

After Khomeini

The Iranian Second Republic

Anoushiravan Ehteshami



London and New York

tion, political groups and organisations have to comply with the principles laid down in the 1981 Parties Act. The Act does not of course allow the emergence of 'irresponsible' political organisations. The Act's 19 articles strive to obtain conformity rather than diversity. Article 1 categorically declares that political organisations must 'conform to the overall principles of the Islamic Republican system'. Article 14 of the Act states: 'Groups applying for permits must clearly state their allegiance to the Constitution of the Islamic Republic of Iran in their articles of association and manifestoes', and Article 15 warns, 'Any changes in the leadership, manifesto or articles of association of the groups must be announced to and reviewed by the committee stated in Article Ten'. The Act also reserves the right of the 'Article 10 committee' to dissolve organisations found to be functioning beyond the boundaries set by the state.

Freedom of association and political organisation outside the parameters already laid down in the Islamic Republic, it seems, would cause serious problems for the 'agenda' in Iran, and would ultimately result in challenges to the very legitimacy of the entire system. This is clearly not desirable in a republic which has to maintain a form of rule inherited from a revolutionary process, itself the 'child of more than one father' and lacking the guiding hand of Khomeini. Lack of 'diversity' in politics, furthermore, is utilised in the Islamic Republic to reinforce the uniformity of the system – despite the openly recognised and all-pervasive differences within its edifice.

As already stated, many of the above features of the Second Republic amount to a sharp departure for the Islamic Republic from its past (the first decade of its existence). But far from moving towards new horizons, much of the data indicates that the new regime is in fact moving back in time – albeit under a vastly different leadership and political system – to try and fulfil the policies and priorities pursued by Imperial Iran. Ultimately, without the war, a combination of geopolitical exigencies and Iran's position in the international division of labour have re-emerged to influence greatly the direction and tempo of future development of the Islamic Republic. As Abrahamian has observed, Ayatollah Khomeini's heirs 'no longer talk of land reform, income redistribution and nationalization of foreign trade . . . They talk less about social justice and the rights of the shantytown poor, and more about productivity, privatization, business incentives, managerial skills and free-market mechanisms' (Abrahamian 1991: 119).

3 The politics of power in post-Khomeini Iran

Machiavelli had a concept called the concept of *virtu*. The substance of this concept is that man can change his environment qualitatively, but depends upon two essential things and their meeting together. First, favourable circumstances, and then the leadership which is able to understand these circumstances, react instinctively with them, seize the favourable moments, and then act with determination to fulfil them. When these two characteristics meet, a qualitative change in the situation becomes possible.

(Hanna Batatu, in *Perspectives on the Middle East 1983*, Washington, DC: Middle East Institute, 1983)

As already discussed in chapter 2, the dismissal of Ayatollah Montazeri as the prospective leader of the Islamic Republic, and the crisis following the Salman Rushdie affair in the spring of 1989, helped to disguise a real trend towards the Second Republic, then in its embryonic state following the appointment of Hojjatoleslam Hashemi Rafsanjani as the Commander-in-Chief of the armed forces in June 1988 – only weeks before Iran's unconditional acceptance of SCR 598.

The loss of the 'moderate' Montazeri was interpreted by analysts as a blow to the pragmatic/realist line prevalent in Iran at that time, and the Rushdie affair was seen as a sign which marked the ascendancy of the radical elements within the Islamic Republic – in time to consolidate power before the Ayatollah's impending demise. Given the new agenda of the republic since Ayatollah Khomeini's death, an alternative presentation of these two events can be made, and one which can be regarded as advancing the cause of the pragmatists (or realists in relation to economic and foreign policy).

Far from weakening the hand of the realists, Ayatollah Montazeri's dismissal helped this loose grouping in two important ways. Firstly, it removed a potential source of political power against the Khamenei–Rafsanjani coalition *before* Khomeini's death, thus strengthening the general realist

platform in the medium term (i.e. after Khomeini's death), despite the short-term negative impact of losing a leading 'moderate' figure. Secondly, as the evidence in chapter 2 suggests, more ambitious realists may actually have been involved in the anti-Montazeri campaign, setting him up as the figure to draw the fire and venom of the hard-liners and other radicalist forces. Paradoxically, in this sense his political future was the sacrificial lamb that served to unite the leadership of the republic. In Ayatollah Montazeri's fall from grace all factions received a positive fillip to their own fortunes.

The pragmatists saw in his downfall their own rise to power in the medium term, and the 'radicals' interpreted the absence of Ayatollah Montazeri as a mortal blow to 'moderation' and an immediate gain for their own line. The Rushdie affair, on the other hand, can be regarded as an aftertaste – a shock reaction – to the pace of change in the Islamic Republic's foreign relations and its fast-changing domestic indicators of accepted political behaviour. Its medium-term impact, it must be noted, has been minimal, adversely affecting directly (for a short period) Tehran's relations with only one (non-Islamic) country, the United Kingdom. Domestically, the Rushdie affair did not affect the balance of forces, never instigating an inward rupture or indeed any contradictory outpouring of sentiments among the political elite.

THE REINS OF POWER IN POST-KHOMEINI IRAN

The almost totally smooth and steady transfer of all the important and decisive reins of power to the pragmatists after Ayatollah Khomeini's death has had profound implications for the regime. Hojjatoleslam Khamenei's designation as the Faqih, over the heads of many other very able and senior Ayatollahs on the one hand, and the election of Hojjatoleslam Hashemi Rafsanjani (the Speaker of the Majlis for the previous nine years) in August 1989 to the office of President on the other (a position held by Khamenei himself for the previous eight years), consolidated greatly the role of these two individuals in the post-Khomeini structure of power. The proposed constitutional amendments carried easily by the Majlis and the electorate (at the same time as the Presidential elections) put the necessary flesh on the skeleton of the 'new' republic.

As already stated, the loss to the presidency of the Prime Minister's portfolio can be seen as the most important structural change in the republican system of government in Iran. Other important amendments to the constitution, the creation of new centralised bodies (the Supreme Council of National Security, for instance) were to all intents and purposes new developments in post-Khomeini Iran. Ultimately, the changes in the republic's constitution typify the changes in the power structure of the regime and the distribution of institutional control, which are after all the essence of the Second Republic.

Certain qualifications, however, have to be borne in mind when speaking of the 'Second Republic', particularly in terms of the extent of continuity in the system. Many of the bureaucratic structures utilised and created by the post-Khomeini leadership are not significantly different from those of the First Republic, nor indeed very distinct from the Imperial state machinery created by decades of Pahlavi rule. The membership of the Expediency Council, for instance, was enlarged in the Second Republic from the original 13 to 20. Its new make-up is also somewhat different: according to the 1989 constitution the President chairs the council, the members of which are appointed by the Leader. In its current form, thus, the control of the council remains with the 'Leader-President' coalition. Despite the presence of Ahmad Khomeini, former Majlis Speaker Mehdi Karrubi, former PM Moussavi and former Prosecutor-General Mohammad Khoini'a as the Old Guard hard-liners and their counterweights in Rafsanjani and Ayatollah Yazdi and Mahdavi Kani in the council, it is clear that the 'institutional' appointments ensure a bias toward the realists' (or pragmatists') line. Constitutionally, besides the six Islamic jurisprudent members, the heads of the three branches of government and the Minister of the Interior, there will always be present the Cabinet Minister and the head of the Majlis committee concerned with the matter under discussion. It is notable also that Hojjatoleslam Mohtashemi (the former Interior Minister), regarded as one of the leaders of the Maktabi FIR faction, was not appointed a member of the Expediency Council when it was reconstituted by Ayatollah Khamenei.

Since the 1979 revolution the clerical establishment (estimated to number anything from 90,000 to 200,000) (Hiro 1985; Schahgaldian 1989) has formed the very heart of the regime, providing the state with one Prime Minister, three Presidents, four Majlis Speakers, two Faqihs and a host of other functionaries and officials (including the voting clerical 50 per cent membership of the Council of Guardians). The country's Ayatollahs (around 200 in number) are present in the most critical of institutions and bodies in the republic. Since 1989 the President, the Faqih, the Majlis Speaker, the Head of the Judiciary and Chairman of the Supreme Court have been clerics, some attaining office through selection (largely) by other clerics and others through popular elections. Thus individually and collectively the clerics have dominated the most crucial levers of power in the land. Despite their endemic factionalism (Behrooz 1991) they continue to form the backbone of post-Khomeini Islamic Republican Iran. One useful way of examining the balance of power in the republic between the various clerical factions and personalities is to draw a distinction between those who have power and those who enjoy authority. So, for instance, power is much more a politico-religious concept (the Faqih) in Iran, whereas authority can be seen to have purely religious roots embedded in the hierarchy of the Shii sect of Islam.

Despite the rather fragmented nature of power relations, today's Islamic order in Iran is built around two key institutions, the Leader (Rahbar) and the President. As shown in Table 1, these two pillars control much of the country's politico-religious and governmental machinery. Other state organs which are of significance in explaining the structure of power in post-Khomeini Iran are: the Council of Guardians, the Majlis, the Expediency Council, the Assembly of Experts, the head of the judiciary (the Chief Justice), the National Security Council, the Cabinet, the foundations, Friday prayer posts, membership of or access to the coercive machinery of the state, Islamic associations and 'unity' committees. (The relationship between the most important of these institutions was discussed in chapter 2.) Add to these religious rank and authority as another factor in the structure of power in modern Iran and you have a complex set of relationships which are in part based on personal contacts and authority, factional allegiances, kinship and marriage ties and a series of 'multi-directorships', and in part based on the authority derived from the office itself.

Table 1 Agencies of formal power in Iran

Agency	Year founded	Function
Faqih	1979	Spiritual leader
Executive Presidency	1989	Executive leader
Cabinet	1979	Control of Ministries
Assembly of Experts	1979	Nominate and choose the Faqih
Council of Guardians	1980	Ratify Majlis legislation and supervise elections
Majlis	1980	Approve government policy
Expediency Council	1987	Arbitrate between Majlis and CoG
Reconstruction Policy Making Council	1988	Formulate reconstruction policies
Head of Judiciary	1989	Oversees courts
Joint Chiefs of Staff	1991	Co-ordinate defence policy

Velayat-e Faqih

Though some authors view the power of the office of the Faqih as having been reduced since Ayatollah Khomeini's death – in the words of Bakhash, 'the standing of the office has already been much diminished, and this process of the declining office of the faqih could continue' (Bakhash 1993: 82) – constitutionally and practically the Leader's position remains the locus of power in the republic, around which are spun the other offices of the state. A position created and occupied by the leader of the revolution, the Faqih

system remains in place after the death of the patriarch as the embodiment of his Islamic Republic. The very basis of the legitimacy of the Islamic Republic is to be found in this doctrine and the system of power in modern Iran feeds from it.

In order to institutionalise the authority of post-Khomeini Faqihs and the principle of the Velayat-e Faqih system, the 1989 revised constitution enshrines the many informal levers of power that the late Ayatollah Khomeini himself controlled (Jahanpour 1990). As mentioned in chapter 2, the 1989 revised constitution deepened the influence of the Faqih in the system, adding substantially to his formal functions. The revised constitution states, for instance, that the President is accountable to the populace as well as the Faqih (in the 1979 constitution he was accountable only to the populace), that he must submit his resignation to the Faqih and, in the event of incapacity (and the unavailability of his first Vice-President), the Faqih is to appoint a new President.

The Faqih's role and responsibilities under the 1989 revised constitution can be summarised as follows (Behrouz 1989):

- 1 Supreme commander of the armed forces.
- 2 Determining the general policies of the IRI (in consultation with the Expediency Council).
- 3 Supervising the general implementation of agreed policies.
- 4 Ordering referenda.
- 5 Power to declare war and peace and general troop mobilisation.
- 6 Appointing and dismissing:
 - (a) Members of the Council of Guardians.
 - (b) Head of the judiciary.
 - (c) Director of radio and television networks.
 - (d) Chief of staff of the armed forces.
 - (e) Commander-in-Chief of the IRGC.
 - (f) Commander-in-Chief of the military and security forces.
- 7 Resolve differences and regulate relations among the three branches of the government.
- 8 Resolve, through the Expediency Council, problems which cannot be resolved by ordinary means.
- 9 Signing the decree naming the President after popular elections.
- 10 Impeaching the President for reasons of national interest pursuant to a verdict by the Supreme Court confirming his violation of his legal duties or a vote of no confidence by the Majlis.

Behrouz sees the 1989 revisions as not only centralising power within the system but also restricting the free hand of the leader by tying his most

important decisions to prior consultations with the Expediency Council: 'contrary to the past, he could not take a step outside the framework of the Constitution' (Behrouz 1989: 17).

The Faqih exercises power through four main avenues: (1) his private office, (2) his provincial representatives, (3) his representatives in national organisations and (4) as C-in-C of the armed forces. His private office provides him with intelligence and information about day-to-day matters, arranges his meetings, visits, etc., as well as keeping him informed of political developments at home. In 1991 he appointed Hojjatoleslam Mohammadi-Golpaygani to head his private office (one of his advisers since November 1989). The Leader's four advisers who form part of his private office include two military officers (Brigadier-General Hossein Hasani-Sa'di and Rear Admiral Mohammad H. Malekzadegan) and two clerics with the rank of Hojjatoleslam (Mohammad A. Tashkiri and the above-named).

Ayatollah Khamenei has 22 provincial representatives covering the length and breadth of Iran, thus representing the *horizontal* extent of his power. They are accountable to his office and report to him direct on developments in the provinces and the impact of government policies and major issues outside the capital. Ayatollah Khamenei kept on 16 of the late Ayatollah's appointees, some of whom had been in their post since the early days of the revolution (Jahanpour 1992). By keeping in service many of Ayatollah Khomeini's provincial representatives Ayatollah Khamenei not only managed to minimise antagonism against him in the provinces but enabled himself to plug into the late Faqih's extensive national network and thus carved a solid power base for himself on the foundations provided by the late Imam. Consistent with Ayatollah Khomeini's practice, almost all Ayatollah Khamenei's provincial representative appointments were clerics.

In addition to the 'horizontal' net of representatives, the Faqih, through his representatives in national organisations, keeps a *vertical* sphere of influence in the country as well. Ayatollah Khamenei has 23 representatives in national organisations, ranging from the various branches of the armed forces and the Pasdaran to a number of foundations, Islamic bodies (including the Hajj office) and civil organisations. The most important of his appointments in national organisations are: the Central Directorate of Mosque Affairs (Ayatollah Mohammad Reza Mahdavi Kani, the former Secretary-General of the pro-Rafsanjani Association of Combative Clergy), the media (Hojjatoleslam Mohsen Do'agu), the armed forces (including Pasdaran) (five representatives, all clerics) and the National Security Council (on which he has two representatives: Hojjatoleslams Ahmad Khomeini and Hasan F. Rouhani, also registered as President Rafsanjani's national security adviser) (Jahanpour 1992). Eighteen of the national representatives (including two in

the National Security Council) were clerical appointees (two Ayatollahs and 16 Hojjatoleslams).

The Faqih also appoints the secretariat and executive committee members of the Central Council of Friday Prayer Leaders, the organisation which supervises and directs the affairs of the Friday prayer leaders nationally, and through this council monitors, directs and, if need be, alters the tone and tenor of the national debate.

The executive President

President Rafsanjani is the first executive President of the republic and as such wields a great deal of power. He used this office to consolidate his position in post-Khomeini Iran and also to co-opt and neutralise 'many of his radical rivals by dropping them from the Cabinet and other important positions, or by appointing them to largely ceremonial posts and advisory positions lacking executive authority' (Bakhash 1993: 73). However, it would be incorrect to reduce his power base to this high office. Apart from being President, which enables him to choose the country's Ministers and direct the country's economic, political, foreign and public policies, he chairs the National Security Council (which formulates foreign policy as one of its many central functions), the Expediency Council, and a series of other executive councils. He is the executive branch's representative on the council of the three branches of government (the executive, the judiciary and the legislature), the First Deputy Speaker of the Assembly of Experts and Chairman of the influential Anti-Narcotics Headquarters.

The President is one of only three positions in the country which can rely on a national network (the other two being the Leader and the Head of the Judiciary's office). Apart from his nine or so deputies, Rafsanjani has control of the Presidential Bureau through which he maintains his organisational structure, and relies on a large body of 'presidential advisers' for support and policy direction. He has 19 advisers who offer him guidance and insights on a wide range of topics, including economic, foreign and international affairs, women's and social affairs. Through the country's 23 Ministries (until 1994) President Rafsanjani exercises his influence in the implementation of his administration's policies, but through his other posts he exercises direct power in formulating the republic's domestic and foreign policies. Each Ministry offers the President a unique window on the nation and its affairs. Of particular importance to the extent of his power and influence in post-Khomeini Iran are the Ministries of Foreign Affairs, Economics and Finance, Intelligence, Petroleum, Islamic Guidance and the Interior. His considerable personal skills ensure that he uses his office effectively and decisively.

Other institutional bases of power

The 12-member Council of Guardians, the 270-member Majlis, the 20-member (excluding the temporary members) Expediency Council, the 83-member Assembly of Experts, the head of the judiciary (the Chief Justice), who takes responsibility for the Minister of Justice, the 11-member National Security Council (Hojjatolislam Rouhani is counted twice, as the Secretary and as Khomeini's representative), the 23-member Cabinet, the various foundations, Friday prayer posts, membership of or access to the coercive machinery of the state, Islamic associations and 'unity' committees are the other institutions and offices from which power and influence can be derived.

The Council of Guardians, the Majlis and the Assembly of Experts represent direct paths to the inner circle of the elite; membership of these organisations in turn opens doors to some of the other key bodies. The complex relationship between the Council of Guardians, the Majlis, the Expediency Council, the Assembly of Experts and the Interior Ministry partly determine the membership make-up of these bodies, through which much of the power struggle between individuals, factions and lines of thought are conducted. Where membership of an institution is to be determined by the populace the vetting procedure, handled by one or more of the above bodies, can sometimes make or break factions and personalities. Ironically, the built-in checks and balances between these bodies, originally designed to prevent monopolisation of power by any one institution (or head of an institution), has in practice merely deepened the competitive nature of factionalism in Iran (Schahgaldian 1989). Headship of the powerful foundations in modern Iran of course would also provide individuals and factions with independent financial resources.

While membership of the other bodies mentioned above may not offer a direct route to the highest echelons of power, belonging to an institution with muscle usually enhances the careers of those who already have strong ties with the clerical establishment, and in turn reinforces the line coming out of the capital. Outside Tehran, being a governor (or working in the governor's office), head of the security forces (or a high-ranking officer in the security forces), a regional member of the Assembly of Experts, the Faqih's representative or being a Friday prayer leader cannot only enhance one's standing in the local community but also implement the will of those trying to dominate the centre and control the periphery.

The question of Marja'ayat is highly relevant to the struggle for power, if not the structure of power in post-Khomeini Iran, and has become more so with the death of a number of Grand Ayatollahs in recent years. While Ayatollah Khomeini was alive the Marja'a and the Faqih were embodied in one office – his. Through his doctrine the clergy became the main operators

of the state. With his death, and the subsequent appointment of a relatively junior cleric as the new Faqih, a dislocation emerged between the constitutional status of the Faqih and the traditional hierarchy and grid of the Shii system of rank and seniority. The diminishment of the ranks of the Ayatollah Ozmas, with the death of Shariatmadari, Khomeini, Khoi (in Najaf), Mar'ashi Najafi, and Golpaygani, had left only Grand Ayatollah Tabataba'i Qomi as the main religious figure with an established degree of seniority from before the revolution. The demise of three Grand Ayatollahs (Mar'ashi Najafi, Khoi and Golpaygani) so soon into the new Faqih's appointment caused a serious crisis for the post-Khomeini system, for it was this system which had sought to transform Shiism from 'a polycephalic faith to a unicephalic or monolithic one' (Milani 1992: 189).

Grand Ayatollah Golpaygani's death in December 1993 precipitated the crisis, which was deepened even further by the fact that his family refused to allow Ayatollah Khamenei to lead the funeral ceremonies, thus denying him the opportunity to choose the deceased's successor (Haeri 1994). The question of Marja'ayat affected Iran's position in three ways; firstly, it threatened to split the entire international Shia community; secondly, lack of unity in Tehran and Qom threatened to undermine the standing of the Iranian leadership within that community; and thirdly, it threatened to drive a wedge between the Iranians and their fellow Shii in the Arab world, particularly those in Iraq and Lebanon.

In Lebanon the issue divided Iran's closest ally, the Hezbollah, down the middle. Sheikh Fadlallah chose to back Ayatollah Mirza Ali Sistani of Najaf (a former student of Ayatollah Khoi) in the succession struggle, while the Lebanese movement's political leader, Hassan Nasrallah, gave his support to Ayatollah Khamenei (Haeri 1994). Fadlallah, along with Baqer Al-Hakim and Mohammad Shams Addin, signed the petition asking Khamenei to support Sistani's candidacy (*Issues* January 1994). In Iraq, too, Ayatollah Sistani was viewed as the front runner and the Iranian Shia were urged to facilitate the emergence of an Arab Marja'a in Najaf. Meanwhile, in Iran, a four-way race developed for the position of a single Marja'a-e Taqlid, between Ayatollah Araki (closest to Ayatollah Khomeini and who became the source of emulation for his followers after his death), Ayatollah Tabataba'i Qomi (Ayatollah Khamenei's former teacher), Ayatollah Montazeri (Ayatollah Khomeini's former chosen successor) and Ayatollah Mohammad Rouhani (based in Qom and a known opponent of Ayatollah Khomeini). Another player in this struggle was Ayatollah Shirazi, who tried to drum up support for his own candidacy among the Gulf Arab Shia population, but to no avail. Ayatollah Rouhani is supported by many Shia scholars in Iraq, Lebanon and Pakistan (*Nimrooz* 30 December 1993) and Ayatollah

Tabataba'i Qomi is followed by many Shia of Lebanon, Kuwait, Pakistan and the Eastern Province of Saudi Arabia (ibid.).

After failing to establish Ayatollah Khamenei as the new Marja'a, the Iranian leaders set about isolating both Ayatollahs Montazeri and Rouhani, and pressed for the recognition of Ayatollah Araki as the Marja'a, thus trying to ensure the continuity of the line within the Velayat-e Faqih system. Nevertheless, a division had become apparent between the government figures in Tehran, who demanded Ayatollah Khamenei's candidacy as the Marja'a, and the senior religious figures in Qom, who insisted that the Marja'aiyat should remain with the Qom theologians. The compromise solution was found in Khamenei's acceptance of the 107-year-old Ayatollah Araki as the source of emulation. This arrangement had two principal implications. First, it reinforced the chasm which had emerged within the Iranian theocracy since Ayatollah Khomeini's death: the existence of a Faqih (a constitutional position based on politico-religious authority) and an independent source of emulation for the Shii faithful. Second, it left the issue of the source of emulation for the non-Iranian Shii, particularly those in Iraq and Lebanon, and their demands for an Arab Marja'a conspicuously unresolved. With Khamenei in mind, religious figures (like Ayatollahs Yazdi and Meshkini) in Iran began emphasising the importance of political experience as an important quality of the Marja'a and called for a return to having the Faqih as the source of emulation for all Shii too (*Salam* 18 December 1993). The precedent for the supremacy of political over religious authority had been set by Ayatollah Khomeini himself when, shortly before his death, he drew attention to the importance of the former as the overriding quality of any future Faqih (Abrahamian 1993).

IRANIAN ELECTORAL POLITICS SINCE 1989

Majlis and the Cabinet: an analysis of the 1989 encounter

Hojjatolislam Rafsanjani was re-elected Speaker of the Majlis for the eighth consecutive time in June 1989 with 230 votes of the 241 deputies present in favour, one against and 10 abstentions, but was not to hold this post for long; he was to be elected as the first executive President of the Islamic Republic in July 1989, winning 13,468,355 out of the 14,192,802 votes cast (IRNA). As expected, all the members of President Rafsanjani's 1989 Cabinet of 22 (a new Ministry, the Ministry of Co-operatives, was created in January 1992, headed by the former Minister of Industry in the Moussavi Cabinet, Gholam Reza Shafei) received an unprecedented vote of confidence from the 261 Majlis deputies of the third Majlis present at the Majlis session in late August 1989, an experience which was not to be repeated in the fourth Majlis's

dealing with President Rafsanjani's second Cabinet of 1992. Ironically, the fourth Majlis was much more in tune with the President's agenda and had been 'purged' of many of the radical Maktabi elements by a combination of Guardian Council intervention and voter preferences.

Hojjatolislam Sobhanian had told the *Tehran Times* only a few days before the 1989 vote that 'all agreed that the proposed Ministers should get clearance from the Majlis' (*Tehran Times* 24 August 1989), despite the many reservations expressed by a number of deputies and the new Speaker (Rafsanjani's deputy, Hojjatolislam Mehdi Karrubi) himself. In a telling speech to the deputies the new Speaker pointed out that the Majlis still retained enough powers to monitor and scrutinise the activities of the Ministers and, if need be, dismiss them from their posts: 'our hands will not be tied if a Minister gets the vote', he said assuringly in his address (SWB, ME/0549, 31 August 1989).

Of the 22 appointments, 12 were new nominees, but had already served the Islamic Republic in other capacities. One feature of the 1989 Cabinet was its technocratic character, including many individuals with little, if any, Maktabi credentials. Indeed, a number of them had been engaged in political battles with the Maktabis for some years, most notably Mohsen Nourbakhsh (the former Governor of the Central Bank and a Tehran Majlis deputy, elected in 1988) and Iraj Fazel (the former Higher Education Minister). Both these individuals were to be absent from President Rafsanjani's 1993 Cabinet: the latter lost his job under Majlis pressure in January 1991 and the former was unable to win the Majlis's vote of confidence in 1993.

The general 'de-ideologisation' of executive power gained further momentum with such technocratic appointments, prompting many influential figures in Iran to dub President Rafsanjani's 1989 team the 'Cabinet of construction' (*Abrar* 30 August 1989; *Ettela'at* 30 August, 1 September 1989). Indeed, the strength of this trend was such that it was to distinguish the second Rafsanjani administration as an almost entirely technocratic one. The emphasis in 1993 was on the expertise, technical skills and administrative abilities of the Ministers and not on their 'Islamic virtues' and revolutionary zeal. As one scholar suggested, a consequence of the shift from Khomeini's 'Islamic totalitarianism' to Rafsanjani's 'pragmatic Islamism' would be the increasing likelihood of the 'progressive marginalization of the Islamic extremist groups' (Mozaffari 1993: 614). When introducing to the fourth Majlis his second choice to head the Economics and Finance Ministry, the qualities that the President emphasised were precisely technical competence and relevant qualifications: 'Under present circumstances he [Morteza Mohammad Khan] is the most suitable person for the post . . . He has a Master's degree in Economics, which is consistent with his duties, and his submitted

PhD is going through its final stages of approval' (*Kayhan Havai* 13 October 1993).

Table 2 The Cabinet and Majlis deputies' voting pattern, 29 August 1989

Name	Post	For	Against	Abstention	Total
I. Kalantari	Agriculture	186	53	20	259
A. Vahaji	Commerce (new)	147	93	18	258
G. Forouzesh	Construction Jihad	221	30	10	261
A. Torkan	Defence and Logistics (new)	242	10	9	261
M. Nourbakhsh	Economics and Finance (new)	195	43	19	257
M. A. Najafi	Education	160	86	12	258
B. Namdar-Zanganeh	Energy	245	5	7	257
A. A. Velayati	Foreign Affairs	213	35	10	258
I. Fazl	Health (new)	165	86	9	260
M. H. Nezhad- Hosseinian	Heavy Industries (new)	219	26	11	256
M. Mo'in	Higher Education (new)	237	14	6	257
S. Kazerouni	Housing	145	97	14	256
M. R. Nematzadeh	Industries (new)	217	28	12	257
A. Fallahiyan	Intelligence (new)	158	79	18	255
A. Nouri	Interior (new)	224	20	15	259
M. Khatami	Islamic Guidance	246	10	4	260
A. Shoushtari	Justice (new)	209	30	18	257
H. Kamali	Labour (new)	224	18	16	258
M. H. Mahloji	Mines and Metals (new)	150	85	22	257
G. Aqazadeh	Oil	231	18	10	259
M. Gharazi	Posts, Telegraphs and Telephone	230	16	11	257
M. Sa'edi-Kia	Roads and Transport	222	21	9	252

Source: Islamic Republic of Iran News Agency (IRNA) 30 August 1989.

Notes: 261 of the Majlis's 270 deputies were present on 29 August 1989. Ministers had to receive a minimum of 131 votes (half the deputies present plus one) for approval.

In so far as empirical interpretation is possible, the position of the seven most and least popular Cabinet Ministers in terms of Majlis voting patterns may throw some light on the relationship between the legislative and executive branches of government in the Second Republic. One feature of the 1989 Cabinet, highlighted in Table 2, was the balance between continuity and change sought by Rafsanjani. As the appointments themselves make clear, continuity was sought in the areas deemed important to the smooth functioning of the state and the reconstruction efforts of the government, most notably

Agriculture, Construction Jihad, Energy, Foreign Affairs, Oil, and general communications and transport Ministries. In terms of changes compared with the previous government, the replacement of statist from key Ministries such as Heavy Industries, Commerce, and Economics and Finance removed the potential barriers to the planned deregulation and liberalisation of the economy by the Rafsanjani administration.

Looking at Table 3, one is struck by the significant popularity gap that divided the Ministers most popular with the deputies from their least popular colleagues in 1989. Hojjatolislam Mohammad Khatami's (Islamic Guidance Minister) favourable vote of 246 contrasts sharply with that of Serajaddin Kazerouni's (Housing Minister) 145 votes – a difference of 101 votes. If we add the abstentions in each case to the negative vote cast in order to arrive at the true total negative vote, then Khatami's net pro vote would stand at 242, whereas Kazerouni's would be reduced sharply to stand at only 131, just on the 'pass mark' and 111 votes behind Khatami's score. The gap does narrow, however, as we approach the edges of each category.

Table 3 Seven most popular Cabinet Ministers, 1989

Minister	For	Against	Abstention
1 Khatami	246	10	4
2 Namdar-Zanganeh	245	5	7
3 Torkan (new)	242	10	9
4 Mo'in (new)	237	14	6
5 Aqazadeh	231	18	10
6 Gharazi	230	16	11
7 Nouri (new)	224	20	15
8 Kamali (new)	224	18	16

Table 4 provides details of the status of the least popular Ministers – those with the highest negative votes. Five of the new Ministers chosen by President Rafsanjani figure among the seven least popular Ministers, marking a substantial reservation by the Majlis of the nature of Rafsanjani's Cabinet. It is also noteworthy that a new clerical Cabinet Minister, Hojjatolislam Fallahiyan, appeared on the list of the seven least popular Ministers – appearing as the fifth least popular Minister in Table 4. As already noted, the least popular Minister as far as the Majlis was concerned was Kazerouni, although in terms of abstentions Kazerouni scores lowest among the seven Ministers. The least 'least popular' Minister (Nourbakhsh) in this categorisation does well overall, being only 29 votes behind the seventh 'most popular' Ministers category, Hojjatolislam Nouri and Hussein Kamali, a three-term member of the Majlis (1981–9) and Chairman of its labour and employment affairs committee.

In addition, it can be observed from Table 4 that the seven 'least popular'

Table 4 Seven least popular Cabinet Ministers, 1989

Minister	Against	For	Abstention
1 Kazerouni	97	145	14
2 Vahaji (new)	93	147	18
3 Najafi	86	160	12
3 Fazel (new)	86	165	9
4 Mahloji (new)	85	150	22
5 Fallahiyan (new)	79	158	18
6 Kalantari	53	186	20
7 Nourbakhsh (new)	43	195	19

Ministers also recorded fairly high abstention votes. The addition of the 'abstention' votes to the ones 'against', therefore, would record a greater net loss for this category than it would for the 'most popular' tier of the Cabinet. As Table 5 shows, an average of 11–13 (ranging from 14 to 22) votes can be subtracted from each Minister's score in the 'least popular' category (Table 4) in order to arrive at their 'true' popularity/unpopularity rate.

Thirdly, seven of the 12 new appointments appear on the highest absten-

Table 5 Seven Cabinet Ministers with greatest number of abstentions, 1989

Minister	Abstention	Against	For
1 Mahloji (new)	22	85	150
2 Kalantari	20	53	186
3 Nourbakhsh (new)	19	43	195
4 Vahaji (new)	18	93	147
4 Fallahiyan (new)	18	79	158
4 Shoshtari (new)	18	30	209
5 Kamali (new)	16	18	224
6 Nouri (new)	15	20	224
7 Kazerouni	14	97	145

tion rate data. This pattern of voting could be interpreted as a warning to the President. Indeed, this voting pattern served as the most effective and least destabilising way of registering dissent by the third Majlis deputies. Bearing in mind the balance of power in post-Khomeini Iran, short of an outright rejection vote against President Rafsanjani's first Cabinet, the deputies seem to have chosen to challenge his executive authority in the least damaging style by raising doubts over the 'new' portion of the Rafsanjani Cabinet.

In comparison with the harsh treatment by the Majlis of the Moussavi

government's proposed Ministerial appointments (never approving his Cabinet appointments outright in the eight years of its existence), the 'radical' third Majlis gave the new President and his new powers explicit support, particularly as none of Rafsanjani's appointments received a vote of no confidence.

As the abstention voting pattern in Table 5 shows, however, the efforts of the President and his allies were unsuccessful in creating full and unconditional support for the Rafsanjani mandate. Therefore a potent source of trouble to the new leaders remained. If we were to reinterpret the figures, the total negative vote (abstentions plus negative votes) could be said to show that the Majlis's rejection of the Cabinet (realistically set at about one-sixth of the proposed Cabinet) would rise to an unacceptable proportion engulfing nearly one-third of the Rafsanjani Cabinet. In other words, some 50 MPs out of 261 present in the chamber consistently opposed the Cabinet nominations.

As the secret ballot prevents us from empirically examining the voting pattern of each deputy, the speeches and the relative consistency in the abstention figures would suggest that a hard core of the deputies objected to the 1989 Rafsanjani Cabinet. Yet as a whole the majority of the deputies supported the Rafsanjani Cabinet. One interpretation of the Majlis's approval of the Cabinet was the implicit recognition that without Rafsanjani's guidance the serious divisions among the ranks of the clergy (over the social, ideological, cultural, political and economic life of the country) could lead to irreparable splits in the unique mosque-state structures of the Islamic Republic.

As a final point on the popularity ratings, it is perhaps a sign of the times that while the most popular Cabinet Minister was a cleric, he still received more total negative votes (14) than his nearest rival, a non-cleric *kolahi* individual, with only 12 negative votes. In the 'least popular' category also a cleric is found whose total negative vote stands at 87 – about one-third of the Majlis voters. In essence, therefore, exactly one-third of the third Majlis did not approve of the appointment of a new cleric, Hojjatoleslam Fallahiyan, to the Cabinet. By contrast, though never ranking as one of the 'most popular' Cabinet nominations (not being among the top eight) in 1993, nonetheless Fallahiyan is not by any means one of the least popular Ministers, receiving only 51 total negative votes from the fourth Majlis.

The key appointment

In an analysis of the emerging power structures of the Second Republic a study of the make-up of the executive President's Cabinet is particularly important. A key appointment in the 1989 administration was that of the Interior Minister, not only because of the individual appointed but also

because of the personality who was replaced, the leading radical opponent of the President's policies, Hojjatoleslam Mohtashemi. This notable absence from the 1989 Cabinet, despite the letter of some 130 Majlis deputies to the President calling for the reinstatement of Mohtashemi only weeks before the Majlis vote, is significant in so far as it is an indication of the changing balance of power amongst the influential clerics in post-Khomeini Iran. The tussle between the President and the Majlis over the position of Mohtashemi was eventually settled in Rafsanjani's favour, as the Majlis's voting pattern in August 1989 in favour of Hojjatoleslam Abdullah Nouri illustrates. In the end, the third Majlis did give its support to President Rafsanjani's chosen Interior Minister: 224 of the deputies supported Nouri's appointment as the new Interior Minister in the Cabinet. He received 20 votes against and 15 abstentions, a total negative vote of only 35. By contrast, Hussein Kamali, who was also seventh on the 'most popular' list, accumulated a total of 34 negative votes.

Although in relative terms he remained the most unpopular Minister of the top seven in 1989, compared with Mohtashemi's performance in the 1985 Majlis vote of confidence, Nouri's score was much better; out of 258 votes cast in the October 1985, Mohtashemi received 163 votes in favour and 32 against, with 63 abstentions, a total negative vote of 95 – nearly three times Nouri's in 1989.

Nouri's key role in the Second Republic did provide the perspective for appreciating the need for replacing Mohtashemi as the Interior Minister in the new Rafsanjani line-up. Although something of a hard-liner by the standards of the rest of the 1989 Cabinet, Nouri had been moving up fast to become a senior member of the Cabinet. On the one hand the Ministry he headed provided the 'Leader-President' faction with two important advantages. Firstly, direct access to the provinces outside the mosque network; and, secondly, the most efficient instrument for implementing policy and gauging national public opinion on both policy and security matters.

On the other hand, Nouri's appointment as the chairman of the newly created National Security Council, which, according to the 1989 constitutional changes, not only formulates and co-ordinates national security and defence policies but also directs the republic's political programme, brought the commanding heights of the state's political and politico-military structures under the direct control of the Cabinet. Furthermore, Nouri's role as Ayatollah Khomeini's representative to the Guards from early 1989 had helped his career. Through Nouri's appointment as the Interior Minister, Rafsanjani attempted to maintain a support base – albeit indirectly – in the Pasdaran, at the same time as appeasing the militant and armed hard-liners of the regime (with whom Nouri was said to maintain contacts). The latent support from the IRGC could have become crucial for the President, particu-

larly since formal control of the armed forces, the post of C-in-C, was returned to the Supreme Leader soon after the transfer of the constitutional duties of the Faqih to Ayatollah Khamenei.

The elections to the fourth Majlis

The Council of Guardians announced on 1 April 1992 that just over 1,000 of the 3,150 hopeful MPs had been barred from standing for parliament, including 30 of the incumbents. Thus some 2,050 individuals who had received a 'clean bill of health' from the screening committee of the Council of Guardians entered the competition for the Majlis's 270 seats. Through a thinly disguised attack on the radicals in his Friday prayer speech Ayatollah Khamenei opened the electoral campaign against the radical factions in March 1992. He made four key points: firstly, that he fully supported the Council of Guardians in the application of its selection procedure for candidates; secondly, that his support for the President and his government was explicit and total; thirdly, he undermined the status of the radical factions by his indirect reference to them as *fetnehgar* (seditious); and, finally, he asked the people to vote for those candidates who would use their new appointments constructively and in the interest of assisting the government to complete its reforms (*Ettela'at* 28 March 1992). Ayatollah Imami Kashani, a leading member of the Council of Guardians, also supported the pragmatists and attacked the radicals during Tehran's Friday prayer on the eve of the elections.

Strong protestations were made to the President and the Faqih about what the radicals called the Council of Guardians' 'jeopardisation' of the election procedure (*MEED* 10 April 1992). In a direct criticism of the pragmatists and conservatives Karrubi said on election day (10 April): 'if [those] devoted forces [who are] committed to the revolution had not been removed from the election scene it would have been better' (*Abrar* 11 April 1992). On the same day Rafsanjani declared that 'the people know the criteria very well . . . and I am convinced that our society has chosen the Five Year Plan and in these elections too will endorse it [i.e. chose those candidates who support the administration's policies]' (*Abrar* 11 April 1992).

The fourth Majlis started work on 28 May, and elected Hojjatoleslam Nateq Nouri, a leading member of the Association of Combative Clergy of Tehran (*Jameh-e Ruhaniyat-e Mobarez-e Tehran*) and former Interior Minister in the 1980s, as its third Speaker, in place of Hojjatoleslam Karrubi (a high-profile figure in the rival organisation the Association of Combatant Clergy of Tehran, *Jameh-e Ruhaniyun-e Mobarez-e Tehran*), who failed to keep his seat in the fourth Majlis. The latter association failed to return any deputies from the largest and most important constituency of all, Tehran

Table 6 Number of clerics in the Majlis since 1980

	1980-4	1984-8	1988-92	1992-6
Clerics	98	122	71	49
Non-clerics	118	147	189	219

Source: Haghayeghi (1993).

Note: The total number of clerics in the Majlis varies according to categorisation. The above figures refer only to 'people of the cloth'.

(Sarabi 1994). A total of 18.8 million votes were cast in the first round (10 April) and 7.5 million in the second round (8 May) of the elections (*MEED* 12 June 1992). Numerically this was higher than all previous Majlis elections (first Majlis: 10,833,843; second Majlis: 15,815,986; third Majlis: 16,988,799), but the growth in the number of participants in general elections must be seen in the context of an average annual population growth rate of around 3.8 per cent since the revolution (Vakili-Zad 1992). As many as 30 women candidates were nominated for election in Tehran, a record number in the republic. Just 82 deputies from the third Majlis were re-elected, with 181 deputies entering the Majlis for the first time. Only 38 deputies from the first Majlis had retained their seats in the second and third and only 12 MPs from the first Majlis survived the latest round (Jahanpour 1992). The rest were new deputies competing for a place for the first time. The fourth Majlis also sees the highest number of women deputies: nine compared with four in the third Majlis.

The fourth Majlis is said to represent about 70 per cent support for the President; by contrast the third Majlis had a hard-core of about 40 radicals opposing the administration's domestic economic and foreign policies (Vakili-Zad 1993; Siavoshi 1992). That said, it was the so-called radical third Majlis, a legacy of the First Republic, which approved much of the Rafsanjani administration's economic reform programme, including foreign borrowing and the creation of FTZs, and helped in laying the basis of the policy changes on the republic's home and international fronts. Ironically, having seen the back of the radicals, it is the social conservatives in the fourth Majlis who have been warning the President of rising discontent among the people and the need for 'social justice' in his second administration's policies (*ibid.*). It should also be remembered that it was the third Majlis which gave the President's proposed Cabinet a 100 per cent vote of confidence in 1989 and not the fourth, considerably friendlier, Majlis in 1993.

Hojjatoleslams Mehdi Karrubi, Ali Akbar Mohtashemi and Mohammad Khoini'a, among the leading Maktabis in the third Majlis, failed to get

re-elected. The controversial vetting procedure referred to above blocked the nomination of a number of leading radicals: Assadollah Bayat, Ayatollah Sadeq Khalkhali, Hojjatoleslams Hadi Ghafari and Mousasvi Tabrizi, Ibrahim Asgharzadeh, Behzad Nabavi and Mrs Atefeh Rajaii (*MEED* 17 April 1992). Hojjatoleslam Hadi Khamenei (the Faqih's brother, who has strong ties to the radicals) also failed the vetting procedure but was allowed to stand. He too was unable to keep his seat in the fourth Majlis, having been a deputy since 1980.

The composition of the fourth Majlis illustrates graphically the passing of the old and the rise of a new generation of parliamentarians with much looser ties with the First Republic and Ayatollah Khomeini decade.

Majlis and the Cabinet: an analysis of the 1993 encounter

Compared with 1989, the President's 1993 list of 23 Cabinet Ministers contained fewer changes. Only seven changes in total were introduced, in the following Ministries; Roads and Transport, Defence and Armed Forces Logistics (existing Minister shifted to another Ministry), Interior, Housing, Higher Education, Commerce and Health. Despite intense lobbying by non-governmental organisations and Majlis factions, and speculation in the media, the Ministers of Agriculture, Construction Jihad, Energy, Foreign Affairs, Oil and Posts, Telegraphs and Telephones held on to their portfolios. All these key Ministers had not only served in President Rafsanjani's first administration but had held the same Ministerial posts in the last Moussavi government. This would seem to make clear the President's instinct for continuity and recognition of the need to maintain a balance in the Cabinet. Naturally a degree of inter-factional fighting had played its part in guiding his choice of Ministers in 1993. His overriding concern, however, was continuity with the domestic and foreign policy agendas he had set himself and the nation. This view is supported by the fact that 16 of the proposed list of 23 Ministers were scheduled to keep their existing posts, of whom only one (Nourbakhsh) did not manage to clear the Majlis's vote of confidence hurdle. Apart from this snub, the data would support the contention that overall the largely non-Maktabi fourth Majlis was as kind to the President as its predecessor.

Finally, though he was said to be suffering from ill health, in view of the significance of the Interior Ministry job, Hojjatoleslam Abdullah Nouri's absence from the 1993 Cabinet may have been the price he had to pay for failing to give advance warning of and contain the widespread 1992 riots in Iranian towns and cities (*Financial Times* 17 August 1993).

The Majlis's confrontation with the 1993 Cabinet came down to its rejection of the President's Economics Minister, the architect and executor

Table 7 The Cabinet and Majlis deputies' voting pattern, 16 August 1993

Name	Post	For	Against	Abstention	Total
I. Kalantari	Agriculture	215	23	23	261
Y. Al-e Eshaq	Commerce (new)	222	12	26	260
G. Forouzes	Construction Jihad	152	70	27	249
G. Shafei	Co-operatives	229	9	18	256
M. Forouzandeh	Defence and Logistics (new)	233	5	20	258
M. Nourbakhsh	Economics and Finance	127	75	49	251
M. A. Najafi	Education	147	73	36	256
B. Namdar-Zanganeh	Energy	202	37	18	257
A. A. Velayati	Foreign Affairs	207	17	33	257
A. R. Marandi	Health (new)	246	4	11	261
M. H. Nezhad-Hosseini	Heavy Industries	231	12	16	259
M. R. Hashemi-Golpaygani	Higher Education (new)	220	12	29	261
A. A. Akhundi	Housing (new)	193	37	22	252
M. R. Nematzadeh	Industries	194	29	29	252
A. Fallahiyan	Intelligence	204	24	27	255
A. M. Besharati	Interior (new)	225	14	21	260
A. Larijani	Islamic Guidance	219	12	29	260
A. Shoushtari	Justice	233	7	18	258
H. Kamali	Labour	223	18	17	258
M. H. Mahloji	Mines and Metals	166	54	38	258
G. Aqazadeh	Oil	134	88	25	247
M. Gharazi	Posts, Telegraphs and Telephone	192	38	21	251
A. Torkan	Roads and Transport (new)	176	34	48	258

Source: *Abrar* 18 August 1993.

Notes: 261 of the Majlis's 270 deputies were present for the vote. Ministers had to receive a minimum of 131 votes (half the deputies present plus one) for approval. The Defence Minister, Akbar Torkan, was proposed as the new Roads and Transport Minister in place of Mohammad Sa'edi-Kia. The Health Minister, Iraj Fazel, was dismissed by the Majlis on 13 January 1991. Hojjatoleslam Khatami resigned as the Islamic Guidance Minister on 17 July 1992 and was replaced by Ali Larijani. In early 1994 Larijani in turn was removed from this post through a decree issued by the Faqih and appointed as the new head of the state-controlled television and radio organisation. Engineer Moustapha Mirsalim, a well known moderate, was chosen by the President to head the Islamic Guidance Ministry. Out of 224 MPs present, 178 voted in his favour, 27 against and 19 abstained. The President's brother, Mohammad Hashemi, who had headed the television and radio organisation for 13 years, was removed from this post in February 1994. On 14 February, the President appointed him as Senior Deputy Foreign Affairs Minister.

of the post-1989 economic reform strategy. The rejection of his nomination by the Majlis not only threatened to undermine the entire basis of the reform programme, but managed to raise a question mark over the direction of policy

changes in the country and the administration's ability to contain the economic crisis on the one hand, and reverse it on the other. Thus, when the Majlis refused to endorse the reappointment of Nourbakhsh, the President appointed him as his Vice-President in charge of Economic Affairs. In his decree appointing Nourbakhsh to this new post, the President pointedly underlined Nourbakhsh's experience as the architect of the economic reforms:

In view of the . . . valuable experience you gained during the period of reconstruction and reform of the economic system, and in order that the principled policies of economic adjustment and the comprehensive second five-year plan may continue, I appoint you to the post of Vice-president in charge of economic affairs.

(SWB, ME/1770, 18 August 1993)

Nourbakhsh remained in the President's team but out of the reach of the Majlis. Indeed, his position was restrengthened in September 1994, and his role made more central again, when he replaced Adeli as the Governor of the Central Bank – a post that Nourbakhsh had held from 1982 to 1988.

The President's second decree reiterated his administration's commitment to the reform process by appointing Nourbakhsh's ally and First Deputy Minister, Mohammad Javad Vahaji, as supervisor of the Economics and Finance Ministry. His final choice of Economics Minister was introduced to the Majlis in October 1993. He too was known for his pragmatism and support for the administration's economic policies. He was criticised by one deputy for not paying enough attention to the issue of social justice in his proposed economic programme (*Kayhan Havai* 13 October 1993). As one of Nourbakhsh's Deputy Ministers and head of the country's Customs Administrative Organisation from September 1989, he was often at the sharp end of the trade liberalisation and deregulation strategy of the administration, and his nomination as the new Minister of Economics and Finance signalled the President's determination to stay the course and confront the Majlis head-on. This gamble will pay off only if the economy improves markedly before the end of Rafsanjani's second term of office.

Despite the misgivings of some of the deputies, on 16 October 1993 the Majlis gave Mohammad Khan the vote of confidence that the administration was seeking; of the 223 MPs present, 151 voted in favour, 46 voted against and 26 individuals abstained – a relatively high negative vote compared with the August 1993 vote for the rest of the Cabinet. The most popular Minister in the 1993 Cabinet line-up was the former Minister of Health in the last Mousavi government, Dr Marandi. In terms of number of votes cast also, Marandi (along with the new Minister of Higher Education) topped the list (261). The second most popular Minister of the 1993 nominations was

Table 8 Eight most popular Cabinet Ministers, 1993

Minister	For	Against	Abstention
1 Marandi (new)	246	4	11
2 Shoushtari	233	7	18
3 Forouzadeh (new)	233	5	20
4 Nezhad-Hosseini	231	12	16
5 Shafei	229	9	18
6 Besharati (new)	225	14	21
7 Kamali	223	18	17
8 Al-e Eshaq (new)	222	12	26

Table 9 Eight least popular Cabinet Ministers, 1993

Minister	Against	For	Abstention
1 Aqazadeh	88	134	25
2 Nourbakhsh	75	127	49
3 Najafi	73	147	36
4 Forouzesh	70	152	27
5 Mahloji	54	166	38
6 Torkan*	34	176	48
7 Gharazi	38	192	21
8 Akhundi (new)	37	193	22

* New in this post.

Hojjatolislam Shoushtari, whose 1989 favourable vote of 209 was only just about average for the last Cabinet. Rather similar to the 1989 experience, four of the new faces appear on the 'most popular' list, but unlike in 1989 only one individual receives more than 15 negative votes. The popularity of the new nominations with the fourth Majlis is further underlined by the data; as Table 9 shows, only one of the new nominations appears on the 'least popular' list of eight. In 1989 five of the new nominations appeared on the 'least popular' list of seven. Again not dissimilar to the 1989 Majlis vote, a significant popularity gap separated the most popular Minister from the most unpopular – some 119 votes separated the most popular person from his least popular counterpart. Adding the abstentions to the negative vote in each case to arrive at the total negative vote shows that Marandi's total negative vote was only 15 while Nourbakhsh's was 124.

Although Nourbakhsh was unable to obtain the vote of confidence needed to stay in the Cabinet, it emerges from Table 9 that in fact he did not receive the highest number of negative votes in 1993; it was Aqazadeh who scored

the highest number of votes against his nomination. The key to understanding Nourbakhsh's inability to clear the hurdle, therefore, despite the 10 spoilt papers in his case, can be found in the rather high abstention rate against him. Compared with the next least popular on the list of Ministers, Aqazadeh (who incidentally saw 14 spoilt ballot papers), Nourbakhsh suffered 24 additional abstentions. Looking at Aqazadeh's vote more closely, it is clear from the data that the incumbent Oil Minister's standing with the fourth Majlis is quite different from that of the third. With declining oil revenues and economic hardships stemming from Iran's financial crisis as the backdrop, the Minister who received only 18 negative votes from the third Majlis and a total negative vote (negative votes plus abstentions) of 28 in 1989 suffered a total negative vote of 113 in 1993 – the second highest. Indeed, his case is the most interesting of all the 1993 nominations; being one of the most popular Ministers in the 1989 Cabinet, he was just three votes clear of rejection by the fourth Majlis.

Table 10 Eight Cabinet Ministers with greatest number of abstentions, 1993

Minister	Abstention	Against	For
1 Nourbakhsh	49	75	127
2 Torkan	48	34	176
3 Mahloji	38	54	166
4 Najafi	36	73	147
5 Velayati	33	17	207
6 Hashemi-Golpaygani (new)	29	12	220
7 Larijani*	29	12	219
8 Nematzadeh	29	20	194

* New to this job since 1989.

Table 10 reveals that in 1993 only one of the new Ministers appears on the highest abstention rate data; four others (Nourbakhsh, Torkan, Mahloji and Najafi) with high negative votes feature on this list, thus marking about one-fifth of the 1993 Cabinet nominees the most unpopular Ministers with the fourth Majlis. Figures also show that in comparison with deputies of the third Majlis, the fourth Majlis's parliamentarians used their abstention vote much more liberally. In 1989, for instance, only two nominees received more than 20 abstention votes (Mahloji and Kalantari); in 1993 all the eight Cabinet nominees appearing on the 'highest abstention' list in Table 10 had well over 20 MPs abstaining from the vote. In 1993 17 Cabinet nominees witnessed abstention rates of 20 and over (i.e. over 20 MPs abstaining from the vote);

in 1989 only twice did more than 20 MPs abstain from voting. This pattern of voting may indicate the fourth Majlis's deep-felt reservations about the proposed Cabinet, but it also reveals their unwillingness to undermine the President's second administration by voting against his Ministerial nominees – it should be noted that the total negative vote of half the nominees listed in Table 10 did not exceed 50.

The Presidential elections of June 1993

The sixth Presidential elections took place on 13 June 1993, with four candidates out of the 124 hopefuls standing, and the incumbent winning 63 per cent of the total votes cast. His nearest rival, Ahmad Tavakoli (former Labour Minister and Economics Editor of the pro-market daily, *Resalat*), received 24 per cent of the vote and majority support in Kurdistan province; Abdullah Jasbi and Rajabali Taheri obtained 9.1 per cent and 2.4 per cent of the popular vote respectively. Thus almost exactly 35 per cent of the voters voted against the President. Little separated the candidates' policies from each other (see *Kayhan Havai* 3 June 1993), which may explain the relatively low turn-out of 56 per cent of the 29 million-strong electorate, fewer than the elections for the fourth Majlis. Unhappiness about the economic situation and general apathy amongst the voters were cited by local papers as the main reasons for the low turn-out (*Salam* 14 June 1993; *Kayhan* 14 June 1993). The absence of a real choice and of real alternatives (in terms of programmes and personalities) to the incumbent seems to have militated against large-scale participation in the Presidential elections. In the 1989 Presidential elections 70 per cent of the electorate voted, 94 per cent of them voting for Hojjatoleslam Rafsanjani.

Rafsanjani saw in his victory emphatic popular support for his policies: 'While passing through the difficult period of economic adjustment and reconstruction', he said, 'the people, two-thirds of them, have approved the difficult path of adjustment and given their approval to this programme' (SWB, ME/1714, 14 June 1993). But others, including the radicals and Bazargan's Freedom Movement (*Nimrooz* 30 July 1993) saw serious signs of discontent in the voters' behaviour. Firstly, the low turn-out indicated dissatisfaction with the 'system', particularly as all the leadership was encouraging massive participation; secondly, the vote showed slackening of support for the President (and his economic reform programme); and thirdly, the popular perception that real choice was not allowed by the leadership was reinforced by the statements of the radicals before and after the election, and actually harmed the credibility of the entire system (Economist Intelligence Unit, third quarter 1993).

Although the election results did dent the President's prestige, in terms of

Table 11 Presidential election results, June 1993

Candidate	Number of votes	% of total
Rafsanjani	10,553,644	63.2
Tavakoli	3,976,165	23.8
Jasbi	1,515,632	9.1
Taheri	401,579	2.4
Spoilt papers	253,230	1.5
Total	16,700,250	100.0
Vote cast as % of electorate		57.6

Source: IRNA 14 June 1993.

posing a challenge to his authority, he moved quickly to turn them into a victory for himself and his line against the radical factions. After receiving a letter of support and congratulations from 175 deputies of the 270 seat Majlis on his election victory (SWB, ME/1714, 14 June 1993), he also moved to reinforce his cordial relations with the fourth Majlis. It should be recalled that the shock of the confidence vote for his proposed Cabinet did not occur until August. Whether his relatively poor showing in the polls had undermined his administration's standing with the Majlis is hard to determine with any certainty, owing to the fact that although Nourbakhsh did not receive endorsement from the fourth Majlis, as we have seen, the rest of the President's nominations were by and large reasonably well received.

The Rafsanjani Cabinets in modern historical perspective

As Table 12 highlights, although clerics were well represented in President Rafsanjani's 1989 Cabinet (four Ministers), by 1993 only two remained in the Cabinet. Of the four Hojjatoleslams in the 1989 Cabinet only one (Khatami) had served in the previous council of Ministers; the two clerics in the 1993 Cabinet had served in President Rafsanjani's first administration. The appointment of the four clerics to the posts of Islamic Guidance, Justice, the Interior and Intelligence had left the 'political' posts in the 1989 Cabinet in the hands of the Shii clergy while the technocrats were left in charge of the 'functional' Ministries. Hence the 'Islamic' nature of the republic had remained intact and the clerics continued to rule Iran as this Islamic country's 'natural' rulers.

By 1993 the clerics had control of the Justice and Intelligence Ministries, and the broad division of labour mentioned above had evaporated, with the most religious-oriented of all Cabinet posts, that of Islamic Guidance, being occupied by a non-cleric, Ali Larijani (who nonetheless had very strong

Islamic credentials), who took up his new post on 17 July 1992. The appointment of Mohammad Besharati as the Interior Minister in 1993 is equally significant in this light, as this was the first time (since a brief period in 1981) that a cleric was not in charge of this Ministry. Two peculiarities in the clerical appointments need to be mentioned here, both arising from political imperatives of the Islamic Republic itself. Firstly, the religious ranking of none of the four clerical Ministerial appointments in 1989 and of two in 1993 exceeded the *Hojjatoleslam* level, thus remaining on a par with the President's own religious rank. This was partly intended as a way of preventing the undermining of the moral and religious authority of the highest executive power in the land from within the governmental establishment. Secondly, the equality of rank among the clerical Ministers themselves helped to remove the factor of religious differentiation among these Ministers. In this fashion, the undermining of governmental by religious authority was prevented, since religious rank had in effect been eliminated as a distinct basis of authority within the executive machinery of the government.

The country's shift towards technocracy – arguably best exemplified in the most authoritative and professional Cabinet of the Shah's long reign, the 1967 Cabinet of Prime Minister Amir Abbas Hoveyda – was likewise reflected in Rafsanjani's second term of office. Compared with Bazargan's 1979 government, Rafsanjani's Cabinets have been distinctly more technocratic. Whether this again illustrates control of the state by an influential executive body, as was true under the Shah's longest-serving Prime Minister, remains to be seen.

Table 12 Qualifications of Iranian Cabinet members, selected Cabinets

Qualification	1967	1979	1989	1993
No. of Ministers	24	23	22	23
MD/PhD	15	9	7	8
Engineer	5	4	9	9
Untitled	3	9	2	4
Lt-General	1	1	0	0
Hojjatoleslam	0	0	4	2

Sources: *Ettela'at* 19 October 1967; IRNA; *Abrar* 18 August 1993.

Notes: The 1967 Cabinet had one woman Minister. None of the Cabinets since the revolution has had a woman Minister. The number of Ministers in the Rafsanjani Cabinet was increased by one in January 1992. The merger of a number of Ministries initiated in 1994, will again reduce the number of Ministers in the Cabinet.

Table 12 illustrates the changes in the qualification patterns in the different Cabinets. On paper the qualification standards of the Rafsanjani Cabinets

compare favourably with those of both the Bazargan (1979) and the Hoveyda (1967) Cabinets. Rafsanjani's Cabinets, however, contained the highest proportion of 'engineers'. This designation is misleading because, although it can demonstrate technical expertise and 'modernity', it also represents a title embedded in Iran's socio-economic hierarchy, usually given to all those with a technical Bachelor's or Master's degree. Nevertheless, in social class terms *mohandes* (engineer) is a revered title denoting high social standing, professional competence and proven ability. In this context, President Rafsanjani's choice in 1989 of 'engineers' from the pool of eligible candidates available to him could be said to symbolise progress and modernity, and furthermore a commitment to the rejuvenation and reconstruction of the country.

It is important to note that President Rafsanjani's two Cabinets mark the first instances in the contemporary history of Iran when no military personnel have been present in the Cabinet. This could be interpreted as a good omen in the context of Iran's recent turbulent relations with its neighbours. But it could also be sounding the death knell of the Iranian military machine muscling in with the other social and political groups in the country for power. For whatever reason, by turning away from its historic opportunity to gain power in the 1977–9 period, the Iranian military may well have lived through long years of war in the 1980s only to witness its own political demise in the 1990s. The fate of the military, thus, seems to depend both on the political stability of the Second Republic and tranquillity in the region and on the success of the rearmament efforts under way since 1989. The latter requirement is likely to proceed unhindered, however, with the appointment in 1993 of Mohammad Forouzandeh (former Deputy Chief of the General Command of the Armed Forces) as Defence Minister in place of Torkan. Forouzandeh is an experienced individual who enjoys close relations with the Pasdaran and is intimately acquainted with Iran's military and logistical needs.

PLURALISM AND THE SECOND REPUBLIC

It should be clear that on balance the advent of the Second Republic has been interpreted as a positive development in this study, and as such I have concentrated my efforts on understanding the 'new' regime without commenting too extensively on its repressive nature. Certainly in the economic sphere the post-Khomeini leadership has attempted to move towards liberalisation and openness. Its policies are a break from the generally statist traditions of the last decade (Mozaffari 1993). This trend can be demonstrated by closer consideration of a key appointment in the post-1989 regime. The elevation of Ayatollah Yazdi, the former Deputy Speaker of the Islamic parliament, who failed to win re-election to the Majlis in the 1987 parliamen-

tary elections, to Head of Judiciary instead of the former Prosecutor-General Hojjatoleslam Khoini^a is the case in point. His appointment signalled the clarity of purpose of the pragmatist coalition in that Ayatollah Yazdi is a well known 'moderate' and strongly in favour of denationalisation and the deregulation of the economy.

A recent survey of 'fundamentalist tendencies in North Africa' in 1993 concluded that no Muslim country in the Middle East except Turkey can be regarded as democratic because the rest do not display all the main features of democratic government: a government responsible to an elected parliament, the division of powers between the executive, the judiciary and the legislature, political pluralism and the rule of law (Borderas 1993). The author of the report may well be pleasantly surprised to discover that in fact by his yardstick the Islamic Republic is at the very least a fledgling democracy – even the President admits that many of the features of the Iranian political system can be seen to resemble a democratic Western model! In his words:

During the past 14 years . . . the Islamic Republic of Iran has relied on referenda and the establishment of popular institutions as its main tools. In more than 12 elections with the participation of the people (men and women), the Iranians have elected their governmental system, President and Majlis deputies and have ratified their constitution. They have elected in two turns the members of the Assembly of Experts whose duty it is to choose the Leader. The presence of representatives from religious minorities in the Majlis with equal rights [is established] . . . and the guarantee of this right to the constitution signifies the depth and genuineness of our commitment to democracy.

(Ettela'at 21 February 1993)

The Iranian system passes the first two tests of democracy (Borderas 1993) with ease and its leaders can claim to be governing the people by the rule of law. Thus it can satisfy three of the four features, but the sticking point would be the issue of political pluralism. Therefore the Iranian model's most distinguishing feature would not be its arbitrary form of government, or naked dictatorship imposed by an unelected political class – because these are not the traits of this system – but rather in the way in which political action and the given boundaries of political norms and behaviour are controlled institutionally.

It is hard to deny that in the political sphere the existence of a collective consensus in the 'Leader-President' coalition and the coalition's opponents in a 'loyal opposition' of sorts resembles a form of pluralism, albeit of the few for the benefit of the few. But it is the absence of political pluralism in its wider sense that worries observers of the Iranian political scene. The regime's violations of basic human rights have been a subject of study and

an object of criticism by many international and Western-based agencies, including the United Nations Human Rights Commission, Amnesty International, Middle East Watch and European human rights bodies. Some observers, however, go so far as to argue that an Islamic political system 'is distinguished from all others in that it is *inherently* anti-democratic' (Ja'far and Tabari 1984: 345). Factionalism and open political struggle in the Iranian case should not be mistaken for untrammelled political freedom; while voting is a major feature of the Iranian system, mass political participation in the country's affairs has remained restricted (Bakhash 1993). As we have seen already, despite the recent important constitutional changes, the exceedingly important clauses of the constitution regarding liberty and freedom still remain unimplemented. Political persecution and execution of opponents has continued, both at home and abroad. The prospects for a general national consensus remain bleak and Iranian political activity, both at home and abroad, continues to be divisive. It would be idealistic, therefore, to expect a quick and total transformation of the regime in such a short period and in such uncertain times.

In terms of control the steps taken in the early days of the republic to control the opposition's means of communications and propaganda remain in force. Organised political action, even by those non-clerics still loyal to the principle of an Islamic Republic, was not permitted even half a decade or more after the advent of the new government. The SR and LIF forces remain excluded from mainstream political activity. Many of the former Prime Minister Bazargan's supporters, for instance, were rounded up in the summer of 1990 and the activities of his organisation effectively curtailed.

Finally, it should be made clear that not only was the break with Khomeini's Iran not absolute and complete, but, despite the significant institutional changes, strong personal links with the Khomeini era remain. This should not be surprising in view of the discussion in chapter 1 as, even while aiming to transform the Islamic Republic, the leaders of the 'Leader-President' alliance themselves could still find legitimacy only in their own past and under the system of rule which themselves had helped Ayatollah Khomeini to create.

INSTITUTIONAL COMPETITION AND STRUCTURAL CHANGE

Despite the reforms so far implemented, therefore, the current leaders have not entirely broken with the past. The constitution of the Second Republic has come to resemble the constitution of the French Fifth Republic, with the powers of the presidency fully reinstated. As in the French system, in Iran's near-Presidential system the voters elect both the President and the parliament, but, unlike the former, the Iranian President can appoint his Cabinet only with the approval of the parliament. In terms of his executive position,

however, the role of the Iranian President is closer to that of his American counterpart, for although the Iranian Cabinet needs the support of the parliament, unlike in France he does not choose a Prime Minister to head the Cabinet – he controls the direction of the executive and central government agencies by chairing the Council of Ministers. Such comparisons with other Presidential systems, however, should not disguise the unique features of the Islamic Republic. Apart from the intricate relationship with the parliament, Iran's is the only presidential system in which the popularly elected head of the executive branch must seek the approval of an unelected figure (the Faqih) before he can take up office, and in which the President and his executive team are 'subordinated to a religious authority' (Milani 1993).

In the absence of Ayatollah Khomeini the constitutional changes have resulted in a balance of power emerging between the President and the Faqih. Although the roots of competition between these two institutions and their respective representatives in the Second Republic may not have been eliminated, expediency dictates that the two should more than tolerate each other and help implement policies which serve the interests of the new regime, and administer those which are designed to undermine the position of 'radicals' within the ranks of the ruling elite. As was demonstrated in the run-up to and the eventual outcome of the October 1990 elections for the theologically based Assembly of Experts, the body which among other things is empowered to choose the Faqih and, if need be, dismiss him as well, the Leader-President alliance managed to pull the rug from under the feet of the radical clergy opposed to the Rafsanjani government's economic and foreign policies, for the control of this important institution (Malek 1991). Ayatollah Khamenei supervised the implementation of changes to the assembly's election procedures proposed by the Leader-President alliance over the summer of 1990, and as a consequence of the vetting of the 169 candidates under the new rules, the Council of Guardians rejected the credentials of 60 would-be candidates. Notable absentees from this assembly (many of whom refused to take the theological test proposed by Ayatollah Khamenei) included the following individuals: Ayatollah Moussavi Ardebili, Hojjatoleslam Mohtashemi, Hojjatoleslam Karrubi, Ayatollah Khalkhali, Hojjatoleslam Moussavi and Hojjatoleslam Khoini 'a (who refused to participate in the elections in solidarity with the rejected candidates even though his own credentials had been accepted by the Guardian Council). This successful coup of the leadership alliance was interpreted by local commentators as a decisive victory over the Maktabis. Furthermore, the eight-year term of membership of the assembly virtually ensured the position of Ayatollah Khamenei as the Supreme Leader, for as of October 1990 most of the members of the assembly belonged either to his or to President Rafsanjani's

faction (*Kayhan* 21 July 1990; *Nimrooz* 14 October 1990; *Tehran Times* 10 October 1990).

It was said in chapter 1 that the Revolutionary Council of the Islamic Republic, which was formed in 1979, has provided the leadership of the republic since its inception. Genuine reformers/liberals like Bazargan, Qotbzadeh and Bani-Sadr rose from that same council to take charge of revolutionary Iran. Rafsanjani, his Vice-President Habibi, Khamenei, Mousavi, Montazeri and Moussavi Ardebili were also members of the original Revolutionary Council. Indeed, many were also amongst the first Majlis deputies in republican Iran. In the absence of other institutions in the formative years of the republic, the Majlis provided a solid base for the cultivation of individual (as well as collective) political power. To this end, many individuals who later came to hold executive posts in the Islamic Republic sought access to the Majlis. Table 13 illustrates the point. In the absence of the great religious figures of the 1979 Revolutionary Council (Ayatollah Beheshti, Hojjatoleslam Bahonar, Ayatollah Talaghani and of course Ayatollah Khomeini himself) and of the liberals, the inheritors of that great coalition have come to form the leadership of the Second Republic.

Institutional tensions do persist, however. Indeed, the constitution simultaneously generates co-operation between the arms of the state and competition within the system. The Majlis, the original power base of

Table 13 Political figures of the IRI: deputies in the first Majlis

Name	Political office	Number of votes (1980)
Hassan Habibi	Vice-President	1,568,709
Mehdi Bazargan	Former Prime Minister	1,447,317
Hojjatoleslam Khamenei	Faqih	1,405,976
Hojjatoleslam Bahonar	Former Prime Minister	1,375,876
Hassan Ayat	Former presidential candidate	1,364,899
Hojjatoleslam Khoini 'a	Former Prosecutor-General	1,248,391
Mohammad Rajaii	Former President	1,224,789
Hojjatoleslam Nateq Nouri	Former Cabinet Minister	1,201,933
Hojjatoleslam Rafsanjani	President	1,151,541
Ebrahim Yazdi	Former Foreign Minister	1,128,304
Ali Akbar Velayati	Foreign Minister	745,110*
Habibollah Asgharouladi	Former Cabinet Minister	704,228*
Assadollah Lajevardi	Former Tehran Rev. Prosecutor	509,939*

Source: The figures for the 1980 election results have been compiled from Abrahamian (1989: 203).

Note: The data refer only to the candidates standing in Tehran.

* Those who qualified for the run-off elections.

Hojjatolislam Rafsanjani himself, does remain equally influential in the Second Republic, and in the hands of the right individuals can serve as a seat of opposition to the President. The first post-Rafsanjani Speaker of the Majlis followed in Rafsanjani's footsteps in utilising his position as a source of political power. Although he did not use his office to challenge the new administration during his first term, there can be no guarantee that he or the next Speaker may not choose to do so in the future. The important point is that by virtue of this office the Speaker is able to do so. Indeed, Hojjatolislam Karrubi's re-election as the Speaker of the Majlis in June 1990, with 150 votes in favour out of a total of 229 cast, was an indication that he had begun to consolidate his power base in the third Majlis (IRNA 12 June 1990). Equally, his failure to get re-elected in 1992 and the emergence of the pro-Rafsanjani Hojjatolislam Nateq Nouri as the Majlis Speaker considerably weakened the radical line in and out of the chamber, an outcome not altogether unexpected as far as the President was concerned (Sarabi 1994).

By the turn of the decade the reformers were in control, although they clearly lacked the 'liberal' credentials of the original 'liberal' reformers of the Provisional Government of Bazargan. The realists/pragmatists have been taking steps to improve the socio-cultural environment in Iran as a factor in the substantive economic reforms. The legalisation of amateur boxing, chess and fencing, the growth of the theatre, and the arts, the revival of traditional Iranian and Western 'classical' music, may appear insignificant developments, but they serve as examples of this trend.

Without the changes in the structure of power in Iran after Ayatollah Khomeini's death the wide-ranging policy changes might indeed not have been implemented at all. Milani has summed up the relationship between changes in the structure of power and policy reforms in Iran succinctly:

For better or worse, Iran has historically experienced stability and rapid economic growth only when the central government has been powerful. For the first time since . . . 1979, the government is now both powerful and relatively centralized. That the power is centralized [in the executive branch] when Iran needs to begin its reconstruction is not accidental . . . political institutions shape politics and are in turn shaped by politics, history, and the social context within which they operate.

(Milani 1993: 97)

4 The revolutionary state in search of an economic system

The Moussavi years

To speak of the Islamic Republic's economic policy is to describe a phantom. To some it is a solid, purposeful doctrine, firmly embedded in the Koran, with clear answers for all economic and social problems. To others it is a will-o'-the-wisp which disappears into thin air when one attempts to come to grips with its practical implications.

(Andrew Whitely, *The Approach of the Islamic Republic of Iran to Economic Policy*, Bonn: Neue Gesellschaft, 1980)

It can be surmised from the many policy statements of the Iranian leadership, including Ayatollah Khomeini himself, that the revolutionary Islamic Republic aspired to surpass the capitalist and socialist models of development. But, as will be shown below, to all intents and purposes, by the end of the 1980s the Islamic Republic had managed to create a mixed economic system within which the state sector played the dominant role.

For a fuller picture, however, one needs to examine both the nature of the Iranian economy and the role of the state sector within it during the Shah's reign. One can then proceed to look at the economic policies of the First Republic and the changes which its leadership implemented in this sphere. The impact of the new and earlier strategies of the Moussavi governments on the economy of the republic and its revolutionary, parastatal and institutionalised components will be examined in this chapter with particular reference to the role of the state.

THE RISE AND FALL OF THE PAHLAVI STATE

The early 1960s marked the rise of intensive capitalist development in Iran. The Pahlavi regime's ambitious plans for the future necessitated an expanded role for the state in the economy, one which was to be both interventionist and orchestrating. As a capitalist state, it enabled private accumulation through expanding the market, and it facilitated capitalist reproduction