



Iran's Labor Market at the Intersection of Crises: Inflation, War, and Internet Shutdowns

May 2026

The United States-Israeli war on Iran, which began on 28 February 2026, when the two countries launched coordinated military operations against Iran, has had a far-reaching impact on Iran's economy – an economy that was already in crisis and grappling with soaring inflation and currency devaluation. In fact, it was economic grievances that had pushed Iranians to protest, in late December 2025 – protests that were crushed with unprecedented brutality by the authorities. Since then, the US-Israeli bombings, which inflicted heavy damage on key industries, the disruption of daily economic activities caused by war, and the internet shutdown have pushed the economy into further crisis: causing significant job losses and contributing to spiraling prices.

In the first [report](#) on the economic impact of war, titled *“The Impact of War and Security Crises on Iran's Economy and Labor Market,”* we sought to provide an initial picture of the economic consequences of the war at a time when many dimensions of the damage and available data had not yet fully emerged. Now, one month later, and with the publication of new statistics, this follow-up report takes a closer look at the impact of the war on livelihoods and the labor market.

On April 8, 2026, following 40 days of war, the U.S. and Iran agreed to a conditional, two-week ceasefire, which has been extended while both sides review proposals for a permanent agreement. However, the continuing standoff between the United States and Iran over the Straits of Hormuz and the U.S. blockade of Iranian ports continues to wreak havoc on Iran's economy.

Jobs are collapsing one after another, and the livelihoods of millions of Iranians are under threat. Iran's labor market now stands at a critical juncture, simultaneously pressured by war, inflation, and internet shutdowns – a combination that not only threatens existing employment but also casts serious uncertainty over any path back to stability.

The heaviest burden is falling on groups that were already marginalized within the labor market, especially women.

Three days after the ceasefire, the head of the Iranian Red Crescent Society [announced](#) that the war had caused the destruction of more than 125,000 civilian units, including 100,000 residential units, 339 healthcare centers, 32 universities, 857 schools, and 20 Red Crescent facilities.

In addition, around 20 industrial zones and more than 20,000 commercial and industrial units have [suffered](#) destruction or major disruptions to their operations. The figures indicate the country's core production infrastructure is facing a severe crisis. Iran's ports and transportation networks, which play a vital role in the movement of essential goods and raw materials, have also been heavily damaged.

Some estimates, including remarks by government spokesperson Fatemeh Mohajerani on April 14, 2026, [place](#) Iran's total damages at \$270 billion. To better understand the scale of this figure, it suffices to compare it with several key economic indicators: according to the governor of Iran's Central Bank, the country's total oil exports in 2025 [amounted](#) to \$67 billion. Put simply, the scale of these damages is roughly equivalent to more than four years of Iran's oil exports.

A Tsunami of Unemployment in the Shadow of Bombings and Recession

The bombing of key industries, including petrochemicals, refineries, power plants, and steel production facilities, has had far-reaching consequences across Iran's labor market. The most visible outcome has been a massive wave of layoffs and unemployment. On April 19, 2026, Gholamhossein Mohammadi, Deputy Minister of Labor and head of Iran's Technical and Vocational Training Organization, [estimated](#) that the war had directly caused one million people to lose their jobs, while another two million had been indirectly affected by unemployment.

Only a few days later, the Iranian Labor News Agency (ILNA) reported that the government's sole support for these vulnerable groups consisted of a cash subsidy of 300,000 tomans per person (approximately \$1.9 USD¹) and a food voucher worth only 1 million tomans per person (approximately \$6.25 USD). For a family of four, the total value of the food voucher barely [covers](#) the cost of a single 10-kilogram bag of rice.

Scale of Damage to Iran's Infrastructure After 40 Days of War	
Indicator	Reported figure
Total destroyed civilian units	More than 125,000 units
Residential units	Around 100,000 units
Healthcare centers	339 centers
Universities	32 universities
Schools	857 schools
Red Crescent centers	20 centers
Damaged industrial zones	Around 20 industrial zones
Damaged commercial/industrial units	More than 20,000 units
Total estimated damages, according to the government spokesperson	\$270 billion

Sources: Statement by the head of the Iranian Red Crescent Society; government spokesperson, April 14, 2026; Eqtesad Iran report.

¹ Dollar equivalents in this report are calculated based on an exchange rate of 160,000 tomans per U.S. dollar.

According to the latest figures provided by Ahmad Meydari, Iran's Minister of Cooperatives, Labor, and Social Welfare, 147,000 people registered for unemployment insurance over the past two months. Compared to the monthly average of the previous year, this represents a significant increase of 50,000 applicants.

In another clear sign of the worsening employment crisis, on Saturday, April 25, 2026, the number of résumés submitted on Iran's largest job-search platform, JobVision, [reached](#) an unprecedented record of 318,000 submissions in a single day. Compared to the previous record of 212,000 submissions, this marks an increase of approximately 50 percent, indicating a sudden surge in demand for work and the entry of a new wave of job seekers into the labor market – a trend that may signal rising unemployment and mounting pressure on the labor market.

Alongside the increase in unemployment insurance applications and the unprecedented surge in résumé submissions on job-search platforms, a [report](#) by the newspaper *Shargh*, based on data from the service platform *Achareh*², shows that service platforms have increasingly become temporary refuges for the workforce, though themselves facing intensifying competition. The growing share of applicants aged 50 and above, along with the increasing masculinization of the service sector, suggests that even access to these limited opportunities has become more difficult for vulnerable groups such as women.

The number of specialists registering on the platform during the first six days of the month of Ordibehesht (April 21-26 2026) increased by 17 percent compared to the same period last year. Registration in certain low-skill service jobs, such as cleaning and hospitality work, rose by 239 percent during the first 12 days of the month of Ordibehesht compared to the previous year.

These figures suggest that the employment crisis is pushing people toward temporary, service-based, lower-income jobs or jobs below their skill level. Yet the painful reality is that while the number of job seekers has increased sharply, the actual capacity of the market to absorb labor – and households' ability to pay for and demand services – has declined.

² *Achareh is one of Iran's largest online service marketplaces, connecting users with workers and specialists in areas such as home repairs, cleaning, moving, and hospitality services across the country.*market's capacity

Women: The First Victims of Unemployment

Among all segments of the workforce, women are one of the most vulnerable groups facing this wave of unemployment.

The 40-day war waged by the United States and Israel against Iran not only targeted the country's industrial and service infrastructure but also inflicted structural damage on women's employment, a sector that already held only a limited share of Iran's economy. Official statistics, statements by government officials, and expert analyses all point to the same painful reality: employed women have become the first victims of the wave of war-driven unemployment, and their share of registered unemployment insurance claims is several times greater than their share of the labor market itself.

Women's Labor Market Under Multiple Pressures	
Gender-related labor market indicator	Figure
Women's share of total employment in Iran	Around 15%
Women's share of registered unemployment claims after the war	Around 33% (one-third)
Ratio of women's unemployment share to women's employment share	More than 2 times higher
Women's share of employment in the service sector	Around 60%
Total number of workers employed in Iran's service sector	Close to 15 million people
Number of women employed in the service sector	Fewer than 2 million people
Parliament and government response	Women among the first groups exposed to "adjustment" measures

Zahra Behrouz-Azar, Vice President for Women and Family Affairs, [announced](#) in late April 2026 that one-third of all unemployment insurance claims registered during the war were filed by employed women:

“Although women’s participation in the labor market is significantly lower than men’s, the wave of unemployment has disproportionately affected women. These figures are alarming, and a support package must be prepared.”

The significance of these figures becomes clear when placed alongside the fact that women account for only 15 percent of total employment in Iran. In other words, the proportion of unemployed women among all unemployed workers is more than twice their share of the labor market.

A Labor Market That Was Already Small – Now Even Smaller

According to data from the Statistical Center of Iran, cited in a recent [report](#) by the newspaper *Shargh*, around 60 percent of employed women in Iran work in the service sector, the very sector that has suffered the greatest damage from war and inflation. Women employed in beauty salons, gyms and cosmetic clinics, hotels and travel agencies, insurance offices, consulting firms, online and traditional retail stores, as well as domestic cleaners and childcare workers, all report that soaring inflation and the war have rendered many services non-essential, sharply reducing demand for these jobs.

Hamid Haj Esmaeili, a labor market expert, also [told](#) *Shargh*: “Iran’s labor market still has a traditional and male-dominated structure. Even in the service sector, where nearly 10 million people are employed, women account for fewer than two million workers.”

He further explained that after the war, a large number of employed women, especially those working in government offices and workshops were among the first groups to lose their jobs and suffered disproportionate harm. According to him, this stems from a common attitude in the labor market that women do not need employment as much as men do, despite the fact that a significant number of employed women are heads of households and, in many cases, are considerably more vulnerable than men.

Parliament: Women Are the First Group Exposed to Layoffs

Khodadadi, head of the Women's Caucus in the Iranian Parliament, also [acknowledged](#) this reality during a meeting held on April 25 2026, stating that employed women are often the first victims of workforce reductions during economic crises:

“When industries are damaged or driven into bankruptcy, unfortunately, the first group exposed to workforce cuts is women.”

While acknowledging the inadequate implementation of laws intended to support employed women, she emphasized the need for stricter enforcement of labor law provisions on women's employment protection, the expansion of insurance coverage for women workers and female heads of households, and the facilitation of support for home-based businesses.

The 40-day war waged by the United States and Israel against Iran has struck a labor market in which women already held only a marginal share and occupied a fragile position. Now, even that limited share is shrinking. Gender segregation and discriminatory assumptions within the labor market have left women facing “higher unemployment and fewer opportunities to find work again” – an issue that has become even more critical under the country's current conditions.

Prioritizing support resources for unemployed women, developing targeted assistance packages for digital and home-based businesses, and protecting women's job security in damaged industries are among the most urgent challenges facing women's economic participation in Iran today.

From Khuzestan to Gilan: A Provincial Map of the Unemployment Tsunami

50,000 to 55,000 Unemployed in Khuzestan Province

The recent war targeted many of the country's production and service units, particularly in the provinces of Tehran, Khuzestan, and Bushehr, intensifying the spread of unprecedented unemployment across these regions.

According to Ghorban Darvishi, Executive Secretary of the Workers' House in Khuzestan Province and member of the Social Security Retirees Association in Abadan, the majority of attacks in Khuzestan were concentrated on the Imam Khomeini Port Special

Economic Zone, as well as the Mahshahr region and the petrochemical sector. Khuzestan Steel Company and Oxin Steel Company also sustained damage, and at least 35 major production units were destroyed.

He stated that if the consequences of these layoffs are not properly managed, between 50,000 and 55,000 people will face direct unemployment as a result of the attacks and the economic and industrial pressures [imposed](#) on Khuzestan Province.

From Raw Material Shortages to Financial Strain Caused by Declining Sales

Small and medium-sized industries, whose survival depends on the supply chains of major industries and automakers, are the first victims of this production halt. When raw materials do not arrive, and industrial giants come to a standstill, parts-manufacturing workshops also begin shutting down one after another.

1. On April 22, 2026 ILNA [reported](#) the temporary closure of *Maral Sanat* due to a shortage of raw materials and the uncertain status of around 1,500 workers employed at this large production complex. *Maral Sanat*, the largest production chain for trailers, axles, and trailer spare parts, is operated by a private-sector employer.
2. The Zagros and Esmailabad industrial parks in Shahr-e Qods, Tehran, important centers for parts manufacturing and the production of various goods, are now facing shutdowns and recession. One parts-manufacturing worker [said](#): “Our factory, which had a total of 400 workers, shut down after production stopped at Iran Khodro and Saipa. They told 385 people to go home, and only 15 people stayed to maintain the machinery – without insurance or wages.”

At the same time, *Iran Ghat'e* company, which previously had 250 to 300 employees, has laid off around 60 workers and is seeking to reduce its workforce to about 90.

“Tahereh,” one of the workers, [described](#) new methods used by employers to cut costs: “They deduct compulsory leave from workers’ paid annual leave, and even count shutdown days as leave. Some factories only ask workers to come in two or three days a week so they can pay lower wages. In practice, they have kept us in a state of standby.”

In an initial assessment of the damage inflicted on industrial parks in Tehran Province, Seyed Ali Sadri, Secretary-General of Tehran’s House of Industry, Mine and Trade, and Vice President of the Industry and Mining Commission at the Tehran Chamber of

Commerce, [announced](#) that, according to estimates, 208 industrial units in Tehran Province's industrial zones had sustained damage. Among them, 97 units sustained damage totaling less than 1 billion tomans.

3. Since the beginning of the Spring this year, 700 workers at Borujerd Textile Factory have [lost](#) their jobs after their contracts ended. These workers had, on average, between five and twenty years of work experience. The reason given for their layoffs was a shortage of raw materials at the factory.
4. The lack of raw materials and parts for production in several manufacturing and industrial units in Khomein County, including Arian Pars Motor, Ring Aluminum, Ferrosilicon, and Pars Laser [has led](#) these units to begin laying off workers since early April 2026.
5. Over the past one to two months, layoffs have [begun](#) in some manufacturing and industrial units in Rasht. These layoffs have not been limited to a single unit but have occurred across various manufacturing, industrial, and even service-sector units. It is said that the number of people who have lost their jobs under current conditions has reached at least 2,000.

Around 490 workers at *Pink Company* and around 500 workers at *Paya Modern Company* became unemployed after their work contracts ended. In addition, 190 workers at *Gil Ara* company and 55 workers at Peyman Poultry Farm lost their jobs. Other production units, such as *Darougar Rasht* and *Lastik Yaran Gilan*, have also laid off workers, though in smaller numbers: 10 and 11 workers, respectively.

6. The absence of exports and declining sales [have led](#) to a sudden rise in layoffs at some industrial and mining units in the Neyriz and Bakhtegan counties of Fars Province. Eighteen workers at *Avand Powder Company* and around 114 workers at *Pouyeshgaran Ma'aden Maknoun Parsian Company* became unemployed after their work contracts ended. In addition, 15 workers at *Rangin Sang* company and another 19 workers employed at *Sangin Rang* company also lost their jobs and became unemployed.

From the Factory Floor to the Classroom: Nine Months Without Pay at Farhangian University

- The signs of Iran's labor market crisis, previously visible mainly in the industrial and manufacturing sectors, have now reached university environments as well. In a [statement](#), the Central Council of University Employees protested delays in the payment of Farvardin (March 20–April 20) salaries, describing the situation as the result of administrative disputes and uncoordinated decisions between the Ministry of Science and the Planning and Budget Organization. According to the statement, this situation has placed additional pressure on employees' livelihoods and created serious concerns.
- At the same time, the crisis has emerged at an even deeper level: more than 300 faculty members at Farhangian University have [announced](#) that they were dismissed and have not received any salaries or benefits for more than nine months. These professors state that despite some legal authorities acknowledging the legitimacy of their claims, the situation continues, with no attention paid to reinstating them or paying their overdue wages and benefits.

The simultaneity of these two trends, delayed salary payments and dismissals without compensation, demonstrates that job insecurity and the erosion of livelihoods are increasingly extending into Iran's academic community as well.

Rising Layoffs in the Shadow of Internet Shutdowns

Alongside the direct impact of the war on employment, widespread internet disruptions and shutdowns have also had a significant adverse impact on the labor market and on livelihoods. The consequences of internet shutdowns in Iran can be examined on several levels. At the first level, they are directly tied to declining transactions and sales, reduced orders, and ultimately workforce reductions.

According to Reza Alfatnasab, head of the Union of Virtual Businesses, around 2,000 companies have the capacity to survive for only one to two months under current conditions, while sales declines in some businesses have [reached](#) as high as 70 percent. Estimates also suggest that these disruptions have inflicted daily losses of between 3 trillion and 5 trillion tomans on businesses, bringing the total [estimated](#) damages to between 180 and 300 "hemmat" (180–300 trillion tomans).

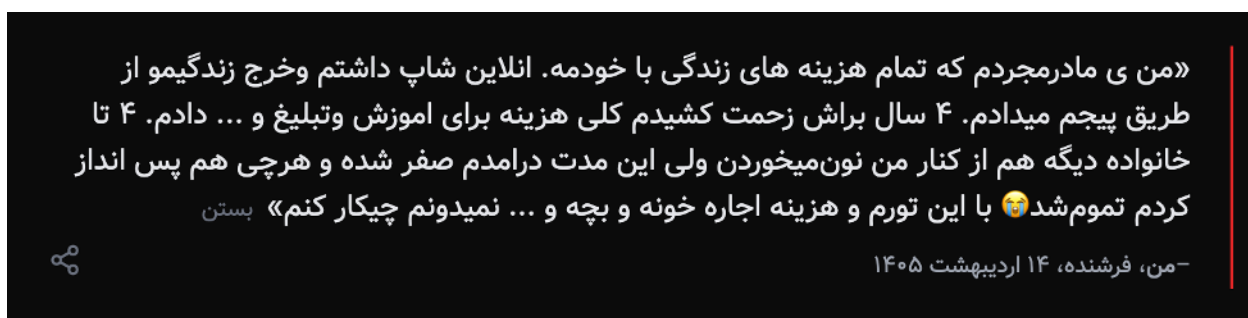
In many major technology companies, a process resembling a “tsunami of layoffs” has already begun. For example, Masoud Tabatabaei, CEO of Digikala, [announced](#) the layoff of 200 employees, equivalent to around 3 percent of the company’s total workforce.

In addition, [according](#) to the head of the Internet Commission at the Tehran branch of the National Computer Trade Organization, between one-sixth and one-fifth of employees at many companies in this sector are at risk of dismissal. In a company employing 600 people, for instance, between 100 and 150 workers may face the risk of losing their jobs.

These figures demonstrate that the internet shutdown crisis extends far beyond lost revenue. It has directly contributed to structural downsizing within companies and a reduction in employment capacity across Iran’s digital economy.

At another level, by destroying small-scale businesses that are often absent from official statistics, the internet shutdown is likely to produce deep social, gendered, and class-based consequences. Many of the persons who have limited access to the labor market and are most dependent on online spaces and platforms to secure a livelihood are suffering the greatest harm. These include: women, young people, residents of underprivileged areas, local producers, students, freelance workers, social media administrators, and home-based sellers.

Testimonies from Iranian users published on the website *Revayat-e Khamoushi* (“Narratives of Shutdown”) offer a glimpse into the scale of this crisis:



“I’m a single mother who pays for all of my living expenses on my own. I used to make a living through my online shop on Instagram. I spent four years building this business and invested everything I had into training, advertising, and growing it. I was also supporting four other families in addition to my own. But during this period, my income dropped to zero, and every bit of savings I had was exhausted by inflation and rent. I honestly don’t know what I’m supposed to do now.” – *M, Online seller, May 4, 2026*

«من مادر دو تا بچه ام که درامدم از سایت افیلیتم بود که به تازگی درامدم بهتر شده بود از اوایل تابستون کلی هزینه کرده بودم و کلی زمان گذاشته بودم واسه اسفند که با این قطعی اینترنت متاسفانه همه زحما تم به باد رفت. اینا به کنار پروژه های فریلنسری خودمم پاز شد و الان هیچ درامدی ندارم. من مستاجر م و کلی قسط دارم و دلم به همین کارم خوش بود. دیگه بریدم. چند وقتیه دارم به خودکشی فکر میکنم. امیدوارم درک کنید.» بستن



-مهسا، دیجیتال مارکتر سابق، ۱۴ اردیبهشت ۱۴۰۵

"I'm a mother of two. Part of my income came from affiliate marketing websites, and my earnings had finally started improving after a long time. Since early last summer, I had invested all my money and all the time I had saved for this work. But with the internet shutdown, everything I built collapsed. Alongside that, my freelance projects disappeared too, and now I have no income at all. I have Instagram debts and loan payments to cover, and my whole heart was in this work. A few times, I've even thought about suicide. I hope you understand."

– Mahsa, former digital marketer, May 4, 2026

«واقعا تو این وضعیت چنان فشار روحی روانی بهم وارد شده موندم چیکار کنم کسب و کار راه انداختم تو تلگرام ماهی 1 یا 2 تومن سود داشت چون می گرفت یهو نتا قطع شد من موندم و کلی مشتری و منه بدهکار»



-Mmd، فروشنده، ۱۴ اردیبهشت ۱۴۰۵

"The psychological pressure of these conditions has become unbearable, and I honestly don't know what to do anymore. I had started a small business on Telegram and was earning between 1 and 2 million tomans a month. It had finally started to grow and gain momentum when the internet was suddenly cut off. Now I'm left with a long list of customers and a huge amount of debt."

– Mmd, Online seller, May 4, 2026

«به ضرب و زور با هزینه های زیاد یه شاپ راه انداختم بعد تلاش ها و بیخوابی های زیاد با دو بچه نت قطع شد، بارم گم شد و الان چون نمی خوام تو بله فعالیت کنم واسه روزی پونصد اسنپ میرم».



-گمنام، ۱۳ اردیبهشت ۱۴۰۵

“Despite countless difficulties, and while raising two children, I worked incredibly hard for months – enduring sleepless nights and significant expenses – to finally launch my online shop. But suddenly the internet was shut down, and the products I had ordered to sell through my shop disappeared. At the same time, I do not want to move my business onto domestic platforms like Bale. For now, I’ve started working for an online taxi service just to earn at least 500,000 tomans a day.”

– *Anonymous, submitted on May 3, 2026*

«من توی یک روستا دارم زندگی میکنم و تنها راه برای نجات دادنم آموزش دیدن حرفه مورد علاقم بود که بتونم باهاش کار کنم اما اینترنت قطع شده و امیدی ندارم....»



-فرفری، دانشجو، ۱۳ اردیبهشت ۱۴۰۵

“I live in a village, and the only way I had to build a future for myself was by learning the profession I love through online education. But now the internet has been cut off, and I no longer have any hope.”

– *Ferferi, student, May 3, 2026*

«با سه سال زحمت و تلاش بی وقفه پیچ مغازمو بالا آوردم و فروشم دو برابر شد و علاوه بر سه تا فروشنده مغازم دو نفرم برای اداره پیچ استخدام کردم . اما با قطعی اینترنت ۵۰ درصد فروشم از بین رفت و کنارشان تورم وحشتناک باعث شدن چار نفر از پرسنلم رو تعدیل کنم و حالا من موندم و اجاره دو برابر و چک های پاس نشده و در آمدی که یک دهم شده.» بستن



-حمید، فروشنده اکسسوری و بدلیجات، ۱۲ اردیبهشت ۱۴۰۵

“Over three years of nonstop hard work, I built an Instagram page for my store and managed to double my shop’s sales. I had even hired two people to manage my Instagram shop. But after the internet shutdown, I lost 50 percent of my sales. At the same time, because of the severe inflation we are facing, I was forced to lay off four of my employees. Now it’s just me left, along with a store rent that has doubled and a huge amount of debt. My income has dropped to one-tenth of what it used to be.”

– *Hamid, accessories seller, May 2, 2026*

Ultimately, repeated internet shutdowns and the absence of any clear timeline for when it will be restored have stripped the business environment of predictability. As the head of the Union of Virtual Businesses has emphasized, investors enter a market only when they can anticipate its future. Under current conditions, however, that possibility has disappeared, and trust has been seriously damaged.

This uncertainty is gradually leading to reduced investment and even capital flight from Iran’s digital ecosystem.

The Impact of Internet Shutdowns on the Digital Economy and Employment	
Reported impact	Company / Sector
Daily losses of 3 to 5 hemmat (trillion tomans) (Union of Virtual Businesses)	Digital businesses overall
Layoff of 200 employees (around 3% of the total workforce) (CEO of Digikala)	Digikala
100 to 150 employees at risk of layoff (Internet Commission of the National Computer Trade Organization)	Medium-sized technology companies
Complete shutdown, Farvardin 1405 (March–April 2026)	“Camo” startup (9+ years old)
Loss of half of its annual growth capacity	Achareh platform (210,000 specialists)
Servers shut down and services suspended	“Davat” startup (contract management)
Sharp decline in demand and suspension of campaigns	Tepsell and the digital advertising sector
Layoffs affecting 30% to 50% of the workforce (Head of IoT Commission, Nasser Organization)	Internet of Things (IoT) companies
Average 70% decline in orders (DM Board media survey)	Advertising agencies
60% to 90% decline in projects (DM Board media survey)	Outdoor advertising sector
At least 50% decline in orders (DM Board media survey)	Digital agencies

Examples of the Collapse of Startups and Small Businesses

1. The startup *Kamva* – an online store-builder platform with more than nine years of activity – was [dissolved](#) in Farvardin 1405 (March–April 2026) due to prolonged internet shutdowns.
2. The service platform *Achareh*, following internet disruptions that began in December–January, was unable to return to its previous growth trajectory and [lost](#) half of its annual growth capacity. Over recent years, the platform has become a source of income for more than 210,000 service professionals across the country and has played a direct role in creating small-scale and sustainable employment.
3. During the prolonged internet shutdowns in Iran, the startup *Davat* – a contract-management platform entirely dependent on online infrastructure – [saw](#) its ability to attract new customers halt, and user activity declined sharply. Ultimately, rising operational costs alongside falling revenues forced the startup to temporarily shut down its servers and suspend its services.
4. **Online advertising and digital publishing:** Following the ongoing internet shutdowns and restrictions since late December 2025–January 2026, Iran's online advertising industry has faced widespread disruption, with a significant portion of its activities effectively coming to a halt. Many platforms operating in digital advertising, such as *Tepsell*, have faced a sharp decline in demand and the loss of distribution channels. The breakdown of analytics and automation tools – including marketing automation services and Google Analytics – has effectively eliminated the ability to analyze user behavior and plan advertising campaigns.

In addition, the complete disruption of services such as Google Ads and social media platforms, alongside problems affecting OTP (one-time password) services, has made attracting new users nearly impossible. Even some existing users have lost the ability to log back into platforms.

5. **Internet of Things (IoT) companies:** [According](#) to the head of the Internet of Things Commission at the Tehran branch of the National Computer Trade Organization, some companies operating in this sector have been forced to lay off between 30 and 50 percent of their workforce over the past two months. According to Mojtaba Mirjafari, the direct dependence of IoT businesses on stable internet connectivity has effectively brought their revenue streams to a standstill. Under such conditions, reducing costs through layoffs has become the first survival strategy.

6. **Findings from a field survey conducted by “DM Board” among 25 marketing and advertising agencies** [show](#) that, following the internet shutdowns, demand for advertising campaign design and execution services declined by an average of around 70 percent – a decline that, in some cases, fell to near zero. According to the report, the downturn has not affected all segments of the industry equally, but every area has experienced a downward trend. Outdoor advertising agencies reported declines of between 60 and 90 percent in their projects and activities, while digital agencies also faced at least a 50 percent drop in orders and campaign executions.

7. **Social media-based businesses:** Filtering and complete internet shutdowns have reduced the incomes of hundreds of thousands of small businesses operating on platforms such as Instagram and Telegram to zero, effectively pushing them out of the economic cycle.

Final Assessment

The simultaneous continuation of war, inflation, and internet shutdowns has pushed Iran's labor market into a stage of structural instability – a condition in which not only are jobs being destroyed, but the possibility of rebuilding them has also become severely constrained. Beyond reducing employment, this process has deepened social and gender inequalities, placing groups that were already marginalized within the labor market – particularly women, young people, and workers in the informal sector – at even greater risk of exclusion.

At the same time, the disappearance of predictability in the business environment has undermined investment confidence and weakened the capacities of the digital economy, which, under crisis conditions, could otherwise have served as a crucial source of livelihood and resilience.

Under these circumstances, the design and implementation of targeted support policies – from expanding insurance coverage and protecting women's employment to supporting small businesses and restoring communication infrastructure – is no longer a matter of choice, but an urgent necessity to prevent the further spread of unemployment, the deepening of inequality, and the erosion of social capital.



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Femena works with partners to promote gender equality, inclusion, and peace; expand civic space; strengthen civil society and WHRD resilience; visibilize the work of WHRDs and progressive feminist movements; and foster solidarity and south-south cooperation in the South-West Asia and North Africa (SWANA) region. Femena's work is particularly focused on contexts, experiencing crisis, conflict, authoritarianism and closing civic space.