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## CLASS STRUGGLE IN POST-REVOLUTIONARY IRAN

Classes are objective positions defined by the social relations of production. These positions broadly determine, among other things, the occupants' political and ideological orientations and their potential to participate in revolutionary movements. The conflict between and the contradictory nature of these positions are the underlying mechanisms for the generation and reproduction of class struggle. Nevertheless, a simple structural analysis is insufficient for analyzing the role of classes in a revolutionary movement. Classes are not static entities fixed once and for all, nor are they completely determined by "objective" economic "facts" such as the social relations of production.<sup>1</sup> To understand the success of the dominated classes in a revolutionary movement, one must analyze their level of class formation—namely, the capacity of the members of a class to realize their interests. Class capacity is contingent, among other things, on the level of organization and mobilization of the members of the class. Rather than deriving automatically from the structural positions, class capacity is "rooted in traditional culture and communities."<sup>2</sup> Class boundaries, interests, and mobilization are always shifting: interests change, coalitions are formed and break up, positions in the economy are created or destroyed, and demobilization occurs.<sup>3</sup> Classes are continually organized, disorganized, and reorganized.<sup>4</sup> The methodological strategy adopted in this article to demonstrate the importance of class in shaping the economic policy of the Islamic Republic is based on the analysis of the significant and controversial issues that appeared in the post-revolutionary period. It will be argued that these issues were a manifestation of class struggle and that the way they were finally resolved reflected the balance of class forces.<sup>5</sup>

We may begin with a brief summary of class structure and class politics in pre-revolutionary Iran. Although no accurate estimate of class structure is available, the published scholarly works point to the existence of several classes. The first was the dependent bourgeoisie which controlled key sectors of the economy and was closely tied to, and dominated by, international capital. Totalling no more than one thousand individuals, this class consisted of the Pahlavi family; aristocratic families engaged in urban ventures; enterprising aristocrats who survived land reform by setting up agribusiness, banks, trading companies, and industrial firms; elder politicians, senior civil servants, and high-ranking military officers who prospered by sitting on managerial boards and facilitating lucrative government contracts; old-time entrepreneurs, and a half-dozen new entrepreneurs. These

wealthy families owned not only many of the large commercial farms but also some 85 percent of the major private firms involved in banking, manufacturing, foreign trade, insurance, and urban construction.<sup>6</sup>

The second group was the property-owning class, consisting of the petty bourgeoisie, the merchants, and the landowners. The petty bourgeoisie, or the traditional middle class, consisted of those engaged in the crafts of metalworking, woodworking, building and ceramics, textiles and leather, and food treating, as well as the retail traders. The merchants were wholesale traders. Those with a commercial license to engage in international trade numbered around 17,500 nationwide.<sup>7</sup> The merchants, craftsmen, and retailers were mainly (but not exclusively) organized in the bazaar, which had been the commercial focus of the city and its hinterland. On the eve of the revolution, despite its relative decline under the late shah, the bazaar controlled “a third of imports and two-thirds of retail trade.”<sup>8</sup> According to one estimate, these classes numbered nearly a million families.<sup>9</sup>

The “feudal” class was effectively destroyed through the land reforms of the 1960s. In its place, a capitalist landowning class emerged in the post-reform period. On the eve of the revolution, the agricultural holdings were divided into three broad categories. The first comprised large, medium, and small agricultural holdings with the population of over 100,000 controlling 5 to 6 million hectares of relatively fertile land. The second was composed of a small group of rich peasants and small rural capitalists who had considerable influence in their own villages. Finally, the third category consisted of 1.5 million small holdings, or landless peasants.<sup>10</sup> The internal structure of the first category consisted of about 9,500 large landowners (with more than 100 hectares each) who owned over 3.5 million hectares of the best-quality lands; and several tens of thousands of medium landowners (with 50–100 hectares each) and small landowners (with 30–50 hectares each), who together owned close to 3 million hectares. Large, medium, and small landowners had long had close ties with the merchants and the real estate owners in the urban areas. These groups plus rich farmers constituted the rural bourgeoisie.<sup>11</sup>

The new middle class and the working class grew as the result of the country’s industrial development and the expansion of the state bureaucracy. The new middle class, consisting of civil servants, teachers and school administrators, engineers, managers, and white-collar workers was estimated to number 1.8 million in 1977.<sup>12</sup> The working class, consisting of wage earners employed in different industrial sectors, grew rapidly as a result of the economic development of the 1960s and 1970s. In 1977, the size of the industrial work force was estimated at 2.5 million.<sup>13</sup>

The main beneficiaries of economic development in the 1960s and 1970s were international capital and the dependent bourgeoisie who, behind the protective shield of the state, were able to dominate the economy and reap substantial profit. The petty bourgeoisie, the merchants, and the landowners were antagonized by state economic policies. Industrial development; state policies of various sorts, such as the licensing system; credit allocation, and the establishment of farm corporations and agribusiness undermined the interests of these classes. Consequently, the dependent bourgeoisie and international capital faced the opposition of the indigenous social classes on two levels. On the market level, their increas-

ing dominance over the national market provoked the hostility of the petty bourgeoisie, the merchants, and the landowners. On the production level, the contradictory process of capitalist development and the intensification of economic difficulty in the mid to late 1970s brought about capital and labor conflict. These overlapping conflicts constituted the major underlying objective basis of the revolutionary conjuncture of 1977–79. Given this basis, Shi'ci Islam played a decisive role in making and sustaining the revolutionary movement through its imagery and symbolism.

#### SOCIAL REVOLUTIONARY ISSUES

The overthrow of the monarchy shattered the unity among these classes, but the disorganization of the state's repressive apparatus opened the gate for a possible social revolutionary transformation. The initial years of the post-revolutionary period were punctuated by events favoring a major structural change directed against the landowners and capitalists. However, a reverse trend soon gained momentum. At first, it was able to halt the move toward social revolution. Then it began to undo what had been done in the previous phase. The complex sequence of events that followed the overthrow of the shah fell into two phases; the first was a social revolutionary, and the second was the reversal, characterized by a systematic repression of the demands of the working class, the peasants, and ethnic minorities, on one hand, and the consolidation of the economic and political power of the merchants and landowners, on the other.

Class struggle in the post-revolutionary period revolved around three major issues: land reform; labor law, including labor control of production through the newly formed labor councils; and the nationalization of foreign trade. Resolving these issues determined the economic policies of the Islamic Republic. During the social revolutionary phase, workers and peasants struggled against the capitalists and landowners. The merchants of the bazaar were busy filling the void that had resulted from the expulsion of international capital and the flight of many industrialists and bankers from the country. To the extent that the workers' and peasants' movements were directed against the dependent bourgeoisie, the merchants and landowners were not directly threatened. The provisional government, which was trying to save the pre-revolutionary class structure and the distribution of social resources, did not last very long, and the radicalization of the dominated classes was facilitated by its fall. Then the merchants and landowners came under direct attack, but strengthened by their quick accumulation of substantial wealth, the consistent support of the conservative ulama, and their intricate networks and organizations, they managed to control the social revolutionary movement and successfully push forward their counter-revolutionary economic policies.

#### *The Revolutionary Phase*

During the initial years of the post-revolutionary period, the architects of the Islamic Republic did not appear unsympathetic to the cause of the class-divided popular masses. Among other things, they were in favor of such radical measures

as a land reform; the formulation of a progressive labor law; and nationalization of foreign trade. However, in the reversal phase, they began to abandon one by one their promises of social justice and economic equality. This article attempts to explain changes in the economic policy of the ruling clerics according to class struggle and the balance of revolutionary and counter-revolutionary class forces in Iranian society.

*Peasant–Landlord Struggle.* During the early phase of the post-revolutionary period, the countryside was the scene of confrontations between peasants and landowners. Peasant self-assertion was initially directed toward the seizure of land in large estates and then expanded to include smaller holdings. The first target of land seizures were those estates that belonged to the members and associates of the old regime who had fled the country during the revolution. In certain regions such as Turkman-Sahra, Kurdistan, West Azarbayjan, and the northern provinces, the organized movements of peasants were more successful than in the rest of the country.<sup>14</sup> Rural turbulence, however, was not initiated by peasants only. In parts of Khorasan, and in areas where semitribal forms of social organization persisted, such as Kurdistan, Fars, and Baluchistan, the khans and the landlords sought in the general disorder to reclaim lands they had lost under the shah's land reform. Elsewhere, landlords laid claim to disputed properties or pasture lands lying in the public domain.<sup>15</sup>

In sum, depending on the specific conditions of the area, peasant movements were generally involved in one or more of the following: first, the seizure of the holdings of the fugitive landlords; second, the seizure of the holdings of large or even medium landowners in regions where, for a variety of reasons, there had been conflicts and hostilities between the landowners and the peasants; third, the seizure of the nationalized forest and pasturelands; fourth, the dissolution of farm corporations and agricultural production cooperatives by the shareholders and the reclaiming of the lands they had to incorporate in these institutions under the shah; and fifth, the peasants' refusal to pay the installments for the lands they had received during the land reform, or for the loans they had obtained from the cooperatives, banks, and usurers.<sup>16</sup>

Clashes between villagers and landlords took a variety of forms, ranging from the use of stones, clubs, and chains to organized armed conflict. The intensity of the crisis was manifested in 300 outbreaks of rural conflict by mid-November 1979 that left 100 people dead.<sup>17</sup> According to one survey, in 75 of these 300 rural incidents (25 percent) landless peasants were involved; in 96 (32 percent), peasants with less than 2 hectares of land were involved; and in 76 (25.4 percent), peasants with from 2 to 5 hectares of land were involved. The middle-income peasants, whose holdings ranged between 5 and 10 hectares, were involved in 43 cases (14.3 percent), and the rich peasants, with 10 to 30 hectares of land, totaled only 10 cases (3.2 percent). If we define small peasants as those with less than 5 hectares of land, then this group was involved in 172 cases (57.4 percent). The same study also reported that peasants' actions were directed against landowners and government authorities in the overwhelming majority of cases: in 98 of 242 cases (40.5 percent) peasants directly clashed with landlords, and in 94 cases (39

percent) they confronted government authorities. In 37 cases (15.2 percent) peasants were fighting among themselves, and finally, in 13 cases (5.2 percent) they were in conflict with other groups.<sup>18</sup>

The reaction of the authorities to these developments varied from locality to locality. In some areas, the revolutionary guards and local clerics took the side of the peasants; in others they sided with the landowners. In general, the provisional government was against the land seizures, and tried to secure order in the countryside and protect private property. It launched military attack on the peasants, and in certain areas such as Sistan and Baluchistan, Kurdistan, Fars, and Azarbaijan it began arming the landlords and the khans.<sup>19</sup> At the same time, the government engaged in an extensive propaganda campaign against the land seizure, arguing that it would cause a decline in agricultural production. It also began downplaying inequalities in landownership. The agricultural minister Eizadi claimed that "there is no feudal landowner in Iran";<sup>20</sup> that "no one in this country owns a whole village; and that all the lands were divided among the peasants under the Shah's land reform."<sup>21</sup> (*Iffilā'āt*, however, rebutted Eizadi's claim by indicating that 85 percent of the lands under cultivation were still controlled by the "feudal" landowners.<sup>22</sup>) The government's attempts to calm the anxious climate, however, were hindered by the pro-poor rhetoric of Ayatollah Khomeini and the leaders of the Islamic Republican Party (IRP). For example, Ayatollah Khomeini was repeatedly proclaiming that "the country belongs to the slum dwellers. The poor are the resources of this country."<sup>23</sup> Ayatollah Beheshti stated that "the line of the revolution is anti-imperialism, anti-capitalism, and anti-feudalism."<sup>24</sup> Ayatollah Bahonar, a member of the Revolutionary Council, announced that "regarding large landownership, the aim of the Revolutionary Council is to be able gradually to give these lands to those who work on them."<sup>25</sup> Finally, Ayatollah Dastghaib, *imām jum'ah* of Shiraz, in his defense of the peasants, went so far as to encourage "the youth and farmers not to wait for the state to give them land. They, themselves, should act, seize lands from the feudals [feudal lords] and landowners, and cultivate these lands behind the banner of Islam."<sup>26</sup>

Evidently this rhetoric had the immediate effect of weakening the liberal government, and at the same time, enhancing popularity of the ulama among the peasants. The formation of over 15,000 Islamic societies in the villages toughened the organizing efforts of leftist forces which were trying to mobilize the peasants in a socialist revolutionary direction.<sup>27</sup> More crucially, however, was the fact that the pro-peasant rhetoric of these ulama placed the debate over the land reform within the context of Islam. This meant that any land reform had to be Islamic. However, the question of what constituted an Islamic land reform was subject to conflicting interpretations among the various factions of the ulama. Given that a majority of the leading ulama were economically conservative and had often defended landed property, a radical land reform, now that they were in a position of considerable political power and influence, would have faced insurmountable ideological obstacles.

With the fall of the provisional government, a radical land reform gained support. Many liberal politicians, including Eizadi, were replaced by men who were committed in varying degrees to radical economic change. A radical Muslim, Reza Isfahani, the new undersecretary for land affairs in the Ministry of Agriculture,

became closely identified with the next land reform law. Isfahani announced that the revolutionary land reform would begin with the distribution of large holdings among landless and small peasants. He emphasized that land distribution would begin in Kurdistan and Turkman-Sahra,<sup>28</sup> perhaps a tactical move to undermine the influence of the leftist forces in these areas. The landowners strongly reacted to the announcement and accused Isfahani of being a Communist and his land reform bill of belonging to a Communist conspiracy.<sup>29</sup> They also staged a sit-in at the office of the Revolutionary Council to express their opposition to the land reform bill.<sup>30</sup> The conservative ulama were also mobilized against the bill. In particular, Ayatollah Ruhani in Qum and Ayatollah Qumi in Mashhad voiced their opposition.<sup>31</sup> Ayatollah Ruhani argued that the bill was contrary to the law of Islam, and questioned Isfahani's knowledge of Islam and his competence in correctly interpreting Islamic laws.<sup>32</sup> As a result of the concerted efforts of landowners, their supporters within the government, and the conservative ulama, the Revolutionary Council wrestled with the new bill for a relatively long period without being able to make a decision one way or another. The council's inaction, on the other hand, incurred the protest of the pro-land reform ulama such as Ayatollah Dastghaib. "Regarding the agrarian problem," warned the ayatollah,

a conspiracy is about to happen. Some elements under the guise of Islam, in cooperation with the feudals [feudal lords] and the khans, are acting in the direction of weakening the bases of the Islamic Revolution. The silence of the Revolutionary Council is by no means justifiable. The people must be much more alert, and should not allow the large landowners to infiltrate the revolutionary institutions and, under the cover of religion, stop the seizure of their lands.<sup>33</sup>

If landowners and the conservative ulama could no longer block the action of the Revolutionary Council, they were able to change the content of the bill so drastically that the new version (which was announced in mid-March of 1980) hardly satisfied the proponents of the reform. Soon huge peasant demonstrations for land were organized in Tehran and other major cities, supported by workers and other sympathetic elements within and outside the government.<sup>34</sup> As a result of considerable pressure from below, Ayatollah Khomeini assigned ayatollahs Montazari, Meshkini, and Beheshti to deal with the problem. After several meetings, these ayatollahs ended up endorsing a progressive land reform bill which was then approved by the Revolutionary Council in mid-April of the same year, and the Ministry of Agriculture was charged with the implementation of the law.<sup>35</sup> "The law," said Bakhsh,

provided for a sweeping land distribution. It limited landowners who directly cultivated their land to three times the acreage that in each district was considered sufficient for the maintenance of one peasant family. Absentee landowners who had no other source of income were limited to twice this amount. Since seven hectares was regarded as an average subsistence holding, this implied the breakup of the middle-sized and even small enterprises. Provisions for the compensation of landlords subject to distribution were vague; and landowners were in any case to be compensated only after their debts to the government and their outstanding religious dues—also vaguely defined—had been deducted. These provisions for compensation, the exemption of livestock enterprises, and the allowance made



for absentee owners were the only concessions to critics of the first draft of the bill. The law also provided that mechanized farms would be retained as units and transferred to groups of farmers on a cooperative basis.<sup>36</sup>

To undertake the task of land distribution, the law provided for the establishment of a Center for the Transfer and Revitalization of Land in the capital and seven-member committees (*hay'athā-yi haft nafarah*) in other cities. The center was formed in May 1980 and, in the course of a few months, 36 seven-member committees were set up in different cities. These committees recruited Muslim youth activists who were quite sympathetic to the peasants. They were authorized to determine the local upper limit on landholding, designate the properties subject to distribution, and determine who was to receive land. In eight months, until the suspension of the land reform law in November 1980, the land transfer committees distributed 150,000 hectares of barren land and 35,000 hectares of arable land among small and landless peasants. The committees also transferred 60,000 hectares of barren land to the Organization for the Expansion of Productive Services for the formation of rural production cooperatives by high school and college graduates. Finally, 850 hectares of disputed lands were leased to the peasants on a temporary basis.<sup>37</sup>

*The Labor Movement.* While the countryside was the scene of peasant–landlord conflict, growing labor unrest prevailed in the major industrial cities. The industrial workers, in particular the oil workers, had played a decisive role in defeating the shah's regime in the final stage of the revolution. In late 1978, the Common Syndicate for the Employees of the Iranian Oil Industry (*Sandikā-yi Mushtarak-i Kārkunān-i Šinā'at-i Naft-i Īrān*) announced its participation in the revolutionary movement by indicating that:

In unity with the fighting people of Iran, the purpose of our strike is to destroy despotism and eliminate the influence of foreigners in our country, and create an independent, free and progressive Iran. These goals are the indisputable rights of the people. The people shall utilize all the means of self-sacrifice to achieve these goals.<sup>38</sup>

On December 20, 1978, the oil workers stated that “we know that our strike was the decisive factor [in overthrowing the Shah's regime]. We control the country's economy.”<sup>39</sup> Strike committees were the major coordinators of the working-class movement during the revolution, and constituted the nucleus of the subsequent workers' councils in various industrial units. A keen observer remarked:

The councils were created in the following ways: (1) through the committees created to coordinate strikes within a production unit, which gradually, especially following the overthrow of the shah, prepared the ground for council elections; and (2) in those production units where the capitalist had fled, in the villages where the landlords had escaped, at the military bases where the former order had collapsed, in the ministries where the officials had gone into hiding—in short, wherever the former power structure had disintegrated and the workers had been affected by the propaganda and agitation of the conscious and advanced elements, councils were formed to assume responsibility for the affairs of the operations. These councils represented a new form or a new type of government initiated by the masses—the nuclei for people's rule.<sup>40</sup>

These councils assumed the management of factories. In many cases, workers were able to reduce working hours, obtain a more favorable job evaluation and classification, fire corrupt managers, hire additional workers, obtain across-the-board pay raises, lower managers' salaries, and be given regular health examinations.<sup>41</sup> Reportedly, there were as many different instances of "worker control" as there were factories in Iran.<sup>42</sup>

The nationalization of many private enterprises in the summer of 1979 also contributed to the workers' movement. The Revolutionary Council nationalized first the banking system and then fifteen insurance companies. The council also passed the Law for the Protection and Expansion of Iranian Industry which provided for the nationalization of industry in three broad categories: (1) heavy industry, including metals, automobile assembly, chemicals, shipbuilding, aircraft manufacture, and mining; (2) industries owned by fifty specific individuals and one family who allegedly had acquired their wealth illicitly through influence with the outgoing regime; and (3) industries in economic difficulty whose liabilities exceeded their net assets.<sup>43</sup> By 1982, the properties of over 230 of the richest capitalists had been nationalized, which altogether constituted over 80 percent of all private industry.<sup>44</sup>

The upsurge of the workers' movement in the summer of 1979 continued into the fall, with workers demanding higher wages and profit-sharing and protesting the firing of especially progressive workers. In Khuzistan and Azarbayjan, both of which had fairly large working classes, workers concentrated on establishing a minimum wage, a 40-hour work week, and independent councils and syndicates.<sup>45</sup> Workers also took steps toward forming regional unions. In Gilan by March 1980, 31 factory councils had formed a coordinating council that incorporated 20,000 workers. Another coordinating council was formed by eight factory councils in Tabriz.<sup>46</sup> In Fars, the Islamic councils of workers formed their first congress, which passed several resolutions calling for the continuation of the anti-imperialist struggle; the expulsion from the government of the liberals and those who had collaborated with the United States and its allies; the establishment of a progressive labor law; and the participation of workers' councils in management decisions.<sup>47</sup>

In sum, during this period workers were able to reduce working hours, increase their wages, gain better working conditions, exert some control over the production process, and set up their independent labor organizations.

*The Merchants and Nationalization of Foreign Trade.* The pre-revolutionary economic difficulty grew worse after the revolution. Many factors contributed to the intensification: disorganization in the system of production and distribution as a result of the flight of capital and industrialists from the country and nationalization of many private enterprises; political conflict within the government; the deterioration of relationships between Iran and the advanced capitalist countries which constituted the country's major trade partners; and the outbreak of the Iraq-Iran war. Skyrocketing inflation and the scarcity of basic commodities expedited the need for the government's intervention in the areas of both domestic and foreign trade. The provisional government went so far as to suggest the establishment



of centers for the provision and distribution of commodities with the direct participation of the private sector, in particular the merchants.<sup>48</sup> This measure was by no means taken to weaken the economic power of the capitalist class.

With the fall of the provisional government, the question of nationalization of foreign trade, its relationship with the domestic distribution of commodities, and the role of cooperatives in domestic trade became the subject of intense debates within and outside the Islamic Republic. The interval between the parliamentary debates on nationalization of foreign trade in early fall of 1980 and the eventual demise of the nationalization bill approved by the parliament, but later rejected by the Council of Constitutional Guardians in late fall of 1982, was a period of intense fight between the proponents and opponents of the bill.

Demand overwhelmed available supply and led to hoarding and overcharging, making a fortune for the commercial sector. Major newspapers began reporting the list of items being hoarded,<sup>49</sup> and both the hoarders and the profiteers were labeled "economic terrorists, traitors" and "counterrevolutionaries," who were enriching themselves at the expense of the people by exploiting the crisis.<sup>50</sup> Anti-capitalist and anti-merchant propaganda was widespread. Angered by the scarcity of everyday necessities and by the exorbitant prices, the people began demanding the implementation of the principle of nationalization of foreign trade, which was already a part of the constitution. The measure, however, was vehemently opposed by the merchants and landowners.

In mid-October 1980, a draft was submitted to the parliament by twenty representatives who gave the government three months to draw up a plan for the nationalization of foreign trade. About two months later, the draft was approved by the parliament in its first round of discussion, and in its second round in mid-March 1981, the parliament came up with a two-month deadline for the government to formulate its plan for nationalizing the country's foreign trade. Consequently, in May 1981, the Reja'ie cabinet submitted a nationalization bill to the parliament according to which foreign trade was to come under the government's control over the next four years. In late November of the same year, the parliament, in its first round of discussion, approved the bill in principle.<sup>51</sup> Eventually, in April 1982, after about nineteen months of debates within and outside the parliament, the parliament overwhelmingly passed the nationalization bill.<sup>52</sup> It was stipulated that consumption cooperatives would gradually take over the task of the domestic distribution of commodities. These cooperatives had been formed during the revolutionary struggle against the shah to ameliorate the scarcities that had resulted from it. These cooperatives were often centered in the mosques. Shortly after the revolution, in Tehran alone 460 cooperatives were established, and were publicly financed and staffed.<sup>53</sup> By early 1982, there were 12,387 cooperatives nationwide with a membership of 6.5 million and capital of 53 billion rials.<sup>54</sup>

### *The Reversal Phase*

In mid-1980, the social revolutionary movement could claim scores of victories: radical land reform was being implemented; workers' councils were consolidating their power and establishing a nationwide network; the power of the capitalist

class had been curtailed by the nationalization of many industries; and nationalization of foreign trade had been made part of the constitution and its implementation seemed certain. However, the revolutionary and counter-revolutionary struggles were far from over. Workers' and peasants' revolutionary gains were one thing, but consolidating these gains so that the social revolution would reach an "irreversible" state was quite another. Peasants and workers were not able to hold onto their achievements, and soon the forces of the merchants and landowners swept them away.

Landowners continued to resist the implementation of land reform. They accused the seven-member committees in charge of land distribution of being extremist and vengeful, and of dispossessing some landowners who were not affected by the law. They petitioned Ayatollah Khomeini, and filed many complaints in courts against these committees.<sup>55</sup> Some landowners went so far as to send threatening telegrams to the office of Ayatollah Khomeini.<sup>56</sup> In Hamadan, landlords circulated an older *fatwa* by Khomeini, which had prohibited the usurpation of land. Landowners also secured *fatwa* from the leading ulama against the land reform. Ayatollah Golpayegani issued a statement declaring the law to be in violation of Islamic tenets. Ayatollahs Ruhani, Mahallati, Qumi, and Shirazi also criticized the measure. The Society of the Seminary Teachers at Qum, a group considered close to Khomeini, issued a declaration warning against bills "damaging to the interests of the oppressed . . . which appear in the dress of Islam," and said that the land reform measure would lead to "the ruin of the cultivated lands."<sup>57</sup> Tremendous pressure was thus exerted by the landowners, the merchants, and the conservative ulama to stop the implementation of the reform,<sup>58</sup> and the outbreak of the Iraq–Iran war provided the excuse for Ayatollah Khomeini "temporarily" to halt it. Subsequently, the land reform law was reviewed and revised by the parliament which considerably retreated from the original objectives of the law passed by the Revolutionary Council. Nonetheless, the revised law was still rejected by the Council of Constitutional Guardians which by then had become an open champion of the economic interests of the dominant classes. With the change in the state agrarian policy, the seven-member committees also came under attack.<sup>59</sup> The lands given to or seized by the peasants were reclaimed by landowners, now backed by the armed forces of the Islamic Republic.<sup>60</sup>

Workers' achievements were also undermined. As with its treatment of the peasants, the provisional government's policy was fundamentally against the workers' councils. Bazargan, the prime minister, assailed radical political groups who "say that the army must be destroyed and councils run the affairs of the nation, and that people must be in a state of revolution all the time. If this goes on we will have no alternative but to resign."<sup>61</sup> In the same vein, his labor minister expressed his opposition to the councils by threatening that "the Ministry of Labor is either my place of work or the councils."<sup>62</sup> Nor were they favorably received by Ayatollah Khomeini and his followers. Although Khomeini called workers the pillar of the revolution, in practice the Islamic Republic did not tolerate the autonomy of the labor councils, believing that these councils ought to be "Islamic" and should be controlled by the Ministry of Labor. Given that the ulama were denying the existence of class conflict, these councils were supposed to include both the

employers and employees of a given industrial unit, and where such councils were established, workers were not allowed to form an independent labor union of their own. Finally, as the war provided an excuse for Ayatollah Khomeini to suspend the implementation of the land reform program, it also provided an occasion to disarm the working class of its most effective weapon: the right to strike. Using as justification the fact that the "citadel of Islam" was in danger due to "the war imposed by the United States and Iraq," and that there was an urgent need to increase production, the ruling clerics organized a gathering in February 1981 consisting of the "representatives" of 170 Islamic associations of factories to condemn any form of labor strike.<sup>63</sup>

Some influential members of the Islamic Republic, however, went far beyond prohibiting labor strikes. The labor minister, Ahmad Tavakkoli (a staunch anti-communist), and his assistant, Motamed Reza<sup>2</sup>ie, formulated a draft bill on labor relations in the fall of 1982. The draft was biased strongly in favor of management as it rejected the workers' rights to conduct collective bargaining, to maintain job security, and to strike. Tavakkoli argued that Islamic labor law was based on the freedom of contract between manager and individual worker. Thus, there was no need for collective bargaining, and the idea of "workers' representatives" was superfluous. He further argued that if a contract contained the word "representative," that contract would be invalid. The draft also contained terminology that was quite new to the country's labor law. The Tudeh party charged that the draft and the terminology were inspired by the labor theory of Nazism,<sup>64</sup> and the draft bill created considerable controversy within and outside the government. However, the united action of the workers, perhaps for the first time since the revolution, forced Tavakkoli out of office. Nonetheless, the damage he had caused workers' organization during his tenure was considerable. *Ittilā<sup>2</sup>āt* in 1983 reported that out of the 300 active workers' councils which had existed nationwide in 1982, only 80 were left. Even among these, many had become inactive as a result of pressures from both the government and capitalists.<sup>65</sup> In short, in the post-revolutionary period the working class did not score any better than its allies in the rural areas.

The bill to nationalize foreign trade, the third social revolutionary measure, had the same fate. The measure failed as the result of the merchants' resistance and active lobbying against it. When the Reja<sup>2</sup>ie government was engaged in drawing up a plan for nationalizing foreign trade, the merchants' opposition to the policy was reflected in their support of the liberal Qotbzadeh in November 1980.<sup>66</sup> In early January 1981, the merchants distributed leaflets threatening to "use all our forces to overthrow the existing government." Addressing Prime Minister Reja<sup>2</sup>ie, the leaflet continued: "Mr. Reja<sup>2</sup>ie, for the sake of Islam, we demand that you resign from the job; you are incapable of handling its responsibilities and should free the position for a devout Muslim. Otherwise, the Muslim people will have no choice but to force you out of office. But then you must answer for the problems you created as a result of your ignorance and incompetence."<sup>67</sup> The merchants also mobilized the conservative ulama, who objected to the nationalization of foreign trade on the grounds that it was contrary to the law of Islam. In March 1980, for example, Ayatollah Hasan Qumi of Mashhad condemned the arbitrary nationalization and expropriation of private property.<sup>68</sup> However, the merchants' greatest victory

was in the Council of Constitutional Guardians, which vetoed the bill on the grounds that it was contrary to the law of Islam.<sup>69</sup> With the increasing domination of the merchants over the economy, the consumption cooperatives were weakened to the point where it became very difficult for them to procure supplies or bring about some price stability.<sup>70</sup> It was reported that the cooperatives were being undermined because the wholesalers “were refusing to provide them with supplies. If this process is continued, the local cooperatives will all be ruined.”<sup>71</sup>

Massive as were the popular forces behind the social revolutionary movements, they were not able to defeat the counter-revolution, and by the spring of 1983 they had been effectively suppressed or contained within the existing structure of economic relationships. By this time, the moves toward a radical land reform, the formulation of a progressive labor law, and the nationalization of foreign trade had been not only defeated but also removed from the government’s agenda. The leaders of the Islamic Republic were, of course, still claiming that they were defending the oppressed people of Iran, but at the same time, the measures these people demanded for the amelioration of their economic conditions were forgotten. As far as the existing distribution of economic resources was concerned, one could find few differences between pre- and post-revolutionary Iran.

#### CLASS STRUGGLE AND CLASS CAPACITY

Who decisively halted the whole social revolutionary movement? Why and how were the ruling ulama turned away from the social revolutionary option? The Islamic Republic was an important element in the consolidation of the economic power of the counter-revolution. The followers of Ayatollah Khomeini effectively destroyed many autonomous workers’ and peasants’ organizations on the ground that they were “un-Islamic.” They crushed resistance throughout the country by brutal force. They ignored those principles of the constitution pertaining to democratic freedom, labor councils and nationalization of foreign trade, while upholding the undemocratic and right-wing rulings of the Council of Constitutional Guardians. Influential members of the Islamic Republic helped organize merchants and landowners, while the government consistently disorganized the peasants’ and workers’ movements. The Iraq–Iran war—while assisting the process of consolidating the political power of the ulama—also contributed to the triumph of the counter-revolution. Finally, it may even be the case that Khomeini and his followers were mainly concerned with political power and the institutionalization of the *vilāyat-i faqīh*, and that their support of the social revolutionary measures taken during the initial phase of the post-revolutionary period was consistent with their struggle against the liberals. However, after their political rivals were expelled from the government and the challenge from the left was effectively suppressed, there were no serious contenders for power against which they had to mobilize the popular forces. For these reasons, the ulama were far from being mere referees in the revolutionary and counter-revolutionary struggles.

Nevertheless, the strength of the economic and political power of the merchants and landowners, on one hand, and the relative weakness of workers and peasants,

on the other, seem to have played a central role in the defeat of the social revolutionary movement. During the early phase of the revolution, there were relatively strong elements within the Islamic Republic favoring a radical change. Had these classes enjoyed more effective organizational resources, in all likelihood the fate of the social revolutionary movement would have been quite different.

### *Incapacity of Workers and Peasants*

“In the vast ocean of the petty bourgeoisie, the industrial concentrations represent only small islands” is a well-known saying among the country’s labor activists, and it is not without substance. In Tehran alone there were about 750,000 merchants, middlemen, and retail traders. This city had 800,000 shops and 420,000 guild units in 1980.<sup>72</sup> There were also 3,742 factories with 9 or more employees, according to 1981 statistics. Of this number, 2,459 industrial units or 66 percent had less than 20 employees, while 317 or 8 percent had more than 100 employees. Nationwide, there were 7,531 industrial enterprises with 10 or more employees, employing 426,000 blue-collar workers and 60,000 white-collar workers. Of the total industrial units, 6,738 (89 percent) had less than 100 employees. A good portion of these, 4,628 (62 percent of the total) had less than 19 employees. However, only 793 (11 percent) had more than 100 employees. Of this number only 233 (3.1 percent) of the total employed more than 500 workers.<sup>73</sup> In other words, the country’s industry was dominated by small-scale production units. The small size of the enterprises hindered the development both of the organized workers’ movement and of class consciousness.

To be sure, the industrial workers had some latitude for effective collective action, first, because of the oil industry’s strategic location in the country’s economy, and second, because the industrial units were concentrated in a few major cities. Tehran province alone had 49.7 percent of the total large industrial enterprises, followed by Mazandaran with 7.5 percent, Isfahan with 5.8 percent, Central Province with 5.1 percent, Azarbayjan with 4.8 percent, and Khorasan with 4.6 percent. The rest of the country held 22.5 percent.<sup>74</sup> Therefore, the workers could have paralyzed the economy had they gone on a prolonged general strike. Such unified class action was, however, contingent on the existence of a solid organization. Workers did not have a nationwide union, and the pre-revolutionary state-run unions were fragmented and were used by the shah as a vehicle to control the working class. Workers’ movements have often been spontaneous and lacked long-range strategies. Lacking a tradition of labor union activity, the post-revolutionary labor movement was quite inexperienced.

Nor was the peasants’ collective capacity any better than that of the workers. Researchers have cited factors hindering the peasants’ collective power such as the geographical dispersal of villages, the persistent threats of raiding nomads, and the absence of a middle peasantry.<sup>75</sup> Furthermore, the state’s policies in the 1960s might have added to peasants’ political weakness by not only destroying the traditional farming organization (the *bunah*) but also undermining the newly emerged nationwide cooperative movement.<sup>76</sup> Peasant movements, when they did appear with some strength, did so because they were aided by two essential

factors. First, radical peasant uprisings were grounded in ethnic division (e.g., in Azarbaijan, Kurdistan, and Turkman-Sahra). Second, the extensive commercialization of agriculture in the 1960s and 1970s provided favorable conditions in certain areas for the upsurge of peasant movements.

These factors probably explain why Turkman-Sahra and Kurdistan were the scene of radical peasant movements in the post-revolutionary period. Turkman-Sahra, an area of cotton and wheat cultivation, was not covered by the land reform of the 1960s. The farms were extensive, the agriculture mechanized, the owners absentee, and the land worked by agricultural workers. Subsistence farms existed alongside the large estates, and many local farmers worked their own land and hired themselves and members of their family out as wage laborers to the large landowners. Plantations were the dominant economic organization of commercial farming in this area.<sup>77</sup> The existing agrarian structure combined with the region's distinctive ethnic characteristics facilitated the emergence of a radical peasant movement. Right after the revolution many peasant councils emerged that soon culminated in the formation of the Central Organ of the Councils of Turkman-Sahra. These councils were in power in the region for nearly a year, during which they were attacked twice by the military and the revolutionary guards. Soon the leaders of the council were arrested by the guards, and, along with 94 council members, were murdered by Ayatollah Khalkhali.<sup>78</sup> In Kurdistan, the peasants were also organized by the Communists and Kurdish Democratic party. In this region the Islamic Republic also launched a military attack on the movement. Had the peasants and ethnic minorities of other parts of the country displayed a similar degree of radicalism, one might expect that there would have been a stronger social revolutionary movement in the country.

On top of workers' and peasants' organizational weaknesses, there were dissension and even opposing tendencies among labor activists. The early proliferation of workers' and peasants' councils should partly be credited to the organizing efforts of both the Communists and left-oriented Islamic organizations. However, in the course of the post-revolutionary period, these groups were not only unable to come up with a commonly accepted general strategy—what Lenin called a “minimum program”—for advancing the social revolutionary movement, they also persisted in following opposing policies that rendered any real cooperation impossible. Crisscrossing ideological and tactical differences among these groups undermined their organizing efforts.

The Mojahedin, the Organization of the Iranian People's Fida<sup>2</sup>iyān Guerrilla, and other smaller leftist organizations rejected the social revolutionary potentials of Ayatollah Khomeini and his followers, calling for the overthrow of the Islamic Republic. On the other hand, the Movement of Muslim Fighters (Junbish-i Musal-mānān-i Mubāriz), the Tudeh, and the majority faction of the Fida<sup>2</sup>iyān based their strategy on the belief that the ruling clerics were truly revolutionaries. Moreover, within each of these tendencies there were still ideological differences. The Mojahedin were devout Muslims who believed that their version of Islam transcended both capitalism and socialism. However, the Mojahedin alliance with Bani-Sadr strained their relationships with their leftist allies.



The presence of diverse tendencies in the other camp was no less telling. The Movement of Muslim Fighters, while committed to their own version of Islamic socialism, was highly critical of the Communists, in particular the Tudeh. It does not require too much imagination to recognize the destructive effects of these opposing tendencies on the peasants' and workers' organizations. While the coordinating councils of workers in Tabriz and Gilan were being organized by the Fida'iyan, the Congress of the Councils of Islamic Workers in Fars was organized largely by the Movement of Muslim Fighters. The oil workers in the south were believed to be under the influence of the Tudeh. Under the relentless attack of the counter-revolution, these organizations had little time to learn from experience and put aside their differences. Whatever its cause, the consequence of this political hodgepodge among the labor activists was a further disorganization of the workers' and peasants' movements which aided the triumph of the counter-revolution.

### *Collective Capacity of the Dominant Classes*

The merchants and landowners, in contrast, were in a much better position both financially and organizationally. They constituted the major agents of the counter-revolution and the prime beneficiaries of the post-revolutionary economic outcomes. Despite the shah's anti-Bazaari economic policies, the merchants managed to retain considerable economic power in the pre-revolutionary period. Following the revolution, their already advantageous economic situation, combined with the favorable attitudes of many leaders of the Islamic Republic toward the bazaar, facilitated the accumulation and concentration of substantial capital by the merchants.

"Buy cheap and sell dear" is the golden rule of trade, and the merchants were effectively applying this principle in their economic transactions. Under the economic scarcity of the post-revolutionary period, when demand outstripped supply, hoarding and overcharging were the rules of business. When a commodity was imported, the merchants made a profit several times over. The Iranian importer often requested the foreign commissioner selling the commodity to record in the invoice a higher price than he was to be paid. The merchant then purchased foreign currency equal to the amount specified in the invoice from the Iranian government at a rate much below the free market. The difference between this amount and the actual amount he paid the commissioner was deposited in the merchant's private account in a foreign bank.<sup>79</sup> Defrauding the government was, of course, one among many ways that merchants were able to reap windfall profits. After a commodity passed through customs, it began its complex journey through the hands of several merchants until it reached the wholesalers. At this point the commodity was transferred from one middleman to the next, from one commodity seller to the next hoarder. At each point the price of the commodity was increased. By the time the commodity reached the consumer, it cost as much as a hundred times its original price.<sup>80</sup>

Although the government had drawn up a price list for all commodities, it was not able to control hoarding and overcharging. The newspapers frequently reported lists of items being hoarded or overpriced. To control prices the government set up the Special Court on Guild Affairs (Dādġāh-i Vīzahāh-i Umūr-i Şīnfi) in the

summer of 1980, and launched an anti-profiteering campaign.<sup>81</sup> Within a year, about 7,000 complaints of overpricing had been filed in these courts. By the end of 1982, these courts had fined hoarders and overchargers a total of about 12 billion rials.<sup>82</sup> On several occasions the leaders of the Islamic Republic tried to persuade the merchants voluntarily to reduce prices and expose the hoarders and overpricers in their rank, and President Bani-Sadr threatened the bazaaris that overpricing would have grave consequence for the commercial sector.<sup>83</sup> Ayatollah Montazari pleaded that the “esteemed bazaaris and respected merchants should take care of the hoarders themselves because the bazaar’s reputation was at stake.”<sup>84</sup> Furthermore, Hashemi Rafsanjani (then the speaker of the parliament) complained that “the greedy and opportunist capitalists have imposed poverty on our society.”<sup>85</sup> The fines issued by the court and ulama preaching on the un-Islamic nature of hoarding and overpricing, however, proved ineffective in controlling the rapid escalation of prices and the concentration of wealth by the commercial sector.

Concerning how much wealth the bazaaris were able to accumulate in the short period following the breakdown of the shah’s regime, no accurate data are available. However, scattered statistics reported in the major newspapers as well as those mentioned by government authorities are indicative of the extent of the concentration of economic resources. Of the total imports valued at \$15 billion in 1980, \$10.5 billion (70 percent) belonged to the private sector. These figures gain added significance when one realizes that in 1977 of the total \$15 billion imports only \$7.5 billion (47 percent) belonged to the private sector.<sup>86</sup> A government authority indicated that the profit of the commercial sector in 1980 and 1981 was unprecedented. In 1980 alone the profit accrued the foreign trade was 1,200 billion rials.<sup>87</sup> In the same year, ten merchants had the monopoly of importing iron with the total value of about 200 billion rials. The profit of each of the major iron importers was estimated at 2 billion rials a year.<sup>88</sup> It was claimed that the income of the “swindlers” from the sale of illegal cigarettes was 210 billion rials in 1980.<sup>89</sup> Forty major wholesalers with capital of 3 to 4 billion rials reportedly cornered the market in fruit and vegetables in the city of Tehran. With their huge capital, these wholesalers and their contacts, together numbering between 400 and 500 people, purchased fruit and vegetables from the producers at a low price and were able to make 40 billion rials in profit in 1980.<sup>90</sup> Hojatuleslam Khatemi, Khomeini’s representative in the Reconstruction Crusade in East Azarbayjan, indicated that “in the past 3 or 4 years some people have accumulated more wealth than they would not have been able to accumulate under the previous regime in 40 years. This is causing social inequality. Our objective is to narrow the gap between the rich and the poor, but we are doing just the opposite. The rich are becoming richer and the poor are becoming poorer.”<sup>91</sup> In the same vein, Hojatuleslam Rafsanjani exclaimed that “even in capitalist societies a businessman does not feel he has the right to sell a commodity at five to ten times the price he had bought it for under the pretext of commercial freedom, and pay no taxes.”<sup>92</sup> The profiteering of the merchants outraged the public as well as the parliament.<sup>93</sup>

In addition to their growing financial power, the merchants enjoyed expanding organizational networks. Using their connections among the ulama, the merchants were quick to involve themselves in the state’s management of the economy. Fol-

lowing the revolution, representatives of the bazaar were appointed to supervise various organizations, including the Kayhan newspaper group and the Empress Farah Foundation. Some men from the bazaar also sat on post-revolutionary economic advisory committees.<sup>94</sup> As early as 1979, a bazaar merchant, Khamoushi, formed a Committee on Guild Affairs (Kumītah-i Umūr-i Šinfi) which soon became a highly influential organization defending the interests of the bazaar against government intervention in the distribution of commodities.<sup>95</sup> Khamoushi repeatedly insisted that the nationalized factories be sold to the private sector.<sup>96</sup> Other organizations controlled by the merchants were the Organization of Islamic Economy (Sāzmān-i Iqtisādī-i Islāmī) and the Interest-Free Loan Fund (Šandūqhā-yi Qarḏ al-Ḥasanah).<sup>97</sup>

The merchants' organizing efforts were also directly aided by some of the leading officials within the government and the IRP. Prominent among these officials was Asgar-Owladi, a right-wing and influential member of the IRP who later became the minister of commerce. In a series of editorials published in *Jumhūrī-i Islāmī*, Asgar-Owladi outlined the tasks of the "devout Muslim of the bazaar" by calling on the bazaaris "to form and strengthen Islamic Societies of the Bazaar."<sup>98</sup> In his defense of the merchants, Asgar-Owladi charged that "the counter-revolution and the hypocrites were spreading rumors aimed at the total exclusion of the bazaar and for that matter the whole private sector from domestic and foreign trade, the exclusion of 'distribution cooperatives,' and nationalization of all the commercial transactions both domestic and foreign, wholesale and retail."<sup>99</sup> He encouraged the bazaaris to organize "distribution cooperatives" in the bazaar and warned them against any unauthorized governmental interference in foreign trade and the distribution of commodities.<sup>100</sup>

When Asgar-Owladi was appointed minister of commerce, the merchants virtually monopolized the ministry and related offices.<sup>101</sup> The Ministry of Commerce granted the merchants a monopoly over the distribution of imported and local goods, which they often sold at high prices in the free market. When the government expressed a favorable attitude toward the expansion and consolidation of cooperatives, the merchants were quick to establish Distribution Cooperatives (Ta'āvunihā-yi Tawzī') which were really unions for large capitalists. Exposing the merchants' trick, a government authority complained that

a cooperative society does not mean that five, ten, or fifty large capitalists form a joint-stock company to undertake the distribution of several commodities and legitimize their plundering of the people under the cover of "cooperative." A cooperative venture for the distribution of a given commodity must include all the individuals who are involved in the distribution of that commodity, including the most minor retail traders.<sup>102</sup>

The merchants' actions were further exposed by an *Iṭtilā'āt* heading: "A Distribution Cooperative or the Joint-Stock Company of the Merchants."<sup>103</sup>

The merchants who had the closest ties to Ayatollah Khomeini gained considerable control over the financially strong Mostaz'afin Foundation (formerly the Pahlavi Foundation). The amount of the foundation's assets was not clear. According to one source, it had 1,000 companies; land and sea transportation lines; 357 factories, of which 100 were large operations; farms; hospitals; dairy farms;

lands and real estate (100,000 houses, apartments, and hotels); and a treasure of jewelry, antiques, carpets and expensive paintings.<sup>104</sup> The first director of the Mostazafin Foundation was Mohandes Khamoushi, the brother of the same Khamoushi who had organized and headed the Committee on Guild Affairs. During the period that he was the director of the foundation, there were so many charges of misuse of the foundation's funds and questionable deals by the bazaaris that Ayatollah Khomeini once commented, "I have heard that the Mostazafin Foundation has turned into a *mustakbarin* foundation" (meaning, the foundation for the needy has turned into a foundation for the greedy). Although Khamoushi was fired, the bazaar merchants continued to occupy key positions in the foundation. Among them were Haj Refiq-Doust, a wealthy bazaari from Tehran, who was the director of the agricultural and gardening section, and Haj Masha'allah Kasani (known as Masha'allah the butcher), who was the director of the animal husbandry department of the foundation.<sup>105</sup>

The merchants and landowners were directly aided by the Hujjatiyyah, the ultra-right-wing religious organization. Formed in the early 1930s, the Hujjatiyyah had been inspired by the writing of Mirza Mehdi Isfahani which stated that the Twelfth Imam was infallible and that his authority could not be encroached on by any Muslim, who could at most be considered his deputy. As Islamic purists, Hujjatiyyah members advocated a complete purification of Iranian Muslim society, starting with the elimination of (heretic) Bahais and (godless) Communists. This organization was recognized by the SAVAK under the condition that it would remain solely a religious institution and not interfere in politics. Hujjatiyyah's main function was to harass the Bahais while attempting to convert them to Shi'i Islam. For the shah's regime this organization was believed to be a safety valve through which it directed the energy and activities of the potentially anti-regime Muslims toward the anti-Bahai and anti-Communist campaign. The Hujjatiyyah had sympathizers among the ulama, including Ayatollah Golpayegani and, most important, Ayatollah Kho'ei. The organization owned many companies, schools, hospitals, and financial institutions. Before the revolution it had connections with the court. After the revolution, its main activities ranged from persistently lobbying against any radical economic measure adopted by the Islamic Republic to harassing and assassinating the members of radical political organizations and the ulama who were in favor of radical economic change. It had members and sympathizers in the parliament, the government, and the Council of Constitutional Guardians. Noteworthy among Hujjatiyyah connections were Mohammad Gharzai (the oil minister), Ahmad Tavakkoli (the labor minister), Habibullah Asgar-Owadi (the minister of commerce) and Ali Akbar Parvarish (the minister of education), who were members of the Musavi cabinet in 1981. The leader of the Hujjatiyyah, Hojatuleslam Abol-Qasim Khazali, was a member of the Council of Constitutional Guardians.<sup>106</sup>

Finally, the merchants' capacity to act in unity was further reinforced by their powerful ideological resources. Backed by the conservative ulama, the merchants advanced two sets of arguments against the nationalization of foreign trade. The first was the standard right-wing argument well known in the West, that is, that the state was a bad manager. As early as late summer 1979, Ayatollah Azari-Qumi

indicated that “we have supported the owners of capital and industry in order to prevent the decline of production and employment. The capitalists who fled the country are free to return and continue their work. As Bazargan has indicated, the government is not a good merchant.”<sup>107</sup> It was further argued that the state-run factories were inefficient and sustained a loss, and that government employees were “inexperienced and lazy,” and unable to handle the annual imports of 240,000 items of various commodities.<sup>108</sup> The merchants also charged that nationalization of foreign trade would destroy small businesses and retail traders, and consequently cause 5 million people to lose their jobs, despite the government’s assurance that the nationalization would not affect small businesses and retail traders.<sup>109</sup> The second argument was based on religion and anti-Communism. It was argued that “the Shari‘a of Islam does not allow anyone to point a finger at the merchants. From the beginning of Islam, the bazaar has been operating in this manner, and anything else is *kufir* and Communism.”<sup>110</sup>

The growing economic resources of the merchants enhanced their political power in influencing and directing state policies. By donating a small fraction of their profit to religious institutions and the ulama, the merchants were able to expand their influence among the ulama. Considering the historical ties between the bazaar and religious institutions, the increase in the wealth of the bazaar most probably meant an increase in the income of the ulama and religious institutions. A significant cut in such donations could have considerably weakened any ayatollah, including Ayatollah Khomeini. Since the Islamic Republic was desperately in need of funds to finance its war effort with Iraq, the assistance of the bazaar was all the more vital. No exact data on bazaar donations are available, but scattered information indicates that the bazaar’s contributions to religious institutions and the war were indeed considerable. For example, Hashemi Rafsanjani once indicated that the bazaar of Qum (which has only limited financial power) was able to raise 130 million rials toward financing the war on one single day.<sup>111</sup>

In the second parliamentary elections held in 1984, the bazaaris were able to strengthen their position within the government by sending their representatives to parliament. Ayatollah Khomeini, who by now had retreated from his original pledge to support and defend the impoverished masses, now openly supported the bazaar and called on the bazaaris to nominate their own candidates.<sup>112</sup> The bazaar not only presented its own list of candidates but moreover, in the city of Tehran, between 67 and 81 percent of the candidates nominated by different Islamic groups overlapped the bazaar’s list.<sup>113</sup>

The landowners did not fall too far behind their ally in effectively using their organizational and ideological resources. They skillfully took advantage of the law concerning the establishment of agricultural councils passed by the Revolutionary Council in April 1979. The law was a response to the pressures from the left for the formation of the councils of peasants and agricultural workers to supervise production; however, the councils of landowners were instead formed for the defense of their common interests. With the aid of Eizadi, the agricultural minister under Bazargan, these councils were set up in Tehran and all the provinces. They held two general congresses in Tehran and launched an extensive campaign against land reform. They sent hundreds of letters, petitions, cables, and

leaflets to grand ayatollahs and governmental authorities. The resolutions and declarations issued by the congresses were directed against the “un-Islamic” nature of the land reform and the activities of the seven-member committees, and defended the private sector in agriculture. The congresses also received support from the conservative ulama.<sup>114</sup>

The landowners’ think tanks also came up with their own “land reform” program, which was confined to the distribution among the peasants of barren and unused lands. The program was distributed to the bureaucrats in the Ministry of Agriculture. Although the measure suggested by the landowners could hardly be labeled a land reform, it did serve the conservative ulama for defending landed interests. No ayatollah could then be easily singled out by the social revolutionary forces as being anti-land reform. As a case in point, Ayatollah Ruhani, while consistently attacking Isfahani’s land reform bill, argued that he was not against a land reform program.<sup>115</sup> Moreover, the leaders and representatives of these councils in hundreds of interviews, articles, resolutions, and speeches publicized their views regarding the vital importance of the agricultural estates for the self-sufficiency and independence of the country, and the necessity of strengthening and protecting private property to provide individual motivation for constructive and productive activity.<sup>116</sup>

Crucial in this process was also the structural power of the capitalists to withdraw their investments. On the eve of the revolution and during the initial radicalization period, many investors fled the country, leaving the nationalized factories to be managed by the Islamic Republic; the ulama did not have the expertise to manage them. The result was a managerial crisis. Nabavi, the minister of heavy industries, admitted that most of the managers were revolutionaries and were inexperienced. The average employment of the managers in industry was 11–12 months before they resigned.<sup>117</sup> The government’s inability to run the nationalized factories was lending credence to the right-wing claim that “the government was not a good capitalist.” Thus, under a twofold pressure from private capital, which demanded a greater control over the economy, and the need for more revenues to finance its war efforts, the Islamic Republic began to privatize the public sector.<sup>118</sup> Khomeini announced his Eight Points Command, which marked the beginning of economic liberalization.<sup>119</sup>

Granted that the social revolutionary movement was effectively defeated, can one still argue that the bazaaris were also under pressure from the government and that the conflict had really been between the private and the public sectors? Ashraf has advanced such an argument:

On the whole, however, the bazaaris have been threatened by such unprecedented radical governmental measures as nationalization of foreign trade and elimination of brokerage junction through the development of cooperative societies. Further, comparing the 1970s to the 1980s, one can observe a much more vigorous and ruthless antiprofitteering campaign launched by the revolutionary organizations against the bazaaris.<sup>120</sup>

The merchants’ effective lobbying against nationalization of foreign trade and the consolidation of their economic and political power needs no further elaboration.



However, Ashraf's claim regarding the "ruthlessness" of the anti-profiteering campaign of the Islamic Republic in comparison to that of the shah as an indication of state-bazaar conflict invites some comment. First, these campaigns should be evaluated within the context of the overall policies of the state. The economic policies of the shah had been oriented toward protecting the interests of international capital and the dependent bourgeoisie, and his anti-profiteering campaign contributed to the mobilization of the bazaaris against him. However, the overall orientation of the Islamic Republic during the reversal period and thereafter was to protect the interests of the merchants (and the landowners) against the revolutionary attacks from below. Within this context, the anti-profiteering campaign of the Islamic Republic was, at best, nothing but an effort to punish the greediest bazaaris in return for protection for the whole class of merchants. Finally, in practice the campaign seems to have been directed against the retail traders. Although no exact data on differential sentencing of the hoarders and overchargers are available, statements by some authorities point to the fact that the retail traders were the ones who were most severely punished, not the merchants. According to Hojatuslam Borhani, the undersecretary for the Office of Islamic Revolutionary Attorney for the Guild's Affairs:

In our prosecution of the hoarders and overchargers, we are facing some obstacles. If a retail trader convicted of overcharging is sentenced, no one would stand up in his defense. Of course he should not be defended. But the problem is that the grand overchargers and hoarders are being protected by some people in the government. I know a merchant who was convicted of overcharging as much as twenty-three million rials. But unfortunately he was later hired as a purchasing consultant by one of the ministries.<sup>121</sup>

In another interview, the same authority complained that:

Three large capitalists were fined over 420 million rials by the court for overcharging the prices of plastic materials and steel. One of the three was formerly a rope seller. After the Revolution, he obtained large loans from Bank Melli and Bank Bazargani [the branch of Bazaar-i Ahangaran] and began importing industrial machineries from Japan. He then established a factory which was worth over 700 million rials. Interestingly enough, the fine of 340 million rials was equal to 30 percent of the value of the plastic bags his factory was producing in a period of three months. . . . However, when we attempted to sentence these people, the Guards were unable to find them. Indeed whenever we catch one of these big capitalists, we see that he is being protected by some people in the government. . . . The only thing some authorities know about responsibility is to protect the capitalists. After four years of Islamic Revolution, in the name of Islam they are defending capitalism and imposing economic pressures on the deprived people.<sup>122</sup>

Again Asgar-Owadi stood up in the defense of the bazaar by claiming, "Contrary to those who attack the bazaar in their writings and sayings, I see the bazaar as the barrack of the ulama. . . . The bazaaris should not worry about their trade."<sup>123</sup> It is true that the merchants and landowners are pressuring the government to privatize the economy. Such demands, however, should be viewed in terms of the collective power of the country's new dominant classes rather than as a conflict between the public and the private sectors, as if the latter were an undifferentiated entity.

## CONCLUSION

The foregoing analysis considered class interests an important variable for analyzing the emergence and resolution of three important social revolutionary issues—land reform; labor law, including the question of labor control of production; and nationalization of foreign trade. These issues were not simply a manifestation of diverse interpretations of Shiʿi teachings by the ruling ulama, nor did they entirely reflect contentions for political power. They were, rather, a manifestation of conflicts between objective class interests. This article thus considers the balance of social revolutionary and counter-revolutionary class forces to be the central factor in explaining not only the failure of a social revolution but also the changes in the economic policies of the Islamic Republic during the various phases of the post-revolutionary period. Specifically, the organizational and ideological weaknesses of the peasants and workers, on one hand, and the strength of the merchants and landowners, on the other, were the major underlying mechanisms accounting for the defeat of the social revolutionary movement.

By showing the importance of class struggle in shaping the post-revolutionary economic arrangements, this article has demonstrated the utility of bringing the activities and interests of diverse classes and groups into the forefront of historical research. Focus on political analysis and the teachings of Shiʿi Islam may be useful in understanding the process of the formation and consolidation of the Islamic Republic. However, such analyses may have a difficult time explaining the dramatic changes in the economic policies of the Islamic Republic from a somewhat revolutionary to an outright counter-revolutionary orientation. Only by understanding class politics and the balance of forces between the dominant and dominated classes can one explain the presence of decisive constraints on the range of economic options available to the ruling ulama. Thus, political and ideological analyses should be complemented with class analysis.

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## NOTES

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<sup>1</sup>See Larry J. Griffin, Michael E. Wallace, and Beth A. Rubin, "Capitalist Resistance to the Organization of Labor Force before the New Deal: Why? How? Success?" *American Sociological Review*, 51 (1986), pp. 147–48; and Adam Przeworski, "Proletariat into a Class: The Process of Class Formation from Karl Kautsky's 'The Class Struggle' to Recent Controversies," *Politics and Society*, 7 (1977), pp. 373–401.

<sup>2</sup>Ronald Aminzade, *Class, Politics and Early Industrial Capitalism* (Albany, N.Y., 1981), p. xii.

<sup>3</sup>Charles Tilly, *From Mobilization to Revolution* (Reading, Mass., 1978).

<sup>4</sup>Griffin, Wallace, and Rubin, "Capitalist Resistance," p. 148.

<sup>5</sup>For an informative discussion on the study of power, see Steven Lukes, *Power: A Radical View* (London, 1974).

<sup>6</sup>See Ervand Abrahamian, *Iran: Between Two Revolutions* (Princeton, 1982), p. 432; Fred Halliday, *Iran: Dictatorship and Development* (New York, 1979), p. 151; Helmut Richards, "Land Reform and Agribusiness in Iran," *Middle East Research and Information Project Reports*, no. 43 (December, 1975), pp. 3–24; Thierry Brun and Rene Dumont, "Iran: Imperial Pretensions and Agricultural Dependence," *Middle East Research and Information Project Reports*, 8, 8 (October, 1978), pp. 15–20; Michael Field, "Agrobusiness and Agricultural Planning in Iran," *World Crops* (March–April, 1972), pp. 68–72; Richard E. Benedick, *Industrial Finance in Iran* (Cambridge, Mass., 1964); Ḥamid Šafari, *Inḡiṣārḥā-yi Bayn al-milālī dar Īrān* (International Monopolies in Iran) (1980); M. H. Pesaran, "The System of Dependent Capitalism in Pre- and Post-Revolutionary Iran," *International Journal of Middle East Studies*, 14 (1982), pp. 501–22.

<sup>7</sup>*Iḡlā'āt*, 5 Ābān, 1360 (1981), p. 5. These figures seemed to be crude estimates, and there are fluctuations in the statistics reported by this newspaper. For example, another issue of *Iḡlā'āt* reports the number of merchants with official permits to be around 16,000 (4 Khurdād, 1360 [1981], p. 50). These discrepancies, however, are not large enough to question the general trust of the argument advanced here.

<sup>8</sup>Halliday, *Iran*, p. 15. See also W. M. Floor, "The Guilds in Iran—An Overview from the Earliest Beginnings till 1972," *Zeitschrift der Deutschen Morgenlandischen Gesellschaft*, 125 (1975), pp. 99–116; W. M. Floor, "The Merchants (tujjar) in Qajar Iran," *Zeitschrift der Deutschen Morgenlandischen Gesellschaft*, 126 (1976), pp. 101–35; Michael E. Bonine and Nikki R. Keddie, eds., *Modern Iran: The Dialectics of Continuity and Change* (Albany, N.Y., 1981); Gustav Thaiss, "The Bazaar as a Case Study of Religion and Social Change," in Ehsan Yarshater, ed., *Iran Faces the Seventies* (New York, 1971), pp. 189–216; Ahmad Ashraf, "Bazaar–Mosque Alliance: The Social Basis of Revolts and Revolutions," *Politics, Culture, and Society*, 1, 4 (Summer, 1988), pp. 538–67; and Bijan Jazani, *The Socio-economic Analysis of a Dependent Capitalist State* (London, 1973).

<sup>9</sup>Abrahamian, *Iran*, p. 434.

<sup>10</sup>Ahmad Ashraf, "Dihqānān, Zamīn va Inqilāb" (Peasants, Land and Revolution), in *Masā'il-i Arzi va Dihqāni* (The Agrarian and Peasant Problems) (Tehran, Iran, 1982), p. 23.

<sup>11</sup>*Rāh-i Tūdāh*, February 3, 1984, p. 15. On the concentration of land ownership, see Ervand Abrahamian, "Structural Causes of the Iranian Revolution," *Middle East Research and Information Project Reports*, 87 (May, 1980), p. 23, table 4.

<sup>12</sup>Abrahamian, *Iran*, p. 434.

<sup>13</sup>Iran International Labor Office, *Employment and Income Policies for Iran* (1979), p. 55, table 8. See also Abdossamad Kambakhsh, *A Short Survey of the Workers' and Communists' Movement in Iran* (Stassfurt, Salzland, 1972); Ḥamid Šafari, "Siyāsāt-i Kārgari-i Rizhīm va Ṭabaqah-i Kārgar-i Īrān" (The Labor Policy of the Regime and the Iranian Working Class), *Dunyā*, 2 (1972), p. 29; Halliday, *Iran*; N. Nāhid, "Dar bārah-i Gustarish-i I'tišābāt-i Kārgari dar Īrān" (On the Expansion of the Workers' Strike in Iran), *Dunyā*, 9 (1976); and M. Kayhān, "Junbish-i I'tišābi-i Kārgarān" (Strike Movement of Workers in Iran), *Dunyā*, 8 (1978).

<sup>14</sup>See Amīr Nikā'in, *Dār bārah-i Mas'alah-i Arzi va Junbish-i Dihqāni dar Īrān* (On the Problem of Land and Peasant Movement in Iran) (Tehran, 1980), pp. 96–117; Ahmad Ashraf, "Dihqānān, Zamīn va Inqilāb" (Peasants, Land, and Revolution) in *Masā'il-i Arzi va Dihqāni* (Problems of Land and Peasants) (Tehran, 1982), p. 26; and *Rāh-i Tūdāh*, 78 (February 3, 1984), p. 15.

<sup>15</sup>Shaul Bakhash, *The Reign of the Ayatollahs: Iran and the Islamic Revolution* (New York, 1984), p. 197; and *Ummat*, 19 Day, 1358 (1980), pp. 1, 5.

<sup>16</sup>Ashraf, "Dihqānān," p. 27.

<sup>17</sup>These figures were reported to a seminar organized by the Iranian Ministry of Agriculture concerning the problems of agriculture in Iran in mid-November 1979 (see Nikā'in, *Dār bārah-i Mas'alah-i Arzi*, p. 105).

<sup>18</sup>Gil Āzar, "Mubārizāt-i Dihqāni dar Īrān" (Peasant Struggles in Iran), *Dunyā*, 7 (Mihir, 1359 [1980]), pp. 74–76.

<sup>19</sup>See *Ummat*, 10 Bahman, 1358 (1980), p. 5; and *Ummat*, 11 Tīr 1359 (1980), p. 4.

<sup>20</sup>*Iḡlā'āt*, 13 Mihir 1358 (1979).

<sup>21</sup>Cited in *Inqilāb-i Islāmī*, 19 Mīhr, 1358 (1979), p. 5. See also *Mardum*, 26 Mīhr 1358 (1979); and Eizadi interview with *Jumhūri-i Islāmī*, 19 Mīhr, 1358 (1979), pp. 5, 8.

<sup>22</sup>*Iḥtilālāt*, 16 Isfand, 1358 (1980), p. 1.

<sup>23</sup>*Jumhūri-i Islāmī*, 9 Ābān, 1358 (1979), pp. 1–2.

<sup>24</sup>*Ibid.*, 11 Khurdād, 1359 (1980), pp. 1, 4.

<sup>25</sup>Cited in *Mardum*, 17 Ābān, 1358 (1979), p. 6.

<sup>26</sup>See *Kayhān*, 6 Shahrivar, 1362 (1983).

<sup>27</sup>Ashraf, “Dihqānān,” pp. 33–34.

<sup>28</sup>*Iḥtilālāt*, 10 Āzar, 1358 (1979); and Ashraf, “Dihqānān,” p. 31.

<sup>29</sup>*Iḥtilālāt*, 20 Farvardīn, 1359 (1980); and *Ummat* (19 Day 1358 [1980]), p. 5.

<sup>30</sup>*Ibid.*, 19 Ābān, 1359 (1980).

<sup>31</sup>*Ibid.*, 20 Farvardīn, 1359 (1980).

<sup>32</sup>*Ibid.*, 2 Urdibihisht, 1359 (1980), p. 4.

<sup>33</sup>*Ibid.*, 19 Ābān, 1359 (1980), p. 5.

<sup>34</sup>*Jumhūri-i Islāmī* (5 Day, 1358 [1979]), pp. 1, 6) reported the rallies of tens of thousands in favor of an Islamic land reform.

<sup>35</sup>*Iḥtilālāt*, 19 Ābān, 1359 (1981), p. 5.

<sup>36</sup>Bakhash, *Reign*, p. 202.

<sup>37</sup>Ashraf, “Dihqānān,” p. 33.

<sup>38</sup>Cited in OIPF (majority), *Kārgarān Pishtāz-i Junbish-i Tūdah-i* (Bahman, 1984), p. 4.

<sup>39</sup>Cited in *ibid.*, p. 48.

<sup>40</sup>Shahrazad Azad, “Workers’ and Peasants’ Councils in Iran,” *Monthly Review*, 32, 5 (October, 1980), p. 17.

<sup>41</sup>*Ibid.*, p. 21.

<sup>42</sup>Chris Goodey, “Workers Councils in Iranian Factories,” *Middle East Research and Information Project Reports*, 88 (June, 1980), p. 5.

<sup>43</sup>Bakhash, *Reign*, pp. 179–80. For the list of names of the fifty-one individuals whose properties were nationalized, see *Inqilāb-i Islāmī*, 14 Tir 1358 (1979), p. 12.

<sup>44</sup>*Rāh-i Tūdah* (January 13, 1984), p. 9. See also interview with the Iranian minister of heavy industry in *Iḥtilālāt*, 17 May 1982.

<sup>45</sup>Azad, “Workers’ and Peasants’ Councils,” p. 20.

<sup>46</sup>*Ibid.*, p. 22.

<sup>47</sup>*Ummat*, 5 Isfand, 1358 (1980), p. 5.

<sup>48</sup>*Iḥtilālāt*, 7 Farvardīn, 1359 (1980), p. 9.

<sup>49</sup>To gain a background on the seriousness of the problem of hoarding and for a partial list of the items that were hoarded, see *Kayhān*, 8 Farvardīn, 26 and 27 Urdibihisht, 3 Khurdād, and 24 Shahrivar, 1360 (1981), and *Iḥtilālāt*, 26 and 28 Farvardīn, 1361 (1982).

<sup>50</sup>For example, see *Iḥtilālāt*, 4 Day, 1361 (1982), pp. 5–6.

<sup>51</sup>See OIPF (majority) (Keshtgar faction), *Kār*, no. 142 (16 Day, 1360 [1982]), p. 25.

<sup>52</sup>*Iḥtilālāt*, 23 Urdibihisht, 1361 (1982), p. 7.

<sup>53</sup>*Ibid.*, 23 Farvardīn, 1362 (1983), p. 5; and 21 Farvardīn, 1362 (1983), p. 5.

<sup>54</sup>*Ibid.*, 31 Farvardīn, 1362 (1983), p. 6.

<sup>55</sup>*Ibid.*, 12 Khurdād, 1362 (1983), p. 14.

<sup>56</sup>This claim is made by Reza Isfahani; see *ibid.*, 18 Day, 1359 (1981).

<sup>57</sup>Bakhash, *Reign*, p. 204; and *Ummat*, 11 Isfand, 1359 (1981), pp. 1, 4.

<sup>58</sup>*Ummat*, 24 Day, 1359 (1981), p. 11.

<sup>59</sup>According to Hojjat-ul Eslām Harandi, “In the new plan . . . the principal objective is the omission of the seven-member committees and their central organs,” *Iḥtilālāt*, 13 Ābān, 1363 (1984). Sharif, a member of the central organ of these committees, indicated that “based on our sources, we have come to the conclusion that the existence of these committees . . . is in danger” (*ibid.*). See also *Nāmah Mardum*, 29 (December 20, 1984), p. 5.

<sup>60</sup>In late 1983 and early 1984, the parliament passed a law concerning barren lands (*tarḥ-i qānūn-i arāzi-i mawqūfah*). According to this law, all the endowed lands that were sold without legal grounds or somehow came under the ownership of peasants have no validity and should be returned to their previous status (cited in *Aksariyyat* 2 [April 13, 1984], p. 3). Evidently, this law provides a legal

ground for the intensification of pressure by landlords on the peasants to return the lands they obtained during the initial revolutionary phase.

<sup>61</sup>Cited in Azad, "Workers' and Peasants' Councils," p. 19.

<sup>62</sup>Cited in OIPF (majority), *Tahlili az Huquq-Şinfi va Shûrâ-yi Kârgârân va Zahmatkashân dar Jumhûri-i Islâmî-i Îrân* (An Analysis of the Occupational and Organizational Rights of Workers and Toilers under the Islamic Republic of Iran, 1982), p. 10.

<sup>63</sup>*Jumhûri-i Islâmî*, 6 Isfand, 1359 (1981), p. 5.

<sup>64</sup>The allegations of Kianouri, the first secretary of the Tudeh Party, were not without substance. In Tavakkoli's draft bill the word "work-taker" (*kârpazîr*) was used instead of the word "worker" (*kârgâr*), and "work-giver" (*kârdih*) was substituted for "manager" (*kârfarmâ*). Kianouri charged that these terminologies were borrowed from Nazi labor theories, for the words "work-taker" and "work-giver" are the literal translations of the German words *Arbeitnehmer* (employee) and *Arbeitgeber* (employer). Furthermore, when Tavakkoli and his assistant Motamid Reza<sup>2</sup>ie argued that there was a unity between labor and capital, Kianouri responded that such an assertion was also derived from Nazi labor theory. Under the pretext of advancing a labor front (*Arbeitsfront*), the Nazis destroyed working-class organizations (see Nuroddin Kianouri, *Questions and Answers* [Tehran: 29 Âbân 1361 (1982)], pp. 21–34).

<sup>65</sup>Cited in *Râh-i Tûdah*, 79 (February 10, 1984), p. 16; see also *Iftilâ'ât*, 14 Mîhr, 1362 (1983).

<sup>66</sup>*Iftilâ'ât*, 25 Âbân, 1359 (1981), p. 4; *Mizân*, 19 Âbân 1359 (1981), p. 1, and 25 Âbân, 1359 (1981), p. 2; and *Jumhûri-i Islâmî*, 25 Âbân, 1359 (1981), p. 2.

<sup>67</sup>Cited in *Ummat*, 2 Day, 1359 (1981), p. 3.

<sup>68</sup>Bakhash, *Reign*, p. 194.

<sup>69</sup>For the guardians' reasons for rejecting the nationalization bill, see *Iftilâ'ât*, 6 Âzar, 1361 (1982), pp. 15–16; and "Iran Foreign Trade—The Guardians' View," *Middle East Economic Digest*, 28, 35 (31 August, 1984), p. 12.

<sup>70</sup>*Iftilâ'ât*, 31 Farvardîn, 1362 (1983), p. 6.

<sup>71</sup>*Ibid.*, 22 Farvardîn, 1362 (1983), p. 5.

<sup>72</sup>*Ibid.*, 5 Âbân, 1360 (1981), p. 5.

<sup>73</sup>Makaz-i Âmar-i Îrân, *Âmar-i Kârgâh'hâ-yi Buzurg-i Şan'ati-i Sâl-i 1360* (Tehran: 1983), p. 7, table 13; p. 13; p. 37, table 45.

<sup>74</sup>*Ibid.*, p. 13.

<sup>75</sup>Halliday, *Iran*, pp. 108–9; and Farhad Kazemi and Ervand Abrahamian, "The Non-Revolutionary Peasantry of Modern Îrân," *Iranian Studies*, 11 (1978), pp. 259–304.

<sup>76</sup>For a discussion of *bunah* and its transformation under the shah, see Javâd Şafî Nizhâd, *Bunah: Qabl va Ba'd az Işlâhâ-i Arzî* (Boneh: Before and After the Land Reform) (Tehran, 1974), esp. pp. 180–83.

<sup>77</sup>Ashraf, "Dihqânân," p. 26; Bakhash, *Reign*, p. 198; and Baqir Momeni, *Mas'alah-i Arzî va Jang-i Tabaqâti dar Îrân* (The Agrarian Problem and Class Struggle in Iran) (Tehran, Iran, 1980), pp. 338–39.

<sup>78</sup>At that time the leaders of the Islamic Republic denied their involvement in the murder of these Turkman popular leaders. Ayatollah Khalkhali, who was suspected of the act, declared, "I announce that I did not have anything to do with the killing of the four leaders of Turkman-Sahra. If anyone can provide evidence that they were executed under my order I shall condemn myself to death" (*Iftilâ'ât*, 6 Isfand 1358 [1980], p. 4; and *Jumhûri-i Islâmî*, 7 Isfand 1358 [1980], p. 6). In another interview, Khalkhali claimed that he had been unaware of the leaders' arrest, that he did not even know their names, and that he was in Tehran when he heard the news of their executions (*Jumhûri-i Islâmî*, 9 Isfand 1358 [1980], p. 4). Over four years later, in the fall of 1984, Khalkhali confessed that it was indeed he who had murdered these people: "In Gonabad I executed ninety-four people, including Tooma'j, Jorjani, Vahedi, Makhtoom. I myself executed these people. I executed ninety-four people, not just one person. . . . I suppressed the people of Turkman" (cited in *Aksariyyat*, 44 [February 11, 1985], pp. 1–2). Khalkhali was making these confessions to indicate his loyalty and service to the Islamic Republic and not to be punished as he had offered four years earlier.

<sup>79</sup>*Iftilâ'ât*, 10 Âbân, 1360 (1981), p. 5.

<sup>80</sup>*Ibid.*, 6 Âbân, 1360 (1981), pp. 5, 11.

<sup>81</sup>*Ibid.*, 4 Tîr, 1359 (1980).

<sup>82</sup>*Ibid.*, 31 Farvardîn, 1362 (1983), p. 6.

<sup>83</sup>*Ibid.*, 24 Farvardîn, 1359 (1980), p. 2.

<sup>84</sup>Ibid., 14 Khurdād, 1359, p. 12.

<sup>85</sup>Ibid., 21 Day, 1361 (1983), p. 5.

<sup>86</sup>Ibid., 10 Ābān, 1360 (1981), p. 5.

<sup>87</sup>Ibid., 7 Ābān, 1360 (1981), p. 5 and 2 Day, 1360 (1981), pp. 3, 21.

<sup>88</sup>Ibid., 10 Ābān, 1360 (1981), p. 5.

<sup>89</sup>Ibid., 11 Ābān, 1360 (1981), p. 6.

<sup>90</sup>Ibid., 4 Murdād, 1360 (1981), p. 5, and 4 Tīr, 1360 (1981).

<sup>91</sup>Ibid., 31 Farvardīn, 1362 (1983), p. 5.

<sup>92</sup>Ibid., 20 Farvardīn, 1362 (1983), p. 1.

<sup>93</sup>For example, Ḥābidīzādah, the representative of Khouy in the parliament, complained that millionaires had become billionaires (ibid., 13 Urdibihisht, 1362 [1983]). Ayatollah Malakhouti said that “after the revolution, the profits of some people were even higher than under the Shah. For example, I know someone who has made 36 million tomans within a period of four months” (*Kayhān*, 4 Ābān, 1361 [1982]). Ayatollah Sedouqi complained that “one of these carpet sellers told a friend that the profit they made in this year was equal to twenty years of carpet selling [under the Shah]” (*Jumhūri-i Islāmi*, 13 Tīr 1362 [1983]).

<sup>94</sup>Bakhash, *Reign*, p. 191.

<sup>95</sup>*Iḥtilāḥāt*, 2 Day, 1360 (1981), p. 3, and 16 Āzar, 1360 (1981), p. 5.

<sup>96</sup>Ibid., 28 Murdād, 1360 (1981), p. 5.

<sup>97</sup>*Rāh-i Tūdah*, 77 (January 27, 1984), p. 9.

<sup>98</sup>*Jumhūri-i Islāmi*, 7 Urdibihisht, 1360 (1981), pp. 1, 3.

<sup>99</sup>Ibid., 15 Urdibihisht, 1360 (1981), p. 1.

<sup>100</sup>Ibid., 22 Urdibihisht, 1360 (1981), pp. 1, 5.

<sup>101</sup>*Rāh-i Tūdah*, 77 (January 27, 1984), p. 8.

<sup>102</sup>*Iḥtilāḥāt*, 16 Farvardīn, 1361 (1982), p. 5, 14. Noteworthy is Khomoushi's statement:

Initially, the Ministry of Commerce had little interest in cooperating with us. But recently, particularly after the appointment of our esteemed brother, Mr. Asgar-Owlati, the ministry has become more cooperative. The minister of commerce has even appointed a person in the Committee on Guild Affairs to be an active liaison between us and the Ministry of Commerce” (*Iḥtilāḥāt*, 16 Āzar, 1360 [1981], p. 5).

<sup>103</sup>*Iḥtilāḥāt*, 17 Āzar, 1360 (1981), p. 5.

<sup>104</sup>*Rāh-i Tūdah* (January 27, 1984), p. 9. See also Tabatabaʿi, “Report on the Six-Month Activities and Current Programs of the Mostazʿafin Foundation,” *Iḥtilāḥāt*, 5 Khurdād, 1362 (1983), p. 14.

<sup>105</sup>*Rāh-i Tūdah*, 77 (1362), p. 9.

<sup>106</sup>Dilip Hiro, *Iran under the Ayatollahs* (London, 1985), p. 243; and Dilip Hiro, *Māhiyyat-i Zid-i Inqilābi-i Anjumanī Hujjatiyyah rā Bishināsīm* (Exposing the Counter-Revolutionary Essence of Hujjatiyyah Organization), 3 vols. (n.d.; n.p.). Although these volumes are underground publications, they contain some reliable documents on the history, activities, resources, and social bases of the Hujjatiyyah. For example, in the city of Isfahan alone, the Hujjatiyyah had nineteen large wealthy capitalists and landowners as its members and leaders (see ibid., vol. III, pp. 23–24); had connections with ayatollahs Khademi, Golpayegani, Khoʿei, Shams-Abadi, and other less influential ulama (ibid., pp. 19–21); and owned and controlled twelve financial organizations, foundations, hospitals, and high schools.

<sup>107</sup>*Iḥtilāḥāt*, Shahrivar, 1358 (1979), and 30 Day, 1358 (1980), p. 4.

<sup>108</sup>Ibid., 20 Farvardīn, 1360 (1981), p. 14.

<sup>109</sup>Ibid., 4 Khurdād, 1360 (1981), p. 5.

<sup>110</sup>Ibid., 6 Ābān, 1360 (1981), p. 5.

<sup>111</sup>Cited in *Rāh-i Tūdah* (January 27, 1984), p. 14.

<sup>112</sup>Indeed, contrary to his previous pledges to defend the impoverished masses, Khomeini advised the officials of the government and the ulama to: “involve the bazaar in the affairs [of the government]. . . . In my view this is a very important issue. I have repeatedly said this. . . . This is among the issues which are of utmost importance” (*Aksariyyat*, no. 23 [September 7, 1984], p. 2). In another speech (January 2, 1984), Khomeini repeated his support for the bazaar:

We must not feel disheartened and must try to have the bazaar nominate its own people for the elections. You must not feel obligated to anyone, to do as they decide. The bazaar should have its own will. You must awaken the people



in the bazaar so that in Tehran and other cities they nominate good people to the parliament, so that the next parliament is better than the present one (*Kar International*, 12 [March–April, 1984], p. 16).

<sup>113</sup>See OIPF (majority), *Kār*, no. 4 (1984).

<sup>114</sup>*Ummat*, 26 Ābān, 1359 (1980), pp. 1, 4; and 11 Isfand, 1359 (1981), pp. 1, 4.

<sup>115</sup>*Iḥṣān*, 2 Urdūbihisht, 1359 (1980), p. 4.

<sup>116</sup>Ashraf, “Dihqānān,” pp. 29–30.

<sup>117</sup>*Iḥṣān*, 9 Tīr, 1361 (1982).

<sup>118</sup>For example, Tabatabaʿi, the director of the Mostazʿafin Foundation, indicated that the government has decided to sell land, real estate, and small industrial establishments to private citizens. Furthermore, in his response to a reporter’s comment that “some workers of the [nationalized] factories have expressed their dismay with the government’s decision to return these factories to the original owners,” Tabatabaʿi indicated that “our objectives are the implementation of the law of Islam not the satisfaction [of the people] (*Iḥṣān*, 5 Khurdād, 1362 [1983], p. 14; see also *Middle East Economic Digest* [November 25, 1983], pp. 11–12).

<sup>119</sup>The Eight Points Command of Ayatollah Khomeini which was issued in late 1982 is perhaps the official beginning of the Islamic Republic’s economic liberalization in post-revolutionary Iran. Theoretically, such commands are measures to ensure the rule of law and to prevent arbitrary decisions by different ulama and government authorities. In practice, however, they became a legal weapon that was used by the landowners and capitalists to intensify their attacks on workers and peasants. The Eight Points Command, for example, sanctions the principle of private property and the right of individuals over their properties. Theoretically, it could be considered a positive step to protect individual rights and property. In practice, however, this right could easily be used by landowners and capitalists to gain control over their properties which were either seized by the peasants or nationalized by the government. (For more details, see *Kayhān*, 25 Āzar, 1361 [1982].) That the Eight Points Command of Ayatollah Khomeini enhanced the power of the dominant classes could be observed from a subsequent statement by Khamoushi (the head of the Committee on Guild Affairs): “Now no governor, if he is the follower of the command, dares to invalidate any member of a merchant guild who, for example, happens to be in a photograph with the Shah because they were passing through the same street 10 years ago” (cited in *Rāh-i Tūdah* [January 27, 1984], pp. 9, 14).

<sup>120</sup>Ashraf, “Bazaar-Mosque Alliance,” p. 563. This criticism, however, does not reduce the scholarly value of the whole article. Ashraf is a sociologist who takes social history quite seriously, as is evident in his many works.

<sup>121</sup>*Iḥṣān*, 4 Day, 1361 (1982), p. 5.

<sup>122</sup>*Ibid.*, 10 Bahman, 1361 (1982), p. 2. Sediq Taqvaʿie, the attorney on guild affairs (*dādsitān-i umūri šinfi*) in Tehran, also has pointed to the connection between the ministry of commerce and large capitalists (see *ibid.*, 23 Day, 1361 [1983], p. 2).

<sup>123</sup>*Ibid.*, 8 Isfand, 1361 (1983), p. 2.