

**THE STATE,  
BUREAUCRACY, AND  
REVOLUTION IN  
MODERN IRAN**

**Agrarian Reforms and  
Regime Politics**

**Ali Farazmand**



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To My Mother  
and the Iranian People

characterized the close relationship between the bureaucracy and the political system. High and middle-ranking bureaucrats normally find bureaucratic organizations at the center of their lives (Downs 1965). In Iran, politics in the form of personal, party, and sociopolitical ties became the dominant force in the lives of the bureaucrats. Bureaucrats spent considerable amounts of time fostering good relationships with political elites, influential people, and party functionaries.

Because of the integrated relationships between the political and administrative systems, it was difficult to distinguish between the two systems. Was a department head in the bureaucracy a career bureaucrat or was he a career politician? To answer such a question, Riggs (1964) states that a person in such a position would have to be both. Iranian administrators certainly were "quasi-politicians" also. In addition, because of the role the administrators played in Iranian economy and society, they became "bureaucratic capitalists" whose functions and performance in society influenced shaping the political culture of a bureaucratic state. The bureaucratic capitalists played three major roles in Iranian society: those of bureaucrats, politicians, and businessmen.

Such a tri-active role in the bureaucratic state brought the Iranian bureaucratic elite tremendous material and sociopolitical benefits. Despite the modernity of the bureaucratic state and its managerial capacity, the political system remained relatively fused. Role differentiation in society was lacking, as the political system and the regime values were pervasive and dominant. There were no separate institutions for administrative and political functions. As a result, bureaucrats were forced to operate in an environment in which particularistic rules were applied to them. The rule "who you are" was more important than "what you know" in the bureaucracy. In short, the bureaucracy was the central vehicle of politics and power in Iran, and the bureaucratic state was the dominant force in Iranian political and socioeconomic spheres of life; it was the backbone of the Pahlavi regime.

## SOCIOECONOMIC AND RELIGIOUS ENVIRONMENTS

### A General Background of Iran

Iran or Persia is a large country with a long history. It covers an area of 628,000 square miles, five times the size of Great Britain. Iran has historically been an agricultural country. Its underground *qanats* (irrigation canals) have been operated for more than 2000 years. Agriculture has been the mainstay of Iran's employment, only to have declined during the 1960s and 1970s. Agriculture accounted for 90 percent of GNP in the 1900s, declining to one-fourth in the mid 1960s and one-eighth in 1974 (Halliday 1979, p. 9; U.S. Department of Agriculture 1974, p. V; Wilber 1976, pp. 4-13).

Iran's population has increased from 20.9 million in 1956 to 34.5 million in 1977, of whom 50 percent were under 20 years of age. The 1986 estimated population was about 40 million with 60 percent living in urban areas. About 40-50 percent of the population is illiterate. In rural areas, the illiteracy rate was 90 percent in 1977, and among women in rural areas it was 95 percent. The annual rate of population growth was 2 percent until the mid 1950s, then it increased to 2.9 percent in the period 1956-66. The population growth rate has been about 3 percent according to the 1973-74 government survey. Slightly over 11 percent of the total population lived in Tehran, the capital. This figure has risen to about 14 percent in the 1980s.

The original inhabitants of Iran were Aryans who migrated to the Iranian Plateau and settled there forming the Persian Empire. They still constitute the majority of the population. But after several centuries of invasion by Arabs, Turks, and Mongols, the population of Iran is multi-ethnic. A greater ethnic mixture is found in frontier regions. Two-thirds of the population are Persians, speaking languages and dialects that belong to the Indo-European languages family. The official language is Farsi (Persian).<sup>7</sup> The largest ethnic minority groups whose tongues differ from Farsi are Turks, Kurds, Arabs, and Baluchis. Other minority groups who can be distinguished by religion represent only small fractions of the population. They include Armenians or Christians--0.4 percent; Assyrians--0.1 percent; Jews--0.3 percent; Zoroastrians--0.1 percent; and Bahais--0.5 percent. About 98 percent of the population is Muslim and 93 percent are Shia adherents while the rest adhere

The royal family continued to monopolize the economy. The elite and the foreign capitalists enjoyed similar advantages such as special concessions, joint ventures, and so on. One of the most powerful economic institutions was the Shah's Pahlavi Foundation, an organization created in the early 1950s for administering the Shah's wealth. In the 1960s and 1970s its power was second only to that of the government. Robert Graham wrote in 1978 and 1979 that the Pahlavi Foundation was used in three ways to "assist the regime: as a safe and institutionalized conduit for 'pensions'; as a means of exerting economic control or influence by investing in specific sectors of the economy; and as a source of funds for royal ventures" (1979, p. 155; 1978).

The Foundation also entered U.S. and other international markets for large-scale capital investments. Its director was accountable only to the Shah. Its main revenue came directly from the National Iranian Oil Company (NIOC), which directly deposited to the Foundation's account amounts known nowhere in the Iranian regular government documents. By 1978, a conservative estimate of its assets was put at \$4.0 billion, not including annual income (Graham 1979, pp. 155-165). The Foundation paid a substantial amount of money to several U.S. universities for publication projects favoring the Shah's regime. For example, Princeton University and Columbia University received \$500,000 and \$18,000 respectively for favorable studies on Iran (Graham 1978, p. 641). In 1979 a U.S. newspaper reported that the Foundation, through the Shah's ambassador in Washington, Ardeshir Zahedi, paid \$25,000 a month to the U.S. press and undisclosed congressmen to ensure their support for the Shah (*New York Times* 1979, March 1, p. A-11). One such example is Senator Jacob Javits' wife, who was on the Foundation's payroll for \$80,000 a year.

### Religious Environment

It is beyond the scope of this study to discuss properly the significant nature and role of Islam in Iranian society. What follows is a very brief account of the religious environment in which Iranian state and bureaucracy functioned. For almost three centuries Muslims have composed 98 percent of the population of Iran. Ninety-two percent of Muslims adhere to *Shiism*, one of the two principal branches of Islam, while the

other 7 percent adhere to Sunnism. Other non-Muslim minority religions include Armenian Christians, Assyrians, Jews, Zoroastrians, and Bahais. Taken together, people who belong to these minority religions number somewhere between 420,000 and 500,000. Zoroastrians adhere to the pre-Islamic, ancient Persian religion of Zoroastrianism which was the state religion of the Persian Empire; Ahura Mazda was worshipped as the single God in ancient, pre-Islamic Persia.<sup>9</sup>

The Constitution of 1906 and the Islamic Republic Constitution of 1979 both recognized all the minority religions except Bahaism which has had approximately 80,000 adherents, although the exact figure of its followers is not known. This controversial religion is known among the Iranian Muslim community as a British political creation of the late nineteenth century. It has been known among many Iranians as a Western politico-religious instrument to counter Iranian radical Shiism, which has traditionally taken an active role in anti-foreign and anti-imperialist movements--especially against the British and czarist Russia--in Iranian political history of the last two centuries. Nevertheless, Bahais rose to very high power in Iranian political and administrative systems and enjoyed enormous economic privileges in Iran under the Pahlavis, especially under the late Shah. Many top political and bureaucratic elite positions were occupied by Bahais. Bahais have been known in Iran for their pro-Western orientations, and they indeed have been supported enormously in their political and religious activities.

Similarly, Jews were barred by the Constitution of 1906 from taking many government--administrative, political, military, and security--positions for they constituted only a fraction of the population. But they enjoyed special elite privileges in Iranian military-security, administrative, economic, and cultural affairs under the Shah. In security matters, in which Israel had a direct role, the Zionist Jews had an information network that was second to none. Economically, they had monopolistic control of certain trade and commercial industries as well as some manufacturing sectors. Culturally, they were among the most active agents of Westernization and promoters of the "facade" culture in Iran. Together, the Bahais and most of the Jews were politically the most favored, most reliable, and most aggressive agents of Western-oriented policy development and policy implementation for the regime. The special privileges and powers granted to the Jews and Bahais by the Shah were always resented by Muslims and secular Iranians. The Shah trusted them and the

foreigners more than Muslims and nonreligious Iranians, especially the intellectuals and members of the intelligentsia, whom he "despised and disliked" (Parsons 1984, p. 20). The Shia leadership had always protested this and took militant actions against the regime several times during the Shah's reign. In short, the Bahai-Jewish alliance was more than pronounced in Iran, and Israel and the United States, along with Britain, have been the most aggressive promoters of Bahatism in Iran and the Islamic world.

Conversion of Iranian population to Islam took about 300 years after the Islamic conquest 13 centuries ago, and it was not until the tenth century that Islam became thoroughly entrenched in Iran. When Islam was accepted, Persian-led popular movements resulted in the creation of radical Shiism against the corrupt and oppressive system of the dominant Sunni khalifate. Thus, Shiism flourished in independent Iran and served the various independent nationalist movements against the theocratic, corrupt rule of khalifate. Abu Muslim Khorasani (of Khorasan) and Azadud Dowleh-e-Daylami (of Gilan) were but two examples of people who led Iranian movements, marched on Baghdad, and toppled the then khalifate. During the Safavid Empire (1501-1737) Shia Islam became the state religion and religious leaders occupied many administrative and judicial positions in the centralized state bureaucracy.

Historically, the radical tenets and philosophy of Islam and Shiism have served Iran. However, Islam has carried both elements of progressiveness and reactionism. Religious leaders who cooperated with the brutal kings and supported ruling regimes also became supporters of the ruling classes and the landed aristocracy. They have compromised and collaborated with foreign powers. On the other hand, there have been progressive elements in Shiism which have been very popular among the population. The progressive religious leaders, while being harassed by authorities, played a significant role in the Tobacco Rebellion against the British during 1889-92, in the Constitutional revolution of 1905-11 against the autocracy of the Qajars, in the Gilan's Jangal revolution of 1915-21 under Mirza Kuchek Jangali and in the revolution of 1978-79. Mirza led a popular movement, in which the peasantry played a key role against British imperialism and czarist Russia. Mirza Kuchek established the first republic system of government in Gilan in Iranian history and was about to lead a national democratic and anti-imperialist movement which, if successful, would establish a democratic

Republic of Iran. Similarly, the Azerbaijan revolution of 1919-21 was led by Sheikh Mohammad Kheibani, a religious leader. Reza Shah tried to undermine the clergy's power in Iranian politics, but they emerged again during and after World War II (Hussain 1985; Keddie 1981, 1972, 1966; Katouzian 1981).

The progressive religious leaders also took an active part in the oil nationalization movement under Mosaddegh in 1951-53 and organized massive protests against the Shah's dictatorship in the 1960s. Like his father, the Shah also tried to curtail clergy power in Iranian politics. The 1963-64 bloody uprising led by Ayatollah Khomeini culminated in his forced exile to Iraq in 1964. The uprising was the result of several antipopular, antireligious, and pro-imperialist policies of the Shah. One of the most important of these policies was the granting of full diplomatic immunity to Americans--military and civilian--in Iran in 1963 and 1964. This law gave the privileges of "capitulation," or in the Persian word *Kapitulasyon* to Americans, similar to the "capitulations" granted the czarist Russians in accordance with the Turkmanchai Treaty after the defeat in the Russian-Iran war of 1828; it was abolished by the new Soviet government in 1918. Also, similar privileges were granted the British under Reza Shah. Although the application of capitulation to Americans was not very wide in the early 1960s, it nevertheless caused a major injury in Iranian national pride and aroused fierce resentment among the people. The religious community was truly outraged and led the bloody uprising in 1963-64, which was brutally suppressed (Albert 1980; Mottahedeh 1980; Rouleau 1980).

The religious institutions were then bureaucratized by the Pahlavi state and firm control--financial, political, and administrative--was established over them by the regime (Banuazizi and Weiner 1984). In short, "bureaucratization of power led to the seizure of the clergy's jobs, lands, revenues, Madrasahs, and administration of shrines" (Akhavi 1986, p. 183). In a U.S. congressional hearing on July 24, 1973, Richard Cottam reported: "the regime is opposed by important section of Iran's clergy. Best known of the clerical opposition is a contender from the spiritual leadership of Shia Islam, Ayatollah Khomeini" (U.S. Congress-House of Rep. 1973, p. 114).

While Khomeini opposed the Shah and his violations of the Constitution, he never spoke against the land reform (Bashiriye 1984; Hooglund 1982; Katouzian 1981). In October 1964 Khomeini publicly condemned both the Shah's violations of the Constitution and the granting of extraterritoriality to U.S.

**Aryamehr:** Light of Aryans, the original people who migrated to and settled on the Iranian Plateau during the second millennium B.C.; they founded the Achaemenid world-state Empire under Cyrus The Great during the 6th century B.C. The term was used as a title by the late Mohammad Reza Shah Pahlavi until the Revolution of 1978-79.

**Ayatollah:** A high ranking religious authority in Shia Islam. It consisted of **ayat** meaning manifest or authority, and **allah** meaning God; hence a manifest and authority of God on earth.

**Bahais:** Adherents of the minority religious sect **Bahaim** founded in 19th century Iran, which is recognized neither by the Constitution of the 1907-1911 nor by the Constitution of the Islamic Republic in 1979. According to the Shia authorities in Islamic Iran, Bahaim is a heresy developed through the influence of the British Imperialism in Iran to undermine and neutralize the Shia religion and its anti-foreign and nationalistic position in Iranian politics.

**Bakhshdaran:** District governors, lieutenant governors of a county (plural). Sing.: **Bakhshdar**.

**Bakhsh Sarparast (s):** District supervisor (s) of rural cooperatives.

**Basavadan:** Literate and educated people (plural). Sing.: **Basavad**.

**Basij-e-Eghtesadi:** Economic mobilization (organization).

**Bazaris:** Merchants and wholesalers in cities and towns.

**Bazrasan:** Appointed or elected inspectors.

**Boneh:** An agricultural production team; a collective system of agricultural production organization, usually formed and operated by a small number of farmers or peasants holding titles to cultivable lands in a village; an ancient, collective system of agricultural organization operated by free, landholding peasants.

**Bonyad-e-Mostazafan:** The foundation for the downtrodden, poor and disadvantaged people; the largest public enterprise in Iran under the Islamic Republic; formerly Pahlavi Foundation.

**CAJ:** Court of Administrative Justice.

**Cherickha-e-Khalgh:** Sacrificing people's guerrillas; a Marxist organization of people's guerrillas fighting the Pahlavi regime, also opposing the Islamic Republic after its initial support of it following the Revolution in 1978-79.

**COLR:** Central Organization of Land Reform.

**Comprador Bourgeoisie:** The local economic, social, and bureaucratic (military and civilian) bourgeoisie representing and enhancing the interests of Western, multinational corporations and governments in a country; usually the local economic groups who operate as agents of, and benefit from, but are dependent on, the multinational corporations in a country. The phrase is usually used in contrast to the **national bourgeoisie** which is native and independent, and thus contributing to the national economic and political independence, something very difficult to achieve in the late 20th century under the pressures of the foreign technological, military, economic, and political influence of the Western nations.

**Dabir:** Secretary.

**Darya:** Sea; a newspaper in early 1950s.

**Deh:** Village; plural: **Dehat** or **Deh-ha:** villages.

**Dehban:** An ancient title for village headman; plural: **Dehbanan**.

**Dehdar:** Village administrator; plural: **Dehdaran**.

**Dehestan(s):** Subdistrict(s), township(s), canton(s).

**Dokkandaran:** Shopkeepers (plural); sing.: **Dokkandar**.

**Edareh:** Bureau; office.

**Ettlaat:** A major official daily newspaper; information.

**Faghih:** A supreme religious leader; a highest ranking religious leader in Shi'i Islam. Currently, Ayatollah Khomeini holds this title in Iran. Usually, the term follows the term **Velayat**,