

Iran's Uncertain Moment

Protests, Power, and Policy Through the Lens of Washington

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- Iran's latest protest wave was not an isolated event, but the most advanced phase of a long-running erosion of regime legitimacy. While the immediate unrest has subsided, the scale, nationwide reach, and openly "anti-regime" nature of the protests underscore deep and unresolved structural grievances that are likely to resurface.
- Most experts conclude that the Islamic Republic is not on the verge of imminent collapse, but the current status quo appears increasingly unsustainable. The regime retains coercive control, yet faces growing exhaustion across economic, political, and ideological dimensions, with limited capacity or willingness to pursue meaningful reform.
- Meaningful change is unlikely to emerge from protests alone in the near term. The opposition remains fragmented and organizationally weak, while elite cohesion and security force loyalty continue to shield the system. Over time, however, prolonged instability could force elite recalculation, particularly around leadership succession.
- U.S. policy under President Trump is defined by deliberate ambiguity, preserving the option of force while avoiding irreversible commitments. Washington appears positioned for limited, high-impact action rather than prolonged conflict, but any military move would carry significant regional and economic risks with direct implications for global markets and business operations.

Beginning on December 28, Iran experienced a rapid escalation of unrest following a sharp economic shock: the rial plunged to an all-time low against the U.S. dollar. The initial response came from shopkeepers and merchants, particularly at Tehran's Alaeddin Shopping Centre and other major commercial hubs, who closed their businesses in protest. Images of shuttered markets and small protest gatherings quickly circulated online, amplifying the unrest beyond its original economic context.

What began as protests over inflation and deteriorating living conditions spread swiftly from commercial districts and urban neighborhoods into universities and major cities. Within days, the demonstrations took on an explicitly political character. Protesters openly targeted the ruling establishment, including chants directed at Supreme Leader Ali Khamenei, and in some cases called for the return of the monarchy—an escalation rarely seen in previous protest cycles.

The movement gained further momentum on January 8, when Reza Pahlavi, the exiled son of the last Shah, called for coordinated nationwide protests on social media, contributing to a broader and more sustained mobilization. At the same time, President Trump issued repeated public warnings that the killing of protesters would trigger a serious U.S. response, stating that "help was on the way." These statements appear to have emboldened demonstrators while intensifying the regime's sense of external pressure.

The government responded with a sweeping security crackdown. Security forces were deployed across major cities, using lethal force to suppress the protests. Estimates of the death toll range from several thousand to as high as 20,000, figures that remain impossible to verify due to severe media restrictions and extended internet blackouts. Suzanne Maloney, Vice President and Director of Foreign Policy at Brookings, spoke to the unprecedented nature of the crackdown saying "this regime has used violence since its inception, but this open gunfire on the streets, mowing down large number

of innocents...is something we've never seen before”.

By January 14–15, visible signs of unrest had begun to subside, but the underlying drivers of public discontent remained unresolved. Most analysts agree that the core grievances fueling the protests (economic collapse, governance failures, and political repression) are unlikely to be addressed absent fundamental changes to the country’s governing system. Yet power structures entrenched over decades, combined with the absence of political will within the current leadership, make meaningful reform improbable. Even if change were to occur, the form it might take, and whether it would produce lasting stability, remains deeply uncertain.

As the immediate unrest subsided, attention in Washington shifted from events on the streets to what they might mean. Analysts and policymakers were left grappling with three central questions. The first is how significant this wave of protests truly was when set against past episodes of unrest, not only in terms of scale, but also in its geographic reach, its openly political tone, and what it reveals about the regime’s underlying legitimacy.

The second question is whether the Islamic Republic is approaching a moment of fundamental change and, if so, what that change might look like. This includes whether the system still possesses the cohesion and coercive capacity needed to reassert control, whether meaningful change could emerge from within the existing power structure, or whether opposition forces, fragmented and largely unorganized, can coalesce around a figure such as Reza Pahlavi and turn popular anger into a credible political alternative.

The third question concerns how President Trump may respond. This goes beyond rhetoric to include how Washington weighs signaling, deterrence, and concrete policy tools, and how U.S. actions could influence the calculations of Iran’s leadership as well as those of key regional actors.

Why This Protest Wave Was Different

Many Iran specialists caution against viewing the recent unrest in isolation. While the scale and intensity of the protests were striking, their deeper significance lies in how they fit into a longer trajectory of recurring unrest. Since the disputed 2009 election, Iran has experienced successive waves of protests, accelerating after 2017 and driven by a wide range of grievances, from economic collapse and environmental stress to personal freedoms and social restrictions. In nearly every case, protests that began around specific issues eventually evolved into broader political challenges, with chants targeting the regime itself. From this perspective, the recent protests reflect not a sudden rupture, but the latest and most advanced phase of a steady, multi-year erosion of regime legitimacy. At the same time, most experts agree that this episode contained several features that set it apart from previous cycles of unrest.

(1) Scale and Breadth

What distinguishes this episode most clearly is its breadth. Protests spread across the country, including areas long regarded as regime strongholds. According to Karim Sadjapour¹, demonstrations were reported even in cities such as Khomeyn, the birthplace of Ayatollah Khomeini, where protesters openly chanted slogans praising the monarchy, a development he described as eye-opening. This geographic diffusion marked a sharp departure from earlier protests that were often concentrated in specific regions, social groups, or urban centers. Analysts note that the nationwide

¹ Senior Fellow, Middle East Program, Carnegie Endowment for International Peace. Comments made during an online Carnegie event. ([link](#))

character of the unrest suggests a far more generalized breakdown in public consent than seen in previous cycles.

(2) Political Messaging of the Protests

The political content of the protests also represented a notable shift. While earlier movements frequently featured slogans such as “Death to the dictator” or calls to prioritize domestic welfare over foreign causes, this wave saw a far more explicit revival of monarchist symbolism. References to the Pahlavi era and chants invoking Reza Pahlavi appeared with unusual frequency. Most experts in Washington, however, interpret this less as a detailed endorsement of monarchy than as the emergence of a unifying oppositional narrative.

(3) Sheer level of desperation of the protestors

Equally important was the depth of public despair underpinning the protests. Analysts describe a widespread sense that the current status quo has become untenable, transcending class, ethnicity, and geography. Unlike past episodes that centered on discrete demands such as vote recounts, water access, or specific economic policies, this protest wave reflected a more existential rejection of the system itself.

(4) Convergence with external pressure

Finally, the protests unfolded against the backdrop of heightened external pressure, creating a foreign-domestic convergence rarely experienced by the Islamic Republic. While Iran has endured both domestic unrest and foreign threats throughout its history, the simultaneous intensification of both appears to have heightened regime anxiety. This convergence helps explain the speed and severity of the government’s response, which resulted in an exceptionally high number of fatalities, even by the regime’s own accounts. Analysts note that while Iranian authorities point to foreign instigation, the underlying drivers remain internal, rooted in prolonged economic failure, political repression, and accumulated public frustration.

Is the Islamic Republic Approaching a Moment of Fundamental Change?

Many Iran specialists in Washington argue that the current moment is less about imminent collapse than about the exhaustion of the existing order. From this perspective, the regime enters this period deeply weakened by a series of cumulative shocks: military setbacks, the erosion of its regional proxy network, sustained economic failure, and a profound loss of ideological credibility. The collapse of what Tehran long described as the “Axis of Resistance”² has undercut both the regime’s external deterrence narrative and its domestic claim to strategic competence. What remains, in the view of some analysts, is not a system actively projecting power, but one increasingly focused on resisting change itself.

A recurring theme in expert commentary is the sense of political deadlock, extending beyond society at large into the elite. Observers describe a system in which dissatisfaction is widespread, yet pathways for adjustment or reform are absent. Even within ruling circles, there appears to be little consensus on how to address the country’s overlapping crises. Several analysts note that this paralysis has fostered a quiet expectation that meaningful change may only come with the passing of

² The Axis of Resistance is an Iran-backed network of Middle Eastern militant and political groups (like Hezbollah, Houthis, Hamas, Iraqi militias) united by a common opposition to U.S. and Israeli influence.

the Supreme Leader, rather than through deliberate political choice³. This dynamic has reinforced a posture of waiting rather than governing.

At the same time, there is considerable uncertainty over how much effective authority now rests with the Supreme Leader himself. At 86, his ability to personally manage the state as he once did appears diminished, and there are indications that operational control has increasingly shifted to intermediaries and security institutions. Reports suggesting that a narrow inner circle now mediates access to him, combined with unverified accounts of senior figures overseeing repression on his behalf, have fueled speculation about how centralized decision-making truly is. Analysts also point to the losses suffered by the Revolutionary Guard's leadership by Israeli operations and the extent of foreign intelligence penetration as additional stressors on regime cohesion.⁴

Despite having suppressed the latest round of protests, experts broadly agree that the regime has not resolved the conditions that produced them. Economic collapse, social exhaustion, and political alienation remain intact. As a result, many view the current calm as temporary rather than stabilizing. The expectation is not of a single crisis moment, but of recurring cycles of unrest, each occurring under progressively weaker conditions for the state.

This fragility is compounded by the external environment. With U.S. military forces deployed in the region and tensions with Israel unresolved, analysts warn that domestic instability and external conflict risks are now mutually reinforcing. In this sense, the status quo is widely viewed as unsustainable, even if the precise timing and shape of change remain unknowable. As one expert put it, the Islamic Republic increasingly resembles a system that continues to function mechanically, but with declining legitimacy, capacity, and strategic direction, making endurance itself the primary objective.

How Might Change Occur?

Most experts agree that the central constraint on political change in Iran is not the absence of public anger, but the absence of mechanisms capable of converting unrest into power. Despite the scale of recent protests, they remain largely leaderless and organizationally thin. Comparisons with the 1979 revolution highlight this gap. Then, opposition forces coalesced around Ayatollah Khomeini, a unifying figure who enjoyed broad legitimacy across ideological lines and possessed extensive organizational infrastructure inside the country. Today's opposition, both domestic and in exile, lacks both the cohesion and the internal networks required to sustain a coordinated challenge to the state.

(1) Leaderless and Disorganized Opposition

The son of Iran's deposed shah and a figure of Iran's opposition in exile, Reza Pahlavi's profile has risen during the latest unrest, driven in part by nostalgia for a period associated with economic stability and greater social freedom, and in part by the stark absence of alternatives. However, experts caution that this reflects desperation more than consolidation. The regime's systematic repression of potential domestic challengers has hollowed out the political field. Prominent activists, lawyers, and

³ "Iran at a Crossroads: Will Domestic Unrest Reshape the Region?", YouTube video, posted by Middle East Council on Global Affairs, January 21, 2026, ([link](#))" – Comments by Ali Vaez, Iran Project Director and Senior Adviser to the President, International Crisis Group.

⁴ "Is Iran Reaching a Tipping Point, YouTube video, posted by Carnegie Endowment for International Peace, January 21, 2026, ([link](#))" - Comments by Karim Sadjadpour, Senior Fellow, Carnegie Endowment for International Peace.

reformist figures remain imprisoned, leaving neither an internal opposition capable of mobilization nor an external one capable of commanding broad legitimacy. This vacuum has allowed the state to suppress unrest without facing an organized successor force.

(2) Change from within?

Attention therefore shifts to the regime itself, particularly the security apparatus. Thus far, there are no visible cracks at the top of the system. Political and military elites appear to have closed ranks, bound by a shared understanding that their survival is collective. No senior figures have publicly defected or issued even limited criticism of the Supreme Leader. Years of purges have narrowed the system to such an extent that potential internal challengers have largely been removed, leaving a highly centralized structure in which loyalty is enforced rather than negotiated.

That said, analysts caution against assuming uniformity within the security forces. Beneath the surface, divisions almost certainly exist, driven by the same economic hardship and social pressures affecting the broader population. Yet the threshold for defection remains high. For individual officers, refusing orders or breaking ranks carries severe personal and economic risks. As a result, while quiet discontent may be growing, it has not yet translated into visible fractures or refusals to act.

(3) Prospects for Venezuela-Style “leadership change”

Some experts point to the possibility of elite-driven change as a medium- to long-term scenario. History suggests that the actors who initiate protest movements do not necessarily go on to inherit power. In authoritarian systems, prolonged instability has at times forced security and military elites to confront a fundamental choice: whether to protect the leader or to preserve the regime itself.

For example, in Egypt, while President Hosni Mubarak was forced to resign and was subsequently prosecuted, many remnants of the old regime and senior military figures remained entrenched at the core of the power structure. As a result, Egypt’s so-called “transition” has been widely characterized as superficial or scapegoating in nature that deflected public anger by removing the leader while leaving the regime’s underlying foundations largely intact.

A similar interpretation has emerged in the case of Venezuela, where some observers argue that efforts have been made to ensure regime continuity while distancing the system from Nicolás Maduro personally. Reports have circulated suggesting that interim President Delcy Rodríguez (formerly vice president) and Interior and Justice Minister Diosdado Cabello may have concluded in advance that preserving the regime was preferable to defending the leader. That said, whether key elites deliberately chose to protect the regime rather than Maduro himself cannot be clearly established based on publicly available information, and assessments remain divided.

Even so, should protests re-intensify and the costs of repression continue to rise, it cannot be ruled out that similar recalculations could emerge within Iran’s security and military elite. In such a scenario, it is theoretically conceivable that elements of the IRGC might opt for leadership change as a means of safeguarding their own political and economic interests.

External Pressure – What Could the US Do and Would It Be Effective?

In addition to internal sources of change, the question of external drivers inevitably turns to the role of the United States and, specifically, President Trump. In recent days, reports suggest that he explored “decisive” military options but ultimately stepped back as the protests subsided and the regime’s crackdown restored a degree of surface-level control. At the same time, the movement of U.S. military assets into the region, including the reported redeployment of the USS Abraham Lincoln

carrier strike group from the South China Sea and the positioning of additional forces, indicates a deliberate effort to preserve credible military options. This posture reflects preparedness rather than inevitability, but it underscores Trump's desire to retain escalation capacity if circumstances shift.

Trump's engagement with Iran runs deeper and longer than almost any other foreign policy issue of his presidency. In 2018, he withdrew from the JCPOA against the advice of many of his senior officials and has consistently framed that decision as a success. In 2020, he authorized the assassination of Qasem Soleimani, a move widely predicted to trigger a major war but which did not. Last summer, U.S. forces carried out direct strikes on Iranian nuclear facilities deep inside Iranian territory, again amid widespread warnings of escalation that ultimately did not materialize. From Trump's perspective, these episodes appear to reinforce a consistent pattern: he has taken high-risk actions on Iran, and each time the anticipated catastrophic consequences failed to occur. That experience, combined with the perceived success of U.S. policy in Venezuela, may have further strengthened his confidence in coercive approaches.

What Trump ultimately seeks in Iran appears less like a detailed strategy than a historic outcome. Analysts widely believe he is motivated by the desire to achieve what previous presidents could not. This could take the form of regime change, a Venezuelan-style leadership transition that preserves elements of the existing system, or a transformative nuclear agreement that permanently neutralizes Iran's nuclear capabilities. During the recent deliberations over possible military action, some within his administration reportedly viewed a "historic outcome" not only in coercive terms, but also in diplomatic ones, including the possibility of a far-reaching nuclear deal in which Iran would make unprecedented concessions, including abandoning its enrichment program. As Maloney explains, given the significant damage inflicted on Iran's nuclear infrastructure in mid-2025, Washington may calculate that the strategic balance has shifted in ways that make such an outcome more plausible than in the past.⁵

Importantly, as Mara Karlin of Brookings explains, these objectives are not necessarily mutually exclusive⁶. Analysts note that Trump's use of force has historically been limited, discrete, and time-bound. His military actions have been characterized by clear objectives, short operational windows, and an aversion to sustained campaigns or ground operations. This creates space for a hybrid approach, in which limited military strikes serve not as instruments of regime overthrow, but as tools to reinforce pressure, shape bargaining positions, and accelerate diplomatic leverage.

At the same time, Trump is actively leveraging U.S. credibility generated by recent operations, particularly the removal of Maduro in Venezuela. That credibility has amplified the weight of U.S. signaling. Following Trump's warnings of "very strong" actions if the Iranian government continued killing protesters, Iran's foreign minister publicly indicated a willingness to engage the United States on nuclear negotiations. Subsequent social media warnings from Trump regarding executions of detained protesters were reportedly followed by the cancellation of scheduled executions, prompting Trump to publicly acknowledge the move. While these signals fall short of strategic shifts, they illustrate how coercive credibility is already shaping Iranian behavior at the margins.

⁵ January 22, 2026, Suzanne Maloney, Vice President and Direct of Foreign Policy at the Brookings Institution. ([link](#))

⁶ Ibid., Mara Karlin, Visiting Fellow, Brookings Institution. Former Assistant Secretary of Defense for Strategy, Plans, and Capabilities. ([link](#))

Most experts in Washington do not believe that airstrikes alone can cause the collapse of the Islamic Republic. At the same time, Trump's aversion to prolonged military engagement, particularly any ground-based campaign, places clear limits on the forms of intervention he is likely to consider. This creates a plausible scenario in which limited kinetic action is combined with non-kinetic tools, including cyber operations, covert activity, sanctions pressure, and diplomatic isolation, to further weaken the regime's foundations while improving U.S. negotiating leverage.

Military action, however, carries substantial risk. Iran retains multiple retaliation options, including strikes on U.S. regional bases such as Al Udeid in Qatar, the largest American military installation in the Middle East. Tehran has previously targeted Gulf infrastructure, including the 2019 attack on Saudi oil facilities, and has demonstrated willingness to launch ballistic missile retaliation following U.S. strikes. Iran could also disrupt maritime traffic through the Strait of Hormuz, posing risks to global energy markets. Some Iranian missile launches against Israel in recent conflicts have penetrated air defenses and caused civilian casualties, underscoring the risk of broader regional spillover.

For these reasons, Israel and Gulf partners have reportedly urged caution, wary of energy market disruption, regional escalation, and economic blowback.⁷ Any U.S. military move would therefore require balancing Trump's appetite for decisive, high-impact action against the broader strategic risks of escalation in an already volatile regional environment.

Heightened Risk Environment

Since the beginning of this year, attention has swung rapidly from one foreign policy crisis to another, from Venezuela to Iran and now Greenland. Yet, as one expert put it, "a far larger strategic game is underway in the Middle East."⁸ In Washington, analysts and strategists remain intensely focused on Iran, with many assessing that the United States is preparing for the possibility of armed intervention, most likely in the form of a limited engagement rather than a sustained campaign. The potential consequences of such action, however, would be significant. For businesses, heightened geopolitical risk could translate into increased market volatility, energy price shocks, disruptions to trade and shipping routes, and a more uncertain operating environment across the region and beyond.

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⁷ January 15, 2026, New York Times Article. ([link](#))

⁸ Bloomberg opinion article by James Stavridis, retired US Navy admiral, former supreme allied commander of NATO. ([link](#))