HISTORICAL OBSTACLES TO THE DEVELOPMENT OF A BOURGEOISIE IN IRAN*

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I. ECONOMIC HISTORY AND EPOCHAL ANALYSIS

The processes of development in the "Third World" are of great concern to historical sociologists and economic historians. However, despite the great interest displayed by the founding fathers of sociology in the nineteenth century in similar questions, and despite their historical orientation and liking of historical periodization, present day sociologists tend to be uninterested in both this subject matter and this orientation. In this respect they have lagged behind economists interested in questions of development and economic historians.

Following in Marx & Weber's tradition of social-economic science the objective of this paper is to demonstrate the importance of historical analysis for a deeper understanding of the problem of economic development. From the outset the basic question will be the proper use of history to construct the historical processes of development both in the past and the future.

Historical sociology gives us a structural view of a total society and its historical development. It also directs us into the principle of historical specificity which should be taken as a guideline in understanding and explaining socio-economic phenomena and their development.

This principle of historical specificity, used as a rule of inquiry and reflection, leads to an analysis of the trends of a certain era as well as to the discovery of processes by which that era comes into being and is transformed into another. On exactly the same basis a model of the sub-stages of development of a specific society can be constructed. The advantage of following such a procedure is that it forestalls superficial and premature generalizations beyond the confines of a specific epoch, whilst at the same time, leaving the question of general theory of social

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change, open. Further, since from this theoretical perspective both thought and action are historically conditioned, we regard human nature and man's conceptualizations of the human condition (scientific as well as literary and philosophical) as specific to each era. Thus we are cautious of economic and sociological concepts of an unhistorical character.1

The division of Persian History into periods is a matter of controversy. A review of the relevant literature will reveal four different interpretations of the historical evidence.

The first of these consists of attempts made by Soviet Iranologists to divide the historical development of Persian society into four stages: primitive communes, slavery, feudalism and bourgeois society.2 Thus, according to this theory, the Median, Achaemenian and Parthian periods represent a typical stage of slavery.3 The Sasanid period is categorized as an incipient stage in the development of feudalism,4 the period of the caliphs as "underdeveloped feudalism" brought about by the expansion of the state lands;5 and in the Seljuq period we witness the growth of feudalism proper.6 The Mongol invasion is dubbed as a stage of "nomadic feudalism."7 For the highly centralized state system created in Persia under the Safavids, the term "centralized feudalism" is used,8 whilst the nineteenth century is thought to be a period of the disintegration of feudalism in a situation of Western penetration.9 Finally, the present century's history is interpreted and analyzed in terms of the rise of a "national and dependent bourgeoisie."

Although, the Soviet historians have illuminated the area of Persian History, their preconceived theoretical commitments distorted their portrayal of the course of historical developments in Persia. The existence of slavery and the ensuing stage of feudalism is doubtful, and the Soviet historians have been unable to verify the unilinear theory of historical developments in Iran.

Consequently they have been unable to substantiate the development of slavery and feudalism from the standpoint of the specificities of social and economic formation in those eras.10

A second approach has been introduced more recently by those who have attempted to revive Marx's concept of an "Asiatic mode of production." According to this view the early tribal communities of the Orient (together with a few other societies) bypassed the stages of slavery and feudalism and developed into "Asiatic societies." For Marx this type of social system exhibited special characteristics. Of the relationship between town and country he said:

"Asiatic society is a kind of undifferentiated unity of town and country (the large city, properly, must be regarded merely as a princely camp, superimposed on the real economic structure)."11
He also pointed out that, in the vast dry territories of the East, the need for water works, irrigation systems and other large-scale communal facilities creates a superior central organization and gives rise to a historical stage in which overall unity suspends itself over real communal unity and in which, as a consequence, private ownership of the means of production is absent.12

Wittfogel, whose Oriental Despotism revived the issue after nearly a century, focuses almost completely on the question of the vital role of the water supply in the Orient. Working on the basis of Marx's theory of Asiatic society and Max Weber's ideal type of oriental patrimonialism, he has formulated three overlapping key concepts, "hydraulic civilization," "agromanagerial society," and "oriental despotism"; however the weakness of this attempt lies in the fact that, instead of undertaking a research on Persian history, Wittfogel has rather casually cited examples from the work of other historians to support his conclusions.13

The third and fourth interpretations consist of, on the one hand, the work of those scholars who claim that the socio-economic system of the East more or less resembles that of the feudal West,14 and on the other hand those who stress the differences between the feudal system and Persia's historical institutions.15 These latter stress the differences between the urban structures of Persia and the West, or the expansion of trade and the growth of a money economy or the persistent and important element of bureaucracy and the bureaucratic nature of land tenure in Persian society. Whilst the former are close, in some respects, to the views of Soviet historians, those who hold the latter view come close to the analyses of Wittfogel, Marx and Weber.

Of all the various schools of thought it is those who see the structural differences between the pre-modern history of Persia and the pre-modern history of the West who are most aware of the historical obstacles to the development of a modern bourgeoisie in that country. Both Marx and Weber were acutely concerned with this problem. For Marx,

"The Asiatic form necessarily survives longest and most stubbornly. This is due to the fundamental principle on which it is based, that is, that the individual does not become independent of the community, that the circle of production is self-sustaining, unity of agriculture and craft manufacture, etc."16 Thus the theoretical absence of property in Asiatic society masks the tribal or communal property which is its real base. Asiatic systems may be "centralized or decentralized, more despotic or more democratic in form, and variously organized. Where such small community units exist as part of a larger unity, they may devote part of their surplus product to pay the costs of the larger community, i.e., for war, religious worship, ... irrigation, ... communication."17

The closed nature and undifferentiated unity of agriculture and craft means that the cities of the Asiatic epoch hardly belong to the real economic structure, expanding "only where the location is particularly favourable to external trade, or where the ruler and
his sattars change their revenue (surplus product) against labour, which they expend as labour funds."18 Marx concludes that the Asiatic system resists disintegration and economic evolution more stubbornly than any other historical system because its characteristics "make it resistant to disintegration and economic evolution, until wrecked by the external force of capitalism."19

In Weber's view, patrimonialism, particularly in its oriental manifestation, differs in several significant aspects from the pure type of western feudalism.

"Patrimonial government is an extension of the ruler's household in which the relation between the ruler and his officials remains on the basis of paternal authority and filial dependence. Feudal government replaces the paternal relationship by a contractually fixed fealty on the basis of knightly militarism."20 It is in this respect that Weber makes his sharp distinction between the "Fief" and the "Benefice." The former predominated in the Occident and the latter in the Orient. Whereas feudalism gave rise to a consolidation of the feudal nobility amongst the fief holders, oriental patrimonialism meant that the landed notables could not develop into a cohesive social class. The feudal ruler was more bound by the rules of tradition and the power and status of the nobility, whereas in the patrimonial regimes the arbitrary decision of the despot prevailed. Weber is in agreement with Marx that, in this situation the emergence of a bourgeoisie and the development of modern capitalism is severely obstructed even though a strongly centralized, patrimonial regime is often dependent on trade. The reason lies in the fact that "in the hands of the chief and the members of his administrative staff. "21 Further, "under the dominance of a patrimonial regime only certain types of capitalism are able to develop. It leaves room for a certain amount of capitalist mercantile trade, for capitalistic organization of tax farming, and the sale and lease of offices, for the provision of supplies for the state, for the financing of wars and, under certain circumstances, capitalistic plantations and other enterprises."22 The main historical obstacles to the development of a bourgeoisie under patrimonial regimes according to Weber are a "traditional attitude to economic activities," "arbitrariness in financial activities" and the lack of "a basis for the calculability of obligations and of the extent of freedom which will be allowed to private acquisitive activity."23 Moreover, "insofar as productive enterprises are directly administered by the governing group itself, the development of capitalism is thereby directly obstructed."24

But let us turn from general interpretative models to the specific historical characteristics of Persian society. These can be listed as follows:

a) The superimposition of a traditional bureaucratic machinery (patrimonial and Asiatic) over the real economic structure of the urban, rural and tribal communities. These were operated from the town or "princely camps" of the Asiatic "patrimonial ruler" and his staff.

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b) The result of this first feature was that a traditional bureaucratic capitalism and bureaucratic landlordism developed.

c) It seems that the coexistence of the trichotomous social system of urban, rural and tribal communities, had important consequences for each individual system and for the social system as a whole.

d) The fluctuation of the whole social system between centralization and decentralization. Centralization was always advocated by powerful shahs and their bureaucrats who constituted an important stratum in the machinery of despotic domination and who had an idealized view of centralized government. During such periods of strength on the part of the political center huge public works such as the construction of roads, irrigation systems, caravanserais and so on were undertaken. Moreover there was a tendency towards the development of bureaucratic capitalism and the expansion of state lands.

e) The lack of western type of aristocracy, and the dispersion of the landed nobility.

f) The arbitrary rule of the despot over every group and strata of the society.

g) The peculiar structure of numerous urban communities, and the existence of money economy and traditional capitalism.

Following these characteristics we can now cite three important objective obstacles to the growth of an independent western type of bourgeoisie in Iran. Firstly, the rise of strong shahs and a centralized political authority meant that capitalistic activities became dependent on the state and the ruling group. Secondly, the existence of powerful tribal groups, the frequency of tribal invasions and the dominance of the tribes in the countryside during times of weakness on the part of the central power, inhibited the growth of stable commercial activities. Thirdly, colonial penetration, followed by the decline of the traditional bourgeoisie and the asnâf, gave rise to a "dependent bourgeoisie."

The period selected for this study stretches from the age of the Safavids to the modern era. The Safavid period is of significance for various reasons. It is contemporary with the colonial expansion of Europe; it is a typical period of Asiatic patrimonial despotism; it evidences the growth of trade, industry and bureaucratic capitalism, and is considered as the period of the unification and revitalization of Persia; and finally, in a sense, it is considered as the golden age of the shi'ite ulamâ and the agents of trade and industry. Following the Safavids we witness a typical period of tribal chaos and the fall of trades and crafts.

The Qâjâr period is important because it shows the collapse and disintegration of an Asiatic patrimonial system in a situation of colonial penetration. The Reza Shah period evidences several serious attempts in the revival of the Asiatic patrimonial system, which fails to achieve total success. More recently there has been rapid growth of bourgeois activities. However, the forces of history are still at work, the patrimonial nature of political domination over the whole society obstructs the development of a modern bourgeoisie in Iran.

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II. THE GROWTH OF TRADITIONAL CAPITALISM AND ASIATIC PATRIMONIAL DESPOTISM UNDER THE SAFAVIDS

The founders of the Safavid dynasty were the charismatic leaders of the Sufi and Shi'ite sects, the major carriers of their charismatic orders being the Turkom tribes—the Qezelbâsh.25 The routinization of charismatic domination was realized in the establishment of the Safavid dynasty and was in accordance with the material and ideal interests of the tribal rulers.26 It is in this sense that "the beginning of the dynasty can be represented, not inaccurately, as a third wave of the eastwards movement of the Turcomans."27 Thus the Qezelbâsh amirs were the major ruling elements throughout the sixteenth century.28

However, at the turn of the century, the foundations of power were partly transformed to the patrimonial staffs of Shah Abbâs I and his successors. In this way the centralized Asiatic patrimonial domination of the Safavids was established.29 The members of this dynasty—particularly Abbas I—changed the land appropriation policy to minimize a quasi-feudal tendency which had been increased by granting the soyurghâl in the previous period.30 They limited the appropriation of the new soyurghâl and attempted to set back the appropriation of toyûl to the original temporary bureaucratic nature of eqṭā of the earlier period. Following this policy the state lands, the crown lands, and the waqf lands were expanded at the expense of the soyurghâl and private lands.31 Consequently, the bureaucratic network and the functional significance of its members increased rapidly—again particularly under Shah Abbâs I.32

This monarch utilized all the familiar methods of Oriental despots to establish a situation of total power in his territory.33 He leveled the aristocracy, in order to unify the kingdom. He crushed the Qezelbâsh troops, the old families and the clergy, by recruiting Georgian slaves who were baseless in the country and were his own personal dependents.34 Chardin says "il n'y a point de noblesse en Perse, non plus que dans tout l'Orient, et l'on n'y proprement qu'aux charges, aux dignités, au mérite extraordinaire, et particulièrement aux richesses."35

The patrimonial recruitment of the staff and its development is manifested in a list of high officials under Shah Tahmâsb and Shah Abbâs I, presented in the Alam Ārâ-ve Abbâsi,36 and under Shah Safi presented in the Khold-e Barin.37 During the time of Shah Ismâil and Shah Tahmâsb, high officials were recruited from the tribal ruling families who constituted the foundation of the patrimonial authority. However, under the despotic rule of Shah Abbâs I, new developments toward the consolidation of political domination took place. Patrimonial recruitment of the amirs surpassed that of the tribal khâns and also included the amirs who were ghâlûns (slaves) of the court.38 Minorsky concludes that "consequently 20 per cent of the high administration had passed to new elements owing their rise not to their origin but to personal merit and the confidence of the Shah...these important
statistics reflect the situation at the death of Shah Abbās I (A.D. 1619) who so profoundly changed the foundation of Safavid power. Under his grandson Shah Safi the changes go still deeper.40

Further, under Shah Abbās, the system of army recruitment was changed; he "diminished the number of tribal forces and side by side with them created new troops, armed with up-to-date weapons and fully dependent on the central government."41 His army was comprised of 44,000 permanent troops raised and paid by himself, and 77,000 of the old tribal forces. The amirs of the new troops were appointed from the Georgian and Armenian slaves of a Private Household distinguished by devotion to His Majesty.42

To summarize, he created a strong army from the non-tribal population, reduced the power of the tribal leaders, split up and resettled some, and consolidated central administration. As a result a traditional "bureaucratic landlordism"43 and a traditional "bureaucratic capitalism" became highly developed. The theoretical absence of property was utilized in order to extend an iron control over the basic means of production in the rural, tribal, and urban communities. Together with his amire he superimposed his bureaucratic machinery over the real economic structure of these communities and ruled from the cities which were his "princely camps."

Following from his major economic policy of establishing an Asiatic patrimonial type of state capitalism, Shah Abbās created a network of state controlled system of commerce and industry. He commenced certain monopolies and royal industries and protected local industry and trade through various measures. The construction of roads, caravanserais, official postal services, and customs houses were instrumental in his policy. The amirs were responsible for providing all facilities and for protecting the caravans against the raids and lootings of gunmen; otherwise they were compelled to compensate for stolen merchandise.44

The foreign economic policy of Shah Abbās was to encourage European countries to buy Persian manufactures and raw materials on the one hand, and to re-open the trade routes between the East and West through Persia on the other. He sent commercial envoys to France, England, the Netherlands, and Denmark and began active political and commercial relations with these countries at the turn of the sixteenth century. He gave concessions to Dutch and British companies to increase their trade with Persia and to expand the export of Persian manufactures and raw materials to Europe and the Far East.45

To prevent the flight of liquid resources from the country he encouraged his people to pray at the tomb of Imam Rezā in Mashhad and prohibited them from going to Mecca. He also set a firm rule against the Banyans, a group of Hindu money dealers, whose activities were disastrous to the Isfahān economy.46

In this period exports comprised silks, brocades, carpets, camel wool, some precious stones, tobacco and dried fruits.
The most important article was silk whose yearly export amounted to 22,000 bales, each weighing 276 pounds.47 Imports consisted of copper, steel, musical instruments, curtain, velvet, paper trays, gold, silver and coins.48

The import of the last item reveals that at the time the balance of trade was in Persia's favor although the money collected by the royal treasury was hoarded and hardly ever appeared in circulation. This predisposition was also exhibited by the rich money dealers and merchants.49 The general rise of prosperity stimulated the growth of the cities of the kingdom, but only in the central areas. Since it was Abbās the Great's policy to develop the central cities at the expense of the conquered areas it was mainly the cities that were the favorites of the shah which benefited.50 The most important cities during this period were Isfahān, Tabriz, Kāshān, Yazd, Bandar Abbās, Hamedān, Qazvin, Mashhad, Ardebil and Bāvironsh.51

Among them, Isfahān, Tabriz and Kāshān were of the utmost importance. All travelers to Kāshān reported its prosperity and commercial significance. G. Duckett who "went up to Kāshān in 1573 reported it to be a town that consisteth altogether of merchandis, and the best trade of all the land is there, beyng greatly frequented by the merchants of India."52 J. Cartwright called it in 1600 "the very magazeen and warehouse of all the Persian cities for stufes."53 Sir T. Herbert in 1627 said, "This noble city is in comparison not less than York or Norwich, about 4,000 families being accounted in here."54 The population of Tabriz at this period was estimated to be 550,000. It contained 15,000 houses, 15,000 shops, 250 mosques and 300 caravanserais. "These are the fairest Basaars that are in any place of Asia, ...their vast extent, ...their largeness, ...and the vast quantities of merchandise with which they are filled."55

Isfahān, the new capital city was reconstructed under Shah Abbās I. It had been for centuries, the most famous industrial and commercial city in Persia. Nāser Khosrow, the celebrated traveler who visited the city in 1052, reports that "the money dealers have a special bazaar in which 200 of them are working."56 In this period it was the most active industrial city in the whole country and its bazaar expanded rapidly. As it was the center of patrimonial capitalism many state controlled monopolies and industries were located there. The population of Isfahān increased from 80,000 in the late sixteenth century to 600,000 in the middle of the seventeenth century.57

The structure of urban community in this period consisted of the shah at the peak, his family, his staff, the tribal chiefs and the ulamā who together constructed the ruling class. The middle rank Bureaucrats come next. The prosperous merchants and large manufacturers, the craftsmen, and finally the lumpenproletarians are respectively located in the downward hierarchy of the urban social and economic class system.58

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Trades and crafts were developed concomitantly with the expansion of the cities in the century. Various strata of artisans, loosely organized into the numerous senfs, were highly active in the cities of central Iran in general and in Isfahān in particular. The fact that the historical sources of the period talk more than the previous ones about the asnāf is not accidental. For their functional significance was elevated in the context of patrimonial domination.59

Each senf consisted of the loosely differentiated ranks of ostād kār, khāllīf, and shāgerd. The senf had to certify the technical competence of the ostād kār, and a special ceremony was held for the announcement of the ostādī. Each had an elective ra‘īs, who had to be officially recognized by the city authorities. In general, the people of every neighborhood, village and senf elected a person amongst themselves and granted him a certificate and a salary. Then the nāqīb (deputy town chief) stamped the document, and finally the kalāntār (town chief) issued an official certificate for him. The elected and recognized ra‘īs was the representative of the association for meeting the economic needs of government.60

The asnāf had the right of administering their internal affairs, but they were subjected to the supervision of the city authorities. The ostāds of each senf had their own meetings.61 In the first three months of the year the kalāntār would hold a meeting with all the ra‘īses at his house, where he assigned the share of the total taxes to be paid by each collectivity. Some of the asnāf paid their taxes in cash and others in kind (the produced commodities).62

There was no autonomous municipality in this period. The head of the city or kalāntār was appointed by the shah. He was rarely appointed from the merchants, the only exception being the kalāntār of Jolfā who was elected from amongst the prosperous Armenian traders of the town.63

Asnāf had a close relationship with the Haydary and Ndmatal-lāhī Dervishes who were highly influential in Persian cities in the seventeenth and eighteenth centuries.64

We may conclude that trades and crafts were subject, like the Byzantine guilds and the Mamlūk asnāf, to rigorous external state control. Though internally more democratic and loosely organized, the asnāf were not like their counterparts in the West, spontaneous and autonomous corporations. The kadkhodā or the head of the senf was appointed to his position by the shah or kalāntār of the town. On his election he had to be recognized by the dependent city authorities. He administered his senf by the help of rish sefīds whose intermediary position caused them to consider the interest of merchants and craftsmen; but they were not the spokesmen of their independent interests against the huge and powerful Asiatic patrimonial machinery. The shah and kalāntars through their mohtasebs, or market supervisors in the bazaars, firmly controlled the daily activities of the asnāf.65
The asnāf combined their economic function with political, social and religious ones and could benefit from a certain amount of corporal autonomy. However, the Asiatic authority used the kadkhodās and rīsh sefīds by assigning the administrative and tax collecting positions to them, and thus created serious barriers to the independent development of the asnāf. Although the asnāf played an important role in the social and economic life of the city, they had no voice in the machinery of the Asiatic type of power system and in the life of the country as a whole.

The main function of the kadkhodās was tax collecting and calling on the craftsmen to do corvées for the shah. As Minorsky says "they possessed elected representatives but the latter competence seems to have been rather restricted except in the case when they had to call up their guildsmen for carrying out corvées for the King." Those guilds which were exempt from these corvées had to pay a levy called kharāj-e pādeshāh. The construction workers were exploited the most. They had to build palaces for the king and the amirs without receiving any pay, and usually during the corvée activities had to live at their own expense.

The prosperous traders, as in other Islamic cities, were rich, powerful and esteemed people. They were supported by the shah and his amirs who utilized them for their commercial enterprise. They were active as wholesalers, international traders, brokers, money dealers and so on. Although they advanced their wealth, power and status in this period, they found themselves in all of their activities intimately linked and subordinated to the Asiatic patrimonial domination. Shah Abbās I and his bureaucratic agents established a firm control over property, labor and materials. Consequently, the prosperous traders functioned as the shah's semi-bureaucrat agents. Shah Abbās established a registration office in each of the major caravanserais to keep a record of all commercial transactions through his official agents: the ġaravānsarādārs.

Shah Abbās selected a chief from the merchants and appointed him as rās al-tojār to act as a liaison for their banking, diplomatic, and fiscal duties to the state.

Shah Abbās monopolized the silk trade through firm state control. The state monopoly agents collected the silk from the provinces and stored them in the state warehouses, to supply the raw materials for state factories and to sell the surplus in foreign markets. The merchants who were engaged in the silk trade were all the agents of the state. Shah Abbās appointed the Armenians of Jolfā as the silk traders whose function was similar to that of Karimi spice traders in Mamluk's state in the cities of Egypt and Syria during the same period. The Armenian silk traders expanded their commercial activities into the other items of commerce and were sent to the foreign countries as official envoys. They expanded their trade to the West as well as to the East. They also functioned as state bankers and money dealers in the Bazaar of Isfahān. The Armenians of Isfahān usually traveled to the foreign lands and traded with the liquid wealth of the state or that of the ruling class elements.
Shah Abбās, the royal family and his amirs gave direct employment to the Armenians because of their extensive manufacturing and trading activities. About 60 *nouveaux riches* existed amongst the Armenian merchants who accumulated from 60,000 to 200,000 tomans in cash. 

The state installed the largest factories in the country. There were about 32 royal workshops with approximately 150 workers each. The annual expenditure of the workshops was approximately 350,000 tomans. This was the largest enterprise in the whole country and the total expenditure approximated to half of the royal revenues. These state manufactories produced silk and wool carpets, wool and cotton materials, velvet and brocades. They also produced the best copper handicrafts, watches, china, leather and guns. They were in a good position to export Persian goods to the European countries.

As Minorsky says "the Shahs are now the largest capitalists; they amass goods in their Buвūtāt, they attract and court European merchants, they use their Armenian subjects as their trading agents for disposing of the chief exportable commodity, namely silk." Although economic conditions flourished in Persia and all the historical sources evidence the growth of traditional capitalism during the rise of centralized patrimonial domination, and the country was able to resist the European colonial forces at the incipient stage of their expansion, the total situation was not favorable for the development of an independent bourgeoisie and ensuing modern capitalism in Persia. The trichotomy of urban, rural and tribal communities with the superimposition of the oriental patrimonial authority over the real economic structure of all three community types, and their undifferentiated unity created serious barriers to set in motion structural conflicts and dissolution of the whole system and its evolution toward the other societal type.

Traditional attitude of the patrimonial staff and the traders, the non-rational practice of hoarding by treasury and money dealers, and disposition toward the luxurious standard of living and ensuing corruption set strict limits to the development of rational economic activities, modern capitalism and a western-type bourgeoisie in Iran. These conditions, prevented the sustained growth of traditional capitalism as well. Minorsky casts doubt on the expansion of capitalist enterprise and says "the amount of Persian trade could not be called vast." The fall of Safavids and ensuing tribal chaos is an example of the situation which impedes the development of trade and industry.

When oghā Mohamed Khān rose to power, total chaos and insecurity was predominant throughout the country. The tribal leaders "had become accustomed to revolt and plunder, and were reluctant to submit to any kind of authority; the countryside had been ruined by repeated pillage. Security on the roads was virtually non-existent and commerce had greatly declined."
III. TRADE AND INDUSTRY IN A SITUATION OF WESTERN PENETRATION

The Asiatic system of Persian society and its ruling class surrendered to the West's colonial power and to its ensuing penetration in the middle of the nineteenth century. After the Iranian-Russian War of 1828, the ill-fated military expedition to Harat in 1855, and finally, the Anglo-Iranian War in 1856, Persia lost its independence and moved into a semi-colonial situation in the modern world.

This peculiar type of "contact" between the West and Persia took place through the process of western penetration and through direct contacts between western agents, i.e., the representatives of the colonial ruling class and power elite on the one hand, and the major Persian structural forces on the other. The peculiarity of this total situation is due to the rivalry of the two great powers in maintaining the collapsing political community in Persia. Moreover, the rulers were forced to accept a policy of balancing irresistible pressures within the new situation. As a result Persia did not enter into a formal colonial situation but survived as a buffer state between the expanding Russian appetite for the South and the British policy of the defense of India. Following their so-called "special interest" the two colonial powers arrived at a general agreement to divide the country into their zones of influence.78

The rivalry of the two powers intensified during the last quarter of the nineteenth century and their political goals merged with economic ones. This new economic policy is what Dr. Keddie has judiciously called "concession-hunting" by the two powers in Persia. "In general, concession-hunting in Iran was a game of speculators and adventurers, out for quick profits, whose wits were matched against those of wily courtiers and the shah, who equally wanted as little trouble as possible."79

Britain's principle objectives in this period were to establish and expand British trade, and to defend her possessions in India. The main goal of Russia was "to extend her territorial possessions as far into Persia as was feasible, while laying the foundations for a contest with Great Britain for the commercial and political domination of Persia.80

The major economic concessions may be summarized as follows:

A maximum 5 per cent customs duty for imported goods was extended to other European countries under the "most favored nation" clause of the treaty with Russia. Immunity from road tolls and internal transit taxes which were collected from Persian merchants was given to foreigners. A comprehensive country-wide monopoly of railway construction, mining, and banking was given to a British subject, Baron de Reuter. A concession given to Britain to orna-
nize the Imperial Bank of Persia with a monopoly in issuing currency and another to Russia to establish the Bannue d'Iscompte, an agency of the Russian Ministry of Finance which functioned as a political instrument. A railroad concession from Jolfa to Tabriz, and a Caspian Sea fisheries monopoly were granted to Russia. A British subject obtained a tobacco concession and another the D'Arcy concession. Persia also received loans with disastrous conditions, in various forms, from the two powers and finally, granted the right of capitu-
lation to the colonial powers.81

Although the total power of the shah in relation to the powerful tribal chiefs and the agents of the colonial powers dimi-
ished, his absolute power and that of his ruling elements over traders and craftsmen remained intact. The shah still behaved as an Asiatic despot with an absolute right resulting from the Asiatic patrimonial principle that everything--the land, the people and their property--were his possessions. "The Shah is thus, in fact, the government--the nation. All are his servants--his slaves; to be raised into his affluence and favour at his pleasure, to be degraded and destroyed at his caprice, without remonstrance or appeal."82 Thus the atmosphere of autonomous commercial activities which existed in the medieval European towns and which contributed to the precapita-
list formation of a bourgeoisie was conspicuously lacking in Persia.

This situation of total power discouraged the British bour-
geoisie--the investors and merchants--from riskmg their lives and fortunes in Persia. The British government pressed Nāser al-Din Shah for a life and property decree. Finally the shah announced an impor-
tant proclamation which was drafted by Amin al-Soltān with Wolf's assistance on 22nd May 1888. The life and property decree is of utmost significance, because it is a leading idea of the Western bourgeoisie and was instituted to protect British traders and inves-
tors.83 Ostensibly it was not the Persian bourgeoisie who benefited from this proclamation, but British adventurers.

British endeavors for the so-called purpose of "strengthening" Persia were designed to make her resist Russian pressures and attract British speculators and adventurers to step into the Persian economy. Contrary to the assertions of the British authorities and Salisbury's statement in his note to the Lord of Commissioners of the Treasury in 1889,84 British economic activities were neither intended for the independent economic development of Persia, nor as a latent func-
tion did they have such a consequence. Russian and British economic activities in Persia, though fruitful in the dissolution of Asiatic society, were disastrous for the independent economic development of this country.

The history of Persia in the nineteenth century evidences the mounting economic interest and commercial activities of the two
colonial powers. The act of 1889 which established consular control over British subjects in Persia was "the natural outgrowth of the increasing numbers of British subjects who resided in Persia as a result of the banking activities, the opening of Kârûn, the operation of telegraph lines, and the mining explorations."

The increasing economic interests of Russia and Britain in Persia gave rise to the growth of commercial activities in the colony and its economy to the orbit of nineteenth century colonial expansion. However, the growth of economic activities in Persian cities was of specific type and had paramount consequences. While in the early nineteenth century the commerce of the country was very limited in its extent and balance of trade was in favor of Persia, and while we can find some manufactured goods among the articles of export, the situation was reversed at the turn of the century.

"In fifteen years from 1873 to 1883, the value of the imports and exports of Bushire increased by about 5,000,000 rupees. In a period of ten years from 1878 to 1888, the trade of Bandar Abas increased to a similar extent. In 1874 the customs of Bushire were closed to 40,000 tomans, in 1889 for 99,000 tomans, in 1874 those of Bandar Abas for 30,000 tomans, in 1889 for 53,000 tomans, in 1874 those of Lingah for 6,500 tomans, in 1889 for 12,000 tomans. This growth is by no means exhausted, but that of the total value of Anglo-Indo-Persian trade by the Gulf may be expected to attain much larger dimensions in the future." The exports from Persia to Russia and the imports from Russia were estimated at about 1,164,960 pounds and 881,920 pounds respectively in 1889, which shows a rapid increase compared to the early nineteenth century.

Though British trade with Persia increased in the late nineteenth century and in the early twentieth century it did not exceed half of the Russo-Persian trade. Over half of the foreign trade was in the hands of Russian firms; British agencies had only one quarter of the foreign trade in the early twentieth century. Regarding the balance of trade in this period, it is not in favor of Persia in general and in trade with Britain and India in particular. In the early twentieth century the exports of Persia to England and to India were approximately one fifth of its imports from those areas. Henry-René D'Allemagne reports in 1907 the mounting increase in Persia's foreign trade with the total import of 200,153,000 and export of 162,153,000 francs.

The growth of trade in the late nineteenth century gave rise to an increase in the urban population in the commercial cities of Persia and the capital city of Tehran. The population of Tehran doubled in the second half of the nineteenth century.
According to E'temad al-Saltane, 2,000 miles of roads, 100,000 shops, and 600 caravanserais were constructed during the reign of Nāser al-Dīn Shah.92

Western penetration, which was achieved through colonial policy and superior technology, destroyed the Persian manufactories which were important during the Safavid period. As a result European manufactured goods superseded Persian local products on the one hand, and the export of raw materials replaced that of manufactured materials on the other. The nineteenth century evidences the decay of industrial activities in the cities of Isfahān, Kāshān, Tabriz, Yazd, Kermān and Mashhad.93

Flandin who visited Kāshān in 1840 reports that the import of British materials has destroyed the large factories of Kāshān. The practice of dumping which is possible for large foreign traders who have local tax immunities and low customs duties has systematically caused the decadence of Persian industry.94 Isfahān which was famous in manufactured materials is now the consumer of “manufactured cotton goods, almost wholly from Manchester and Glasgow.” And “of the exports whose value and bulk are both greatly inferior to the imports, the principles are: opium, tobacco, cotton, almonds and rice.”95

Curzon reports that in Yazd “Silk weaving was formerly the chief local industry, the mulberry being cultivated in great abundance in the neighborhood; and as many as 1,800 factories, employing some 9,000 hands, were in the middle of the present century engaged in the business. This has however declined, and its place has been taken... by the cultivation of the poppy, 2,000 chests of the opium extracted from which are now said to leave Yazd annually.”96 He also points out that “In the middle ages Kermān possessed a great reputation for the manufacture of arms; but this, like that of Meshed is a thing of the past.”97

Not only were the traditional manufactories destroyed in the new situation, but the various attempts of the independent Persian bourgeoisie to establish themselves failed for two basic reasons. Firstly the resistance of the Asiatic type of social, economic and political order with all the impeding factors of the Safavid period, and without its advantages. Secondly, there was the intervention of the colonial powers on behalf of their bourgeois elements. Two major examples of genuine endeavor amongst the Persian bourgeoisie for independent growth are the establishment of new factories and the creation of a local and national banking enterprise.

Jamāl-Zāde reports that 30 major factories which were installed in the later Qājār period were closed partially due to the intervention and competition of the foreign companies.98 For example, a modern sugar cane factory, which was installed in 1899 by Amin al-Dowlo, and whose products were of better quality than Russian sugar, finally went bankrupt as a result of Russian dumping practices.99

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Another example is the failure of Persian money dealers and traders to establish an independent local and national banking system in their country. Persian money dealers were active in local markets up to 1888. The Imperial Bank of Persia, which had the monopoly of issuing currency and other concessions, concomitant with the activities of the Banque d'Escompte, an agency of the Russian Ministry of Finance, dominated the money market of Persia and limited the activities of the local money dealers. Persian money dealers and traders made several attempts to organize independent banks but failed due to the imposing power of the two colonial banks. The failure of Persian bourgeoisie to create the National Bank of Iran at the time of the first majles is a dramatic story. Moreover, five other relatively large corporations failed due to the same reasons. The growth of trade, the decay of local manufactures and the failure of independent bourgeoisie gave rise to the emergence of a dependent bourgeoisie in the late Qajar period. Powerful foreign firms opened up their offices or appointed representatives in the major commercial cities of Persia in this period. Curzon reports that six large British firms were active in the British zone of influence. "A good deal of trade is done by native merchants; but the bulk of mercantile transactions passed through the hands of what may indisputably be described as English firms, whose activity here is in pleasing contrast with the apathy that has been displayed in other parts of Central Asia." Consequently many prosperous Persian traders were converted into the agents of Russian and British commercial firms and lost their independence. The predominance of the two colonial banks over the Persian money market, the apathy of the Asiatic rulers toward the local bourgeoisie elements in a situation of decentralized patrimonialism, and the intervention of the two powers to protect the interest of their traders and investors, forced Persian traders to work with the foreign firms to survive.

One of the important characteristics of the bourgeoisie in this period is their tendency to seek land ownership in order to achieve status and power. The sale of state lands and crown lands, in a period, gave them an opportunity to invest their liquid funds in land. This should be taken as another obstacle to the development of an industrial bourgeoisie in Persia.

The Constitutional Revolution of 1905, which was a quasi-bourgeois movement, was partially due to accumulated discontents amongst the Persian traditional bourgeoisie and the petty-bourgeoisie in this period. However, it was defeated in a society in which the particular Asiatic patrimonial system and strong tribal forces were predominant. In the first majles the ideas of revolution were still in the air and its active elements were in the foreground. Thus, 22 per cent of deputies represented the petty-bourgeoisie and 15 per cent represented the mercantile-bourgeoisie, while the landlords constituted only 8 per cent of the total representations. In the second majles the petty-bourgeoisie was moved out from the scene, forever. The portion of mercantile-bourgeoisie also gradually declined in the Qajar period of majles life.

To epitomize the major developments in this period we may say that both bureaucratic landlordism and bureaucratic capitalism
collapsed during the Qājār period. Finally the abolition of toyul by the first majles transformed the administrative nature of land tenure into the institution of private property. All the advantages of the Asiatic system of total power for the growth of trade and industry in the Safavid period were absent, whilst all its disadvantages for the rise of an independent bourgeoisie were present. The rapid growth of the trade and the failure of traditional manufactures and the independent bourgeoisie gave rise to the emergence of the dependent bourgeoisie on the one hand, and increasing petty-bourgeois activities in trade, diminishing the importance of the industrial petty-bourgeoisie, on the other.

IV. THE REVIVAL OF CENTRALIZED ORIENTAL PATRIMONIALISM AND STATE CAPITALISM IN THE REZA SHAH PERIOD

The reign of Reza Shah may be divided into two phases, the first lasting from the coup d'état of 1921 and his coronation in 1925 to 1930, and the second from 1931 to 1941. He revitalized the Asiatic system of power in the former period and established state capitalism in the latter. It was in the second period that the difficulties arising from the world depression and the foreign trade problems made the shah fulfill his Asiatic patrimonial mission by extending state intervention in all facets of the economic life of the country. We may find a good statement on his policy in the following official remarks which mask and rationalize 30 centuries' tradition of patrimonial intervention in economic enterprise: "The weakness and incapability of individual initiatives which has been proved since the World War, has forced all countries to abandon the laissez-faire policy and compelled all governments to take an active part in the economic life of their countries. Our country has also followed this universal trend, and the government of Iran has directly or indirectly controlled 33 per cent of the imports and 49 per cent of the exports through the state monopolies." However, we should notice the hiatus between the planned economic policy following the Great Depression in the sphere of western legal-rational domination and the state controlled economy in the sphere of arbitrary and non-rational authority of the Persian patrimonialism.

Serious action in this direction was set in motion by a law declaring a monopoly on foreign trade in 1930,110 which was supplemented in 1932 and partially revised in 1936 and 1941. Following this direction the government created 17 companies by 1935 for the implementation of the law. Consequently the state controlled the major part of foreign trade and possessed the largest trading companies in the country. It also acquired an increasing degree of central control over the financial affairs of the country, and the volume of state financial activities grew rapidly, particularly in the second phase of Reza Shah’s reign. For example, the estimated state revenue in 1924 was under 237 million rials, while it had rapidly risen to over 3,613 million rials in 1941.111 In April 1927, the majles passed a law for the establishment of the Bank-e Melli-ye Iran and the right of issuing notes was withdrawn from the Imperial
Bank and transferred to this bank, which functioned as a central state bank as well as a state commercial bank.112

Another state initiative in the Asiatic tradition was in road construction. Reža Shah raised the already active, Road Department into an independent Ministry of Roads in 1930. Road construction activities extended the carriage roads from 1,286 miles in 1921 to 16,000 miles in 1938.113 Several attempts such as tariff exemption for trucks and buses were also made to encourage the use of motor vehicles. The import of motor vehicles and spare parts increased four times from 1927 to 1936.114 There were about 25,000 motor vehicles in 1941 in Persia. However, the master project of the shah's transportation and communication program was the Trans-Iranian Railway. The project was carried out mainly by western contracting companies with the assistance of a few Persian companies.115 Finally, 850 miles of railway with the total cost of 2,552 million rials, which was raised by the tax on tea and sugar, were constructed in the latter period of the Reža Shah reign.116 As a result of these construction activities, a group of contractors emerged as a part of the Persian bourgeoisie. Over ten of the contracting companies of this period have survived up to the present time and are registered among the leading contractors.117

Serious attempts to industrialize the country were made in the period lasting from 1934 to 1940. Priority in these projects was given to light industries, largely to make Persia less dependent on imported goods. By 1941 about 200 plants that might be considered as industrial establishments existed in the country. Out of these, 30 large factories directly owned by the state were the largest establishments in their particular trades and some of them had a monopoly of production.118 Private enterprise was subordinated to the large establishments of the state and functioned under the firm control of the Ministry of Mines and Industry.

The total number of workers in these 200 plants may be estimated at 50,000 to 60,000. About 120 factories employed from 30 to 100 workers, about 10 had from 100 to 500, and some 15 large plants, including some of the textile factories in Isfahan and Tabriz had 500 to 1000 workers. The largest factories at this time were the state arsenal with 2,300 employees, and the state tobacco plant with 3,300. The most important industry was textiles, which employed half of the total industrial labor force. Consequently state-owned industry employed almost 40 per cent of the total workers in these factories and possessed 80 per cent of the largest plants. If we add the number of workers in the state owned railway system and mines, the percentage of government workers would rise to 60 per cent.

The most important state owned factories were sugar refineries, textile factories, cement plants, arsenals and tobacco factories. The total output of eight sugar refineries which started their operation from 1931 to 1937 increased from 2,300 tons of sugar cane in 1932 to 33,000 tons in 1940. Over 4,000 workers were employed in these plants. A cement plant started operation in 1934 and its total annual output increased from 25,000 tons in 1934 to
70,000 tons in 1940. The plant employed about 1,000 workers. The government installed four modern textile factories which started their operation from 1930 to 1937 and employed about 8,000 workers by 1940.

The most important area for private initiative was in textile industry. Some 20 large textile plants were created or extended in this period. These private factories employed about 35 per cent of the total industrial workers by 1940. The total number of wool spindles was increased from 2,000 in 1925 to 7,920 in 1930, and to 25,548 in 1940, and that of cotton spindles from 1,642 in 1921 to 16,142 in 1930, and to 200,000 in 1940. However, the spindles of the state owned factories are included for the period from 1930 to 1940.119

Regarding bureaucratic landlordism, the trend of its transformation into private landownership, which was begun during the earlier period, was intensified in this period. The institution of private landed property was well established and received a solid legal basis. The Shah himself confiscated a good portion of prosperous villages and became the largest landowner in the country. Although he demolished the power of tribal chiefs and large landowners and scorned their aristocratic tendencies in the "Asiatic" tradition, he strengthened and established the institution of private landownership. Not only were 57 per cent of majles deputies, in this period, landowners (and half of the deputies who were also government employees were from this class), but the higher echelons of the military, the public bureaucracy, and successful businessmen were incorporated into the landowning class.120

As far as the development of the bourgeoisie in this period is concerned, we should examine various strata of this class. As we have already demonstrated, private initiative in the fields of banking, transportation, mining and construction was dominated by state activities and no strata of bourgeoisie developed in these areas. Although in the areas of trade and industry, state capitalism subordinated entrepreneurial initiative, the middle strata of bourgeois elements intensified their activities in these fields and grew in numbers and economic prosperity. In this period the hiatus between the traditional bourgeoisie who resided in the bazaar and the modernized elements who left the bazaar behind, physically or mentally, was intensified. The latter strata could easily work with bureaucratic elements and the western bourgeoisie. These strata supported Rezâ Shah’s regime and manifested eagerness for dependent bourgeois activities.121 While the industrial petty-bourgeoisie lost its functional importance in both periods, the petty-bourgeois traders grew rapidly.

V. A NOTE ON THE RECENT DEVELOPMENTS

In the recent period, which begins in the mid 1950's and continues to the present time, the resumption and rapid increase in
oil revenues which was followed by the growth of small industries, foreign capital investments, private banking enterprises, transportation firms, local and foreign trade, brought about a drastic structural change in the society. The social order and security, which were maintained by the use of absolute force in this period, were partially designed to attract both domestic and foreign capital for investment. Consequently, the modern bourgeoisie entered into the infantile stage of its development and grew rapidly within a decade. As regards state capitalism, by adopting the western capitalistic model for development, the major economic policy of the government became the development of private enterprise. However, a community of interest has been established between the higher echelons of bureaucracy and the economic elites. Without coalition with these elements, the wealthy bourgeoisie would lose its power and probably its prosperity.

Because the increasing oil revenue is instrumental in the maintenance of the absolute economic and political power of the government, the economic policy of the state, formulated by the modernized patrimonial staff has vital consequences for all sectors of private enterprise such as the support of local industries, the attraction of foreign investment and the allocation of money to the contractors.

We may epitomize the recent developments of the Persian bourgeoisie as follows:

a. The industrial bourgeoisie grew rapidly in this period. Private firms possess 12 large industrial establishments, each of which employs over 1,000 workers. The remaining 4 large factories of this type belong to the state.\textsuperscript{122} The number of commencement permits issued for industrial establishments increased rapidly from 55 permits in 1956 to 596 in 1965.\textsuperscript{123} There were over 300 private industrial companies which employed over 100 workers in 1963.\textsuperscript{124}

b. The industrial and mercantile dependent bourgeoisie has also developed in the past decade. The amount of foreign private investment increased from $414,313 in 1956 to $12,763,340 in 1966.\textsuperscript{125} In banking activities eight mixed banks were established by Persian and western investors with a total paid-up capital of $25,000,000 in this period. However, the main area in this respect is the oil industry.

c. In regard to banking, 10 private companies with a total paid-up capital of $12,400,000 were created in this period by leading economic and bureaucratic elites and have been highly successful in their enterprise. They usually utilize the former bureaucratic elite for their executive positions.\textsuperscript{126}

d. The number of contracting companies increased rapidly from 52 firms in 1953 to 500 in 1967 including 100 leading contractors who are either former bureaucratic elite members or who have a coalition with these elements.\textsuperscript{127}

e. Bourgeois activities in transportation enterprises also have shown rapid development in the past decade. Persian agencies of international airlines, a few boat lines and several large truck operating companies have been established. The number
of truck holding companies possessing more than 20 trucks has reached 50 firms including 10 companies which have over 100 trucks at the present time.128

We may conclude that the Persian bourgeoisie is still in its formative period. Though it has gained functional significance, wealth, prestige and power in the past decade, it is not an independent powerful force in this country and it is still dependent on the bureaucratic machinery which carries the burden of the centuries of "Asiatic" tradition of total power.

NOTES


10. See for example M.A. Khonji, "Tārikh-e Mād va Mansha-e Nazariye-ye Diakonov" (A Critique on Diakonov's "History of Media"), in Rāhne mā-yey Ketāb, Shahrivar-e 1346 (October 1967), appendix, pp. 1-36; also see A. Ashraf, "Nezām-e Asiā'i yā Nezām-e Feodālī" (Asiatic Society or Feudal System) in Jahān-e Now, 1946/1967, Nos. 5-12.


16. Marx, Pre-Capitalist Economic Formation, pp. 77-78.
17. Ibid., 33-34.
18. Ibid., p. 71.
19. Ibid., p. 38.
22. Ibid., p. 357.
23. Ibid., p. 355.
27. T.M., p. 188; see also Lambton, op. cit., p. 106; T.I., pp. 507-8.
30. The sovarghâl, which was granted under the Mongols and their successors, to some extent, like the "fief." However, the centralizing tendency already realized under Châzân Kân and Ahmad Aq-qoyunlû--the Safavid predecessors was contradictory to granting sovarghâl and limited its practice. Minorsky says "In the article on Ahmad Aq-qoyunlu completed in January 1942, Professor Petrushevsky used practically the same sources as myself and came to the same conclusions on the purport of the centralizing tendency of the government directed against the fief-holders." (V. Minorski, Iranica, Twenty Articles, Tehran, 1964, pp. 224-41); see also Petrushevsky, op. cit., pp. 72-74; Lambton, op. cit., pp. 197-211; T.I. pp. 469-75, 478-88.
33. T.I., pp. 543 and 556.
34. T.M., p. 16; T.I., pp. 551-6 & 581-90
37. Eḥbod-e Barin, Appendix to the Ālam Ārā, 1317/1939.
40. Ibid., p. 18. 41. Ibid., p. 30.
43. Under Abbās I and his successors a bureaucratic landlordism developed. In the expanding state lands and crown lands opium, tobacco, barley and fruits were cultivated. According to the authors of Tadhkirat-al-Mulūk and Olearius, the shah possessed the best and most numerous cattle in the land. See T.I. pp. 564-70.
44. See for example. T.I., pp. 551-6; R.Z. Safavi, Iran-e Eḵtēsādī (Economy of Iran), Vol. 2, Tehran, 1309/1930, p. 78; B. Pārizi, Jāz va Madd-e Sīyāsat va Eḵtēsād dar Āsr-e Safaviyye. (Fluc-
45. Safavi, Iran-e Eḵtēsādī, p. 61; T.M., pp. 19-20; Pārizi, op. cit., No. 2; T.I., pp. 551-6.
46. Chardin, Vol. IV, p. 64.
47. Ibid., p. 162; T.I., pp. 577-9.
51. Ibid., p. 373; Safavi, op. cit., pp. 74-5.
53. Ibid., p. 13.
60. According to Tadhkirat al-Mulūk, "the Kalāntar appointed the kadkhudās, contributed to the rereportation of taxes among the qullds, and the desiderata of the latter." (T.M., p. 148). See also E. Kaempfer, Amoenitatum exoticarum. Lemoviovae, 1712, p. 141; T.I., p. 571. In Weber's view *patrimonial rulers frequently resort to the organization of associations that are held collectively responsible for the performance of public duties...all village residents...qullds and other occupa-
tional associations are held jointly responsible...for the political and economic obligation of each." Max Weber: An Intellectual Portrait, op. cit., p. 337.
61. According to the author of Tadhkirat al-Muluk, "the guilds held some professional meetings, but Chardin, IV, p. 93, asserts that the guilds never met and that their organization was quite loose." (T.M. P. 148); the Soviet authors of Tārīkh-e Iran are in agreement with the former view. See T.I., p. 571.
62. Ibid., pp. 571-2.
63. Ibid., p. 572. However, Minorsky maintains that "Most probably both had to be chosen from among the local notables, though we know nothing of the system of their election," T.M., pp. 148-9.
64. T.I., p. 571. 65. T.M., p. 149.
66. Ibid., p. 20; Chardin, Vol. IV, p. 93.
67. Ibid., pp. 20-1; Chardin, Vol. VI, p. 119.
70. Chardin says that rā'is al-tojār existed in all the cities, (Chardin, Vol. V, p. 262 and T.M., p. 149). According to Minorsky "The T.M. says nothing about Malik at-tujār who probably was elected by the merchants themselves." (T.M., p. 149); Le Brun says "The chief of the merchants had to decide on mercantile proceedings and also inspected the weavers and the tailors of the court." (Cited in T.M., p. 149).
72. Minorsky says "in the absence of capitalistic industry, Safavid kings, similarly to their predecessors and contemporaries, had to secure production of certain necessaries and objects de-luxe at the work-shops of their own household. Many of these buyuṭāt were simply domestic departments, such as the kitchen, scullery, various stores, stables, kennels, etc.; there were, however, some buyuṭāt which were run like real state-owned manufactories. Our source mentions a weaving mill, two tailoring departments, the Mint consisting of seven departments, the Arsenal, etc." (T.H., p. 29).
74. See for example Safavi, op. cit., pp. 73-4.
81. J. Fraser, Historical and Descriptive Account of Persia, N.Y., 1834, p. 227.
83. See "Correspondence Respecting the Issue of a Decree by His Majesty the Shah of Persia for the Protection of Rights of Property in Persia," British Parliamentary Papers, CIX, 1888. (C. 5434).

84. See "Foreign Office to Treasury," 2 July 1889: F.O. 60150.

85. R. Greaves, op. cit. p. 175; see also "Foreign Office to Law Officers of the Crown," 7 May 1889 (F.O. 60/518), and Wolf to Salisbury, No. 3, Consular, 30 March 1889 (F.O. 60/518).

86. James Fraser estimated the total amount of exports and imports as about one million and a quarter sterling in the early Nineteenth Century, see J. Fraser, op. cit., p. 211.


89. Safavi, op. cit., p. 159.


92. Sani al-Douleh, Ma'amal al-Asar, Tehran, 1306/1888, p. 90.


96. Ibid., pp. 211-12. 97. Ibid., p. 245.


103. Ibid., p. 41.

104. K. Khosrovi, Bourgeoisie dar Iran, Tehran University, Memo. 1344/1965.


106. For an account on the collapse of state landlordism in this period see N. Keddie, "The Historical Obstacles to Agrarian Change in Iran," Claremont, 1960; See also Lambton, op. cit., pp. 152-6, 178.


109. As Professor Charles Issawi expounded on this matter in a session of the Conference we can understand the situation vertically and horizontally. He means by the former the historical forces at work and by the latter the contemporary necessities. The fact that the nature of political domination in this country has been the fusion of traditional patrimonialism and legal rational authority, since the Constitutional Revolution of 1905, may help us to understand the situation more deeply. However, I do believe that the forces of tradition have played an important part and consequently patrimonialism has assimilated the legal rational apparatus into its own frame work up to the present time. The fact that the government emphasizes
25 centuries of patrimonial domination for the legitimization of political authority is of utmost significance in understanding the situation from within.

110. Majmu′e-ye Qavānīn-e Kowzū′e (8th Majles), pp. 171-93.
111. Ibid., 5th, pp. 316-23, 12th, pp. 528-33.
112. See for example Bānk Melli Irān Bulletin from 1933 to 1940.
114. Ibid., p. 212. 115. Ibid., February 1933, p. 29.
116. Ibid., May 1940, pp. 82-91.
118. See for example Bānk Melli Irān Bulletins from 1933 to 1940.
119. The figures in this part are basically estimated from the following sources: Bānk Melli Irān Bulletins from 1933 to 1940; Āmār-e Amalkard-e Sanā′ye-e Omd-e Keshvar, Vezārat-e Kār, 1326/1947; Persia, in Geographical Handbook Series, London, 1945, pp. 457-64.
125. Central Bank, Unpublished. 126. Ibid.
128. Interview with the authorities of the Union of Truck Holders.
129. A research project on the recent developments of Persian Bourgeoisie is being carried out under the supervision of the author at the Institute for Social Research of Tehran University. The present paper is an historical background to this research.