

The change of rulers in Iran

There is a story said to have circulated in Tehran recently about a meeting between the Shah and the Ayatollah Khomeini in 1963 after the riots which Khomeini had played a prominent part in stirring up. "I'll pay you \$25 million if you leave the country", said the Shah. To which Khomeini is supposed to have replied, "I'll give you \$50 million if you leave". In the event Khomeini was forced into exile for nothing. This time it's the Shah who has left, though no doubt with a lot more than \$50 million in his pockets. Of course no such conversation ever took place but the story does neatly illustrate that the social conflict in Iran was essentially between two sections of the propertied class there.

The Shah is the son of a jumped-up army officer who seized power in 1921 and had himself proclaimed Shah, or Emperor, a few years later. He came to the throne in 1941 when his father was deposed by the Allies for his pro-Axis sympathies but only acquired dictatorial powers in 1953 in a coup d'Etat which overthrew the nationalist Prime Minister, Mossadek, who in his day was the bugbear of the British press for having dared to nationalise the British-owned Persian oil industry.

Oil is of course the source of the immense wealth of the Shah and the section of the propertied class he represented. The payments which oil companies pay to the States where oil is produced are a form of ground-rent. The Iranian State receives this rent purely and simply because it happens to monopolise a part of the globe where oil is found. The Shah used this windfall, first, to build up the Iranian armed forces and, secondly, to introduce industrial capitalism into Iran. In doing so brought into being a new class of rich entrepreneurs independent on his State for the capital they invest.

But there already existed in Iran a class of wealthy people, the *bazari*, the merchants and traders of the bazaars which exist in all the big towns. The *bazari* existed long before oil was discovered and long before industrial capitalism was introduced. Their economic role in pre-capitalist Persia was to keep the towns supplied with food and other essentials, and this role still survives to a certain extent today although it has been severely reduced by the alternative commercial and banking network that has accompanied the coming of industrial capitalism.

The *bazari* have always been closely linked to the mullahs and ayatollahs, the priests of the Shi'ite sect of Islam to which most Persians formally belong. The mosque is generally situated in the bazaar area but, more important, the Shi'ite priests are financed by the various payments the merchants are required to make to them under Islamic law:

"The Shi'ite hierarchy, from the simple mullah to the ayatollah also collects a substantial tax, the *khoms* or 'fifth' which consists of taking one fifth of all commercial profits and, generally, on any capital gain as well as on the sale of lands belonging to Muslims to a person of another religion . . . The amount of the 'fifth' is in principle divided in two, one part is normally reserved for the destitute, on condition that they are *sayyeds*, that is descendants of the prophet. The other part is distributed amongst the mullahs and ayatollahs. These also have the right to a hidden tax, the *zahat*, which consists in asking every believer to dispose of any 'wheat, barley, dates, raisins' but also of any 'gold, silver, camels, sheep and cattle' which he does not really need. This *zahat* is what now permits the church to help a large number of strikers.

"But the Iranian Shi'ite hierarchy has access above all to the immense wealth of the *bazari* of all the

main towns of the country. For centuries, it has forged close links with this little business world, has given the blessing of Allah to certain transactions and has thrown all its weight against the secular power. When this latter became too demanding or when its desire to modernise the country became too restricting, the *bazari* knew that Shi'itism was behind them and were prepared to do anything for it" (*Républicain Lorrain*, 14/1/79).

Two Iranian economists writing in the December issue of the monthly *Le Monde Diplomatique* describe how the Shah's policy of developing an industrial capitalism in Iran adversely affected the *bazari* :

"After the 1953 coup d'état, the re-integration of the Iranian oil economy into the world market and the 'open doors' policy led to a change in the pattern of trade, exceeding more and more widely the organisational capabilities of the bazaar. The beginnings of an import-substitution industry afterwards aggravated the difficulties of the bazaar, which was excluded from the new circuit of exchange set up to serve the needs of the new industries. The traditional importing of consumer goods gave way to the importing of capital goods, and the quotas or duties adopted to protect the nascent industries heavily penalised the traditional activities of the bazaar."

They go on to note how this also hit the finances of the Shi'ite priesthood :

"This economic marginalisation of the bazaar is directly connected with the simultaneous weakening of the network for financing the 'clerical funds'; these, under the control of the religious leaders known for their moral integrity, receive and distribute various forms of Islamic taxes and alms . . . Today, the inflow of money into these funds controlled by the progressive or combative ayatollahs bears witness to the extent of the struggle of the traditional bourgeoisie against a new class linked to the interest of the multi-national firms. But, in the first phase of industrialisation, the weakening of the bazaar which has historically lived in symbiosis with the religious institutions (financing of clerical funds, legal-religious framework for contracts) considerably reduced the socio-economic effects of the redistribution which the latter assured."

The Ayatollah Khomeini first came into prominence in 1963 as the instigator of riots centred on the bazaars in Tehran and some other cities, riots which were ruthlessly crushed by the Shah's armed forces.

It can thus be seen that the conflict in Iran is not, as it is often pictured, between a Westernising ruler and a reactionary priesthood defending old-fashioned values. That particular conflict is only an ideological reflection of the more basic conflict of sectional interest within the Iranian propertied class, between the *bazari* and the new bourgeoisie brought into being by the Shah. Behind the condemnations on religious grounds of beer and mini-skirts (indeed of any kind of skirts) lies an earthly material interest.

For the time being, against the logic of history, the *bazari* seem to have come out on top. Through their links with the mullahs and ayatollahs they have been able to control the urban poor, including large sections of the working class, and to use their discontent as a battering ram to overthrow the Shah and his regime. The urban poor of course had plenty to be discontented about. Frequently recent migrants from the countryside, they have been forced to live in disgusting housing

conditions, only finding employment, if at all, at starvation wages. Independent trade union activity has been banned and strikes crushed sometimes with loss of life. The notorious secret police, the SAVAK, with its omnipresent system of spies and its torture chambers, has been there to root out all opposition to the Shah's dictatorship.

It is sad that this discontent should have been directed by the mullahs to defend the sectional class interest of the bazari and towards the chimera of an "Islamic Republic". But there is a reason for this. The only opposition to the Shah that was able to survive the onslaughts of SAVAK was the bazaar, with its independent economic base, and the Shi'ite priesthood it financed. The mosques thus became the focus of opposition to the Shah, especially as the bulk of the urban poor are first-generation migrants from the countryside where religious sentiments are always stronger.

It now looks as if the people of Iran are to have an "Islamic Republic" inflicted on them. But whatever happens industrial capitalism has come to stay in Iran, whether or not the mullahs like it or what comes with it (consumption of alcohol, a certain freedom for women). The Koran, which originated in a pre-capitalist agricultural and trading society, may lay down rules as to how such a society should work – indeed its rules are merely the reflection of the way such a society did work – but capitalism cannot be run according to them.

What will probably happen is that after an initial attempt to put the clock back for the benefit of the bazari, religious thinkers will be found within the "Islamic Republic" to declare that industrial capitalism is not after all contrary to the Koran. This happened in Tunisia a few years after it got its independence from France, as reported by the old *News Chronicle* at the time (5/3/1960):

"Up to now, as in the rest of the Moslem world, Tunisia's life came almost to a standstill during Ramadan because of the dawn to dusk fast. In some cases production dropped 70 per cent. Bourguiba has not banned the fast outright. But he has stated firmly that fasting will not be accepted as an excuse for less work" (quoted in the *Socialist Standard*, April 1960)

As for the workers and peasants of Iran, they will rapidly find that they have just changed one set of rulers for another.

(*Socialist Standard*, March 1979).