions and publishers' strategies have eroded trust, decreased predictability, and damaged vital social ties both within the publishing industry and between readers and publishing houses.

Due to the sanctions' primary effect on the publishing industry – a sharp decrease in the number of copies published in the

average print run – books that are published in Iran today have a much more limited reach than they did just a decade ago, with significant implications for the formation of publics and circulation of ideas. Even though the public that a text convenes seems limitless and infinite, “the print objects that undergird it do not. They decay and burn. They are limited by the language of their publication, the speed of their distribution, and the quality of their binding. Pretending otherwise is futile” (Scott 2015, 298). In other words, the materiality of books cannot be disentangled from the public that forms around them. As the materiality and reach of books suffer under sanctions, this affects the ability of publics to convene around ideas that they might otherwise propagate. Thus, one of the major ironies of sanctions is that they have weakened a significant avenue for the dissemination and circulation of ideas, including ones that might help support democratic movements in Iran, one of the proverbial goals of the Western powers that enforce those sanctions.

ENDNOTES

1. Pseudonyms are used throughout this report to protect the identity of interlocutors.
2. Government-affiliated, pro-state publishers continue to benefit from other types of paper subsidies. The removal of MCIG-backed paper subsidies has disproportionately affected private publishers.

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