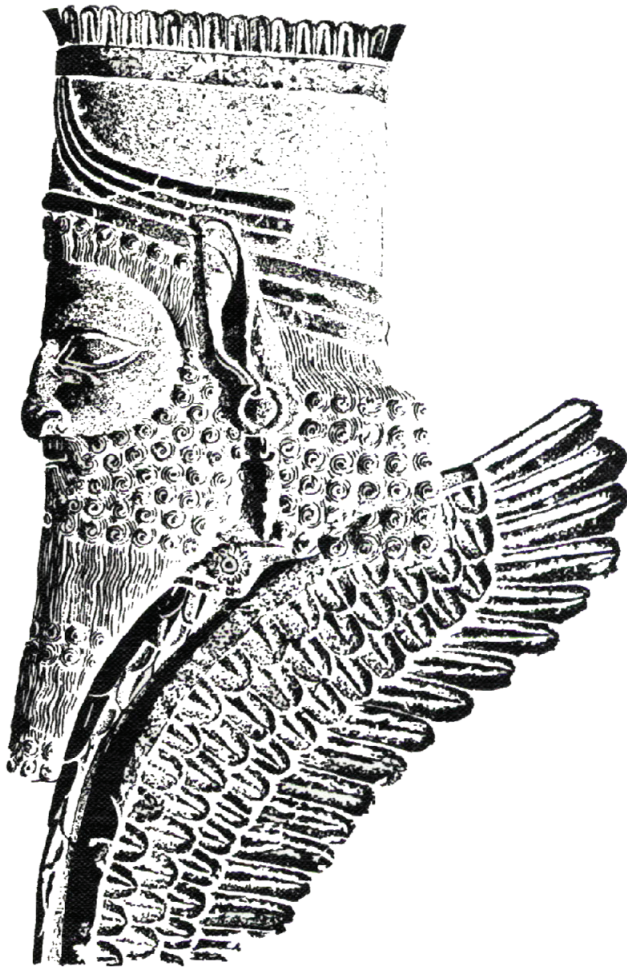


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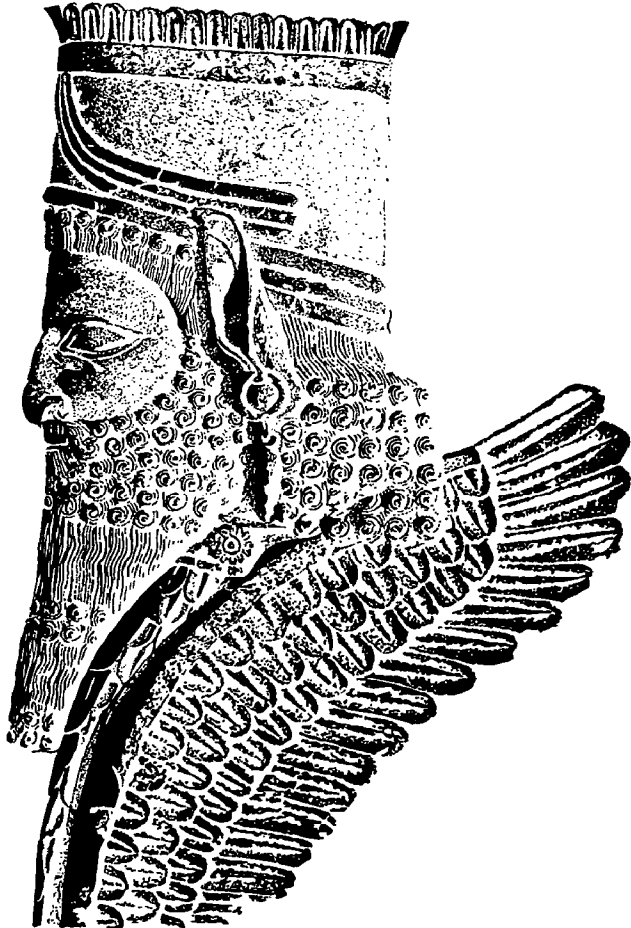
**Iran**  
a country study



# Iran

## a country study

Federal Research Division  
Library of Congress  
Edited by  
Glenn E. Curtis and  
Eric Hooglund



On the cover: A bas-relief of a bearded sphinx, ca. 500 B.C., from Persepolis

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## Foreword

This volume is one in a continuing series of books prepared by the Federal Research Division of the Library of Congress under the Country Studies/Area Handbook Program, formerly sponsored by the Department of the Army and revived in FY 2004 with congressionally mandated funding under the sponsorship of the Joint Chiefs of Staff, Strategic Plans and Policy Directorate (J-5).

Most books in the series deal with a particular foreign country, describing and analyzing its political, economic, social, and national security systems and institutions, and examining the interrelationships of those systems and the ways they are shaped by historical and cultural factors. Each study is written by a multidisciplinary team of social scientists. The authors seek to provide a basic understanding of the observed society, striving for a dynamic rather than a static portrayal. Particular attention is devoted to the people who make up the society, their origins, dominant beliefs and values, their common interests and the issues on which they are divided, the nature and extent of their involvement with national institutions, and their attitudes toward each other and toward their social system and political order.

The books represent the analysis of the authors and should not be construed as an expression of an official U.S. government position, policy, or decision. The authors have sought to adhere to accepted standards of scholarly objectivity. Corrections, additions, and suggestions for changes from readers will be welcomed for use in future editions.

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## Preface

Like its predecessor, this study is an attempt to treat in a concise and objective manner the dominant social, political, economic, and military aspects of contemporary Iran. Sources of information included scholarly journals and monographs, official reports of governments and international organizations, foreign and domestic newspapers, and numerous periodicals and Internet sources. Chapter bibliographies appear at the end of the book; at the end of each chapter is a brief comment on some of the more valuable sources suggested as further reading. The Glossary provides supplementary explanations of words and terms used frequently or having particular importance. Measurements are given in the metric system; a conversion table is provided to assist those readers who are unfamiliar with metric measurements (see table 1, Appendix).

The use of foreign words and terms has been confined to those essential to understanding the text, with a brief definition upon first usage and additional treatment in the Glossary. The transliteration of Persian words and phrases posed a particular problem. The expertise of Dr. Eric Hooglund was most helpful in identifying the most acceptable forms. For words that are of direct Arabic origin—such as Muhammad (the Prophet) and Muslim—the authors followed a modified version of the system for Arabic adopted by the U.S. Board on Geographic Names and the Permanent Committee on Geographic Names for British Official Use, known as the BGN/PCGN system. (The modification is a significant one, entailing the deletion of all diacritical marks and hyphens.) The BGN/PCGN system also was used to transliterate Persian words, again without the diacritics. However, place-names that are widely known by another spelling have been rendered in that form when the use of the BGN/PCGN system might have caused confusion. For example, the reader will find Basra for the city rather than Al Basrah. Similarly, where variants exist, the names of well-known individuals have been rendered in the form thought to be most familiar to readers—for example, Khamenei rather than Khamenehi for Iran's Leader.

Readers not familiar with the Iranian calendar should be aware, when consulting Iranian sources, that the Iranian calendar differs in several significant respects from the Gregorian

calendar used in the West. The Iranian calendar is a solar calendar that begins each year at the vernal equinox (usually March 21). Years in the Iranian calendar are counted beginning with 622 A.D., the year of Muhammad's flight from Mecca to Medina. The current Iranian calendar year, which began in March 2008, is 1387.

Research for this revised volume began in late 2004, and updates of drafts written primarily in 2005 continued throughout 2006 and into 2007. Although a comprehensive update of the entire volume could not be undertaken, updated information has been incorporated where available. The book's overall information cutoff date is October 2007.

## *Table A. Chronology of Important Events*

### EARLY HISTORY

- ca. 3400 B.C. Elamite kingdom emerges in southwestern Iran and Mesopotamia.
- ca. 2000 B.C. Nomadic peoples—Scythians, Medes, and Persians move from Central Asia to Iranian plateau.

### SIXTH CENTURY B.C.

- ca. 553–550 B.C. Cyrus II (also known as Cyrus the Great or Cyrus the Elder) overthrows Medean king; becomes ruler of Persia and Media; founds Achaemenian Empire.
- 539 B.C. Cyrus captures Babylon, releases Jews from captivity.
- 525 B.C. Cyrus's son Cambyses II conquers Egypt.
- 522 B.C. Darius I becomes king; reestablishes and extends empire, carries out administrative reorganization.

### FIFTH CENTURY B.C.

- 490 B.C. Darius invades Greek mainland; defeated at the Battle of Marathon.

### FOURTH CENTURY B.C.

- 334 B.C. Alexander the Great begins Persian campaign; completes conquest of Persia and Mesopotamia, 330 B.C.
- 323 B.C. Death of Alexander; division of empire among generals; Seleucids emerge as principal heirs in Iran.

### THIRD CENTURY B.C.

- 247 B.C. Parthians overthrow Seleucids; establish own dynasty.

### THIRD CENTURY A.D.

- A.D. 224 Ardeshir overthrows last Parthian ruler; establishes Sassanian dynasty with capital at Ctesiphon.
- A.D. 260 Shahpur I wages campaign against Romans, takes emperor Valerian captive.

### SEVENTH CENTURY

- 637 Muslim armies capture Ctesiphon, Sassanian Empire begins to crumble.
- 641–42 Sassanian army defeated at Nahavand; Iran comes under Muslim rule.
- 661 After assassination of Ali, son-in-law of Muhammad, Umayyads establish new dynasty with capital at Damascus.

### EIGHTH CENTURY

- 750 Abbasids, from base in Khorasan, overthrow Umayyads, establish capital at Baghdad.

### NINTH–TENTH CENTURIES

Emergence of virtually independent local dynasties in northeastern and eastern Iran; court patronage leads to flowering of Persian language, poetry, and literature.



*Table A. Chronology of Important Events (Continued)*

ELEVENTH CENTURY

1055 Seljuk chief Tughril Beg consolidates rule over Iran; receives title "King of the East" from caliph in Baghdad.

THIRTEENTH CENTURY

ca. 1219 Beginning of Mongol invasion under Genghis (Chinggis) Khan.  
1258 Mongols sack Baghdad and consolidate rule over Iran.  
1295 Ghazan Khan, a convert to Islam, becomes Mongol ruler, aided by his famous Iranian vizier, Rashid ad Din; period of reform, stabilization.

FOURTEENTH CENTURY

ca. 1335 End of centralized Mongol rule.  
1381 Timur, also called Tamerlane (Timur the Lame), makes himself master of Iran.

FIFTEENTH CENTURY

1405 Death of Timur; rapid disintegration of his empire; long period of fragmented rule in Iran.

SIXTEENTH CENTURY

1501 Safavis seize power in Tabriz; Ismail Safavi proclaimed shah.  
1587 Shah Abbas succeeds to the throne; his reign (1587–1629) marks apogee of Safavi power, cultural flowering.

EIGHTEENTH CENTURY

1722 Afghan tribesmen enter Esfahan; Safavi Empire collapses.  
1729 Tahmasp Quli, chief of Afshar tribe, expels Afghans, rules in name of Safavis.  
1736 Tahmasp Quli assumes throne in own name as Nader Shah.  
ca. 1738–39 Nader Shah, in series of military campaigns, extends Iran's borders into Georgia, Armenia, and Afghanistan; sacks Delhi.  
1747 Assassination of Nader Shah; his empire fragments.  
1750 Karim Khan Zand consolidates power in southern Iran with his capital at Shiraz; adopts title of *vakil al ru'aya*, or deputy of the subjects.  
1779 Death of Karim Khan; tribal struggle for succession ensues.  
1795 Agha Mohammad Qajar, having made himself master of Iran, is crowned king, inaugurating Qajar dynasty; establishes capital at Tehran.  
1797 Death of Agha Mohammad; succession of Fath Ali Shah.

NINETEENTH CENTURY

1812 First Russo-Persian War ends in Treaty of Gulistan. Iran cedes territory to Russia in Caucasus.  
1828 Second Russo-Persian War ends in Treaty of Turkmanchay. Iran cedes additional territory in Caucasus, pays indemnity, extends capitulatory rights to Russian (and later to other European) subjects.  
1834 Death of Fath Ali Shah; succession of Mohammad Shah.  
1848 Death of Mohammad Shah; succession of Naser ad Din Shah.

*Table A. Chronology of Important Events (Continued)*

1851	Founding of Dar ol Fonun, first school based on European model. Amir Kabir, Naser ad Din Shah's powerful prime minister, dismissed, executed on shah's orders.
ca. 1853	Beginning of Russian expansion in Central Asia into territories claimed by Iran.
1857	British land troops in south; force Iran to end second siege of Herat in Afghanistan (first siege had ended under British pressure in 1837). Treaty of Paris signed with Britain; Iran gives up all claims to Herat.
1871	Appointment of Mirza Hosain Khan Moshir od Dowleh as prime minister, marking start of era of reform, including cabinet-style government, advisory council to the shah, and foreign concessions.
1872	Shah grants railroad concession to British national, Baron Julius de Reuter; later cancels concession after protests by high officials, clergy.
1888	Shah opens Karun River in Khuzestan Province to international commercial traffic; Imperial Bank of Persia established under concession to Reuter.
1891–92	Shah grants tobacco monopoly to a British national. Nationwide protests force him to cancel it.
1896	Naser ad Din Shah assassinated by follower of Jamal ad Din al Afghani; succeeded by Muzaffar ad Din Shah.
TWENTIETH CENTURY	
1900, 1902	Shah contracts first and second Russian loans.
1901	British speculator William D'Arcy receives a concession to explore and develop southern Iran's oil resources.
1905–6	Antigovernment protests culminate in demand for a constitution.
1906	Muzaffar ad Din Shah issues a decree promising a constitution. Majlis (parliament) ratifies constitution, shah signs it, changing government to a constitutional monarchy.
1907	Supplementary Laws to constitution enacted. Anglo-Russian Agreement signed, dividing Iran into spheres of influence.
1908	Mohammad Ali Shah bombards parliament, suspends constitution. Oil is discovered in Iran.
1909	Overthrow of Mohammad Ali Shah, restoration of the constitution; Ahmad Shah begins reign. Anglo-Persian Oil Company (APOC) is formed.
1911	American Morgan Shuster arrives as financial adviser. Russian ultimatum and invasion, dismissal of Shuster, closure of parliament.
1914	Britain gains control of APOC.
1914–19	Iran declares neutrality in World War I but becomes battleground for Russian, British, and Turkish forces.
1919	Anglo-Persian Agreement signed, establishing a virtual British protectorate in Iran.
1921	Anglo-Persian Agreement rejected by the Majlis.

*Table A. Chronology of Important Events (Continued)*

1921–25	Army commander Reza Khan brings tribes under control.
1923	Ahmad Shah names Reza Khan prime minister, leaves Iran, never to return.
1924	Campaign to establish a republic abandoned after clerical objections.
1925	Qajars deposed by act of Majlis. Reza Khan named shah by Majlis, establishes Pahlavi dynasty.
1927–32	New civil code enacted.
1932	Uniform European dress code imposed. Shah cancels agreement under which the Anglo-Persian Oil Company (APOC) produced and exported Iran's oil.
1933	A new 60-year Anglo-Persian oil agreement is signed.
1935	APOC is renamed the Anglo-Iranian Oil Company (AIOC). Tehran University inaugurated.
1936	Abolition of the wearing of the veil. Troops fire on protesters inside the shrine of Imam Reza in Mashhad, eroding the shah's popular support.
August 1941	Anglo-Russian invasion of Iran after shah, who had declared Iran neutral in World War II, refuses to expel German nationals.
September 1941	Abdication of Reza Shah; Mohammad Reza Shah becomes ruler.
December 1945	Azərbayjan Democratic Party declares autonomous republic. Kurdish Republic of Mahabad declared in Kurdistan.
December 1946	Iranian army moves into Azarbaijan; autonomy movement, Kurdish Republic of Mahabad collapse.
March 1951	Majlis nationalizes oil industry.
April 1951	Mohammad Mossadeq becomes prime minister.
August 1953	Mossadeq overthrown in a coup engineered by the U.S. Central Intelligence Agency and Britain's MI-5, supported by Iranian royalists.
1954	A new agreement divides profits equally between the National Iranian Oil Company (NIOC) and the multinational consortium that replaced the Anglo-Iranian Oil Company (AIOC).
October 1955	Iran is a charter member of the U.S.-supported Baghdad Pact (renamed the Central Treaty Organization—CENTO—after Iraq's withdrawal in 1958).
January 1962	Government approves law mandating breakup of large landholdings.
January 1963	Shah's "White Revolution" approved in a national referendum.
June 1963	Riots in Tehran and other major cities support Ayatollah Sayyid Ruhollah Musavi Khomeini.
November 1964	Khomeini sent into exile.
1971	Celebrations held to mark 2,500 years of Iranian monarchy.
1974	Organization of the Petroleum Exporting Countries (OPEC) quadruples oil prices; Iran's oil revenues rise dramatically.
1975	Algiers Agreement establishes the "thalweg" as the border between Iran and Iraq in the Shatt al Arab, giving Iran equal navigation rights in the waterway.
1978	Riots rock major Iranian cities.
January 1979	Shah leaves Iran.

*Table A. Chronology of Important Events (Continued)*

February 1979	Khomeini returns from exile, names provisional government and Revolutionary Council; collapse of Pahlavi monarchy.
March–April 1979	National referendum approves establishment of Islamic Republic, which is declared on April 1.
May 1979	Khomeini authorizes establishment of the Islamic Revolutionary Guard Corps.
June–July 1979	Private-sector banks, insurance companies, industrial enterprises, and large businesses are nationalized or expropriated.
November 1979	Iranian “students of the Imam’s Line” occupy the U.S. embassy compound in Tehran and take American diplomats hostage. United States and Iran break diplomatic relations.
December 1979	Second national referendum approves new constitution, vesting supreme authority in the <i>faqih</i> , or Islamic religious law expert.
January 1980	Abolhasan Bani Sadr elected first president of the Islamic Republic.
April 1980	United States tries but fails to rescue embassy hostages.
September 1980	Iraq invades Iran, launching Iran–Iraq war.
January 1981	U.S. Embassy hostages released.
June 1981	Bani Sadr impeached. Bloody struggle between regime and opposition forces ensues.
October 1981	Sayyid Ali Khamenei elected president.
August 1985	Khamenei elected to a second term as president.
1985–86	“Iran–Contra Affair,” covert selling of U.S. arms to Iran for money given to anticommunist “contra” groups in Nicaragua, causes major scandal in United States.
August 1988	Iran–Iraq war ends with cease-fire, after about 1 million casualties and major shifts in regional politics; reform factions gain seats in parliamentary elections.
February 1989	Khomeini appoints Expediency Council composed of 12 ex-officio members and his own representative, with wide powers to resolve differences between the Majlis and Guardians Council. Khomeini issues a fatwa against Salman Rushdie for his novel <i>The Satanic Verses</i> , deemed insulting to the Prophet.
June 1989	Khomeini dies. Hojjatoleslam Ali Khamenei succeeds him as Leader of the Revolution.
July 1989	Ali Akbar Hashemi Rafsanjani elected president.
1990	Large-scale protests against economic conditions begin, continue through early 1990s.
1992	Iran asserts sovereignty over southern half of Persian Gulf island of Abu Musa, in violation of a 1971 Memorandum of Understanding, thus beginning a territorial dispute with the United Arab Emirates.
June 1993	Rafsanjani reelected president, with declining support.
1995	Russia agrees to assume construction of nuclear reactors at Bushehr.
1996	Iran–Libya Sanctions Act (ILSA) passed by the U.S. Congress places economic sanctions on Iran.
May 1997	Election of Mohammad Khatami as president, at the head of a reform movement; in ensuing years, struggle heightens in courts and parliament between reformist and conservative factions.
1998	Iran announces first test-firing of Shahab–3 ballistic missile.
February 1999	First local elections since the Revolution are held.

*Table A. Chronology of Important Events (Continued)*

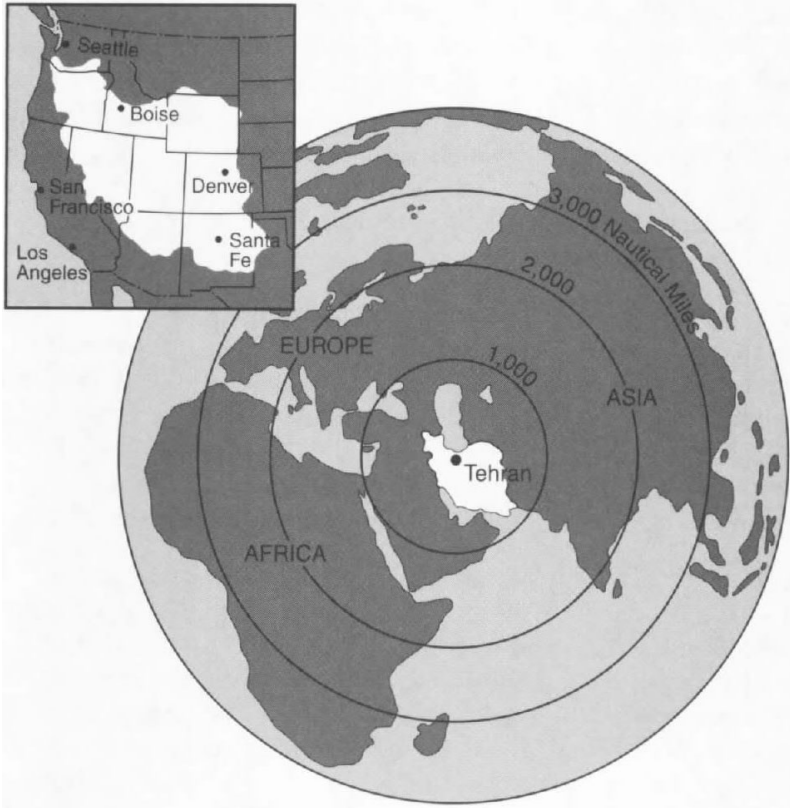
February 2000	Guardians Council disqualifies large numbers of reformist candidates for parliamentary elections, but reformists make significant gains.
TWENTY-FIRST CENTURY	
March 2001	Russia agrees to complete nuclear reactor construction at Bushehr.
June 2001	Khatami wins second term as president, but conservatives retain control of Guardians Council.
September 2001	Iranian officials express deep sympathy with the United States following the terrorist attacks of September 11.
2002	Iran continues to support Northern Alliance forces in Afghanistan in successful anti-Taliban campaign. Repression of press and dissident activities increases in Iran; student demonstrators are arrested.
January 2002	Israel intercepts the freighter <i>Karine A</i> in the Mediterranean Sea. The ship was carrying Iranian weapons believed to be bound for the Palestinian Authority. U.S. President George W. Bush links Iran with Iraq and North Korea in an "axis of evil."
February 2003	Conservatives make large gains in local elections. International Atomic Energy Administration (IAEA) begins examination of Iran's nuclear program.
March 2003	United States deposes Saddam Hussein in Iraq; Iran opposes ensuing occupation but remains neutral.
May 2003	Guardians Council vetoes key reform legislation of Khatami.
July 2003	Death of a Canadian journalist in an Iranian jail causes international outcry.
October 2003	Human rights lawyer Shirin Ebadi wins the Nobel Peace Prize.
December 2003	Earthquake destroys the Iranian city of Bam.
February and May 2004	After many reformist candidates are disqualified, conservatives gain a parliamentary majority in elections.
September 2004	Three new provinces, North Khorasan, South Khorasan, and Razavi Khorasan, are created from the province of Khorasan.
March 2005	United States offers economic incentives for Iran to suspend uranium enrichment.
June 2005	In a runoff election, Mahmoud Ahmadinejad is elected president with a populist platform.
October 2005	Iran reconfirms its right to develop peaceful nuclear technology.
April 2006	IAEA officially reports Iran's failure to suspend uranium enrichment, as mandated by the United Nations (UN) Security Council.
June 2006	United States offers to join talks on Iran's nuclear program; international powers offer new incentives for Iran to suspend uranium enrichment.
December 2006	UN Security Council imposes limited sanctions on Iran.
March 2007	UN Security Council widens scope of the December 2006 sanctions against Iran.
May 2007	U.S. and Iranian negotiators meet, for first time in 27 years, to discuss stability in Iraq.
August 2007	Iran and the IAEA reach agreement on a timetable according to which Iran will allow IAEA inspectors to resume inspecting declared nuclear sites.

*Table A. Chronology of Important Events (Continued)*

October 2007	<p>Iran's chief nuclear negotiator (Ali Larijani) resigns and is replaced by a close associate of President Ahmadinejad.</p> <p>United States unilaterally imposes tougher new economic sanctions on Iran, focusing on the Revolutionary Guards, Ministry of Defense, and a number of Iranian individuals, banks, and companies.</p>
November 2007	<p>An official U.S. government intelligence report concludes that Iran likely ceased work on its nuclear weapons program in 2003, although uranium enrichment continued.</p>
March 2008	<p>Ahmadinejad is the first Iranian president since the Revolution to visit Iraq.</p> <p>UN Security Council tightens existing economic sanctions against Iran.</p>



## Country Profile



### Country

**Formal Name:** Islamic Republic of Iran.

**Short Form:** Iran.

**Term for Citizen(s):** Iranian(s).

**Capital:** Tehran.

**Other Major Cities (in order of population):** Mashhad, Esfahan, Tabriz, Karaj, Shiraz, Qom, and Ahvaz.

**Independence:** In the modern era, Iran has always existed as an independent country.



## Historical Background

The first Iranian state was the Achaemenian Empire, which was established by Cyrus the Great in about 550 B.C. Alexander the Great conquered the empire in 330 B.C. The Arabs conquered Iran in A.D. 642, bringing with them Islam, which eventually became the predominant religion. In the centuries that followed, Iran was ruled by a succession of Arab, Iranian, Turkic, and Mongol dynasties. In 1501 the Iranian Safavis created a strong centralized empire under Ismael I and established Shia Islam as the official religion.

In 1795 the Qajar family established a dynasty that would rule Iran until 1925. In the nineteenth century, Iran lost much of its territory to Russia. The Constitutional Revolution of 1905–7 led to the formation of Iran's first parliament. When the Qajar dynasty was overthrown in 1925, Reza Khan established the Pahlavi dynasty, which ruled until 1979 under Reza Shah Pahlavi, as Reza Khan was renamed, and his son, Mohammed Reza Shah Pahlavi.

In the 1960s, the authoritarian rule of the shah provoked political discontent, and the cleric Ayatollah Ruhollah Musavi Khomeini developed an antigovernment movement. The movement grew into a nationwide revolution in 1978, toppling the shah. In 1979 Khomeini took the position of Leader in the newly established Islamic Republic of Iran. That year the occupation of the U.S. embassy in Tehran and the taking hostage of 53 U.S. diplomats led to a decisive break in U.S.-Iranian relations. Between 1980 and 1988, Iran fought an indecisive, costly war with Iraq.

The death of Khomeini in 1989 began a period of struggle among political factions in Iran. The presidencies of moderates Ali Akbar Hashemi Rafsanjani (1989–97) and Mohammad Khatami (1997–2005) encountered strong resistance from radical elements. Conservatives regained control of the parliament in the 2004 elections, and the election in 2005 of Mahmoud Ahmadinejad as president strengthened the conservative hold on government. In the early 2000s, Iran's international relations were eroded by ostensible support of terrorist groups in the Middle East, controversy over Iran's nuclear program, and Ahmadinejad's confrontational rhetoric.

## Geography

**Size and Location:** Iran, which occupies nearly 1.65 million square kilometers, is located in the Middle East, between Turkey and Iraq on the west and Afghanistan and Pakistan on the east.

**Topography:** Iran has rugged mountain chains surrounding several basins collectively known as the Central Plateau, which has an average elevation of about 900 meters. East of the Central Plateau are two large desert regions. Lowland areas are located along the Caspian coast, in Khuzestan Province at the head of the Persian Gulf, and at several dispersed locations along the Persian Gulf and Gulf of Oman coasts. Iran has no major rivers. The only navigable river is the Karun.

**Climate:** Iran's climate is mostly arid and semi-arid, with a humid rain-forest zone along the Caspian coast.

**Natural Resources:** Iran has enormous reserves of oil and natural gas. Oil reserves are estimated at more than 130 billion barrels (third in the world behind Saudi Arabia and Iraq; about 11 percent of world proven reserves) and natural gas reserves at more than 32 trillion cubic meters (second in the world behind Russia). Mineral resources currently exploited include bauxite, chromium, coal, copper, gold, iron ore, limestone, red oxide, salt, strontium, sulfur, turquoise, and uranium. About 11 percent of Iran's land surface is classified as arable. The most productive agricultural land, bordering the Caspian Sea, makes up about 5.5 percent of the country's total land.

**Environmental Factors:** Especially in urban areas, vehicle emissions, refinery operations, and industrial effluents contribute to poor air quality. Tehran is rated as one of the world's most polluted cities. Much of Iran's territory suffers from desertification and/or deforestation. Industrial and urban wastewater runoff has contaminated rivers and coastal waters and threatened drinking water supplies. Iran has not developed a policy of sustainable development because short-term economic goals have taken precedence.

## Society

**Population:** Iran's population is about 70 million according to preliminary data from the decennial census conducted in late

2006; of that number, approximately one-third is rural and two-thirds urban. Urbanization has been steady. Population density averages 42 people per square kilometer, but with significant regional variations. The annual population growth rate was about 1 percent in 2006. According to a 2007 estimate, 23.2 percent of Iran's population was 14 years of age or younger, and 5.4 percent was 65 or older; the population was about 51 percent male. In 2007 life expectancy was 69.1 years for men, 72.1 years for women. The birthrate was 16.6 per 1,000 and the death rate, 5.6 per 1,000. Between 1979 and 2007, the fertility rate decreased from about 7.0 to 1.7 children born per woman.

**Ethnic Groups and Languages:** The main ethnic groups in Iran are Persians (65 percent), Azerbaijani Turks (16 percent), Kurds (7 percent), Lurs (6 percent), Arabs (2 percent), Baluchis (2 percent), Turkmens (1 percent), Turkish tribal groups such as the Qashqai (1 percent), and non-Persian, non-Turkic groups such as Armenians, Assyrians, and Georgians (less than 1 percent). Persian, the official language, is spoken as a mother tongue by at least 65 percent of the population and as a second language by a large proportion of the remaining 35 percent. Other languages in use are Azeri Turkish and Turkic dialects, Kurdish, Luri, Arabic, and Baluchi.

**Religion:** The constitution declares Shia Islam to be the official religion of Iran. At least 90 percent of Iranians are Shia Muslims, and about 8 percent are Sunni Muslims. Other religions present in Iran are Christianity (more than 300,000 followers), the Baha'i faith (at least 250,000), Zoroastrianism (about 32,000), and Judaism (about 30,000). The constitution recognizes Christianity, Zoroastrianism, and Judaism, but not the Baha'i faith, as legitimate minority religions.

**Education and Literacy:** In 2003 the literacy rate of the population was 79.4 percent (85.6 percent for males and 73 percent for females). Under the constitution, primary education (between ages six and 10) is compulsory, and primary enrollment was nearly 98 percent in 2004. Secondary school attendance is not compulsory. Hence, enrollment rates are lower—about 90 percent for middle school and 70 percent for high school in 2004. Primary, secondary, and higher education is free, although private schools and universities charge tuition. The majority of Iran's 113,000 pre-collegiate public schools are single-sex beyond kindergarten. Universities are coeducational. By 2004, Iran had

more than 200 public and more than 30 private institutions of higher education, enrolling a total of nearly 1.6 million students.

**Health:** The overall quality of public health care improved dramatically after the 1978–79 Revolution because public health has been a top government priority. Most Iranians receive subsidized prescription drugs and vaccinations. An extensive network of public clinics offers basic care, and the Ministry of Health operates general and specialty hospitals. In large cities, well-to-do persons use private clinics and hospitals that charge high fees. In the early 2000s, estimates of the number of physicians varied from 8.5 to 11 per 10,000 population. There were about seven nurses and 11 hospital beds per 10,000 population. Some 650 hospitals were in operation. In the early 2000s, the main natural causes of death were cardiovascular disease and cancer. Opium and other drug addictions constitute a growing health problem.

**Welfare:** Iran's Ministry of Social Affairs supervises public programs for pensions, disability benefits, and income for minor children of deceased workers. Welfare programs for the needy are managed by more than 30 public agencies and semi-state organizations, as well as by several private nongovernmental organizations. In 2003 the government began to consolidate its welfare organizations in an effort to eliminate redundancy and inefficiency. The largest welfare organization is the Bonyad-e Mostazafin (Foundation of the Disinherited), a semi-public foundation that operates a variety of charitable activities.

## Economy

**Overview:** Iran's economy is dominated by the oil industry, which is part of the state sector. In the early 2000s, more than 80 percent of export earnings came from oil and gas. The state also owns and administers several large industries. The private sector includes automobile, textile, metal manufacturing, and food-processing factories as well as thousands of small-scale enterprises such as workshops and farms. Smuggling and other illegal economic activities occupy an increasingly large part of the overall economy. Traditional import-export merchants, collectively known as the bazaar, occupy an influential place in economic policy making. Government economic planning is done in five-year development plans, the fourth of which began

in March 2005. Although economic diversification has been a goal in the early 2000s, little progress has been made in that direction.

**Gross Domestic Product (GDP):** In 2006 Iran's GDP was estimated at US\$194.8 billion, an increase of about 6 percent over the 2005 figure, yielding about US\$2,978 per capita. Services contributed 47.1 percent, industry 41.7 percent, and agriculture 11.2 percent of GDP.

**Inflation:** The government's anti-inflationary policies have reduced inflation from the average rate of 23 percent in the 1977–98 period. The official rate for 2006 was 15.8 percent.

**Agriculture:** Iran's diversity of terrain and climate enable cultivation of a variety of crops, most notably wheat, barley, rice, pistachio nuts, cotton, sugar beets, and sugarcane. Because of droughts, the area under cultivation has decreased since 2000, and Iran depends on imports for some of its grains and other food items. About one-third of agricultural income comes from livestock, chiefly chickens, sheep, beef cattle, and dairy cows.

**Mining and Minerals:** In 2006 Iran produced more than 15 different nonradioactive metals and 27 nonmetal minerals. The mined products yielding the greatest value were iron ore, decorative stones, gravel and sand, coal, copper ore, and limestone. The fastest growing nonpetroleum extraction industry is copper. Iran has an estimated 4 percent of the world total of copper.

**Industry and Manufacturing:** Iran's most important industries are those associated with the extraction and processing of oil and gas. The petrochemicals industry has grown rapidly in the early 2000s; the Fourth Economic Development Plan (2005–10) calls for a major expansion of annual petrochemical output, from 9 million tons in 2001 to 27 million tons in 2015. The steel industry, centered in Ahvaz, Esfahan, and Mobarakeh, also has grown rapidly since 1990. Automobile manufacture has benefited from licensing agreements with European and Asian manufacturers. Processing of agricultural products and production of textiles also are important industries. The construction industry has grown rapidly since 2000 because of government investment in infrastructure projects and increased demand for private housing.

**Energy:** Oil output averaged 4 million barrels per day in 2006, but infrastructure is aging. Natural gas output in 2006 was 105 billion cubic meters. A large share of Iran's natural gas reserves are believed to remain untapped, and massive government investments are planned in that sector. In 2004 Iran's electric power plants had a total installed capacity of more than 39,000 megawatts. Of that amount, in 2006 about 50 percent was based on natural gas, 18 percent on oil, and 6 percent on hydroelectric power. New gas-fired and hydroelectric plants are planned to meet Iran's fast-growing power demand. The first nuclear power plant at Bushehr may come on line in 2008 after a series of delays.

**Services:** In the financial sector, the Central Bank of Iran, also known as Bank Markazi, oversees all state and private banks. Wealthy Iranians use foreign banks, especially for savings accounts. The Fourth Five-Year Economic Development Plan (2005–10) calls for the introduction of foreign banks, but such a move has met with substantial resistance. The trading of shares on the Tehran Stock Exchange was limited in the post-Revolution years, but activity has increased sharply since 2002. Beginning in the 1990s, Iran's tourism industry has revived after being decimated during the Iran–Iraq War.

**Labor:** In mid-2007 an estimated 14 percent of Iran's labor force was unemployed; the unemployment rate was much higher among younger workers, and underemployment was common. Skilled labor has been in short supply. In 2004 some 47.7 percent of the labor force was employed in services, 30.6 percent in industry, and 21.7 percent in agriculture. In 2005 the minimum wage was about US\$120 per month.

**Foreign Economic Relations:** The Iran Sanctions Act, in existence since 1996 and until 2006 known as the Iran–Libya Sanctions Act, is a full U.S. trade embargo against Iran. Other countries, including members of the European Union (EU), have continued trade with Iran, but Western countries have blocked the export to Iran of dual-use items. In the early 2000s, China emerged as an important trade partner in both imports and exports. Japan retained the position that it assumed in the mid-1990s as Iran's best export customer. In order of volume, the main purchasers of Iran's exports in 2006 were Japan, China, Italy, Turkey, and South Korea. In order of volume, the main source countries for Iran's imports in 2006 were Germany, China, the United Arab Emirates, South Korea, and France. The main

commodities imported are basic manufactures, chemicals, food (chiefly rice and wheat), and machinery and transport equipment. The main commodities exported are petroleum, carpets, chemical products, fruit and nuts, iron and steel, natural gas, and copper.

**Trade Balance:** In 2006 Iran's estimated income from exports was US\$63 billion, 85 percent of which came from petroleum and natural gas. The estimated payment for imports in 2006 was US\$45 billion, yielding a trade surplus of US\$18 billion.

**Balance of Payments:** In 2006 Iran's current account balance, determined mainly by its merchandise trade surplus and its smaller services trade deficit, was US\$13.3 billion. Its foreign exchange reserves, determined primarily by oil prices, were estimated at US\$58.5 billion.

**External Debt:** Since 2001 Iran's foreign debt has risen as international borrowing has increased. In mid-2006 the estimate was US\$18.6 billion, compared with US\$10.2 billion in 2003.

**Foreign Investment:** Foreign investment has been hindered by unfavorable or complex operating requirements in Iran and by international sanctions, although in the early 2000s the Iranian government liberalized investment regulations. Foreign investors have concentrated their activity in a few sectors of the economy: the oil and gas industries, vehicle manufacture, copper mining, petrochemicals, foods, and pharmaceuticals. The most active investors have been British, French, Japanese, South Korean, Swedish, and Swiss companies.

**Currency and Exchange Rate:** The value of the rial, Iran's unit of currency, declined substantially between 2002 and 2007. In 2002 a multiple exchange rate was replaced by a single floating rate. In late February 2008, the exchange rate was about 9,400 rials to the U.S. dollar. The tuman, which is worth 10 rials, is the preferred unit of currency in commerce.

**Fiscal Year:** In accordance with the Iranian calendar, the fiscal year begins March 21.

## Transportation and Telecommunications

**Roads:** In 2003 Iran had a total of 100,000 kilometers of paved roads and nearly 80,000 kilometers of graded, unpaved roads. The three national auto routes are the A-1 across northern Iran, the A-2 across southern Iran, and the Tehran-Qom-Esfahan-Shiraz highway, which traverses central Iran from north to south.

**Railroads:** The rail system, which originally was constructed in the 1920s and 1930s, has been undergoing constant expansion since 1989. In 2006 Iran had a total of 8,367 kilometers of rail line. Only 13 of Iran's 30 provinces had railroad service in the early 2000s. The five main lines of the national system radiate from Tehran. Tehran also has a combined underground and surface rail commuter system.

**Ports:** In 2004 about 53 million tons of cargo were unloaded and 30 million tons loaded at Iran's 14 ports. More than one-third of total traffic came through Bandar-e Abbas on the Strait of Hormuz. The main oil terminal is on Khark Island in the northeastern Persian Gulf. Since 1992, Caspian ports have handled more trade as commerce with the Central Asian countries has increased. Modernization projects are underway in Bandar-e Anzali on the Caspian Sea and Chabahar on the Gulf of Oman.

**Inland Waterways:** In 2006 Iran had 850 kilometers of inland waterways. The most important is the 193-kilometer-long Shatt al Arab (Arvanrud in Persian), which is formed in Iraq by the confluence of the Tigris and Euphrates rivers and then forms the Iran-Iraq border until it flows into the Persian Gulf. The ports of Abadan and Khorramshahr are located along the Shatt al Arab.

**Civil Aviation and Airports:** In 2006 Iran had 321 airports, 129 of which had paved runways. Of those, 41 had runways 3,000 meters or longer. International airports are located at Tehran, Tabriz, Mashhad, Bandar-e Abbas, Bushehr, Esfahan, and Shiraz, and on the islands of Kish in the Persian Gulf and Qeshm in the Strait of Hormuz. Some 15 heliports also were in operation. In 2006 the national airline, Iran Air, served 25 cities in Iran with connections to the Persian Gulf and European and Asian cities.

**Pipelines:** In 2006 Iran had 17,099 kilometers of natural gas pipelines, 8,521 kilometers of oil pipelines, 7,808 kilometers of pipelines for refined products, 570 kilometers of pipelines for



liquid petroleum gas, and 397 kilometers of pipelines for gas condensate. In 2007 a new 160-kilometer line to Armenia began operations. However, a 2,600-kilometer line to Pakistan, which potentially also could supply India, remained under negotiation.

**Telecommunications:** Most phases of telecommunications services are controlled by the state. Between 1995 and 2006, the number of telephone land lines increased from 86 to 330 per 1,000 population. A large-scale modernization program has aimed at improving and expanding urban service and reaching rural areas. In 2006 an estimated 13.7 million subscribers had mobile telephone service. In 2005 an estimated 7.5 million Iranians had access to the Internet. However, the state filters Internet content intensively.

## Government and Politics

**Political System:** The Islamic Revolution of 1978–79 established the Islamic Republic of Iran as a republic with nominal separation of powers among the executive, judicial, and legislative branches. The senior figure in the system is the *faqih*, an expert in religious law, who is referred to in the constitution as the Leader of the Revolution (Leader). Leaders are elected by a majority vote of the Assembly of Experts, a body of senior clergymen who are elected in national elections. The legal system is based on sharia (Islamic law).

**Executive Branch:** The Leader, who exercises many de facto executive functions, is elected by a majority vote of the Assembly of Experts, an 86-member body of senior clergymen who are elected by popular vote to eight-year terms. The Leader chooses the commanders of the military services and the head of the judiciary, sets general state policy, declares war and peace, and commands the armed forces. The executive branch is headed by the president, who in practice is the second-highest government official. He is elected in national elections every four years and is limited to two consecutive terms. The current president, Mahmoud Ahmadinejad, was elected in 2005. The president selects several vice presidents and the 21 cabinet ministers.

The relationship between the president and the Leader, not well defined by the constitution, has varied with the personalities in power. In the early 2000s, the reluctance of Ahmadinejad's

moderate predecessor, Muhammad Khatami, to engage in confrontational politics enabled conservatives to strengthen the office of the Leader. In his early presidency, Ahmadinejad took a bolder position vis-à-vis the Leader.

**Legislative Branch:** The legislative branch consists of a parliament, or Majlis, and the Guardians Council. The 290 Majlis deputies are elected directly to four-year terms. The speaker presides over parliament, assisted by two deputies and 22 permanent committees. The Majlis may both propose and pass legislation, and the executive branch cannot dissolve it. All bills passed by the Majlis must be reviewed by the 12-member Guardians Council, which is appointed by the Leader and the Majlis. If the Guardians Council finds a bill unconstitutional or un-Islamic, the bill is sent back to the Majlis for revision. The Expediency Council resolves disputes between the Majlis and the Guardians Council. In practice, the Expediency Council has divided its decisions between the two bodies.

**Judicial Branch:** The highest judicial authority is the Supreme Court. The head of the judiciary, who is appointed to a five-year term by the Leader, appoints members of the Supreme Court. The court nominally has 33 regional branches, to which its chief assigns cases, but all but two are located in Tehran. The Supreme Court oversees enforcement of the laws by lower courts, sets judicial precedent, and acts as a court of appeal. Public courts try conventional civil and criminal cases at province and local levels. Revolutionary courts try cases involving political offenses and national security. The Clerical Court, overseen directly by the Leader, deals with crimes committed by members of the clergy, including misinterpretation of religious precepts. Iran also has special courts for members of the security forces and government officials. The judges of all courts must be experts in Islamic law.

**Administrative Divisions:** Iran is divided into 30 provinces, which are subdivided into counties (321 in 2007), districts, and villages.

**Provincial and Local Government:** Each province is administered by a governor general appointed by the central government. The governor general, in consultation with the Ministry of Interior, then appoints the governor of each county in the province and, in consultation with the latter, the chief of each district. At the local level, directly elected city and village councils have exerted substantial authority since the first local elections in 1999. Conservative candidates swept most of the local council elections

held in 2003, but moderates won the majority of local council seats in the 2007 elections.

**Judicial and Legal System:** Although the constitution provides for an independent judiciary, in practice the judicial branch is influenced strongly by political and religious institutions. Defendants have the right to public trial, choice of a lawyer, and appeal. Judicial authority is concentrated in the judge, who also acts as prosecutor and investigator with no legal counsel. In the early 2000s, reformers tried unsuccessfully to gain Majlis approval for the introduction of jury trials. The Islamic revolutionary courts have authority to hold suspects on unspecified charges without the benefit of counsel.

**Electoral System:** Suffrage is universal at age 16. Direct elections every four years choose the Majlis, the president, and local councils. The Ministry of Interior and a committee of the Guardians Council vet candidates for direct election to national offices. Local boards supervise elections at the lowest governmental levels. The selection process favors candidates demonstrating strong loyalties to the Revolution and Islamic law. In recent elections, the Guardians Council has used its vetting capacity to disqualify a high percentage of reformist candidates.

**Politics and Political Parties:** Political parties were legalized in 1998. However, official political activity is permitted only to groups that accept the principle of political rule known as *velayat-e faqih*, literally, the guardianship of the *faqih* (religious jurist). Allegiances, still based on special interests and patronage, remain fluid. In 1998, 18 parties joined in a broad coalition called the Second of Khordad coalition. All were reformist parties that supported the political and economic proposals of President Mohammad Khatami; in the early 2000s, internal differences over specific economic policies hampered the coalition's effectiveness, however. During that period, the conservatives were more united, despite the existence of several major conservative parties. The Islamic Iran Builders Council (known as Abadgaran) emerged as a powerful conservative coalition beginning in 2003, leading the conservatives to victory in the 2004 parliamentary elections and the 2005 presidential election.

**Mass Media:** The constitution guarantees freedom of the press, provided that published material complies with Islamic principles. Freedom of speech is not guaranteed. In 1997 and 1998, publishing restrictions were relaxed, but since that time

reformist publications have encountered various legal and illegal obstacles. The newspapers with the largest circulation are published in Tehran and include the conservative *Jomhuri-e Islami* (Islamic Republic), *Kayhan* (World), and *Resalat* (Prophetic Mission). The state news service is the Islamic Republic News Agency, which publishes the English-language *Iran Daily*. Several foreign news agencies maintain offices in Tehran. Radio and television broadcasting is controlled by the state.

**Foreign Relations:** The election of Mohammad Khatami as president in 1997 led to improved relations with Iran's neighbors and with most of the West, excluding Israel and the United States. The Khatami government stressed commercial and geopolitical relations with Western Europe and Japan. However, in the early 2000s, the regime failed to normalize bilateral relations with the United States. The Bush administration's inclusion of Iran as part of an "axis of evil" in 2002 brought relations to a new low in the post-1989 period. Beginning in 2004, relations deteriorated further because U.S. officials believe that Iran intends to develop a nuclear weapons program and actively supports insurgent activity in various parts of the Middle East. The nuclear issue also caused relations with Europe to decline in this period.

Since the overthrow of Iraqi President Saddam Hussein in 2003, Iran has established cooperative relations with the Shia-dominated government of Iraq. In the early 2000s, relations with other regional Arab countries have varied. Iran has had relatively good relations with China, India, and Russia, particularly in the area of military cooperation. Relations with neighbors Pakistan and Turkey have been correct but not close.

## National Security

**Armed Forces Overview:** In 2007 the armed forces, under a unified command with the Leader as commander in chief, included about 420,000 active personnel in the regular forces and 125,000 in the auxiliary Islamic Revolutionary Guard Corps. Iran has eschewed military alliances, although it has reached military supply agreements with a number of countries. Modernization of the navy, seen as vital for protecting interests in the Persian Gulf, is a high priority. Technology purchased from North Korea and China, and refined by the domestic defense

industry, supports a growing missile force that is considered the most important element of air defense policy. In 2001 Iran signed a 10-year military-technical agreement with Russia that included assistance in aircraft maintenance and design estimated to be worth US\$4 billion.

**Defense Budget:** Iran's defense budget for 2006 was estimated at US\$6.6 billion, which was a significant increase over the 2005 level of US\$5.6 billion. The 2004 budget was US\$3.3 billion.

**Major Military Units:** In 2007 the army had about 350,000 active personnel assigned to four armored divisions, six infantry divisions, two commando divisions, one airborne brigade, one special forces brigade, and six artillery groups. The navy had about 18,000 active personnel in 2006, of whom 2,600 were in naval aviation and 2,600 in marine units. The navy operates bases at Bandar-e Abbas, Bushehr, Khark Island, Bandar-e Anzali, Bandar-e Khomeini, Bandar-e Mah Shahr, and Chabahar. The air force had about 52,000 active personnel in 2006, including 15,000 assigned to air defense units. Air force combat forces were organized in nine ground-attack fighter squadrons, five fighter squadrons, and one reconnaissance squadron.

**Major Military Equipment:** In 2006 the army had 1,613 main battle tanks, 610 armored infantry fighting vehicles, 640 armored personnel carriers, 2,010 pieces of towed artillery, 310 pieces of self-propelled artillery, 876 multiple rocket launchers, 5,000 mortars, 75 antitank guided weapons, 1,700 anti-aircraft guns, and 50 attack helicopters. The navy had 3 submarines, 3 frigates, 140 patrol and coastal combatants, 5 mine warfare vessels, and 13 amphibious vessels. The air force ground-attack fighter units had F-4D, F-4E, F-5E, Su-24MK, Su-25K, and Mirage F-1E aircraft; the fighter units had F-14, F-7M, and MiG-29A aircraft. The air force also had 34 helicopters.

**Military Service:** Males are legally eligible for conscription between ages 18 and 50, for an active service term of 18 months. Individuals may volunteer for active duty at age 16.

**Paramilitary Forces:** The volunteer paramilitary force, the Popular Mobilization Army, or Basij, includes an estimated 300,000 personnel (40,000 active), mainly youths, with an estimated capability to expand to 1 million if needed. The Basij are under the authority of the Islamic Revolutionary Guard Corps.

**Police:** About 40,000 police serve under the Ministry of Interior, including border patrol personnel. The Police-110 unit specializes in rapid-response activities in urban areas and dispersing gatherings deemed dangerous to public order.

**Internal Threat:** Despite strong government countermeasures, Iran is a main transit country for narcotics from neighboring Afghanistan and Pakistan and destined for Europe, Central Asia, and the Gulf region. Considerable quantities of these narcotics are sold illegally in Iran and are the main source of a serious and growing addiction problem. In the early 2000s, other types of smuggling increased rapidly, especially in Iran's impoverished border provinces. Corruption in the border police is a major factor in this trade.

**Human Rights:** International human rights organizations have cited major abuses in Iran's judicial system, including arbitrary arrest, lack of due process, denial of access to attorneys, restrictions on family visits, prolonged periods in solitary confinement, and inhumane punishments in unofficial detention centers. Prison conditions are poor, particularly regarding food and medical care. The government controls all television and radio broadcast facilities. Domestic and foreign publications and films are censored. The state also filters Internet content. Members of religions not specifically protected by the constitution (Christianity, Islam, Judaism, and Zoroastrianism), such as members of the Baha'i faith, do not have full rights to assemble and may be subject to discrimination and even persecution. Marriage law discriminates against women in divorce, child custody, and inheritance from deceased spouses. Although women have equal access to education, social and legal conditions limit their professional activities.



Figure 1. Administrative Divisions

## Introduction

CONTEMPORARY IRAN is a country whose people retain memories of legendary heroes and rulers, some of whom lived more than two millennia ago. Its national language, Persian, is equally ancient as a written tongue. Some customs, such as the annual New Year's celebrations that are observed on the spring equinox, also have their roots deep in history. The religion of at least 98 percent of Iranians is Islam, which initially was brought into Iran by Arabs in the mid-seventh century. Thus, history, Persian literature, cultural traditions, and Islam have been longtime and persistent influences on Iran. Although the Islamic Revolution of 1978–79 led to the creation of the Islamic Republic, an event that marked a break with the long political tradition of rule by monarchs (shahs) and institutionalized a dominant political role for the Shia (see Glossary) clergy, Iran's development otherwise has demonstrated numerous continuities with its pre-1979 past.

Iranians generally consider their ancient history as a period of national greatness, while they view their more recent history, especially the 150 years preceding the 1978–79 Revolution, as a time of national humiliation and foreign intervention. Ancient Iranians, also known as Persians, organized three powerful empires—the Achaemenian (550–330 B.C.), Parthian (247 B.C.–A.D. 224), and Sassanian (A.D. 224–642). At their heights, those empires extended east into modern Afghanistan and Central Asia and west as far as Anatolia and the Mediterranean Sea. Following the overthrow of the Sassanian dynasty by Arab armies, Iran did not exist as an independent polity for 850 years. Nevertheless, between the eighth and twelfth centuries Iranian Muslim scholars contributed to the development of classical Sunni Islam, and by the eleventh century modern Persian had acquired equal status with Arabic as a language of culture throughout most of the Islamic world.

After Shah Ismail Safavi reestablished it as an independent country in 1501, Iran was a major power for the next two centuries. Ismail also established Shia Islam as the official religion, thus setting Iran apart from the predominantly Sunni Islamic world. By 1722, when the Safavi dynasty was overthrown, the majority of Iranians had become Shias, and the Shia denomination of Islam has been identified closely with Iran since that



time. Under the Safavis, the state and the Shia clergy maintained close relations, but under later dynasties, particularly the Qajars (1795–1925) and Pahlavis (1925–79), the clergy tended to view their role as protecting the people from the power of the state. In fact, the clergy played a significant role in several major antigovernment movements, including the Tobacco Rebellion of 1891, the Constitutional Revolution of 1905–7, and the Islamic Revolution of 1978–79.

The fall of the Safavi dynasty precipitated a civil war that continued intermittently until the Qajars established control over the entire country in the late 1700s. However, by the beginning of the Qajar dynasty Iran's status had so declined that its territorial integrity and even national sovereignty were threatened by the European empires of Britain and Russia. After losing two disastrous wars to Russia in the early nineteenth century, Iran's leaders sought to achieve military parity with the Europeans by adopting Western military tactics and technology. Thus began a national reform or Westernization project that would preoccupy Iran's rulers for some 90 years. The Qajars desired a strong state that could deter foreign threats and quell domestic unrest, but they also feared the destabilizing effects of exposing their subjects to new ideas that challenged their absolute rule. Because of this ambivalence toward change, the overall reform effort was dilatory. By the end of the nineteenth century, unrest was increasing among secular intellectuals, merchants, and the Shia clergy, who saw no improvement in Iran's resistance to foreign economic and political penetration.

Discontent culminated in the Constitutional Revolution of 1905–7, which featured the organization of long economic strikes in major cities—a tactic that would be repeated 70 years later during the Islamic Revolution. The Constitutional Revolution forced the shah to grant a representative assembly (the Majlis—see Glossary), a free press, and a constitution. But Iran's first experience with constitutional government exposed serious political differences between secular and clerical intellectuals that have persisted to the present. Secular political leaders wanted to apply European economic, political, and social principles in Iran, including strict separation of religion and government. Religious leaders feared that the secularists' reforms would undermine the role of religion in Iranian society. These differing perspectives paralyzed the Majlis and created conditions for British and Russian political interference.

In 1921 the army officer Reza Khan provided military support for a coup d'état that led to far-reaching economic, political, and social changes. After the Majlis deposed the Qajar dynasty in 1925, Reza Khan became shah, taking the dynastic name Pahlavi. He then implemented a wholesale modernization program intended to return Iran to its historical stature. Reza Shah's economic policies transformed urban Iran, but his intolerance of political dissent alienated intellectuals, who had hoped for democratic government, and Shia clerics, who perceived his secular policies as an attack on religion.

Reza Shah was forced to abdicate in 1941 after Britain and the Soviet Union, discontented with Iran's neutral position in World War II, invaded the country. He was succeeded by his son, who ascended the throne as Mohammad Reza Shah Pahlavi. Reza Shah's removal led to a restoration of constitutional government, the re-emergence of a relatively free press, and the resumption of the religious-secular debates over the desirability of Westernization. In 1944 a mid-ranking cleric, Ruhollah Musavi Khomeini, authored a book denouncing the anticlerical policies of Reza Shah's regime and advocating a role for high-ranking clergy in selecting the ruler and advising the government on legislation. Later, in the 1970s, Khomeini would elaborate on these ideas and put forth his concept of *velayat-e faqih* (see Glossary).

Meanwhile, Mohammad Reza Shah's undemocratic rule met increasing resistance from secular politicians, who agreed with his goals of modernization. Mohammad Mossadeq, the leading advocate of democracy in the Majlis, formed a National Front to promote national development and democratic politics. The National Front viewed the country's large, British-owned oil industry as a threat to Iran's independent development. With strong public support, the Majlis enacted an oil nationalization bill in 1951, and Mossadeq was named prime minister. But in 1953 British and U.S. intelligence agencies supported a military coup d'état that overthrew the Mossadeq government.

After the 1953 coup, Mohammad Reza Shah ruled as a virtual dictator with an acquiescent Majlis. He implemented development programs that expanded industrialization and education, stimulated urbanization, and led to the creation of a Westernized, technocratic elite. He also firmly aligned Iran with the United States and its European allies in the Cold War. However, secular and religious opponents were unified by the shah's undemocratic rule and his alliance with countries identi-

fied with the ouster of the popular Mossadeq. In 1962–64 Khomeini achieved national prominence by his vocal opposition to the shah's domestic and foreign policies, which led to his forcible exile to Turkey and later Iraq. From exile Khomeini formed a clandestine network of opposition to the shah's regime, which gradually expanded throughout the country in the late 1960s and during the 1970s.

Other secular and religious opposition groups formed in the same period, despite repression by the shah's secret police organization, SAVAK (in full, Sazman-e Ettelaat va Amniyat-e Keshvar; Organization for Intelligence and National Security). Two groups, the Marxist Fedayan (Fedayan-e Khalq, or People's Warriors) and the Islamist Mojahedin (Mojahedin-e Khalq, or People's Fighters), initiated guerrilla warfare against the government in 1971, with the aim of overthrowing the shah's regime. Between 1976 and 1978, an increasing tide of intellectual, middle class, and religious opposition gradually coalesced into a nationwide revolutionary movement. In 1978 the charismatic exile Khomeini led this movement through strikes and mass demonstrations to ultimate victory: the overthrow of the Pahlavi dynasty in February 1979 and the establishment of an Islamic republic.

The national unity that brought an end to monarchy in Iran began to disintegrate in the initial postrevolutionary period. Secular leaders did not want the clergy to exercise a political role in the government, but they were marginalized quickly because Khomeini had widespread support. A constitution drafted with heavy influence from Khomeini's followers enshrined his concept of *velayat-e faqih* as the basis of Iran's new Islamic government. Nevertheless, among religious leaders and their lay allies differing perspectives on the nature of Islamic government led to the formation of distinct political factions. Since the early 1990s, the two most important factions have been referred to as the reformists and the conservatives. In the early postrevolutionary years, the reformist groups advocated using the country's substantial oil revenues to improve social justice and benefit low-income people, while the conservatives distrusted policies for the redistribution of wealth, contending that an Islamic government's obligation was to protect private property.

Increasingly in the postrevolutionary period, the divisive force of differences on domestic policy was limited by the perceived need to remain united against foreign threats. Although

the Revolution had demonstrated that a peaceful national movement based on Islamic values could overthrow a powerful dictator backed by a foreign superpower, the revolutionary leaders believed that the United States aimed to repeat the successful reinstatement of the shah that had occurred in 1953. This mindset led to the incident that has had the strongest, most enduring influence on U.S-Iranian "non-relations": the taking hostage of U.S. embassy personnel by young Iranian radicals in November 1979.

Khomeini promoted Iran's experience as a model for movements in other countries seeking freedom from U.S. political influence (the Persian Gulf states, for example) and the Soviet Union (Afghanistan, for example). Iraq's invasion of Iran in September 1980, at a time when Iran still was embroiled with the United States in the hostage crisis, led to a traumatic eight-year war that ignited tremendous patriotic fervor. The general isolation that Iran experienced during that war reinforced the impression that many foreign countries opposed the Islamic Republic.

The end of the war prompted the political elite to focus attention on reconstructing the country and normalizing Iran's external relations with other countries. However, Khomeini died barely a year later. His successor as Leader of the Revolution, Sayyid Ali Khamenei, did not possess the latter's charisma or scholarly reputation, and many reformers believed he was against them in their factional struggle with the conservatives. This suspicion fostered controversy over the degree of the Leader's authority and political freedom in the Islamic Republic. Although the constitution stipulates that the institutions and structure of government are under the supervision and protection of the Leader, neither it nor the first Leader, Khomeini, articulated specific functions of the office. Hence, conservatives and reformists have interpreted the Leader's powers differently. The reformists hold that all officials, including the Leader, are accountable to the people for their decisions and policies. In this conception, the Leader is a neutral arbiter who encourages political groups to work out compromises for the overall national good; if a Leader takes a partisan position, he loses legitimacy and therefore can be removed.

The conservatives, by contrast, have seen the Leader as an adviser to the political leadership whenever executive or legislative decisions come into conflict with Islamic values. Many conservatives hold that the Leader has absolute authority in

protecting the public from the undesirable exercise of freedom of speech, such as insults to religious values and religious personalities, and by extension to government officials and agencies. Since the late 1990s, conservatives have used this conception of the Leader's responsibilities to justify closing reformist newspapers that criticized the rulings of the Leader or other senior clergy. As their attitude toward the press has demonstrated, conservatives believe in the necessity of setting definite limits on the exercise of popular sovereignty. They distrust the masses, who, they suspect, would not behave in accordance with Islamic values if they were to have unfettered freedom. Conservatives insist that their version of Islamic democracy is superior to a Western-style democracy. They believe that in the latter every kind of religious and moral ideal is under attack in the name of freedom, undermining the moral values that bind societies together.

Conservatives generally have seen a free press, demonstrations, political meetings, and unions as potentially disruptive of the social order. Centrist president Ali Akbar Hashemi Rafsanjani (1989–97) oversaw a partial lifting of media and organizational restrictions, and the administration of his successor, Mohammad Khatami (1997–2005), accelerated this process. After the conservatives had succeeded in blocking many, but not all, of the reforms proposed by the Khatami administration, the extent of personal and political freedom was marginally greater in 2007 than it had been 10 years earlier.

In 2005 Khatami was succeeded as president by a conservative, Mahmoud Ahmadinejad, who defeated former president Rafsanjani in an election that extended to a second round when no candidate reached the minimum of 50 percent in the initial balloting. Although Ahmadinejad is a conservative in terms of political philosophy, i.e., a firm supporter of the notion of an authoritative *faqih*/Leader, his ideas on social justice issues, such as increasing subsidies for poor families, implementing programs to end poverty, increasing government regulation of the economy, and opposing "dependence" on foreign capital and investment, were not favored by the conservatives, especially those politicians with ties to the bazaar (see Glossary). Consequently, the conservative-dominated parliament succeeded in blocking most of Ahmadinejad's economic proposals during his first two years in office. The political dispute over economic policies was not conducive to private investment in the types of activities that promote job creation.

In fact, between the late 1990s and 2007, private investment remained at a low level, and in each year of that period the number of new job-seekers exceeded the number of available jobs. One result was an increasing unemployment rate among youth aged 16 to 25. In 2007 that rate was estimated at between 20 and 25 percent, compared with the official overall unemployment rate of 14 percent.

In the early part of his term, Ahmadinejad did not show particular concern for the social issues that preoccupy the fundamentalist conservatives, and he did not endorse campaigns to restrict or roll back the social freedoms that had become common by the second Khatami administration. On foreign policy issues, however, Ahmadinejad proved very unlike the moderate Khatami or the pragmatic Rafsanjani. His critics in Iran described him as a “super-patriot sensitive to the tiniest insult to national pride.” His handling of the nuclear energy dispute since 2005 has demonstrated a focus on Iran’s national right to develop nuclear fuel technology, especially the enrichment of uranium, and an inability or unwillingness to comprehend the concerns of the International Atomic Energy Agency (IAEA) that such activity could lead to the production of weapons-grade uranium fuel. The consequent impasse over Iran’s position prompted the IAEA in 2006 to refer Iran to the United Nations (UN) Security Council, where the United States advocated international sanctions against Iran to force compliance with UN and IAEA demands to stop the enrichment of uranium. Because not all permanent members of the Security Council supported the imposition of sanctions, a compromise was reached in June 2006 to send Iran a letter offering negotiations in return for its suspension of nuclear enrichment. The reply of the Ahmadinejad administration was delayed for several months, leaving the international community divided over the appropriate way to deal with Iran. Ahmadinejad took the position that Iran was prepared to negotiate over its nuclear program, but that it would not accept any pre-conditions (i.e., the suspension of uranium enrichment) for such talks. Within the country, Ahmadinejad’s tough stance on the nuclear program garnered him widespread popular support, even among those Iranians who disliked his domestic economic and/or political policies.

In 2007 the standoff over the nuclear issue continued. In defiance of international warnings, Iran expanded its uranium enrichment capacity and refused to provide key documenta-

tion on its nuclear industry requested by the IAEA. The UN Security Council voted to impose relatively mild sanctions on Iran as part of its strategy to pressure the country into complying with IAEA inspections. The sanctions were a compromise between the tough measures favored by Britain, France, and the United States on the one hand and the lack of enthusiasm for any sanctions on the part of China and Russia on the other hand. Officials in the former countries periodically issued harsh statements about the dangers of a suspected secret nuclear program in Iran while simultaneously stressing the need to find a diplomatic settlement of the impasse. These tactics seemed to have achieved some results, when in August 2007 the Ahmadinejad government and the IAEA reached agreement on a timetable by which Iran would provide the nuclear agency responses to several outstanding questions pertaining to its nuclear program and also allow IAEA inspectors to resume inspecting declared nuclear sites. However, in October 2007, the resignation of Ali Larijani, Iran's chief international negotiator on the nuclear issue, indicated a possible hardening of Iran's stance.

In November 2007, a National Intelligence Estimate by the U.S. government concluded that Iran likely had ceased production of equipment for nuclear weapons in 2003, although enrichment of uranium continued. Although controversial, that document softened international condemnation of Iran's nuclear program at the end of 2007. In Iran that change diverted attention from the international threat to the increasingly worrisome economic situation, and Khamenei expressed dissatisfaction with the economic policies of President Ahmadinejad. At the end of 2007, experts also observed other signs of Khamenei's diminishing support for Ahmadinejad, who with the Leader's tacit approval had exceeded the official ceremonial prerogatives of the presidency during his first two years in office.

Meanwhile, in May 2007, U.S. and Iranian ambassadors to Iraq met in Baghdad to discuss the security situation. This meeting marked the first time in 27 years that diplomats from the two countries had met openly to discuss an issue of mutual concern. Their talks, which included two subsequent sessions during the summer, came amid increased tension caused by Iran's jailing of four individuals with joint Iranian and U.S. citizenship and a spate of accusations by U.S. diplomatic and mili-

tary officials that Iran was supplying arms to Shia insurgents in Iraq.

During 2006 and 2007, Iran's economy continued to grow at a moderate rate (a gross domestic product (GDP) increase of about 6 percent in 2006) as state policy continued to strive unsuccessfully for a diversity that would wean the economy from its excessive reliance on the petroleum industry. Because the labor force grew faster than the economy, the unemployment rate increased from the 12 percent official figure for 2006 to an unofficial rate of about 14 percent by mid-2007. The government also tried to limit the high consumer demand for gasoline during 2007. Up to 40 percent of domestic gas consumption had to be imported as a result of the inadequate capacity of the country's refineries. To reduce gasoline imports, gas rationing for cars went into effect at the beginning of the summer. This policy was greatly unpopular and prompted demonstrations and even riots in several cities, although the population seemed to have adjusted to the rationing by the end of the summer. In the fall of 2007, the government reduced gasoline subsidies in another effort to reduce demand. However, continuing shortages of consumer goods, related to Ahmadinejad's import and industrial policies, resulted in price rises. The official inflation rate rose to 19 percent at the end of 2007. The rising inflation was attributed, at least in part, to the UN-imposed economic sanctions, because, prodded by their governments, international banks based in European Union member countries began restricting or halting financial transactions with Iranian banks. Consequently, Iranian businesses, which for years had relied on low-interest, short-term credit from these banks to finance imports, were forced to turn to Asian banks, which charged significantly higher rates of interest. These credit costs were passed on to the consumer in the form of higher prices for all imported goods.

Meanwhile, in July 2006, Khamenei declared a renewed campaign to privatize portions of Iran's economy, following several years in which official privatization goals were not met. Khamenei's intent was to improve performance in many industries that had been rendered unproductive by high state subsidies and to prepare Iran for possible membership in the World Trade Organization. The privatization program for 2007 included smaller banks, some electric power stations, some major mining and metallurgical companies, most airlines, and



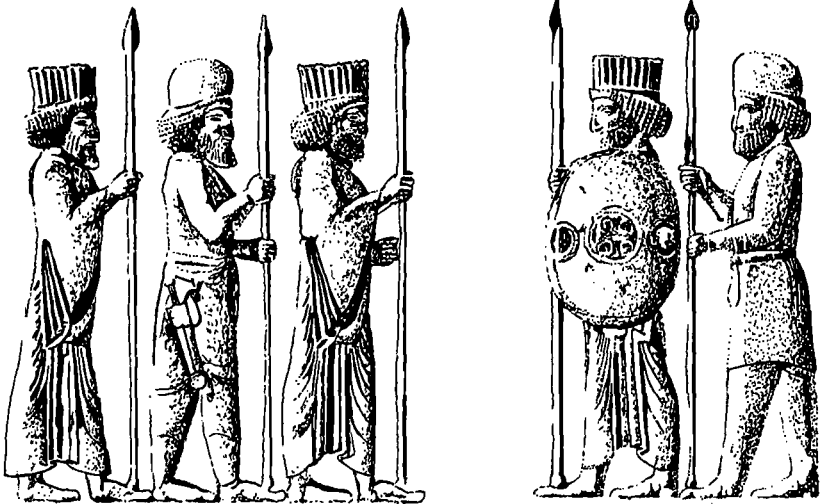
some telecommunications companies. In a step to improve the lot of Iran's poor, beginning in 2006 shares in many state companies were offered to people below the poverty line (a segment of the population estimated at 12 million in 2007) and to rural residents. The privatization program also relied on substantial purchases of shares by the Iranian expatriate community; access to shares by foreign firms was strictly limited, however.

Despite increases in oil revenues estimated at 15 percent in 2006, extensive government subsidy programs continued to cause shortfalls in the national budget. To help cover the deficit foreseen for fiscal year (see Glossary) 2007, the government removed US\$12 billion from the Oil Stabilization Fund, which was set aside to minimize the effect of fluctuations in oil prices. In 2006 and 2007, Iran sought to expand economic relationships on several fronts. For example, it signed a new bilateral trade agreement with Persian Gulf neighbor Oman and sought major new investments in its petroleum industry from China and Japan, both of which have relied heavily on Iran for oil. Thus, in 2007 important aspects of both the domestic and international sectors of Iran's economy were in a state of uncertainty and transition.

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## Chapter 1. Historical Setting



*Members of the Achaemenian royal bodyguard, from a bas-relief at Persepolis*

THE ISLAMIC REVOLUTION OF 1978–79 brought a sudden end to the rule of the Pahlavi dynasty, which for 50 years had been identified with the attempt to modernize and westernize Iran. The Revolution replaced the monarchy with an Islamic republic, vesting ultimate power in the hands of a clerical leader and the clerical class as a whole. It brought new elites to power, altered the pattern of Iran's foreign relations, and led to a substantial transfer of wealth from private ownership to state control. There were continuities across the watershed of the Revolution, however; bureaucratic structure and behavior, attitudes toward authority and individual rights, and the arbitrary use of power remained much the same. Nonetheless, combined with sweeping purges and executions, violent power struggles within the revolutionary coalition, and the Iran–Iraq War (1980–88), the Revolution amounted to a great upheaval in Iranian political and social life. The Revolution also was rooted in the idea of government based on the will of the people, and the reform movement ushered in by the election of Mohammad Khatami to the presidency in 1997 reflected the aspiration of many Iranians to greater freedom and the rule of law. But by 2000, the reform movement had suffered severe setbacks, and it was unclear whether the democratic or the autocratic legacy of the Islamic Revolution would prevail.

The Revolution ended a pattern of monarchical rule that had been an almost uninterrupted feature of Iranian government for nearly 500 years. The tradition of monarchy itself was even older. In the sixth century B.C., Iran's first empire, the Achaemenian Empire, was already established. It had an absolute monarch, centralized rule, a highly developed system of administration, aspirations to world rule, and a culture that was uniquely Iranian even as it borrowed, absorbed, and transformed elements from other cultures and civilizations. Although Alexander the Great brought the Achaemenian Empire to an end in 330 B.C., under the Sassanian dynasty (A.D. 224–642) Iran once again became the center of an empire and a great civilization.

The impact of the Islamic conquest in the seventh century was profound. It introduced a new religion and new social and legal systems. The Iranian heartland became part of a world empire whose center was not in Iran. Nevertheless, historians

have found striking continuities in Iranian social structure, administration, and culture. Iranians contributed significantly to all aspects of Islamic civilization; in many ways, they helped shape the new order. By the ninth century, there was a revival of the Persian (Farsi) language and of a literature that was uniquely Iranian but also was enriched by Arabic and Islamic influences.

The breakup of the Islamic empire led, in Iran as in other parts of the Islamic world, to the establishment of local dynasties. Iran, like the rest of the Middle East, was affected by the rise to power of the Seljuk Turks and then by the destruction wrought first by the Mongols and then by Timur, also called Tamerlane (Timur the Lame).

With the rise of the Safavi dynasty (1501–1722), Iran was reconstituted as a territorial state within borders not very different from those prevailing today. Shia (see Glossary) Islam became the state religion, and monarchy once again the central institution. Persian became unquestionably the language of administration and high culture. Although historians no longer assert that under the Safavis Iran emerged as a nation-state in the modern sense of the term, nevertheless by the seventeenth century the sense of Iranian identity and of Iran as a state within roughly demarcated borders was more pronounced.

The Qajar dynasty (1795–1925) attempted to revive the Safavi Empire, in many ways patterning their administration after that of the Safavis. But the Qajars lacked the claims to religious legitimacy available to the Safavis. Also, they failed to establish strong central control and faced an external threat from technically, militarily, and economically superior European powers, primarily Russia and Britain. Foreign interference in Iran, Qajar misrule, and new ideas on government in 1905 led to protests and eventually to the Constitutional Revolution (1905–7), which, at least on paper, limited royal absolutism, created a constitutional monarchy, and recognized the people as a source of legitimacy. Various factors, however, resulted in the failure of the constitutional experiment: royalist counterrevolution, internal divisions, clerical opposition, the traditional attitudes of much of Iranian society, foreign interference, and the fact that, despite popular enthusiasm, the meaning of constitutionalism was understood only by a small elite—and then only imperfectly.

The rise of Reza Shah Pahlavi, who as Reza Khan seized power in 1921 and established a new dynasty in 1925, reflected the failure of the constitutional experiment. His early actions also resulted from the aspirations of educated Iranians to create a state that was strong, centralized, free of foreign interference, economically developed, and possessed of those characteristics thought to distinguish the more advanced states of Europe from the countries of the East.

Modernization continued under the second Pahlavi monarch, Mohammad Reza Shah Pahlavi. In the 1960s and 1970s, he further expanded industry, widened access to employment and other economic opportunities, increased the availability of education, built up the central government and the military, limited foreign influence, and gave Iran an influential role in regional affairs.

However, major unresolved tensions were revealed in Iranian society by rioting during the 1951–53 oil nationalization crisis and in 1963 during the Muslim month of Moharram, in response to the announcement of certain government reforms. These responses stemmed from inequities in the distribution of wealth; the concentration of power in the hands of the crown and the bureaucratic, military, and entrepreneurial elites; demands for political participation by a growing middle class and members of upwardly mobile lower classes; a belief that Westernization posed a threat to Iran's national and Islamic identity; and a growing polarization between the religious classes and the state. Although by the mid-1970s Iranians as a whole were enjoying considerably higher standards of living and greater employment and educational opportunities, these social tensions remained unresolved. They were exacerbated by growing royal autocracy, economic dislocations caused by the huge infusion of new oil wealth, corruption, and a perception that the shah, in the rush to modernize, was heedless of Iranian national and religious traditions.

Discontent was expressed in public protests, then riots and demonstrations, which began in 1977 and spread rapidly in the following year. These upheavals, along with the emergence of a charismatic leader in the person of Ayatollah Sayyid Ruhollah Musavi Khomeini and the paralysis of the monarchy in response to the rising protest movement, cleared the way for the Islamic Revolution. During the decades that followed, that revolution fundamentally changed governance within Iran as well as Iran's relations with the rest of the world.

## **Ancient Iran**

### **Pre-Achaemenian Iran**

Iran's history as a nation of people speaking an Indo-European language did not begin until the middle of the second millennium B.C. Before then, Iran was occupied by peoples with a variety of cultures. There are numerous artifacts attesting to settled agriculture, permanent sun-dried-brick dwellings, and pottery making as early as the sixth millennium B.C. The most advanced area technologically was Susiana (present-day Khuzestan Province; see fig. 1). By the fourth millennium B.C., the inhabitants of Susiana, the Elamites, were using semipictographic writing, probably learned from the highly advanced civilization of Sumer in Mesopotamia (the ancient name for much of the area now known as Iraq) to the west.

Sumerian influence in art, literature, and religion became particularly strong when the Elamite lands were occupied by, or at least came under the domination of, two Mesopotamian cultures, those of Akkad and Ur, during the middle of the third millennium. By 2000 B.C., the Elamites had become sufficiently unified to destroy the city of Ur. Elamite civilization developed rapidly from that point, and by the fourteenth century B.C. its art was at its most impressive.

### **Immigration of the Medes and the Persians**

Small groups of nomadic, horse-riding peoples speaking Indo-European languages began moving into the Iranian cultural area from Central Asia near the end of the second millennium B.C. Population pressures, overgrazing in their home area, and hostile neighbors may have prompted these migrations. Some of the groups settled in eastern Iran, but others, those who were to leave significant historical records, pushed farther west toward the Zagros Mountains.

Three major groups are identifiable—the Scythians, the Medes (the Amadai or Mada), and the Persians (also known as the Parsua or Parsa). The Scythians established themselves in the northern Zagros Mountains and clung to a seminomadic existence in which raiding was the chief form of economic enterprise. The Medes settled over a huge area, reaching as far as modern Tabriz in the north and Esfahan in the south. They had their capital at Ecbatana (present-day Hamadan) and annually paid tribute to the Assyrians. The Persians were estab-

lished in three areas: to the south of Lake Urmia (called Lake Rezaieyeh under the Pahlavis), on the northern border of the kingdom of the Elamites; and in the environs of modern Shiraz, which would be their eventual settling place and to which they would give the name Parsa (roughly coterminous with present-day Fars Province).

During the seventh century B.C., the Persians were led by Hakamanish (Achaemenes, in Greek), ancestor of the Achaemenian dynasty. A descendant, Cyrus II (also known as Cyrus the Great or Cyrus the Elder), led the combined forces of the Medes and the Persians to establish the most extensive empire known in the ancient world.

### **The Achaemenian Empire, 550–330 B.C.**

By 546 B.C., Cyrus had defeated Croesus, the Lydian king of fabled wealth, and had secured control of the Aegean coast of Asia Minor, Armenia, and the Greek colonies along the Levant (see fig. 2). Moving east, he took Parthia (land of the Arsacids, not to be confused with Parsa, which was to the southwest), Chorasmia (Khwarezm), and Bactria. He besieged and captured Babylon in 539 B.C. and released the Jews who had been held captive there, thus earning his immortalization in the Book of Isaiah. When Cyrus died in 529 B.C., his kingdom extended as far east as the Hindu Kush in present-day Afghanistan.

Cyrus's successors were less successful. His unstable son, Cambyses II, conquered Egypt in 525 B.C. but later committed suicide during a revolt led by a priest, Gaumata, who held the throne until 522 B.C., when he was overthrown by a member of a lateral branch of the Achaemenian family, Darius I (also known as Darayarahush and Darius the Great). Darius attacked the Greek mainland, which had supported rebellious Greek colonies under his aegis, but his defeat at the Battle of Marathon in 490 B.C. forced him to retract the limits of the empire to Asia Minor.

The Achaemenians thereafter consolidated areas firmly under their control. It was Cyrus and Darius who, by sound and farsighted administrative planning, brilliant military maneuvering, and a humanistic worldview, established the greatness of the Achaemenians, raising them in less than 30 years from an obscure tribe to a world power.

The quality of the Achaemenians as rulers began to disintegrate, however, after the death of Darius in 486 B.C. His son and successor, Xerxes, chiefly occupied himself with suppress-





ing revolts in Egypt and Babylonia. He also attempted to conquer the Greek Peloponnesus, but, encouraged by a victory at Thermopylae, he overextended his forces and suffered overwhelming defeats at Salamis and Plataea. By the time his successor, Artaxerxes I, died in 424 B.C., the imperial court was beset by factionalism among the lateral family branches, a condition that persisted until the death in 330 B.C. of the last of the Achaemenians, Darius III, at the hands of his own subjects.

The Achaemenians were enlightened despots who allowed a certain amount of regional autonomy in the form of the satrapy system. A satrapy was an administrative unit, usually organized on a geographical basis. A satrap (governor) administered the region, a general supervised military recruitment and ensured order, and a state secretary kept official records. The general and the state secretary reported directly to the central government. The 20 satrapies were linked by a 2,500-kilometer highway, the most impressive stretch being the royal road from Susa to Sardis built by command of Darius I. Relays of mounted couriers could reach the most remote areas in 15 days. As if to remind the satrapies of their limited independence, royal inspectors, the “eyes and ears of the king,” would tour the empire and report on local conditions. Inclinations toward restiveness were further discouraged by the existence of the king’s personal bodyguard of 10,000 men, called the Immortals. The most common language in the empire was Aramaic. Old Persian was the “official language” but was used only for inscriptions and royal proclamations.

Darius I revolutionized the economy by placing it on a system of silver and gold coinage. Trade was extensive, and under the Achaemenians an efficient infrastructure facilitated the exchange of commodities among the far reaches of the empire. As a result of this commercial activity, Persian words for typical items of trade became prevalent throughout the Middle East and eventually entered the English language; examples include *asparagus*, *bazaar*, *lemon*, *melon*, *orange*, *peach*, *sash*, *shawl*, *spinach*, *tiara*, and *turquoise*. Trade was one of the empire’s main sources of revenue, along with agriculture and tribute. Other accomplishments of Darius’s reign included codification of the *data*, a universal legal system upon which much of later Iranian law would be based, and construction of a new capital at Persepolis, where vassal states would offer their yearly tribute at the festival celebrating the spring equinox. In its art and architecture, Persepolis reflected Darius’s

perception of himself as the leader of conglomerates of people to whom he had given a new, single identity. The Achaemenian art and architecture found there is at once distinctive and highly eclectic. The Achaemenians took the art forms and the cultural and religious traditions of many of the ancient Middle Eastern peoples and combined them into a single form. This Achaemenian artistic style is evident in the iconography of Persepolis, which celebrates the king and the office of the monarch.

### **Alexander the Great, the Seleucids, and the Parthians**

Envisioning a new world empire based on a fusion of Greek and Iranian culture and ideals, Alexander the Great of Macedonia accelerated the disintegration of the Achaemenian Empire. He was first accepted as leader by the fractious Greeks in 336 B.C., and by 334 B.C. had advanced to Asia Minor, an Iranian satrapy. In quick succession, he took Egypt, Babylonia, and then, over the course of two years, the heart of the Achaemenian Empire—Susa, Ecbatana, and Persepolis—the last of which he burned. Alexander married Roxana (Roshanak), the daughter of the most powerful of the Bactrian chiefs, and in 324 B.C. commanded his officers and 10,000 of his soldiers to marry Iranian women. The mass wedding, held at Susa, manifested Alexander's desire to consummate the union of the Greek and Iranian peoples. But this hope was dashed in 323 B.C., when Alexander was stricken with fever and died in Babylon, leaving no heir. His empire was divided among four of his generals. One, Seleucus, who became ruler of Babylon in 312 B.C., gradually reconquered most of Iran. The rulers descended from him are known as the Seleucids. Under Seleucus's son, Antiochus I, many Greeks entered Iran, and Hellenistic motifs in art, architecture, and urban planning became prevalent.

Although the Seleucids faced challenges from the Ptolemaic kings of Egypt and from the growing power of Rome, the main threat came from the province of Fars. Arsaces (of the seminomadic Parni tribe), revolted against the Seleucid governor in 247 B.C. and established a dynasty, the Arsacids, or Parthians, who would rule for nearly five centuries. During the second century, the Parthians were able to extend their rule to Bactria, Babylonia, Susiana, and Media, and, under Mithradates II (123–87 B.C.), Parthian conquests stretched from India to Armenia. After the victories of Mithradates II, the Parthians

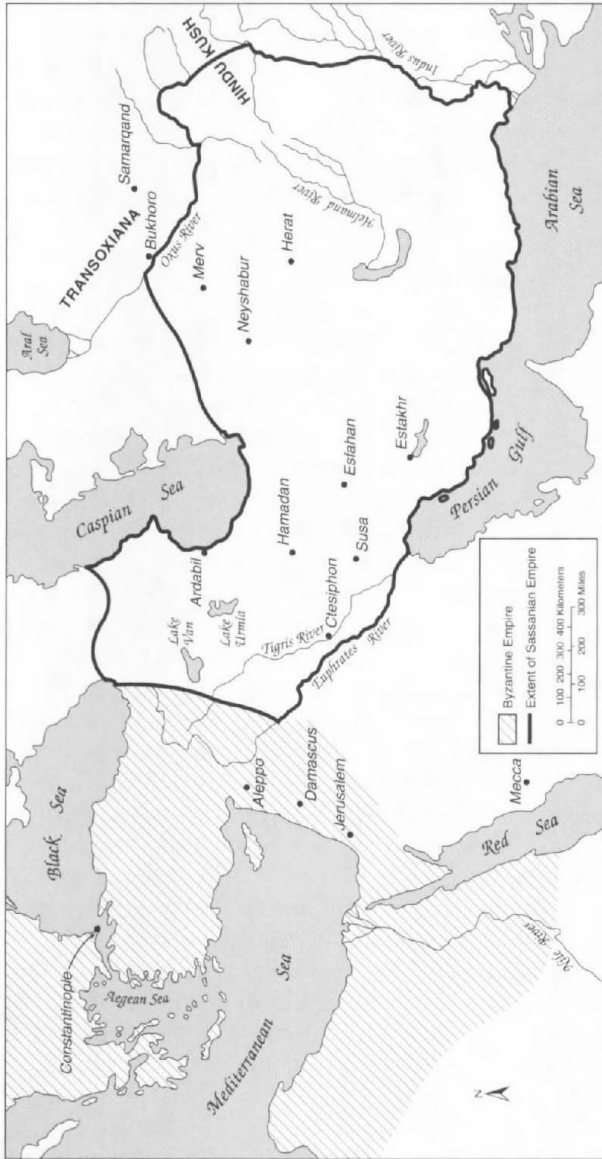
began to claim descent from both the Greeks and the Achaemenians. They spoke a language similar to that of the Achaemenians, used the Middle Persian Pahlavi script that had developed from the Aramaic alphabet, and established an administrative system based on Achaemenian precedents.

Early in the third century A.D., Ardeshir, son of the priest Papak, who claimed descent from a legendary hero Sasan, became the Parthian governor in the Achaemenian home province of Fars. In A.D. 224 he overthrew the last Parthian king and established the Sassanian dynasty, which was to last 400 years.

### **The Sassanians, A.D. 224–642**

The Sassanians established an empire roughly within the frontiers achieved by the Achaemenians, with its capital at Ctesiphon (see fig. 3). The Sassanians sought to resuscitate Iranian traditions and to obliterate Greek cultural influence. Their rule was characterized by centralization, ambitious urban planning, agricultural development, and technological improvements. Sassanian rulers adopted the title *shahanshah* (king of kings), as sovereigns over numerous petty rulers, known as *shahrdars*. Historians believe that society was divided into four classes: priests, warriors, secretaries, and commoners. The royal princes, petty rulers, great landlords, and priests together constituted a privileged stratum, and the social system appears to have been fairly rigid. Sassanian rule and the system of social stratification were reinforced by Zoroastrianism, which had arisen in Persia between 1500 B.C. and 1000 B.C. and became the state religion under the Sassanians. The Zoroastrian priesthood became immensely powerful. The head of the priestly class, the *mobadan mobad*, along with the military commander, the *eran spahbod*, and the head of the bureaucracy, were among the great men of the state. The Roman Empire had replaced Greece as Iran's principal western enemy, and hostilities between the two empires were frequent. Shahpur I (A.D. 241–72), son and successor of Ardeshir, waged successful campaigns against the Romans and in A.D. 260 even took the emperor Valerian prisoner.

Chosroes I (531–79), also known as Anushirvan the Just, is the most celebrated of the Sassanian rulers. He reformed the tax system and reorganized the army and the bureaucracy, tying the army more closely to the central government than to local lords. His reign witnessed the rise of the *dihqans* (literally,



Source: Based on information from *Historical Atlas of the Muslim Peoples*, Amsterdam, 1957; and Jere L. Bacharach, *A Middle East Studies Handbook*, Seattle, 1984.

Figure 3. Sassanian Empire, Sixth Century A.D.

village lords), the petty landholding nobility who were the backbone of later Sassanian provincial administration and the tax collection system. Chosroes was a great builder, embellishing his capital, founding new towns, and constructing new buildings. Under his auspices, too, many books were brought from India and translated into Pahlavi. Some of these later found their way into the literature of the Islamic world. The reign of Chosroes II (591–628) was characterized by the wasteful splendor and lavishness of the court.

Toward the end of Chosroes II's reign, his power declined. In fighting with the Byzantine Empire (the successor to the eastern half of the Roman Empire), he enjoyed initial successes, captured Damascus, and seized the Holy Cross (upon which Christ presumably was crucified) in Jerusalem. But counterattacks by the Byzantine emperor Heraclius brought enemy forces deep into Sassanian territory. Years of warfare exhausted both the Byzantines and the Iranians. The later Sassanians were further weakened by economic decline, heavy taxation, religious unrest, rigid social stratification, the increasing power of the provincial landholders, and a rapid turnover of rulers. These factors would facilitate the Arab invasion in the seventh century.

## **Islamic Conquest**

The bedouin Arabs who toppled the Sassanian Empire were propelled not only by a desire for conquest but also by a new religion, Islam. The Prophet Muhammad, a member of the Hashimite clan of the powerful tribe of Quraysh, proclaimed his prophetic mission in Arabia in 612 and eventually won over the city of his birth, Mecca, to the new faith. Within one year of Muhammad's death in 632, Arabia itself was secure enough to allow his secular successor, Abu Bakr, the first caliph, to begin a campaign against the Byzantine and Sassanian empires.

Abu Bakr defeated the Byzantine army at Damascus in 635 and then began his conquest of Iran. In 637 the Arab forces occupied the Sassanian capital of Ctesiphon (which they renamed Madain), and in 641–42 they defeated the Sassanian army at Nahavand. After that, Iran lay open to the invaders. The Islamic conquest was aided by the material and social bankruptcy of the Sassanians; the native populations had little to lose by cooperating with the conquering power. Moreover, the Muslims offered relative religious tolerance and fair treatment to populations that accepted Islamic rule without resis-

tance. It was not until around 650, however, that resistance in Iran was quelled. Conversion to Islam, which offered certain advantages, was fairly rapid among the urban population but occurred more slowly among the peasantry and the *dihqans*. The majority of Iranians did not become Muslim until the ninth century.

Although the conquerors, especially the Umayyads (the Muslim rulers whose dynasty succeeded Muhammad and ruled from 661 to 750), tended to stress the primacy of Arabs among Muslims, the Iranians were gradually integrated into the new community. The Muslim conquerors adopted the Sassanian coinage system and many Sassanian administrative practices, including the office of vizier, or minister, and the *divan*, a bureau or register for controlling state revenue and expenditure that became a characteristic of administration throughout Muslim lands. Later caliphs adopted Iranian court ceremonial practices and the trappings of Sassanian monarchy. Men of Iranian origin served as administrators after the conquest, and Iranians contributed significantly to all branches of Islamic learning, including philology, literature, history, geography, jurisprudence, philosophy, medicine, and the sciences.

The Arabs were in control, however. As the new state religion, Islam imposed its own system of beliefs, laws, and social mores. In regions that submitted peacefully to Muslim rule, landowners kept their land. But crown land, land abandoned by fleeing owners, and land taken by conquest passed into the hands of the new state. This included the rich lands of the Sawad, an alluvial plain in central and southern Iraq. Arabic became the official language of the court in 696, although Persian continued to be widely used as the spoken language. The *shuubiyya* literary controversy of the ninth through the eleventh centuries, in which Arabs and Iranians each lauded their own and denigrated the other's cultural traits, suggests the survival of a certain sense of distinct Iranian identity. In the ninth century, the emergence of more purely Iranian ruling dynasties witnessed the revival of the Persian language, enriched by Arabic loanwords and using the Arabic script, and of Persian literature.

Another legacy of the Arab conquest was Shia Islam, which, although it has come to be identified closely with Iran, was not initially an Iranian religious movement. Rather, it originated with the Arab Muslims. In the great schism of Islam, one group among the community of believers maintained that leadership

of the community following the death of Muhammad rightfully belonged to his son-in-law, Ali, and to Ali's descendants. This group came to be known as the Shiat Ali, the partisans of Ali, or the Shias. Another group, supporters of Muawiya for the caliphate, challenged Ali's election to that position in 656. After Ali was assassinated while praying in a mosque at Kufa in 661, Muawiya was declared caliph by the majority of the Islamic community. He became the first caliph of the Umayyad dynasty, which had its capital at Damascus.

Ali's youngest son Hussein refused to pay the homage commanded by Muawiya's son and successor Yazid I and fled to Mecca, where he was asked to lead the Shias in a revolt. At Karbala, now in Iraq, Hussein's band of 200 male and female followers, unwilling to surrender, were cut down by about 4,000 Umayyad troops in 680. The Umayyad leader received Hussein's head, and the date of Hussein's death, on the tenth of Moharram, continues to be observed as a day of mourning by all Shias (see Shia Islam in Iran, ch. 2).

The largest concentration of Shias in the first century of Islam was in southern Iraq. It was not until the sixteenth century, under the Safavis, that a majority of Iranians became Shias. Shia Islam became then, as it is now, the state religion.

The Abbasids, who overthrew the Umayyads in 750, while sympathetic to the Iranian Shias, were clearly an Arab dynasty. They revolted in the name of descendants of Muhammad's uncle, Abbas, and the House of Hashim. Hashim was an ancestor of both the Shia and the Abbas, or Sunni (see Glossary), lines, and the Abbasid movement enjoyed the support of both Sunni and Shia Muslims. The Abbasid army consisted primarily of people from Khorasan and was led by an Iranian general, Abu Muslim. It contained both Iranian and Arab elements, and the Abbasids enjoyed both Iranian and Arab support.

The Abbasids, although interested in retaining Shia support, did not encourage the more extreme Shia aspirations. The Abbasids established their capital at Baghdad. Al Mamun, who seized power from his brother Amin and proclaimed himself caliph in 811, had an Iranian mother and thus a base of support in Khorasan. The Abbasid dynasty continued the centralizing policies of its predecessors. Under its rule, the Islamic world experienced a cultural efflorescence and the expansion of trade and economic prosperity. These were developments in which Iran shared.



Subsequent ruling dynasties drew their rulers from the descendents of nomadic, Turkic-speaking warriors who had been moving out of Central Asia for more than a millennium. The Abbasid caliphs had begun using these people as slave warriors as early as the ninth century. Shortly thereafter the real power of the Abbasid caliphs began to wane; eventually they became religious figureheads under the control of the erstwhile slave warriors. As the power of the Abbasid caliphs diminished, a series of independent and indigenous dynasties rose in various parts of Iran, some with considerable influence and power. Among the most important of these overlapping dynasties were the Tahirids in Khorasan (820–72), the Saffarids in Sistan (867–903), and the Samanids (875–1005), originally at Bukhoro, a city in what is now Uzbekistan. The Samanids eventually ruled an area from central Iran to India. In 962 a Turkish slave governor of the Samanids, Alptigin, conquered Ghazna (in present-day Afghanistan) and established a dynasty, the Ghaznavids, that lasted to 1186.

Several Samanid cities had been lost to another Turkish group, the Seljuks, a clan of the Oghuz (or Ghuzz) Turks, who lived north of the Oxus River (now called the Amu Darya). Their leader, Tughril Beg, turned his warriors against the Ghaznavids in Khorasan. He moved south and then west, conquering but not wasting the cities in his path. In 1055 the caliph in Baghdad gave Tughril Beg robes, gifts, and the title “King of the East.” Under Tughril Beg’s successor, Malik Shah (1072–92), Iran enjoyed a cultural and scientific renaissance, largely attributed to his brilliant Iranian vizier, Nizam al Mulk. The Seljuks established the observatory where Umar (Omar) Khayyam did much of his research toward development of a new calendar, and they built religious schools in all the major towns. They brought Abu Hamid Ghazali, one of the greatest Islamic theologians, and other eminent scholars to the Seljuk capital at Baghdad and encouraged and supported their work.

A serious internal threat to the Seljuks, however, came from the Ismailis, a secret sect with headquarters at Alumut, between Rasht and Tehran. They controlled the immediate area for more than 150 years and sporadically sent out adherents to strengthen their rule by murdering important officials. The word *assassins*, which was applied to these murderers, developed from a European corruption of the name applied to them in Syria, *hashishiyya*, because folklore had it that they smoked hashish before their missions.

## Invasions of the Mongols and Tamerlane

After the death of Malik Shah in 1092, rule of Iran once again reverted to petty dynasties. During this time, Genghis (Chinggis) Khan brought together a number of Mongol tribes and led them on a devastating sweep through China. Then, in 1219, he turned his 700,000 forces west and quickly devastated the cities of Bukhoro, Samarqand, Balkh, Merv, and Neyshabur. Before his death in 1227, he had reached western Azarbaijan, pillaging and burning cities along the way.

The Mongol invasion was disastrous to the Iranians. Destruction of the *qanat* irrigation systems destroyed the pattern of relatively continuous settlement, producing numerous isolated oasis cities in a land where they had previously been rare. Many people, particularly males, were killed; between 1220 and 1258, the population of Iran dropped drastically.

The Mongol rulers who followed Genghis Khan did little to improve Iran's situation. Genghis's grandson, Hulagu Khan, turned to foreign conquest, seizing Baghdad in 1258 and killing the last Abbasid caliph. He was stopped at Ain Jalut in Palestine by the Mamluks, Egypt's ruling military caste. Afterward, Hulagu Khan returned to Iran and spent the rest of his life in Azarbaijan. A later Mongol ruler, Ghazan Khan (1295–1304), and his famous Iranian vizier, Rashid ad Din, brought Iran a brief, partial economic revival. The Mongols reduced taxes for artisans, encouraged agriculture, rebuilt and extended irrigation works, and improved the safety of the trade routes. As a result, commerce increased dramatically. Items from India, China, and Iran passed easily across the Asian steppes, and these contacts culturally enriched Iran. For example, Iranians developed a new style of painting based on a unique fusion of solid, two-dimensional Mesopotamian painting with the feathery brush strokes and other motifs characteristic of China. But after Ghazan's nephew Abu Said died in 1335, Iran again lapsed into petty dynasties—the Salghurid, Muzaffarid, Inju, and Jalayirid—under Mongol commanders, old Seljuk retainers, and regional chiefs.

Tamerlane, variously described as of Mongol or Turkic origin, was the next ruler to achieve emperor status. He conquered Transoxiana proper and by 1381 established himself as sovereign. He did not have the huge forces of earlier Mongol leaders, so his conquests were slower and less savage than those of Genghis Khan or Hulagu Khan. Nevertheless, Shiraz and Esfahan were virtually leveled. Tamerlane's regime was charac-

terized by its inclusion of Iranians in administrative roles and its promotion of architecture and poetry. His empire disintegrated rapidly after his death in 1405, however, and Mongol tribes, Uzbeks, and Turkmens ruled an area roughly coterminous with present-day Iran until the rise of the Safavi dynasty, the first native Iranian dynasty in almost 1,000 years.

## **The Safavis, 1501–1722**

The Safavis, who came to power in 1501, were leaders of a militant Sufi order of Islamic mystics. The Safavis traced their ancestry to Sheikh Safi ad Din (died ca. 1334), the founder of the Sufis, who claimed descent from Shia Islam's Seventh Imam, Musa al Kazim. From their home base in Ardabil, the Safavis recruited followers among the Turkmen tribesmen of Anatolia and forged them into an effective fighting force and an instrument for territorial expansion. In the mid-fifteenth century, the Safavis adopted Shia Islam, and their movement became highly millenarian in character. In 1501, under their leader Ismail, the Safavis seized power in Tabriz, which became their capital. Ismail was proclaimed shah of Iran. The rise of the Safavis marks the reemergence in Iran of a powerful central authority within geographical boundaries attained by former Iranian empires. The Safavis declared Shia Islam the state religion and used proselytizing and force to convert the large majority of Muslims in Iran to the Shia sect. Under the early Safavis, Iran was a theocracy. Ismail's followers venerated him as the *murshid-kamil*, the perfect guide, who combined in his person both temporal and spiritual authority. In the new state, he was represented in both these functions by the *vakil*, an official who acted as a kind of alter ego. The *sadr* headed the powerful religious organization; the vizier, the bureaucracy; and the *amir alumarā*, the fighting forces. These forces, the *qizilbash*, came primarily from the seven Turkic-speaking tribes that had supported the Safavi bid for power.

The Safavis faced the problem of integrating their Turkic-speaking followers with the native Iranians, their fighting traditions with the Iranian bureaucracy, and their messianic ideology with the exigencies of administering a territorial state. The institutions of the early Safavi state and subsequent efforts at state reorganization reflect attempts, not always successful, to strike a balance among these various elements. The Safavis also faced external challenges from the Uzbeks to the northeast and the Ottoman Empire to the west. The Uzbeks were an unstable



*Part of the Porch of Xerxes at Persepolis  
Courtesy LaVerle Berry*

element who raided into Khorasan, particularly when the central government was weak, and blocked the Safavi advance northward into Transoxiana. Based in present-day Turkey, the Ottomans, who were Sunnis, were rivals for the religious allegiance of Muslims in eastern Anatolia and Iraq and pressed territorial claims in both these areas and in the Caucasus.

The Safavi Empire received a blow that was to prove fatal in 1524, when the Ottoman sultan Selim I defeated Safavi forces at Chaldiran and occupied the Safavi capital, Tabriz. Although he was forced to withdraw because of the harsh winter and the Safavis' scorched-earth policy, and although Safavi rulers continued to assert claims to spiritual leadership, the defeat shattered belief in the shah as a semidivine figure and weakened his hold on the *qizilbash* chiefs. In 1533 the Ottoman sultan Süleyman occupied Baghdad and then extended Ottoman rule to southern Iraq. Except for a brief period (1624–38) when Safavi rule was restored, Iraq remained firmly in Ottoman hands. The Ottomans also continued to challenge the Safavis for control of Azarbaijan and the Caucasus until the Treaty of Qasr-e Shirin in 1639 established frontiers in both Iraq and in the Caucasus that remain virtually unchanged.

The Safavi state reached its apogee during the reign of Shah Abbas (1587–1629). The shah gained breathing space to confront and defeat the Uzbeks by signing a largely disadvantageous treaty with the Ottomans. He then fought successful campaigns against the Ottomans, reestablishing Iranian control over Iraq, Georgia, and parts of the Caucasus. He counterbalanced the power of the *qizilbash* by creating a body of troops composed of Georgian and Armenian slaves who were loyal to the person of the shah. He extended state and crown lands and the provinces directly administered by the state, at the expense of the *qizilbash* chiefs. He relocated tribes to weaken their power, strengthened the bureaucracy, and further centralized the administration.

Shah Abbas made a show of personal piety and supported religious institutions by building mosques and religious seminaries and by making generous endowments for religious purposes. However, his reign witnessed the gradual separation of religious institutions from the state and an increasing movement toward a more independent religious hierarchy.

In addition to reorganizing the Iranian polity supporting religious institutions, Shah Abbas promoted commerce and the arts. The Portuguese had previously occupied Bahrain and the

island of Hormoz off the Persian Gulf coast in their bid to dominate trade in the Indian Ocean and the Persian Gulf, but in 1602 Shah Abbas expelled them from Bahrain, and in 1623 he enlisted the British (who sought a share of Iran's lucrative silk trade) to expel the Portuguese from Hormoz. He significantly enhanced government revenues by establishing a state monopoly over the silk trade and encouraged internal and external trade by safeguarding the roads and welcoming British, Dutch, and other traders to Iran. With the encouragement of the shah, Iranian craftsmen excelled in producing fine silks, brocades, and other cloths, as well as carpets, porcelain, and metalware. When Shah Abbas built a new capital at Esfahan, he adorned it with fine mosques, palaces, schools, bridges, and a bazaar (see Glossary). He patronized the arts, and the calligraphy, miniatures, painting, and architecture of his period are particularly noteworthy.

The Safavi Empire declined after the death of Shah Abbas in 1629 as a result of weak rulers, interference by the women of the harem in politics, the reemergence of *qizilbash* rivalries, maladministration of state lands, excessive taxation, reduced trade, and the weakening of Safavi military organization. (Both the *qizilbash* tribal military organization and the standing army composed of slave soldiers were deteriorating.) The last two Safavi rulers, Shah Sulayman (1669–94) and Shah Sultan Hussein (1694–1722), were voluptuaries. Once again the eastern frontiers began to be breached, and in 1722 a small body of Afghan tribesmen won a series of easy victories before entering and taking the capital itself, ending Safavi rule.

Afghan supremacy was brief. Tahmasp Quli, a chief of the Afshar tribe, soon expelled the Afghans in the name of a surviving member of the Safavi family. Then, in 1736, he assumed power in his own name as Nader Shah. He went on to drive the Ottomans from Georgia and Armenia and the Russians from the Iranian coast of the Caspian Sea and restored Iranian sovereignty over Afghanistan. He also took his army on several campaigns into India, sacking Delhi in 1739 and bringing back fabulous treasures. Although Nader Shah achieved political unity, his military campaigns and extortionate taxation proved a terrible drain on a country already ravaged and depopulated by war and disorder, and in 1747 he was murdered by chiefs of his own Afshar tribe.

A period of anarchy marked by a struggle for supremacy among Afshar, Qajar, Afghan, and Zand tribal chieftains fol-

lowed Nader Shah's death. Finally, Karim Khan Zand (1750–79) was able to defeat his rivals and unify the country, except for Khorasan, under a loose form of central control. He refused to assume the title of shah, however, preferring to rule as *vakil al ru'aya*, or deputy of the subjects. He is remembered for his mild and beneficent regime.

## **The Qajars, 1795–1925**

At Karim Khan Zand's death, another struggle for power among the Zands, Qajars, and other tribal groups again disrupted economic life and plunged the country into disorder. This time Agha Mohammad Qajar defeated the last Zand ruler outside Kerman in 1794, thus beginning the Qajar dynasty, which would last until 1925. Under Fath Ali Shah (1797–1834), Mohammad Shah (1834–48), and Naser ad Din Shah (1848–96), a degree of order, stability, and unity returned to the country. The Qajars revived the concept of the shah as the shadow of God on earth and exercised absolute power over the servants of the state. They appointed royal princes to provincial governorships and, in the course of the nineteenth century, increased their power in relation to that of the tribal chiefs, who provided contingents for the shah's army. Under the Qajars, the merchants and the ulama, or religious leaders, remained important members of the community. A large bureaucracy assisted the chief officers of the state, and, in the second half of the nineteenth century, new ministries and offices were created. The Qajars were unsuccessful, however, in their attempt to replace an Iranian military based on tribal levies with a European-style standing army characterized by regular training, organization, and uniforms.

Early in the nineteenth century, the Qajars began to face pressure from two great world powers, Russia and Britain. Britain's interest in Iran arose from the need to protect trade routes to India, while Russia's came from a desire to expand into Iranian territory from the north. In two disastrous wars with Russia, which ended with the Treaty of Gulistan (1812) and the Treaty of Turkmanchay (1828), Iran lost all its territories in the Caucasus north of the Aras River. Then, in the second half of the century, Russia forced the Qajars to give up all claims to territories in Central Asia. Meanwhile, Britain twice landed troops in Iran to prevent the Qajars from reasserting a claim to the city of Herat, lost after the fall of the Safavids. Under the Treaty of Paris in 1857, Iran surrendered to Britain



*The tomb, in Hamadan, of Ibn Sina (known as Avicenna to the West),  
a famous Persian mathematician who died in A.D. 1037*

*Courtesy LaVerle Berry*

all claims to Herat and other territories in the present-day state of Afghanistan.

Britain and Russia also came to dominate Iran's trade and interfered in Iran's internal affairs. The two great powers enjoyed overwhelming military and technological superiority and could take advantage of Iran's internal problems. Iranian central authority was weak; revenues were generally inadequate to maintain the court, bureaucracy, and army; the ruling class was divided and corrupt; and the people suffered exploitation by their rulers and governors.

When Naser ad Din acceded to the throne in 1848, his prime minister, Mirza Taqi Khan Amir Kabir, attempted to strengthen the administration by reforming the tax system, asserting central control over the bureaucracy and the provincial governors, encouraging trade and industry, and reducing the influence of the Islamic clergy and foreign powers. He established a new school, the Dar ol Fonun, to educate members of the elite in the new sciences and in foreign languages. The power he concentrated in his hands, however, aroused jealousy within the bureaucracy and fear in the king. In 1851 Kabir was dismissed and then executed, a fate shared by earlier powerful prime ministers.



In 1858 officials such as Malkam Khan began to suggest in essays that the weakness of the government and its inability to prevent foreign interference lay in failure to learn the arts of government, industry, science, and administration from the advanced states of Europe. In 1871, with the encouragement of his new prime minister, Mirza Hosain Khan Moshir od Dowleh, the shah established a European-style cabinet with administrative responsibilities and a consultative council of senior princes and officials. In 1872 he granted a concession for railroad construction and other economic projects to a Briton, Baron Julius de Reuter, and visited Russia and Britain. Opposition from bureaucratic factions hostile to the prime minister and from clerical leaders who feared foreign influence, however, forced the shah to dismiss his prime minister and to cancel the concession. Nevertheless, internal demand for reform was slowly growing. Moreover, Britain, to which the shah turned for protection against Russian encroachment, continued to urge him to undertake reforms and open the country to foreign trade and enterprise as a means of strengthening the country. In 1888, heeding this advice, the shah opened the Karun River in Khuzestan Province to foreign shipping and gave Reuter permission to open Iran's first bank, the Imperial Bank of Persia. In 1890 the shah gave another British company a monopoly over the country's tobacco trade. The tobacco concession was obtained through bribes to leading officials and aroused considerable opposition among the clerical classes, the merchants, and the people. When a leading cleric, Mirza Hasan Shirazi, issued a fatwa (religious ruling) forbidding the use of tobacco, the ban was universally observed, and the shah was once again forced to cancel the concession, at considerable cost to an already depleted treasury.

The last years of Naser ad Din's reign as shah were characterized by growing royal and bureaucratic corruption, oppression of the rural population, and indifference on the shah's part. The tax machinery broke down, and disorder became endemic in the provinces. New ideas and demands for reform were also becoming more widespread. In 1896, reputedly encouraged by Jamal ad Din al Afghani (called Asadabadi because he came from the town of Asadabad), a well-known Islamic preacher and political activist, a young Iranian assassinated the shah.

## **The Constitutional Revolution**

Naser ad Din Shah's son and successor, Muzaffar ad Din Shah (1896–1907), was a weak ruler. Royal extravagance and the absence of revenues exacerbated financial problems. The shah quickly spent two large loans from Russia (1900 and 1902), partly on trips to Europe. Public anger fed on the shah's propensity for granting concessions to Europeans in return for generous payments to him and his officials. People began to demand a curb on royal authority and the establishment of the rule of law as their concern over foreign, and especially Russian, influence grew.

The shah's failure to respond to protests by the religious establishment, the merchants, and other classes led the merchants and clerical leaders in January 1906 to take sanctuary from probable arrest in mosques in Tehran and outside the capital. When the shah reneged on a promise to permit the establishment of a "house of justice," or consultative assembly, 10,000 people, led by the merchants, took sanctuary in June in the compound of the British legation in Tehran. In August the shah was forced to issue a decree promising a constitution. In October an elected assembly convened and drew up a constitution that provided for strict limitations on royal power; an elected parliament, or Majlis (see Glossary), with wide powers to represent the people; and a government with a cabinet subject to confirmation by the Majlis. The shah signed the constitution on December 30, 1906. He died five days later. The Supplementary Fundamental Laws approved in 1907 provided, within limits, for freedom of the press, speech, and association, and for security of life and property. According to scholar Ann K. S. Lambton, what became known as the Constitutional Revolution marked the end of the medieval period in Iran. The hopes for constitutional rule were not realized, however.

Muzaffar ad Din's successor, Mohammad Ali Shah, was determined to crush the constitution. After several disputes with the members of the Majlis, in June 1908 he used his Russian-officered Persian Cossacks Brigade to bomb the Majlis building, arrest many of the deputies, and close down the assembly. Resistance to the shah, however, coalesced in Tabriz, Esfahan, Rasht, and elsewhere. In July 1909, constitutional forces marched from Rasht and Esfahan to Tehran, deposed the shah, and reestablished the constitution. The ex-shah went into exile in Russia.

Although the constitutionalists had triumphed, they faced serious difficulties. The upheavals of the Constitutional Revolution and civil war had undermined stability and trade. In addition, the ex-shah, with Russian support, attempted to regain his throne, landing troops on the Caspian shore in July 1910. Most serious of all, the hope that the Constitutional Revolution would inaugurate a new era of independence from the great powers ended when, under the Anglo-Russian Agreement of 1907, Britain and Russia agreed to divide Iran into spheres of influence. The Russians were to enjoy the exclusive right to pursue their interests in the northern sphere, the British in the south and east; both powers would be free to compete for economic and political advantage in a neutral sphere in the center. Matters came to a head when Morgan Shuster, an administrator from the United States hired as treasurer general by the Iranian government to reform its finances, sought to collect taxes from powerful officials who were Russian protégés and to send members of the treasury gendarmerie, a tax department police force, into the Russian zone. When in December 1911 the Majlis unanimously refused a Russian ultimatum demanding Shuster's dismissal, Russian troops, already in the country, moved to occupy the capital. To prevent this, on December 20 chiefs of Bakhtiari tribes and their troops surrounded the Majlis building, forced acceptance of the Russian ultimatum, and shut down the assembly, once again suspending the constitution. There followed a period of government by Bakhtiari chiefs and other powerful notables.

## **World War I**

Iran hoped to avoid entanglement in World War I by declaring its neutrality but ended up as a battleground for Russian, Turkish, and British troops. When German agents tried to arouse the southern tribes against the British, Britain created an armed force, the South Persia Rifles, to protect its interests. Then a group of Iranian notables led by Nezam os Saltaneh Mafi, hoping to escape Anglo-Russian dominance and sympathetic to the German war effort, left Tehran, first for Qom and then for Kermanshah, where they established a provisional government. The provisional government lasted for the duration of the war but failed to capture much support.

At the end of the war, because of Russia's preoccupation with its own revolution, Britain was the dominant influence in Tehran. The foreign secretary, Lord Curzon, proposed an

agreement under which Britain would provide Iran with a loan and with advisers to the army and virtually every government department. The Iranian prime minister, Vosuq od Dowleh, and two members of his cabinet who had received a large financial inducement from the British, supported the agreement. The Anglo-Persian Agreement of 1919 was widely viewed as establishing a British protectorate over Iran. However, it aroused considerable opposition, and the Majlis refused to approve it. The agreement was already dead when, in February 1921, Persian Cossacks Brigade officer Reza Khan, in collaboration with prominent journalist Sayyid Zia ad Din Tabatabai, marched into Tehran and seized power, inaugurating a new phase in Iran's modern history.

### **The Era of Reza Shah, 1921–41**

Tabatabai became prime minister, and Reza Khan became commander of the armed forces in the new government. Reza Khan, however, quickly emerged as the dominant figure. Within three months, Tabatabai was forced out of the government and into exile. Reza Khan became minister of war. In 1923 Ahmad Shah, who had succeeded his father as shah in 1909, agreed to appoint Reza Khan prime minister and to leave for Europe. The shah was never to return. Reza Khan seriously considered establishing a republic, as his contemporary Kemal Atatürk had done in Turkey, but abandoned the idea in the face of clerical opposition. In October 1925, a Majlis dominated by Reza Khan's men deposed the Qajar dynasty; in December the Majlis conferred the crown on Reza Khan and his heirs. The military officer who had become master of Iran was crowned as Reza Shah Pahlavi in April 1926.

Even before he became shah, Reza Khan had taken steps to create a strong central government and to extend government control over the country. Now, as Reza Shah, with the assistance of a group of army officers and younger bureaucrats, many trained in Europe, he launched a broad program of change designed to bring Iran into the modern world. To strengthen central authority, he built up Iran's heterogeneous military forces into a disciplined army of 40,000, and in 1926 he persuaded the Majlis to approve universal military conscription. Reza Shah used the army not only to bolster his own power but also to pacify the country and to bring the tribes under control. In 1924 he broke the power of Sheikh Khazal, who was a British

protégé and practically autonomous in Khuzestan Province. In addition, Reza Shah forcibly settled many of the tribes.

To extend government control and promote Westernization, the shah overhauled the administrative machinery and vastly expanded the bureaucracy. He created an extensive system of secular primary and secondary schools and, in 1935, established the country's first European-style university in Tehran. These schools and institutions of higher education became training grounds for the new bureaucracy and, along with economic expansion, helped create a new middle class. The shah also expanded the road network, successfully completed a trans-Iranian railroad, and established a string of state-owned factories to produce such basic consumer goods as textiles, matches, canned goods, sugar, and cigarettes.

Many of the shah's measures were consciously designed to break the power of the religious hierarchy. His educational reforms ended the clerics' near-monopoly on education. To limit further the power of the clerics, he undertook a codification of the laws that created a body of secular law, applied and interpreted by a secular judiciary outside the control of the religious establishment. He excluded the clerics from judge-ships, created a system of secular courts, and transferred the important and lucrative task of notarizing documents from the clerics to state-licensed notaries. The state even encroached on the administration of *vaqfs* (religious endowments) and on the licensing of graduates of religious seminaries.

Among other components, the new secular law included a civil code, the work of Justice Minister Ali Akbar Davar, enacted between 1927 and 1932; the General Accounting Act (1934–35), a milestone in financial administration; a new tax law; and a civil service code.

Determined to unify what he saw as Iran's heterogeneous peoples, end foreign influence, and emancipate women, Reza Shah imposed European dress on the population. He opened the schools to women and brought them into the workforce. In 1936 he forcibly abolished the wearing of the veil.

Reza Shah initially enjoyed wide support for restoring order, unifying the country, and reinforcing national independence, and for his economic and educational reforms. In accomplishing all this, however, he took away effective power from the Majlis, muzzled the press, and arrested opponents of the government. His police chiefs were notorious for their harshness. Several religious leaders were jailed or sent into exile. In 1936,

*The tomb of Persian poet  
Umar (Omar) Khayyam,  
1048–1131, Neyshabur  
Courtesy Nader Davoodi*



in one of the worst confrontations between the government and religious authorities, troops violated the sanctity of the shrine of Imam Reza in Mashhad, where worshipers had gathered to protest Reza Shah's reforms. Dozens of worshipers were killed and many injured. In addition, the shah arranged for powerful tribal chiefs to be put to death; bureaucrats who became too powerful suffered a similar fate. Reza Shah jailed and then quietly executed Abdul Hosain Teimurtash, his minister of court and close confidant; Davar, the justice minister, committed suicide.

As time went on, the shah grew increasingly avaricious and amassed great tracts of land. Moreover, his tax policies weighed heavily on the peasants and the lower classes. The great landowners' control over land and the peasantry increased, and the condition of the peasants worsened during his reign. As a result, by the mid-1930s there was considerable dissatisfaction in the country.

Meanwhile, Reza Shah initiated changes in foreign affairs as well. In 1928 he abolished the capitulations under which Europeans in Iran had, since the nineteenth century, enjoyed the privilege of being subject to their own consular courts rather than to the Iranian judiciary. Suspicious of both Britain and the Soviet Union, the shah circumscribed contacts with foreign

embassies. Relations with the Soviet Union had already deteriorated because of that country's commercial policies, which in the 1920s and 1930s adversely affected Iran. In 1932 the shah offended Britain by canceling the agreement under which the Anglo-Persian Oil Company (formed in 1909) produced and exported Iran's oil. Although a new and improved agreement eventually was signed in 1933, it did not satisfy Iran's demands and left bad feeling on both sides. To counterbalance British and Soviet influence, Reza Shah encouraged German commercial enterprise in Iran. On the eve of World War II, Germany was Iran's largest trading partner.

## **World War II and the Azarbaijan Crisis**

At the outbreak of World War II, Iran declared its neutrality, but the country was soon invaded by both Britain and the Soviet Union. Britain had been annoyed when Iran refused Allied demands that it expel all German nationals from the country. When German forces invaded the Soviet Union in 1941, the Allies urgently needed to transport war matériel across Iran to the Soviet Union, an operation that would have violated Iranian neutrality. As a result, Britain and the Soviet Union simultaneously invaded Iran on August 26, 1941, the Soviets from the northwest and the British across the Iraqi frontier from the west and at the head of the Persian Gulf in the south. Resistance quickly collapsed. Reza Shah knew the Allies would not permit him to remain in power, so he abdicated on September 16 in favor of his son, who ascended the throne as Mohammad Reza Shah Pahlavi. Reza Shah and several members of his family were taken by the British first to Mauritius and then to Johannesburg, South Africa, where Reza Shah died in July 1944.

The occupation of Iran proved of vital importance to the Allied cause and brought Iran closer to the Western powers. Britain, the Soviet Union, and the United States together managed to move more than 5 million tons of munitions and other war matériel across Iran to the Soviet Union. In addition, in January 1942 Iran signed a tripartite treaty of alliance with Britain and the Soviet Union under which it agreed to extend non-military assistance to the war effort. The two Allied powers, in turn, agreed to respect Iran's independence and territorial integrity and to withdraw their troops from Iran within six months of the end of hostilities. In September 1943, Iran declared war on Germany, thus qualifying for membership in

the United Nations (UN). In November at the Tehran Conference, President Franklin D. Roosevelt, Prime Minister Winston Churchill, and Prime Minister Josef Stalin reaffirmed a commitment to Iran's independence and territorial integrity and a willingness to extend economic assistance to Iran.

The effects of the war were very disruptive for Iran, however. Food and other essential items were scarce. Severe inflation imposed great hardship on the lower and middle classes, while fortunes were made by individuals dealing in scarce items. The presence of foreign troops accelerated social change and also fed xenophobic and nationalist sentiments. An influx of rural migrants into the cities added to political unrest. The Majlis, dominated by the propertied interests, did little to ameliorate these conditions. With the political controls of the Reza Shah period removed, meanwhile, party and press activity revived. The communist Tudeh Party was especially active in organizing industrial workers. Like many other political parties of the left and center, it called for economic and social reform.

Eventually, collusion between the Tudeh and the Soviet Union brought further disintegration to Iran. In September 1944, while American companies were negotiating for oil concessions in Iran, the Soviets requested an oil concession in the five northern provinces. In December, however, the Majlis passed a law forbidding the government to discuss oil concessions before the end of the war. This led to fierce Soviet propaganda attacks on the government and agitation by the Tudeh in favor of a Soviet oil concession. In December 1945, the Azarbaijan Democratic Party, which had close links with the Tudeh and was led by Jafar Pishevari, announced the establishment of an autonomous republic. In a similar move, activists in neighboring Kurdistan established the Kurdish Republic of Mahabad. The Soviets supported the autonomy of both autonomous republics, but Soviet troops remained in Khorasan, Gorgan, Mazandaran, and Gilan. Other Soviet troops prevented government forces from entering Azarbaijan and Kurdistan. Soviet pressure on Iran continued as British and American troops evacuated in keeping with treaty commitments while Soviet troops remained in the country. Prime Minister Ahmad Qavam had to persuade Stalin to withdraw his forces by agreeing to submit a Soviet oil concession to the Majlis and to negotiate a peaceful settlement to the Azarbaijan crisis with the Pishevari government.



In April 1946, the government signed an oil agreement with the Soviet Union; in May, partly as a result of U.S., British, and UN pressure, Soviet troops withdrew from Iranian territory. Qavam took three Tudeh members into his cabinet. Qavam was able to reclaim his concessions to the Soviet Union, however, when an anticommunist tribal revolt in the south provided an opportunity to dismiss the Tudeh cabinet officers. In December, ostensibly in preparation for new Majlis elections, Qavam sent the Iranian army into Azarbaijan. Without Soviet backing, the Pishevari government collapsed, and Pishevari himself fled to the Soviet Union. A similar fate befell the Kurdish Republic of Mahabad. In the new Majlis, a strong bloc of deputies, organized as the National Front and led by Mohammad Mossadeq, helped defeat the Soviet oil concession agreement by 102 votes to two. The Majlis also passed a bill forbidding any further foreign oil concessions and requiring the government to exploit oil resources directly.

Soviet influence diminished further in 1947, when Iran and the United States signed an agreement providing for military aid and for a U.S. military advisory mission to help train the Iranian army. In February 1949, the Tudeh was blamed for an abortive attempt on the shah's life, and its leaders fled abroad or were arrested. The party was banned.

## **Mossadeq and Oil Nationalization**

Beginning in 1948, sentiment for nationalization of Iran's oil industry grew. That year the Majlis approved the first economic development plan (1948–55; see Glossary), which called for comprehensive agricultural and industrial development. The Plan Organization was established to administer the program, which was to be financed in large part with oil revenues. Politically conscious Iranians were aware, however, that the British government derived more revenue from taxing the concessionaire, the Anglo-Iranian Oil Company (AIOC—formerly the Anglo-Persian Oil Company), than the Iranian government derived from royalties. The oil issue figured prominently in elections for the Majlis in 1949, and nationalists in the new Majlis were determined to renegotiate the AIOC agreement. In November 1950, the Majlis committee concerned with oil matters, headed by Mossadeq, rejected a draft agreement in which the AIOC had offered the government slightly improved terms. These terms did not include the 50–50 profit-sharing provision that was part of other new Persian Gulf oil concessions.

Subsequent negotiations with the AIOC were unsuccessful, partly because General Ali Razmara, who became prime minister in June 1950, failed to convince the oil company of the strength of nationalist feeling in the country and in the Majlis. By the time the AIOC finally offered 50–50 profit sharing in February 1951, sentiment for nationalization of the oil industry had become widespread. Razmara advised against nationalization on technical grounds and was assassinated in March 1951 by a member of the militant Islamic Warriors (Fedayan-e Islami). On March 15, the Majlis voted to nationalize the oil industry. In April the shah yielded to Majlis pressure and demonstrations in the streets by naming Mossadeq prime minister.

Oil production came to a virtual standstill as British technicians left the country, and Britain imposed a worldwide embargo on the purchase of Iranian oil. In September 1951, Britain froze Iran's sterling assets and banned the export of goods to Iran. It also challenged the legality of the oil nationalization, taking its case against Iran to the International Court of Justice at The Hague. The court found in Iran's favor, but the dispute between Iran and the AIOC remained unsettled. Under U.S. pressure, the AIOC improved its offer to Iran. The excitement generated by the nationalization issue, anti-British feeling, agitation by radical elements, and the conviction among Mossadeq's advisers that Iran's maximum demands would, in the end, be met, however, led the government to reject all offers. The economy began to suffer from the loss of foreign exchange and oil revenues.

Mossadeq's growing popularity and power led to political chaos and eventual U.S. intervention. Mossadeq had come to office on the strength of support from the National Front and other parties in the Majlis and as a result of his great popularity. His popular appeal, growing power, and intransigence on the oil issue were creating friction between the prime minister and the shah. In the summer of 1952, the shah refused the prime minister's demand for the power to appoint the minister of war (and, by implication, to control the armed forces). Mossadeq resigned, three days of pro-Mossadeq rioting followed, and the shah was forced to reappoint Mossadeq to head the government.

As domestic conditions deteriorated, Mossadeq's populist style grew more autocratic. In August 1952, the Majlis acceded to his demand for full powers in all affairs of government for a six-month period. These special powers subsequently were extended for a further six-month term. Mossadeq also obtained

approval for a law to reduce, from six years to two, the term of the Senate (established in 1950 as the upper house of the Majlis), thus bringing about the dissolution of that body. Mossadeq's support in the lower house of the legislature was dwindling, however, so on August 3, 1953, he conducted a plebiscite for the dissolution of the Majlis, claimed a massive vote in favor of the proposal, and dissolved the legislative body.

The administration of President Harry S. Truman initially had been sympathetic to Iran's nationalist aspirations. However, in 1953, with the onset of the administration of President Dwight D. Eisenhower, the United States came to accept the view of the British government that no reasonable compromise with Mossadeq was possible and that, by working with the Tudeh, the Iranian prime minister was making probable a communist-inspired takeover. Mossadeq's intransigence and his inclination to accept Tudeh support, the Cold War atmosphere, and the fear of Soviet influence in Iran also shaped U.S. thinking. In June 1953, the Eisenhower administration approved a British proposal for a joint Anglo-American operation, code-named Operation Ajax, to overthrow Mossadeq. Kermit Roosevelt of the U.S. Central Intelligence Agency (CIA) traveled secretly to Iran to coordinate plans with the shah and the Iranian military, which was led by General Fazlollah Zahedi.

In accord with the plan, on August 13 the shah appointed Zahedi prime minister to replace Mossadeq. Mossadeq refused to step down and arrested the shah's emissary. This triggered the second stage of Operation Ajax, which called for a military coup. The plan initially seemed to fail, so the shah fled the country and Zahedi went into hiding. After four days of rioting, however, the tide turned. On August 19, pro-shah army units and street crowds defeated Mossadeq's forces. The shah returned to the country. Mossadeq was sentenced to three years' imprisonment for trying to overthrow the monarchy, but he was subsequently allowed to remain under house arrest in his village outside Tehran, where he died in 1967. His minister of foreign affairs, Hussein Fatemi, was executed. Hundreds of National Front leaders, Tudeh Party officers, and political activists were arrested; several army officers who were Tudeh members also were sentenced to death.

## **The Post-Mossadeq Era and the Shah's White Revolution**

To help the Zahedi government through a difficult period, the United States arranged for US\$45 million in immediate economic assistance. The Iranian government restored diplomatic relations with Britain in December 1953, and a new oil agreement was concluded the following year. The shah, fearing both Soviet influence and internal opposition, sought to bolster his regime by edging closer to Britain and the United States. In October 1955, Iran joined the Baghdad Pact, which brought together the “northern tier” countries of Iraq, Turkey, and Pakistan in an alliance that included Britain, with the United States serving as a supporter but not a full member. (The pact was renamed the Central Treaty Organization—CENTO—after Iraq’s withdrawal in 1958.) In March 1959, Iran signed a bilateral defense agreement with the United States. In the Cold War atmosphere, relations with the Soviet Union were correct but not cordial. The shah visited the Soviet Union in 1956, but Soviet propaganda attacks and Iran’s alliance with the West continued. Internally, a period of political repression followed the overthrow of Mossadeq, as the shah concentrated power in his own hands. He banned or suppressed the Tudeh, the National Front, and other parties; muzzled the press; and strengthened the secret police agency, SAVAK (*Sazman-e Eteellaat va Amniyat-e Keshvar*). Elections to the restored Majlis in 1954 and 1956 were closely controlled. The shah appointed Hussein Ala to replace Zahedi as prime minister in April 1955 and thereafter named a succession of prime ministers who were willing to do his bidding.

Attempts at economic development and political reform were inadequate. Rising oil revenues allowed the government to launch the second economic development plan (1955–62) in 1956. Several large-scale industrial and agricultural projects were initiated, but economic recovery from the disruptions of the oil nationalization period was slow. The infusion of oil money led to rapid inflation and spreading discontent, but strict controls provided no outlets for political unrest. When martial law, which had been instituted in August 1953 after the coup, ended in 1957, the shah ordered two of his senior officials to form a majority party and a loyal opposition as the basis for a two-party system. These became known as the Melliyun and the Mardom parties. These officially sanctioned parties did

not satisfy demands for wider political representation, however. During Majlis elections in 1960, charges of widespread fraud could not be suppressed, and the shah was forced to cancel balloting. Jafar Sharif Emami, a staunch loyalist, became prime minister. After renewed and more strictly controlled elections, the Majlis convened in February 1961. But with economic conditions and political unrest both worsening, the Sharif Emami government fell in May 1961.

Yielding both to domestic demands for change and to pressure for reform from U.S. President John F. Kennedy's administration, the shah named Ali Amini, a wealthy landlord and senior civil servant, as prime minister. Amini received a mandate from the shah to dissolve parliament and rule for six months by cabinet decree. Known as an advocate of reform, Amini loosened controls on the press, permitted the National Front and other political parties to resume activity, and ordered the arrest of a number of former senior officials on charges of corruption. Under Amini, the cabinet approved the third economic development plan (1962-68) and undertook a program to reorganize the civil service. In January 1962, in the single most important measure of the 14-month Amini government, the cabinet approved a law on land distribution.

The Amini government, however, was beset by numerous problems. Belt-tightening measures ordered by the prime minister were necessary, but in the short term they intensified recession and unemployment. This recession caused discontent in the bazaar and business communities. In addition, the prime minister acted in an independent manner, and the shah and senior military and civilian officials close to the court resented this challenge to royal authority. Moreover, although they were enjoying limited freedom of activity for the first time in many years, the National Front and other opposition groups pressed the prime minister for elections and withheld cooperation. When Amini was unable to close a large budget deficit, the shah refused to cut the military budget, and the United States, which had previously supported the prime minister, refused further aid. As a result, Amini resigned in July 1962.

Amini was replaced by Asadollah Alam, a confidant of Mohammad Reza Shah. Building on the credit earned in the countryside and in urban areas by the land distribution program, the shah submitted six measures to a national referendum in January 1963. In addition to land reform, these measures included profit sharing for industrial workers in pri-

vate-sector enterprises, nationalization of forests and pastureland, the sale of government factories to finance land reform, amendment of the electoral law to give more representation on supervisory councils to workers and farmers, and establishment of the Literacy Corps, an institution that would enable young men to satisfy their military obligation by working as village reading teachers. The shah described the package as his White Revolution (see Glossary), and when the referendum votes were counted, the government announced a 99 percent majority in favor of the program. In addition to these other reforms, the shah announced in February that he was extending the right to vote to women.

The reforms earned the government considerable support among certain sectors of the population, but they did not deal immediately with sources of unrest. Economic conditions were still difficult for the poorer classes. Many clerical leaders opposed land reform and the extension of suffrage to women. These leaders were also concerned about the extension of government and royal authority that the reforms implied. In June 1963, Ayatollah Sayyid Ruhollah Musavi Khomeini, a religious leader in Qom, was arrested after a fiery speech in which he directly attacked the shah. The arrest sparked three days of the most violent unrest the country had witnessed since the overthrow of Mossadeq a decade earlier. The shah severely suppressed the riots, and, for the moment, the government appeared to have triumphed over its opponents.

### **State and Society, 1964–74**

Elections to the twenty-first Majlis in September 1963 led to the formation of a new political party, Iran Novin (New Iran), committed to a program of economic and administrative reform and renewal. The Alam government had opened talks with National Front leaders earlier in the year, but no accommodation had been reached, and the talks had broken down over such issues as freedom of activity for the front. As a result, the front was not represented in the elections, which were limited to the officially sanctioned parties, and the only candidates on the slate were those presented by the Union of National Forces, an organization of senior civil servants and officials and workers' and farmers' representatives put together with government support. After the elections, the largest bloc in the new Majlis, with 40 seats, was a group called the Progressive Center. An exclusive club of senior civil servants, the center

had been established by Hasan Ali Mansur in 1961 to study and make policy recommendations on major economic and social issues. In June 1963, the shah had designated the center as his personal research bureau. When the new Majlis convened in October, 100 more deputies joined the center, giving Mansur a majority. In December Mansur converted the Progressive Center into a political party, Iran Novin. In March 1964, Alam resigned, and the shah appointed Mansur prime minister at the head of a government led by Iran Novin.

The events leading to the establishment of Iran Novin and the appointment of Mansur as prime minister represented a renewed attempt by the shah and his advisers to create a political organization that would be loyal to the crown, attract the support of the educated classes and the technocratic elite, and strengthen the administration and the economy. Iran Novin drew its membership almost exclusively from a younger generation of senior civil servants, Western-educated technocrats, and business leaders. Initially, membership was limited to 500 hand-picked persons and was allowed to grow very slowly. In time it came to include leading members of the provincial elite and its bureaucratic, professional, and business classes. Even in the late 1960s and early 1970s, when trade unions and professional organizations affiliated themselves with the party, full membership was reserved for a limited group.

In carrying out economic and administrative reforms, Mansur created four new ministries and transferred the authority for drawing up the budget from the Ministry of Finance to the newly created Budget Bureau. The bureau was attached to the Plan Organization and was responsible directly to the prime minister. In subsequent years, it introduced greater rationality in planning and budgeting. Mansur appointed younger technocrats to senior civil service posts, a policy continued by his successor. He also created the Health Corps, modeled after the Literacy Corps, to provide primary health care to rural areas.

In the Majlis, the government enjoyed a comfortable majority, and the nominal opposition, the Mardom Party, generally voted with the government party. An exception, however, was the general response to a bill establishing a status of forces agreement to grant diplomatic immunity to U.S. military personnel serving in Iran and to their staffs and families. In effect, the agreement would allow these Americans to be tried by U.S. rather than Iranian courts for crimes committed on Iranian soil. For Iranians this provision recalled the humiliating capitulation

latory concessions extracted from Iran by the imperial powers in the nineteenth century. Feeling against the bill was sufficiently strong that 65 deputies absented themselves from the legislature, and 61 opposed the bill when it was put to a vote in October 1964.

The status of forces legislation also aroused strong feeling outside the Majlis. Khomeini, who had been released from house arrest in April 1964, denounced the measure in a public sermon before a huge congregation in Qom. Tapes of the sermon and a leaflet based on it were circulated widely and attracted considerable attention. Khomeini was arrested again in November within days of the sermon and sent into exile in Turkey. In October 1965, he was permitted to take up residence in the city of An Najaf, Iraq—the site of numerous Shia shrines—where he was to remain for the next 13 years.

Although economic conditions were soon to improve dramatically, the country had not yet fully recovered from the recession of 1959–63, which had been particularly hard on the poorer classes. Mansur attempted to close a budget deficit of an estimated US\$300 million (at then-prevalent rates of exchange) by imposing heavy new taxes on gasoline and kerosene and on exit permits for Iranians leaving the country. Because kerosene was the primary heating fuel for the working classes, the new taxes proved highly unpopular. Taxicab drivers in Tehran went on strike, and Mansur was forced to rescind the fuel taxes in January 1965, six weeks after they had been imposed. An infusion of US\$200 million in new revenues (US\$185 million from a cash bonus for five offshore oil concessions granted to U.S. and West European firms and US\$15 million from a supplementary oil agreement concluded with the Consortium, a group of foreign oil companies) helped the government through its immediate financial difficulties.

With this assistance, Mohammad Reza Shah Pahlavi was able to maintain political stability despite the assassination of his prime minister and an attempt on his own life. On January 21, 1965, Mansur was murdered by members of a radical Islamic group. Evidence made available after the Islamic Revolution revealed that the group had affiliations with clerics close to Khomeini. A military tribunal issued death sentences to six of those charged and sentenced the others to long prison terms. In April there was also an attempt on the shah's life, organized by a group of Iranian graduates of British universities. To replace Mansur as prime minister, the shah appointed Amir



Abbas Hoveyda, a former diplomat and an executive of the National Iranian Oil Company (NIOC). Hoveyda had helped Mansur found the Progressive Center and Iran Novin and had served as his minister of finance.

Hoveyda's appointment marked the beginning of nearly a decade of impressive economic growth and relative political stability. During this period, the shah also used Iran's enhanced economic and military strength to secure a more influential role for the country in the Persian Gulf region, and he improved relations with Iran's immediate neighbors and the Soviet Union and its allies. Hoveyda remained in office for the next 12 years, the longest term of any of Iran's modern prime ministers. During this period, Iran Novin dominated the government and the Majlis. It won large majorities in the 1967 and 1971 elections, both of which were carefully controlled by the authorities. Only the Mardom Party and, later, the Pan-Iranist Party, an extreme nationalist group, were allowed to compete with Iran Novin. Neither opposition party was able to secure more than a handful of Majlis seats, and neither engaged in serious criticism of government programs.

In 1969 and again in 1972, the shah appeared ready to permit the Mardom Party, under new leadership, to function as a genuine opposition, that is, to criticize the government openly and to contest elections more energetically, but these developments did not occur. Iran Novin's domination of the administrative machinery was made further evident during municipal council elections held in 136 towns throughout the country in 1968. Iran Novin won control of a large majority of the councils and of every seat in 115 of them. Only 10 percent of eligible voters cast ballots in Tehran, however, a demonstration of public indifference that was not confined to the capital.

Under Hoveyda the government improved its administrative machinery and launched what was dubbed "the education revolution." It adopted a new civil service code and a new tax law and appointed better-qualified personnel to key posts. Hoveyda also created several additional ministries in 1967, including the Ministry of Science and Higher Education, which was intended to help meet the need for an expanded and more specialized workforce. In mid-1968, the government began a program that, although it did not resolve problems of overcrowding and uneven quality, substantially increased the number of institutions of higher education, brought students from provincial and lower middle-class backgrounds into the new community

colleges, and created a number of institutions of high academic standing, such as Tehran's Arya Mehr Technical University (see Education, ch. 2).

In 1960 the queen, Farah Diba Pahlavi, had given birth to a male heir, Reza. In 1967, because the crown prince was still very young, steps were taken to regularize the procedure for the succession. Under the constitution, if the shah were to die before the crown prince came of age, the Majlis would meet to appoint a regent. There might be a delay in the appointment of a regent, especially if the Majlis was not in session. A constituent assembly, convened in September 1967, amended the constitution, providing for the queen to become regent automatically unless the shah in his lifetime designated another individual.

In October 1967, believing his achievements finally justified such a step, the shah celebrated his long-postponed coronation. Like his father, he placed the crown on his own head. To mark the occasion, the Majlis conferred on the shah the title of Arya Mehr, or "Light of the Aryans." This glorification of the monarchy and the monarch, however, was not universally popular with Iranians. In 1971 celebrations were held to mark what was presented as 2,500 years of uninterrupted monarchy (there were actually gaps in the chronological record) and the twenty-fifth centennial of the founding of the Iranian empire by Cyrus the Great. The ceremonies were designed primarily to celebrate the institution of the monarchy and to affirm the position of the shah as the country's absolute and unchallenged ruler. The lavish ceremonies (which many compared to a Hollywood-style extravaganza), the virtual exclusion of Iranians from the celebrations at which the honored guests were foreign heads of state, and the excessive adulation of the person of the shah in official propaganda generated much adverse domestic comment. A declaration by Khomeini condemning the celebrations and the regime received wide circulation. In 1975, when the Majlis, at government instigation, voted to alter the Iranian calendar so that year one of the calendar coincided with the first year of the reign of Cyrus rather than with the beginning of the Islamic era, many Iranians viewed the move as a gratuitous insult to religious sensibilities.

Iran, meantime, experienced a period of unprecedented and sustained economic growth. It also was a period of relatively little serious political unrest, attributable in large part to the land distribution program launched in 1962, along with

steadily expanding job opportunities, improved living standards, and moderate inflation between 1964 and 1973.

In foreign policy, the shah used the relaxation in East-West tensions to improve relations with the Soviet Union. In an exchange of notes in 1962, he gave Moscow assurances he would not allow Iran to become a base for aggression against the Soviet Union or permit foreign missile bases to be established on Iranian soil. In 1965 Iran and the Soviet Union signed a series of agreements under which the Soviets provided credits and technical assistance to build Iran's first steel mill in exchange for shipments of Iranian natural gas. This led to construction of an almost 2,000-kilometer trans-Iranian pipeline from the southern natural gas fields to the Iranian-Soviet frontier. The shah also bought small quantities of arms from the Soviet Union and expanded trade with East European states. Although Soviet officials did not welcome the increasingly close military and security cooperation between Iran and the United States, especially after 1971, Moscow did not allow this to disrupt its own rapprochement with Tehran.

In 1964 the shah joined the heads of state of Turkey and Pakistan to create an organization, Regional Cooperation for Development (RCD), for economic, social, and cultural cooperation among the three countries "outside the framework of the Central Treaty Organization." The establishment of the RCD was seen as a sign of the diminishing importance of CENTO and, like the rapprochement with the Soviet Union, of the shah's increasing independence in foreign policy. The three RCD member states undertook a number of joint economic and cultural projects, though none on a large scale.

The shah also began to play a larger role in Persian Gulf affairs. He supported the royalists in the Yemen Civil War (1962-70) and, beginning in 1971, assisted the sultan of Oman in putting down a rebellion in Dhofar. He also reached an understanding with Britain on the fate of Bahrain and three smaller islands in the Persian Gulf that Britain had controlled since the nineteenth century but that Iran continued to claim. Britain's decision to withdraw from the Gulf by 1971 and to help organize the Trucial States into a federation of independent states (eventually known as the United Arab Emirates—UAE) necessitated resolution of that situation. In 1970 the shah agreed to give up Iran's long-standing claim to Bahrain and to abide by the desire of the majority of its inhabitants that it become an independent state. The shah, however, continued



*The shah and his family, with eldest son, Reza Cyrus Pahlavi, standing in rear (Photo taken in the mid-1970s)*

to press his claim to three islands, Abu Musa (controlled by the sheikh of Sharjah) and the Greater and Lesser Tunbs (controlled by the sheikh of Ras al Khaymah). He secured control of Abu Musa by agreeing to pay the sheikh of Sharjah an annual subsidy, and he seized the two Tunbs by military force, immediately following Britain's withdrawal.

This incident offended Iraq, however, which broke diplomatic relations with Iran as a result. Relations with Iraq remained strained until 1975, when Iran and Iraq signed the Algiers Agreement, under which Iraq acceded to Iran's long-standing demand for equal navigation rights in the Shatt al Arab (see Glossary), and the shah agreed to end support for the Kurdish rebellion in northern Iraq.

Tehran maintained generally good relations with the other Persian Gulf states. Iran signed agreements with Saudi Arabia and other Gulf states delimiting frontiers along the continental shelf in the Gulf, began cooperation and information sharing on security matters with Saudi Arabia, and encouraged closer cooperation among the newly independent Gulf sheikhdoms through the Gulf Cooperation Council.

To enhance Iran's role in the Persian Gulf, the shah expanded and provided additional equipment for the Iranian army, air force, and navy, using oil revenues to pay for the upgrades. His desire that Iran play the primary role in guaranteeing Gulf security in the aftermath of the British withdrawal coincided with President Richard M. Nixon's hopes for the region. In the Nixon Doctrine, enunciated in 1969, the U.S. president had expressed his preference that U.S. allies shoulder greater responsibility for regional security. During his 1972 visit to Iran, Nixon took the unprecedented step of allowing the shah to purchase any conventional weapon in the U.S. arsenal in quantities the shah believed necessary for Iran's defense. U.S.-Iranian military cooperation deepened when the shah allowed the United States to establish two listening posts in Iran to monitor Soviet ballistic missile launches and other military activity.

### **Renewed Opposition**

In the years that followed the riots of June 1963, there was little overt political opposition. The political parties that had been prominent from 1950 to 1963 were weakened by arrests, exile, and internal splits. Political repression continued, and it proved more difficult to articulate a coherent policy of opposi-

tion in a period of economic prosperity, foreign policy successes, and such reform measures as land distribution. Nonetheless, opposition parties were gradually reorganized, new groups committed to more violent forms of struggle were formed, and more radical Islamic ideologies were developed to revive and fuel the opposition movements. Both the Tudeh and the National Front underwent numerous splits and reorganizations. The Tudeh leadership remained abroad, and the party did not play a prominent role in Iran until after the Islamic Revolution. Of the National Front parties that managed to survive the post-1963 clampdown, the most prominent was the *Nehzat-e Azadi-ye Iran*, or the Iran Freedom Movement (IFM), led by Mehdi Bazargan. Bazargan worked to establish links between his movement and the moderate clerical opposition. Like others who looked to Islam as a vehicle for political mobilization, Bazargan was active in preaching the political pertinence of Islam to a younger generation of Iranians. Among the best-known thinkers associated with the IFM was Ali Shariati, who argued for an Islam committed to political struggle, social justice, and the cause of the deprived classes.

Khomeini, in exile in Iraq, continued to issue antigovernment statements, to attack the shah personally, and to organize supporters. In a series of lectures delivered to his students in An Najaf in 1969 and 1970 and later published in book form under the title of *Velayat-e Faqih* (Rule of the Islamic Jurist), he argued that monarchy was a form of government abhorrent to Islam, that true Muslims must strive for the establishment of an Islamic state, and that the leadership of the state belonged by right to the *faqih* (see Glossary), or Islamic jurist. A network of clerics worked for Khomeini in Iran, having returned from periods of imprisonment and exile to continue their activities. Increasing internal difficulties in the early 1970s gradually won Khomeini a growing number of followers.

In the meantime, some younger Iranians, disillusioned with what they perceived to be the ineffectiveness of legal opposition to the regime and attracted by the example of guerrilla movements in Cuba, Vietnam, and China, formed a number of underground groups committed to armed struggle against the regime. Most of these groups were uncovered and broken up by the security authorities, but two survived: the Fedayan (Fedayan-e Khalq, or People's Warriors) and the Mojahedin (Mojahedin-e Khalq, or People's Fighters). The Fedayan were Marxist in orientation, whereas the Mojahedin sought to find

in Islam the inspiration for an ideology of political struggle and economic radicalism. Nevertheless, both movements used similar tactics in attempting to overthrow the regime: attacks on police stations; bombing of U.S., British, and Israeli commercial or diplomatic offices; and assassination of Iranian security officers and U.S. military personnel stationed in Iran. In February 1971, the Fedayan launched the first major guerrilla action against the state: an armed attack on a post of the Imperial Iranian Gendarmerie (the internal security and border guard) at Siahkal in the Caspian forests of northern Iran. Several similar actions followed. A total of 341 members of these guerrilla movements died between 1971 and 1979 in armed confrontations with security forces, by execution or suicide, or while in the hands of their jailers. Many more served long terms in prison.

### **The Coming of the Revolution**

By late 1976, it was evident that the Iranian economy was in trouble. The shah's attempt to use Iran's vastly expanded oil revenues after 1973 for an unrealistically ambitious expansion of industry and infrastructure and a massive military buildup greatly strained Iran's human and institutional resources and caused severe economic and social dislocation. Widespread official corruption, rapidly increasing inflation, and a growing income gap between the wealthier and the poorer social strata fed public dissatisfaction.

In response, the government attempted to provide the working and middle classes with some immediate and tangible benefits of the country's new oil wealth. The government nationalized private secondary schools and community colleges, made secondary education free for all Iranians, started a free meal program in schools, and extended financial support to university students. It also reduced income taxes, inaugurated an ambitious health insurance plan, and accelerated implementation of a program introduced in 1972 under which industrialists were required to sell 49 percent of the shares of their companies to their employees. The programs were badly implemented, however, and did not adequately compensate for the deteriorating economic position of civil servants and the urban working class. To deal with inflation and soaring housing costs, the government adopted policies that appeared threatening to the propertied classes and to the people of the bazaars, businesspeople, and industrialists (see *Urban Society*, ch. 2).

For example, in an effort to bring down rents, municipalities were empowered to take over empty houses and apartments and to rent and administer them in place of the owners. In an effort to bring down prices in 1975 and 1976, the government declared a war on profiteers, arrested and fined thousands of shopkeepers and petty merchants, and sent two prominent industrialists into exile.

Moreover, by 1978 there were 60,000 foreigners in Iran—45,000 of them Americans—engaged in business or in military training and advisory missions. This foreign presence tended to intensify the perception that the shah's modernization program was threatening the society's Islamic and Iranian values and identity. Increasing political repression and the establishment of a one-party state in 1975 further alienated the educated classes.

Beginning in early 1977, the shah took a number of steps to counter both domestic and foreign criticism of Iran's human rights record. Amnesty International and other human rights organizations were drawing attention to mistreatment of political prisoners and violation of the rights of the accused in Iranian courts. U.S. president Jimmy Carter, who took office in January 1977, also was making an issue of human rights violations in countries associated with the United States. The shah released political prisoners and announced new regulations to protect the legal rights of civilians brought before military courts. In July the shah replaced Hoveyda, his prime minister of 12 years, with Jamshid Amuzegar, who had served for more than a decade in various cabinet posts. However, Amuzegar also became unpopular, as he attempted to slow the overheated economy with measures that, however necessary, triggered a downturn in employment and private-sector profits.

Leaders of the moderate opposition, professional groups, and the intelligentsia took advantage of the political opening allowed by the shah to organize and speak out. They addressed open letters to prominent officials demanding adherence to the constitution and restoration of basic freedoms. Lawyers, judges, university professors, and writers formed professional associations to press these demands. The National Front, the IFM, and other political groups resumed activity.

The protest movement took a new turn in January 1978, when a government-inspired article in *Ettelaat*, one of the country's leading newspapers, cast doubt on Khomeini's piety and suggested that he was a British agent. Senior clerics denounced



the article. Seminary students took to the streets in Qom and clashed with police, and a number of demonstrators were killed. On February 18, mosque services and demonstrations were held in several cities to honor those killed in the Qom demonstrations. In Tabriz these demonstrations turned violent, and it was two days before order could be restored. By the summer, riots and antigovernment demonstrations had swept dozens of towns and cities.

The cycle of protests that began in Qom and Tabriz in 1978 differed in nature, composition, and intent from the protests of the preceding year. The 1977 protests were primarily the work of middle-class intellectuals, lawyers, and secular politicians. They took the form of letters, resolutions, and declarations and were aimed at the restoration of constitutional rule. The protests that rocked Iranian cities in the first half of 1978, by contrast, were led by religious elements and were centered on mosques and religious events. They drew on traditional groups in the bazaar and the urban working class for support. The protesters used a form of calculated violence to achieve their ends, attacking and destroying carefully selected targets that represented objectionable features of the regime: nightclubs and cinemas, as symbols of moral corruption and the influence of Western culture; banks, as symbols of economic exploitation; offices of Rastakhiz (the party created by the shah in 1975 to run the one-party state) and police stations, as symbols of political repression. The protests, moreover, aimed at fundamental change: In slogans and leaflets, the protesters demanded the shah's removal, depicting Khomeini as their leader and an Islamic state as their ideal. From his exile in Iraq, Khomeini continued to urge further demonstrations, rejected compromise with the regime, and demanded the overthrow of the shah.

The government's position deteriorated further in August 1978, when more than 400 people died in a fire at the Rex Cinema in Abadan. The fire was started by religiously inclined students, but the opposition carefully cultivated a widespread conviction that it was the work of SAVAK agents. Following the Rex Cinema fire, the shah removed Amuzegar and named Jafar Sharif Emami prime minister. Sharif Emami, a former prime minister and a trusted royalist, had for many years served as president of the Senate. He eased press controls and permitted more open debate in the Majlis. He released a number of imprisoned clerics, revoked the imperial calendar, closed gam-

bling casinos, and obtained from the shah the dismissal from court and public office of members of the Baha'i faith, a religion to which the clerics strongly objected (see *Non-Muslim Minorities*, ch. 2). These measures, however, did not quell public protests. On September 4, more than 100,000 took part in the public prayers to mark the end of Ramazan (Ramadan), the Muslim fasting month. Growing antigovernment demonstrations continued for the next two days, taking on an increasingly radical tone. After the government declared martial law in Tehran and 11 other cities, troops fired into a crowd of demonstrators in Tehran's Jaleh Square. A large number of protesters, certainly many more than the official figure of 87, were killed. The day of the Jaleh Square shooting came to be known as "Black Friday." The shootings further radicalized the opposition movement and made compromise with the regime, even by the moderates, less likely.

Khomeini, expelled from Iraq, went to France in October and established his headquarters at Neauphle-le-Château, outside Paris. His arrival in France gave Khomeini and his movement exposure in the world press and media. It made possible easy telephone communication with lieutenants in Iran, thus permitting better coordination of the opposition movement. It also allowed Iranian political and religious leaders to visit him for direct consultations. One such visitor, National Front leader Karim Sanjabi, met with Khomeini in early November 1978 and issued a three-point statement that for the first time committed the National Front to the Khomeini demand for the deposition of the shah and the establishment of a "democratic and Islamic" government.

In September, workers in the public sector, including the oil industry, had begun striking on a large scale. Their demands for improved salaries and benefits quickly escalated into demands for changes in the political system. The unavailability of fuel oil and freight transport and shortages of raw materials resulting from a customs strike, meanwhile, led to a shutdown of most private-sector industries in November.

On November 5, after violent demonstrations in Tehran, the shah replaced Prime Minister Sharif Emami with General Gholam Reza Azhari, commander of the Imperial Guard. Addressing the nation for the first time in many months, the shah declared that he had heard the people's "revolutionary message," promised to correct past mistakes, and urged a period of quiet to permit promised reforms. Presumably to pla-

cate public opinion, the shah allowed the arrest of 132 former leaders and government officials, including former Prime Minister Hoveyda, an ex-chief of SAVAK, and several former cabinet ministers. He also ordered the release of more than 1,000 political prisoners, including a Khomeini associate, Ayatollah Hosain Ali Montazeri.

The appointment of Azhari as prime minister brought about a short-lived abatement of the strike fever, and oil production improved. Khomeini dismissed the shah's promises as worthless, however, and called for continued protests. The strikes resumed, virtually shutting down the government, and clashes between demonstrators and troops became a daily occurrence. On December 9 and 10, 1978, several hundred thousand persons participated in antiregime marches in Tehran and the provinces.

During December the shah finally began exploratory talks with members of the moderate opposition. Discussions with the National Front's Karim Sanjabi proved unfruitful; Sanjabi was bound by his agreement with Khomeini. At the end of December, another National Front leader, Shapour Bakhtiar, agreed to form a government on condition that the shah leave the country. Bakhtiar secured a vote of confidence from the two houses of the Majlis on January 3, 1979, and presented his cabinet to the shah three days later. The shah left the country on January 16. As his aircraft took off, celebrations broke out across the country.

## **The Bakhtiar Government**

Once installed as prime minister, Bakhtiar took several measures designed to appeal to elements in the opposition movement. He lifted restrictions on the press; the newspapers, on strike since November, resumed publication. He freed all remaining political prisoners and promised the dissolution of SAVAK, the lifting of martial law, and free elections. He announced Iran's withdrawal from CENTO, canceled arms orders worth US\$7 billion from the United States, and announced that Iran would no longer sell oil to South Africa or Israel. Although Bakhtiar won the qualified support of leading moderate clerics such as Ayatollah Kazem Shariatmadari, he did not win the support of Khomeini and the main opposition elements, who were now committed to ending the monarchy and establishing a new political order. The National Front expelled Bakhtiar, and Khomeini declared his government ille-

gal. Some normalcy returned to the bazaar, and oil production improved slightly in the wake of Bakhtiar's appointment. But strikes in both the public and private sectors and large-scale demonstrations against the government continued. When, on January 29, 1979, Khomeini called for a street "referendum" on the monarchy and the Bakhtiar government, there was a massive turnout.

Khomeini returned to Iran from Paris on February 1, received a rapturous welcome from millions of Iranians, and announced that he would "smash in the mouth of the Bakhtiar government." Khomeini established his headquarters in a girls' secondary school in Tehran, and the *komiteh-ye imam*, or the imam's committee (imam—see Glossary), coordinated opposition activity. On February 5, Khomeini named Mehdi Bazargan prime minister of a provisional government, reinforcing the conditions of dual authority that had characterized the closing days of the Pahlavi monarchy. In many large urban centers, local *komitehs* (revolutionary committees) had assumed responsibility for municipal functions, including neighborhood security and the distribution of such basic necessities as fuel oil. Government ministries and such services as the customs and mail service remained largely paralyzed. Bakhtiar's cabinet ministers proved unable to assert their authority or, in many instances, even to enter their offices. The loyalty of the armed forces was being seriously eroded by months of confrontation with protesters, and desertions were increasing. Clandestine contacts under way between Khomeini's representatives and a number of military commanders were being encouraged by U.S. ambassador William Sullivan, who had no confidence in the Bakhtiar government and believed that only an accommodation between the armed forces and the Khomeini camp could assure stability in Iran.

On February 8, uniformed airmen appeared at Khomeini's home and publicly pledged their allegiance to him. On February 9, air force technicians at the Doshan Tappeh Air Base outside Tehran mutinied. The next day, the air base arsenal was opened, and weapons were distributed to crowds outside. Over the next 24 hours, revolutionaries seized police barracks, prisons, and public buildings. On February 11, a group of 22 senior military commanders met and announced that the armed forces would observe neutrality in the confrontation between the government and the people. The army's withdrawal from the streets was tantamount to a withdrawal of sup-

port for the Bakhtiar government and acted as a trigger for a general uprising. By late afternoon on February 11, Bakhtiar was in hiding, and key points throughout the capital were in rebel hands. The Pahlavi monarchy had collapsed.

## **The Revolution**

### **Bazargan and the Provisional Government**

Mehdi Bazargan became the first prime minister of the revolutionary regime in February 1979. Bazargan, however, headed a government that controlled neither the country nor even its own bureaucratic apparatus. Central authority had broken down. Hundreds of semi-independent revolutionary committees, not answerable to central authority, were performing a variety of functions, both lawful and unlawful, in major cities and towns across the country. The committees policed neighborhoods in urban areas, guarded prisons and government buildings, made unauthorized arrests, served as execution squads of the revolutionary tribunals, intervened in labor-management disputes, and seized property. Factory workers, civil servants, white-collar employees, and students often were in control, demanding a say in running their organizations and choosing their chiefs. Governors, military commanders, and other officials appointed by the prime minister frequently were rejected by the lower ranks or local inhabitants. A range of political groups, from the far left to the far right, from secular to ultra-Islamic, were vying for political power and demanding immediate action from the prime minister. Clerics led by Ayatollah Mohammad Beheshti established the Islamic Republican Party (IRP), which emerged as the organ of the clerics around Khomeini and the major political organization in the country. Not to be outdone, followers of the more moderate senior cleric Shariatmadari established the Islamic People's Republican Party (IPRP), with a base in Azarbaijan Province, Shariatmadari's home province.

Multiple centers of authority emerged within the government. As the Leader, Khomeini did not consider himself to be bound by the government. He alone made policy pronouncements, named personal representatives to key government organizations, established new institutions, and announced decisions without consulting his prime minister. The prime minister had to share power with the Revolutionary Council, which Khomeini had established in January 1979. The cabinet