

Capital Accumulation, Political Control and Labour Organization in Iran, 1965–75

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In a discussion of the pre-revolutionary Iranian labour movement between 1965–75 two general assumptions prevail. One is that industrial labour did not make any attempt to organize itself into independent labour unions (trade unions, etc). The second is that the failure of labourers to organize themselves was due to the political repression under the Shah.¹ In this article, and by way of a preliminary analysis, I would like to argue: a) assumptions are only partly true; b) that by themselves they misrepresent the position of Iranian labour in the decade 1965–75, and c) that the assumptions are based upon a problematic theoretical premise which establishes a *necessary* link between political conditions (freedom control) and labour activities (organization/non-organization). This postulates that labour activities are determined by the political conditions. I suggest that the relationship between the two is only contingent, and that other factors must be sought to account for the nature of labour activities.² By discussing these issues I hope to cast some new light on the recent history of Iranian labour.

ACCUMULATION PROCESS AND LABOUR

Let us begin by posing a basic question. Although it is undeniable that in Iran free and independent labour organization was prohibited by the state, why is it that the manufacturing labour force failed to set up any *underground* labour organization, as its counterparts did in Rhodesia in the 1920s, in Bolivia under the military dictatorships or in Chile under the Pinochet dictatorship?³

To start with, there is no adequate historical research on the conditions of Iranian labour between 1965 and 1975. The limited works available on labour unionism have focused on the 1946–53 period, the peak of trade union activism in Iranian history. These include the works of F. Halliday, E. Abrahamian, W. Floor, H. Lajevardi, as well as the historical documents on labour, compiled by Kh. Caqueri.⁴ I must therefore, rely on my own rather scanty oral history materials collected in 1980–81 in Iran.⁵

In dealing with the question some would argue that the degree of repression in Iran under the Shah was much higher and the mechanism of control much more sophisticated than those in the dictatorial regimes named above; in other words, that the political control in Iran was peculiar. First, we should be precise in the application of the term repression. 'A repressive state' generally denotes a state which imposes sanctions of various kinds of those fragments on society which disagree

with it. The term, meanwhile, is employed to refer to different kinds and degrees of control exerted at the societal level. Repressive states differ from each other, I suggest, in terms of a) the degree of tolerance of (or the severity of punishment against) the opposition; b) the extent and the area of opposition (e.g. whether the state is against all groups or classes, or one particular group or class; c) the ideology of domination and means of justification. On this account, one could argue that the Islamic state in Iran is more repressive than the one under the Shah, and yet the industrial working class, in my view, has had more room for industrial action under the latter regime than under the former. This is because of the revolutionary experience that the working class went through, and because the Islamic state's populism and 'anti-imperialism' gives legitimacy to the militant activities of the workers.

Secondly, the argument which relies on the peculiarity of the Shah's repression is problematic because, as I shall demonstrate later, labour activism in industry did grow in the early and mid-1970s when the very same repressive state of the Shah was still dominant.

I suggest that the reason for the non-existence of the independent and viable labour unionism in the decade 1965-75 is related not simply to the State's political control, but to the rapid process of capital accumulation since the mid-1960s, exemplified in the particular nature of the agrarian reform launched in the mid-1960s, rapid pace of industrial expansion and of the working-class formation.

During the decade under discussion capital accumulation and industrialization accelerated. This process involved, on the one hand, implementation of the strategy of import substitution, resulting in the expansion of mainly light capital-intensive manufacturing industries in the major urban centres: Tehran, Karadj, Qazvin, Isfahan, Shiraz, Khuzistan, etc. The new wave of industrialization was the result of combined attempts of foreign capital, indigenous private capital and especially the state. Thanks to the monopoly control over the oil income and informed by an ideology of capitalist modernization, the state became the major instigator of industrialization through the provision of infrastructure and development planning, by fiscal politics and direct involvement. The five-year plans provided the general framework for economic development. Very substantial economic development was achieved during the Third Plan (1962-67). The Third Plan envisaged a 7.4 per cent growth rate and achieved a constant price growth of 8.6 per cent. The Fourth Plan aimed for 9.4 per cent growth and achieved an average of 12.5 per cent. During the Fourth Plan, and before the major increase in oil prices, the industrial sector grew at an average 13 per cent rate.⁶ The oil price increase in 1973 boosted the annual revenue from \$817 millions in 1968 to \$2.25 billion in 1972-73 to nearly \$20 billion in 1976-77. The Fifth Plan (1973-78), thus contemplated an initial growth rate of 15 per cent, but due to the massive oil income, was revised to triple gross product during the period. Actual growth for 1973 and 1974 was respectively 32 and 42 per cent. As two economists observed, 'Quite literally, every company in Iran, public and private, had enormous investment plans on the drawing board, heavily

dependent on imported equipment and material'.⁷ These developments meant that the demand for labour had grown enormously.

The accumulation process, on the other hand, involved a fundamental transformation in the production relations in the rural areas. The Land Reform Programme which the state launched in the mid-1960s altered the pre-capitalist relations in agriculture; land was distributed on an unequal basis, thus stratifying the rural population within the context of new (commodity) relations. As a result, over $\frac{1}{3}$ of the peasants' households (800,000) obtained less than one hectare of land, and some 75 per cent less than 6 hectares.⁸ As these desperate landless peasants and smallholders were integrated into the cash economy, the home market developed and the rural population became the consumers of the manufactured goods produced in the rapidly growing industrial urban centres. A massive *free* and raw labour supply had been created. The pressure of 'push factors' in the countryside – loss of land, unemployment, low income and especially the increasing need for cash to meet the demand of the expanding commodity market – combined with the rapid industrial growth in the major cities to induce rapid urban migration. Despite the existence of the pre-land-reform out-rural migration (250,000 a year between 1957–60) due mainly to 'push factors', post-land-reform accumulation dramatically accelerated the urban migration. Between 1967 and 1976 some 330,000 people migrated into the cities each year.⁹ The major cities experienced substantial rates of growth by the high rate of migration. The migrants accounted for as much as 50 per cent of the increase in the urban population during 1966–76.¹⁰

Such a 'freed' labour, however, was on the one hand excessive to the needs of the capital-intensive industrialization. The excessive supply of raw labour meant a growth of urban unemployment and expansion of the '*informal sector*'. Furthermore, this massive labour was by and large unskilled. As a result, supply of massive unskilled labour combined with a dire need for skilled labour in the rapidly growing '*formal sector*' of the economy forced the employers to recruit mostly unskilled rural labour with the hope of paying lower wages and training them on the job.¹¹

I would suggest that this largely direct employment of rural labour in the industries had significant implications for the non-organization of labour in the decades under study. Rural labour diluted the manufacturing working class after 1965. As new factories were set up, new and mostly unskilled rural labour was recruited. Since the late 1960s the average annual growth rate of manufacturing labour was 8 per cent. This figure was higher in the industrially concentrated cities. We know that, for instance, in the first nine months of 1969–70 (the Iranian year of 1348) some 562 new economic units were established in Tehran alone (of which 54 per cent were industrial units), while the share of the rest of the country was 126 units in the same period. In 1970–71 the figures changed to 545 and 164 respectively.¹² Most of the factories I visited in 1980–81 had been set up in the mid- or late 1960s. This means that the new recruits did not have a long experience of industrial work, or for that matter, any tradition of labour activism in industry. In my sample of the Tehran factory workers,

80 per cent of the workers had come directly from the villages. In one factory established in 1966, for instance, over 90 per cent of the workers had less than five years of industrial work in 1975. This finding was supported by the sample which showed that the fathers of only 7 per cent of the Tehran factory workers in 1980 were working in industry, although 25 per cent of their fathers were involved in wage-labouring in one form or another (i.e., in construction, railway and government offices).

Coming from the misery of village life, these workers would view factory employment in positive terms: in its job security, regular income, economic betterment, health insurance, fringe benefits and prestige. Certainly, comparing their present position as factory workers with their past in unemployment, debt, need for cash, lack of medical services in the village, they considered themselves to be (and indeed they were) in relatively privileged positions. These workers, unlike their workmates with longer industrial service, had in these years little motivation to get involved in secret activities or organize underground independent labour unions which would involve a high degree of political risk. Here, one could even detect among these workers a certain degree of 'rationality' rather than 'false consciousness'. At the same time, the attitude of these workers would make the organizing attempts of their fellow and more experienced workers (the leaders) very difficult. For the agitational activities of the 'leaders' are successful only when they are grasped and supported by the members of rank and file. In this period, the division between the experienced and the overwhelmingly 'new workers' was the dominant feature of factory life. In the Iranian factories the terms *Kargar-i Ghadimi* (experienced workers) and *Kargar-i Jadid* (new workers) are still widely used. This was clearly an expression of a rift within the working class, and its negative impact on the organizing activities of the leaders manifested on many occasions, including the failed strike of the contract workers in the oil industry in 1975.¹³

I want to stress here that my argument on the mentality of the rural labour is different from the prevalent view that regards the rural immigrants *per se* as generally conservative, backward looking, petty-bourgeois, etc. The prevailing view takes the 'peasantry', the class origin of the immigrant workers, as a homogeneous socio-economic category which possesses fixed and inscribed ideological characteristics, eg. adherence to property ownership, individualism, narrow-mindedness, a belief in the immutable nature of things, etc. However, it is now clear that 'peasantry' is an heterogeneous entity each stratum of which may foster distinct aspirations. In addition, this ideological/cultural differentiation can be further diversified according to the regional variation of a country in terms of historical/cultural development. This cultural background of particular immigrants may contribute to their militancy in the industry. As is clear in this article, I provide a *specific* historical explanation for the compliance of the migrant workers with factory life in the decade 1965-75.¹⁴

By the mid-1970s, however, the industrial setting had changed so that despite the persistence of the dictatorial state of the Shah, manufacturing

labour did start to carry out industrial actions. What had happened was that the manufacturing workers started to acquire a new 'subjectivity' a major component of which was an 'industrial consciousness'. By this I mean a consciousness which derived its elements from an industrial setting, an urban life and industrial work. The workers transcended the misery of village life and the security of the factory employment with all its advantages. They were now concerned with the misery of *factory* life: factory discipline, wages, conditions of work, housing problems, inflation, authoritarianism, discrimination, and so on.¹⁵

The emerging industrial consciousness in the mid-1960s of workers who had now acquired skill and industrial familiarity, reflected itself in both individualistic resistance (e.g. high labour turnover, sabotage) and collective shop-floor activism (but not yet trade unionism).¹⁶ High labour turnover reflected the individual resistance of the especially skilled labour-force who were becoming aware of their bargaining power. In 1974 the rate of turnover in multinational corporations ranged from 25 per cent in textile, 18 per cent in chemicals to 15 per cent in transport equipment plants.¹⁷ Despite its recognition in the Labour Law, free collective bargaining, except in the oil industry, was minimal in the manufacturing industry; thus these workers resorted to moving from one factory to another in pursuit of higher pay and better conditions. To remedy this problem and to ensure a stable skilled labour-force for the future, the Ministry of Labour introduced the Job Classification Scheme in the early 1970s. The scheme aimed to attract and stabilize skilled labour by creating an 'internal labour market' in enterprises through promotion, seniority rules and a bonus system, based on the two principal factors and length of service.

Shop-floor activism, however, was most clearly demonstrated by collective action, including strikes. A report suggested that the number of strikes rose from a 'handful in 1971-73 to as many as 20 or 30 per year by 1975'.¹⁸ My informal interview with the factory workers in 1980-81 supported the view that industrial actions had spread in the mid-1970s. Thus, in the Mashin Sazi Plant in Tabriz, an industrial city in the north-west, 'there was a strike in 1972' stated a worker'; the factory was closed for ten days. They (the management) wanted to kick us out The strike was on welfare issues, fringe benefits; white-collar workers had 24 days annual holidays, but we had only 12 days, we also wanted housing benefit ...'. Similar strikes happened in such plants as Iran Transformer, Arj, Philips, Azmayesh, Saypa, and Zamyad. On occasions, protests would take a form of spontaneous riots, as in Arj factory in Tehran in 1976.

It was at noon when we went for lunch. We were given such an horrible meal that we could hardly eat it. It was a cutlet meal. Then the lads started throwing them up to the ceiling; then they smashed the chairs and tables. Later, it was about 3 o'clock when 3-4 paramilitary cars entered the factory, they took a few workers and so the protest was stifled.

My interviews suggested that the industrial actions were not wholly

spontaneous as is usually claimed.¹⁹ They were organized secretly by more conscious and more experienced fellow workers. This happened in Saypa, Katerpillar and Zamyad plants in Tehran. In Mahboobi furniture factory in Tehran 'we had appointed a lad', described a skilled worker, 'who would ring a bell three times when a stranger entered the workshop; then we would pretend to be working; otherwise we would not produce'. In the Katerpillar factory in Tehran, the experienced workers had 'managed to form a secret nucleus ... this nucleus would engage in all sorts of political activity here If necessary it would also organize in other factories ...'.²⁰

Indeed, in *both* periods – 1965-75 and after – such conscious elements might have been active in giving direction to the resistance of the workers. Yet, the degree of success in each of these cases depended almost entirely on the reaction of the mass of the workers. I suggest that in the former period (1965 to early 1970s) the mass of the workers tended not to respond to the 'leaders' appeals, while in the second period they did – precisely because of the change in their subjectivity, and the acquisition of an 'industrial consciousness'.

THE ROLE OF THE STATE-RUN UNIONS

But what was the role of the state-run syndicates in this regard? The Labour Law did recognize the establishment of the syndicates at the work places. The encouragement by the state of certain syndicates goes back to the years of the late 1940s when a nation-wide trade union movement was organized in the United Central Council of the Unified Trade Unions of Iranian Workers (CUCTU) under the strong influence of the *Tudeh* (Communist) Party. The state initiated setting up new unions as the alternative labour organizations to the CUCTU. These syndicates grew from 16 in 1964 to a total of 519 in 1972 spreading through industry and services.²¹ The syndicates were to engage in collective bargaining, but were barred from getting involved in strike actions and political activities. After the suppression of the CUCTU following the *coup* of 1953, the state-run unions were the only labour organizations in the country.

There are two rather conflicting views on these syndicates, and yet both view them as unproblematic. One view portrays these syndicates as the typical organizations of the Iranian work-force, functioning in a tripartite combination of labour, management and state in a seemingly liberal plural setting.²²

On the left, the syndicates were viewed as totally subordinated to the wishes of the employers or were filled with SAVAK agents. The reality seems to me quite different. The syndicates under the Shah's regime exemplified the general contradictory role of the Trade Unions under capitalism, accommodation and conflict. Yet the Iranian syndicates, in addition, had the role of scrutinizing the workers' activities. So, on the one hand, they acted as a mechanism of labour control, channelling labour discontent into a controllable, peaceful and quick resolution. A SAYPA factory worker stated during the Shah's reign, 'we did have a syndicate,

but its activities were very limited. That is, they were never given such a power as to challenge the employer. That is why they were formally workers' representatives, but actually the boss's representatives'. In addition, I found out that in five out of 12 factories investigated, the 'workers' representatives' had been officially employed by SAVAK. One factory lacked any syndicate leaders. In three, the syndicate leaders, though not SAVAK agents, had sold out their workers' interests. Three others were militant and loyal to their rank and life interests. This latter point leads us to the other dimension of the syndicates. The workers *used* the syndicates, as far as possible, as a legal means to materialize their demands. In this way they changed the nature of the state-run unions. Thus, in the 1970s, in Mashin Sazi Plant in Tabriz, 'Mr. Alibadi was a militant member of the syndicate who was even jailed [for his trade union activities]'. In Zagros plant in Tehran 'the leader, *dabeer*, of the syndicate was dismissed before his term ended; because he would do some good things for the workers'.²³

It must be stressed that workers' attempts to convert the State-run syndicates into their own interests could not and did not lead to the institutionalization of the independent labour activities under the Shah's regime. They were bound to be *ad hoc*. The state-run unions, thus, were overwhelmingly contained, ineffective and had the role of controlling labour. It is precisely for this reason that labour activism in the early and mid-1970s was carried out by and large outside the official union structure. Perhaps, an alternative independent labour organization was at the start of its making when a new era began with the advent of the revolution of 1978-79.

Instead of providing conditions for the development of labour unionism (in the form of trade unions or industrial unions), the revolution interrupted that process. Among the twentieth-century major revolutions, the Iranian one is of the unique cases in which the post-revolutionary era did not experience a development of trade unions, but of organizations more advanced than the unions. In Russia, Chile and Portugal, revolutions led to the emergence of *both* trade unions and the organs of workers' control. On the other hand, in the aftermath of the revolutions in Cuba, Mozambique and Nicaragua, it was by and large the unions that extensively flourished.²⁴ In Iran, however, not the trade unions but the *shuras* or workers' councils with a strong control-oriented tendency, sprang up in the industrial work-places. The reason for this is related a) to the lack of an independent union organization (we have already discussed why); b) to the workers' unpleasant experience with the State-run unions under the Shah (in my interviews no worker was in favour of organizing syndicates), and c) to an acquisition by the workers of a particular form of control-oriented consciousness, the 'ideology of possession'. The latter was based upon the feeling among the workers that 'we have struggled to defeat the past, so we have the right to determine the future'.

The councils were the organizational embodiment of a strong desire among the work-force to exert control over the processes of production and administration of production. They were the work-place organiza-

tions which aimed to exert control over the management and democratize the work environment. Thus, the activities of the councils transcended those of the existing labour unions or work-place syndicates whose concerns do not usually go beyond the matters of wages and conditions of work. In day-to-day activities, the councils were concerned not only with wages and working conditions, but also with matter of employment, dismissal, production, pricing, procurement and investment.²⁵

SUMMARY AND CONCLUSION

During 1965-75 the Iranian manufacturing labour lacked an independent organization. Much of the existing literature on the Iranian labour history tend to be 'political-reductionist' in that they attribute the non-organization of the labour force in this decade to the political control of the Shah's regime: the state's repression hindered any form of independent labour organization.

The proposition seems to be problematic at both empirical and theoretical levels. As we discussed in this article, political factors alone cannot provide an adequate explanation, for the simple reason that labour force did engage itself in shop-floor activism later in the mid-1970s when still the same, if not harsher, political control prevailed.

On the other hand, such political reductionism poses some important theoretical problems of which one can generalize the implications. In the first place, it implies a zero-sum relation between the power of the state and the organization of political activities in general and of labour in particular: when the state is strong, the opposition to it (including labour organization) is weak or non-existent; and when the state is weak the opposition strong. Goran Therborn has satisfactorily argued that such a conclusion is unjustifiable.²⁶ In the second place, political reductionism rests upon an assumption which establishes a *necessary* link between political conditions (freedom/restriction) and labour activities (organization/non-organization). Thus, it is taken for granted that in the absence of a political restriction, the labour-force will automatically organize itself independently. We argued that the link between political conditions and labour activities is only *contingent*. The relationship is mediated, I would suggest, by the form of workers' consciousness, the degree of organizational tradition, leadership quality, and the extent of corporate ideology.

NOTES

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1. These assumptions in fact informed the theoretical foundation of the guerrilla-type organizations in Iran such as *Fadaean Khalgh*, justifying their strategy of armed

- struggle instead of 'political work among the masses'. Amir Parviz Pouyan, a leading guerrilla theoretician, wrote: [the workers] 'presume the power of their enemy to be absolute, and their own inability to emancipate themselves as absolute', A.P. Pouyan in A. Ghotbi, *Iran: Where to Begin* (London, 1978), p.72.
2. I would suggest that the link between political conditions (freedom/control) and labour activities (organization/non-organization) is mediated by: a) the form of workers' consciousness, i.e., the general concerns and priorities of the individual or group of workers in the course of their industrial work; b) degree of organizational tradition, that is, memories and accumulation of past experiences in the work of organizing; c) leadership quality relating to the possibility of directing the spontaneous discontents of the mass of workers by the more experienced ones; and d) the extent of corporate ideology, signifying the possibility of according the interests of the workers with those of capital and the state.
 3. For the examination of these cases see C. Van Onselen, *Chibaro: African Mine Labour in Southern Rhodesia, 1900-33* (London, 1976) and J. Dunkerley, *Rebellion in the Veins: Political Struggle in Bolivia, 1952-1982* (London, 1984).
 4. See F. Halliday, *Iran: Dictatorship and Development* (London, 1978); E. Abrahamian, 'Strengths and Weaknesses of Labour Movement in Iran, 1941-1953' in M.E. Bonnie and N. Keddie (eds.), *Continuity and Change in Modern Iran* (New York, 1981); E. Abrahamian, *Iran Between Two Revolutions*. (New Jersey, 1982); W. Floor, *Labour Unionism, Law and Conditions in Iran* (Durham, 1982); H. Lajevardi, *Labour Unions and Autocracy in Iran* (Syracuse, 1985); Ku. Caqueri has compiled several volumes of historical documents on Labour, Communist and Social Democratic Movements in Iran. Here, I am referring specifically to his English-German-French volume, *The Conditions of the Working Class in Iran* (Italy, 1978). Among these works, Lajevardi's is of distinct value as it is the most comprehensive so far on labour in Iran, covering the period between the emergence of labour movement till the early 1960s. The period between 1965-75 and after is treated in a very sketchy fashion. Despite its empirical/historical value, the book is based upon two problematic theoretical premises. Throughout the book there is a *necessary* link between political conditions (repression/freedom) and labour organization (non-organization/organization). Secondly, the relationship between the state power and mass organizations (especially the labour unions) follows a zero-sum logic. Thus, when the state is weak, the labour organizations are strong; when the latter are weak, the former is strong.
 5. This information was collected as part of my field study conducted in 1980-81 in Iran where I visited 14 modern plants located in Tehran, Karadj and Tabriz. Apart from interviews with the workers of these factories, I conducted systematic interviews with the male industrial workers in three 'labour hospitals' in Tehran. I also collected data from the Ministry of Labour, School of Industrial Hygiene, and Ministry of Health.
 6. See E. Livernash and K. Argheyd, 'Iran' in A.B. Albert (ed.), *International Handbook of Industrial Relations* (Green Wood Press, 1981), pp.263-4.
 7. *Ibid*, p.264.
 8. For the figures see E. Hooglund, *Land and Revolution in Iran* (Texas, 1982), p.91.
 9. For more detailed examination of labour migration and proletarianization process in Iran see Assef Bayat, *Workers and Revolution in Iran* (London, 1987), Chapters 3 and 4.
 10. In H. Pesaren, 'Economic Development and Revolutionary Upheavals in Iran', *Cambridge Journal of Economics*, September 1980, p.25.
 11. The manager of a plant in Tehran (SEPENTA) described to me how the shortage of labour would force them 'to go out there in the Tehran-Kardj road to fish out the (immigrant) construction workers recruiting them in the factory'.
 12. Bank Markazi Iran *The Statistics of the Registered and Abolished Enterprises in the Large Cities: The First Nine Months of 1349 (1970-71)* (Tehran, 1971), Department of Economic Statistics, Unpublished Reports, p.4. (in Farsi).
 13. Personal communication with one of the leaders of the strike (exiled in the US) in May 1986 in California.
 14. For a more detailed consideration of these remarks see Bayat, *Workers and Revolution in Iran*, Chapter 4, pp.42-5.

15. This 'industrial consciousness' is expressed in the following statement of an industrial worker in Zagros factory in Tehran:

When we came into this factory (16½ years ago), we had some welfare here. Therefore, the worker was generally quiet; he would do his job, and as he could see that there was some sort of regular income, he was generally happy. But now, he is frustrated with this life. I, for one have now been working here for 16½ years. Now, the government says that it won't give any loans! A man who's been working here for 15 years and is now 40 – if he cannot get loans, what is he going to do? the government must intervene, it must provide facilities (credit, loans, etc) ... So that the workers can buy or build a house or something.

16. In this article I distinguish between two concepts 'labour unionism' and 'shop-floor activism'. The former refers to a viable combination of all or a section of the workers (in a workplace, trade or industry) who pursue a generally common objective and who have more or less regular communications (as, for instance in a trade union). The objectives of labour unions vary from defensive struggle for pay and conditions, to participation and, in the exceptional cases, offensive struggles to control the production process and to bring about structural change in society (e.g. syndicalist unions). By shop-floor activism I mean the *ad hoc*, irregular and yet generally planned attempts of some or all workers, at one work-place, who want to pursue the goals of labour union through such actions as sabotage, go-slows, and strikes. These activities are *ad hoc* and irregular because they get interrupted by political harassment, undermined by division among the actors or stopped after the accomplishment of their goals (such as pay rises). Shop-floor activism is a state prior to a labour union organization.
17. F. Daftary and M. Borghaii, *Multinational Enterprises and Employment in Iran* (Geneva, 1976), ILO working paper.
18. Halliday, *Iran: Dictatorship and Development*, op. cit, p.206.
19. For example see Lajevardi, *Labor Unions and Autocracy in Iran*, op. cit.
20. Quoted in A. Ghotbi, *Shuraha va Socialism -i Ilmi* (The Shuras and Scientific Socialism) (Tehran, 1979), pp.94 and 105.
21. See Livernash and Argheyd, op. cit, p.267.
22. Ibid. Livernash and Argheyd do not mention that the strikes were banned and that SAVAK agents were active in the syndicates and in the Security Bureaus of the factories. While they do talk about the occurrence of strikes, the latter are depicted as if they were legal: 'Very few of the strikes (and there were quite a number of them) were, in fact, official, in the sense that that term is known in the United States, and officially syndicates seldom controlled or regulated either the strikes or their settlements ...' (p.273). (Emphasis added).
23. Interviews with the workers.
24. On the experiences of workers' control in these and in other Third World countries see my forthcoming book, *Workers Participation, Self-Management and the State in the Third World* (London, 1990).
25. For a detailed examination of workers' control movement in Iran in the Revolution of 1979, see my *Workers and Revolution in Iran*, op. cit; and 'Iran: Workers' Control after the Revolution', in *MERIP Reports*, 1983, no.113.
26. G. Therborn, 'Why some Classes are more Successful than Others', in *New Left Review*, No. 138(1983).

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Labor and Democracy in Post-Revolutionary Iran

Assef Bayat

Introduction

In a given capitalist social formation, the political democracy in broad economics is determined, I propose, by two fundamental factors: the degree of capitalist development and the extent of class struggle. Specifically, the more hegemonic capital is, the more likely it is that the state would take a democratic political form. The reason is that an advanced capital has the capability to accommodate the anti-capitalist and democratic struggles of the working class and other democratic forces. On the other hand, where a weak capital operates, as in the backward capitalist countries of the Third World, the state tends to assume a despotic character. Yet, it does not follow that the backward capitalist societies are doomed to be dominated by despotism. The balance of forces in the political arena may change and be maintained in favor of democracy if the subordinated classes are able to resist the undemocratic policies of the state and if they set limits upon the arbitrary functions of the state by organizing in such mass institutions as labor unions, professional societies, and associations of women, students, and the intelligentsia. Historically, the labor movement has played a major role in bringing about a democratic balance among the social forces.¹

In a market economy, the relationship between the labor movement and democracy occurs in one of two forms. The first type, "immediate relations," refers to a situation in which labor is assumed to be a powerful economic institution united in a single national organ and capable of imposing its political demands upon the state through changing the balance of forces in society in favor of democratic processes and practices. Historical evidence in Europe suggests that "formal," or "bourgeois," democracy developed as a result of the continued anti-capitalist struggles of organized labor.² Similarly,

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in Bolivia (a backward capitalist country), a very strong labor movement has, since the 1952 Revolution, forced the return to periodic representative governments following each military coup.³

The second type, "mediated relation," refers to the labor movement-democracy relationship in which labor seeks to implement a strategy of "economic democracy" through a transformation of the authoritarian division of labor in the workplace. Such a strategy, if sustained, can provide conditions for extending and consolidating democratic institutions and traditions that may lead to political democracy. Because this strategy presupposes the institutionalization of accountability, criticism, and direct involvement, it would tend to lead to a new conception of power relations. The institution of economic democracy, then, requires, for its reproduction, a certain degree of democratization at the level of the state institutions and political decision-making. The Yugoslav self-management system, for instance, is certainly a crucial factor in determining the relatively democratic character of the state in that country in comparison to the other Eastern European countries.

In this chapter, I will discuss the relationship between the labor movement and democracy in Iran after the Revolution. Both "immediate" and "mediated" aspects are considered. By the "labor movement" in revolutionary Iran, I mean largely the "workers' councils" or *Shurahs*. The latter were an organizational manifestation of the strong desire on the part of the working classes in both industry and the service sectors to exert control over production and the administration of production.⁴

In referring to "democracy" in a capitalist social formation, I point to both the "macro" level (e.g., as political democracy) and the "micro" level (perceived as grassroots democracy). The former concept broadly defines a political system in which the state's policies are determined by the citizens of the given country through a mechanism of representation. To make such a system reality, certain types of political freedoms (e.g., freedom of expression, assembly, and political organization) have to be presupposed. Democracy at the "micro" level refers to the way in which the policies of certain economic and social institutions (e.g., industry, educational systems, and neighborhoods) are determined from below by direct involvement of the people.

Labor Struggles, 1978-1982

In the course of the revolutionary upheavals in Iran that led to the downfall of the monarchy in February 1979, labor struggles mounted and developed in two successive stages. The first stage, October 1978 to February 1979, was characterized by a wave of mass strikes, and the second stage, from February 1979 to July 1982, by the emergence and development of the labor council movement.

Mass Strikes, 1978-1979

Following massive street demonstrations in the urban centers and the oil strike in October 1978, workers' strikes spread rapidly throughout offices

and industry, in both the state and the private sectors.⁵ By January 1979 the entire urban working class, including white-collar and blue-collar workers, had put down their tools. The strike movement culminated in the general strike during the Bakhtiar government. Both wage earners and small-business people helped to halt all major economic activities.

The strikes by the industrial working class had already begun as early as May 1978. Initially, the demands of the strikers were overwhelmingly economic. They changed gradually into political demands, however (although some retained their economic form), directed not to limited and immediate economic objectives but to long-term political goals. In particular, the strikers aimed at dismantling the political order by inflicting economic wounds on the regime. By October 1978, some 45 percent of the demands of the strikers were political, reaching 80 percent in November and 100 percent in February.⁶ Although the industrial working class as an *organized* force entered the political scene later than the urban masses, the workers as *individuals* had already been present in the street demonstrations. It was not until October that the industrial working class, alongside the state employees, started to organize concerted strike actions by creating strike committees in the industrial workplace.

For the most part, the strike committees were led by militant workers with three distinct backgrounds: experienced secular trade unionists, worker activists linked to anti-monarchy religious circles, and militant workers with leftist tendencies. The organization of the strike committees was largely decentralized, and their day-to-day affairs were directed neither by a national coordinating body nor by the official leadership of the revolution based in Paris. At times, the strike committees came into conflict with Ayatollah Khomeini's representatives or the religious leaders inside the country over matters concerning the handling of strike policies (e.g., the case of the committees in railway, oil, and customs). In the days immediately following the Revolution, it was these strike committees that, to some degree, provided the *institutional* bases for the organization of the council movement to which I turn below.

The Council Movement, 1979-1982

The second stage of the workers' movement was identified with the development of workers' councils after the Revolution. The councils constituted the organizational embodiment of a strong desire in the workforce to exert control over both the processes and the administration of production. They formed the workplace organizations that aimed to extend the control of labor over the organization of production, limit the authority of management, and democratize the work environment. Thus the activities of the councils transcended those of the typical labor unions or workplace syndicates, whose concerns did not usually go beyond matters of wages and conditions of work. In their day-to-day activities, the councils were concerned not only with wages and working conditions but also with matters of employment and dismissal, production, pricing, procurement, and investment.

Structurally, the workers' council is normally seen as an administrative apparatus, or as a directly elected body of workers who, as members of the "executive committee," are assigned by the assembly of employees to carry out the tasks specified in the councils' constitutions or demanded directly by the workers. To be more precise, a council should be viewed not merely as an administrative apparatus but as a totality encompassing the employees, the structure of power delegation, and control-oriented practices, and the rationale that governs the structure and practices in the workplace.

In the first six months after the Revolution, a form of "control from below" prevailed in the workplace through the mediation of the labor councils, which took part in decision-making processes or set into motion and ran the enterprises whose owners or managers had fled the country or had gone underground. The political and economic consolidation of the Islamic state gradually undermined the real power of the secular councils, and the system of *one-man management from above* was once again reintroduced.

Workers' councils emerged alongside other popular and grass-roots organs such as district committees, peasants' councils (in the northern provinces), employees' councils within the state administration, and councils of cadets in the air force. The factory councils, however, were more widespread and survived longer than the other organs.

Why did the councils emerge? The concept of such councils had no precedent in the historical experience of contemporary Iranian laborers. The experience of "council societies" (*Anjomanhaye Shurahi*), which emerged in some northern cities and among the urban people during the Constitutional Revolution (1905–1907), existed too long ago to be remembered by the present generation of industrial laborers.⁷ Nor did the idea come from without—that is, from the political groups (left, secular, or religious). Only after the *Shurahs* had been organized by the workers themselves did the political groups propagate them and provide them with a loosely structured theoretical framework. In this connection, the Left political groups tended to wrongly conceive of the *Shurahs* as similar to the *soviets* that emerged during the Russian Revolution. The latter, unlike factory councils, were bodies that went beyond the workplace, representing not only the workers but also peasants and soldiers, and whose concern was mainly political. Relying on two *ayats* from the Quran, the ideologies of the Islamic Republic party (IRP) attempted to establish a Quranic origin for the *Shurahs*.⁸ The IRP also wanted to change the notion of *Shuraism* as being exclusive to the Marxists whose ideological ideas about the councils predominated over those of other political organizations at that time.

The councils were conjunctural (i.e., time-specific) phenomena. They resulted from the consolidation of two distinct but interrelated factors. First was the conjunctural inability of Iranian capitalism to respond positively to the workers' "defensive" demands—the demands that aimed to preserve their already acquired gains. This inability of capital was related to the crisis conditions in which capitalism found itself immediately after the Revolution.

Specifically, the legitimacy of capitalist rationale and relations had come into question after the Revolution. Thus, in the aftermath of the insurrection when Khomeini ordered workers to end their strikes, the large-scale firms shut down, and industrialists and company owners connected with foreign capital either went into hiding or fled the country. Furthermore, the supply of raw materials had come to a halt, there had been no new investments since the beginning of the widespread strikes in industries, some companies had gone bankrupt, and many firms refused to continue their operations until the new state could assure them of favorable business conditions. Although the provisional government was relatively quick in declaring its support for private investments, productive capital could not be assured of political security. This situation prevails even today and has to do with the peculiar nature of the Islamic state.⁹

Under such conditions, capital was unable to respond to the ordinary defensive demands of the revolutionized labor force, including payment of delayed wages, re-employment and job security, and higher pay and benefits. Together, such demands constituted about 52 percent of the total demands made.¹⁰ This inability of capital provided material conditions for workers to transcend their defensive demands and resort to offensive direct action: taking over plants and running them themselves, presiding over the financial activities of the companies, occupying factories, and so on. These actions were indeed instances of workers' control, in as much as they were institutionalized and regulated by the councils. The first five months after the Revolution witnessed at least 374 industrial incidents: strikes, sit-ins, protests, demonstrations, occupations, and hostage-takings. These incidents involved at least 286 large industrial units.¹¹

Although a crisis in the capitalist reproduction process is necessary if workers are to adopt an offensive strategy, it is not by itself sufficient. An additional factor must be present—namely, the acquisition and development by the working classes of a new, control-oriented form of consciousness. Indeed, this new form of consciousness was the product of the revolutionary crisis. It was based upon the workers' feeling that "we have struggled to defeat the past, so we have the right to determine the future." Their new mentality was shaped by all those layers of the population who had participated actively in the Revolution. Yet each layer tended to give expression to this consciousness in its own immediate surroundings. For the industrial working class, it was manifested in the idea and practice of factory *Shurahs*.

In addition to new economic conditions and this different state of political consciousness, a third element contributed to the popularity of the *Shurahs* as an organizational concept: a power struggle within the provisional government. The "liberals" in the government opposed the formation of the councils, whereas the Islamic Republic party stepped up its support for them. The party aimed at dismissing the "liberals" as counterrevolutionary while presenting itself as a revolutionary alternative (as discussed in the last section).

The Council Movement and Democracy

To what extent did the post-revolutionary labor movement—in particular, the council organizations—contribute to the cause of democracy in Iran? The issue must be examined in terms of both its immediate implications and its mediated implications.

Immediate Implications

There is no strong evidence to suggest that the Iranian working class was involved in *direct* political struggle for preserving the democratic achievements of the Revolution beyond the workplaces (i.e., at the societal level). For instance, we lack evidence of organized opposition by the working class to government policies concerning freedom of expression, ethnic minorities, women, and so on. On the other hand, no evidence exists to indicate that the working class supported these policies either.¹² There is, however, an important exception to this generalization: The *pro-IRP* supporters among the working class, organized in the Islamic *Shurahs* and Islamic associations, opposed the policies of the provisional government but supported the government formed by the party.

The absence of effective democratic activities among the working class at the societal level may be inscribed by two sets of considerations: sociological/organizational and ideological/political.

Sociological/Organizational Considerations. The working-class organizations, whether councils or labor syndicates, were never combined in a nationwide institution. For the most part, they were scattered throughout the individual workplaces. Only a few attempts were made to unite the councils on an industrial or regional basis as exemplified by the Union of the Councils (UC) of the Industrial Units of the Gilan Province, the UC of the Oil Industry, the UC of the Organization of Industrial Development, the UC of West Tehran, the UC of East Tehran, and the Union of the Contract and Seasonal Workers of Abadan and Vicinity.

Except for the latter union and the UC of the Oil Industry, which were involved in political-democratic struggles in Khuzistan province, the scope and activities of the remaining unions were limited to workplace and economic issues.

The failure of the working class to unite the councils can be attributed to three factors. First, workers lacked experience of trade unionism. Political repression under the Shah had hindered independent trade-union activities. Some evidence points to the existence of underground trade-union activities among industrial labor in the early 1970s. Yet it must be stressed that the hasty pace of class formation since the 1960s set restraints on the scope of the clandestine trade unionism. To begin with, a large proportion of the industrial working class was still new to industrial work. In 1980, only 8 percent of factory workers in Tehran came from the industrial working class, which experienced an annual growth rate of 8 percent. Most of these workers (80 percent according to my survey) emerged directly from the

rural areas with no experience of industrial work. Having come from the misery of village life (which entailed the loss of land, unemployment, and low income), such workers at least initially viewed factory employment in positive terms—as a means of job security and economic betterment—and thus had little motivation to organize secretly. It was only in the latter part of the 1970s that this new generation started to understand the misery of factory life and began to acquire a new identity.¹³

The second reason is related to the structure of council organization. As the councils were a form of workplace unionism, their common interests were based neither upon the common skills of, say, printers or engineers nor upon industrial classification, such as textile work or coal-mining. Third, the state would oppose any significant attempt by the workers to independently amalgamate the councils into larger organizations, such as the UC of the Organization of the Industrial Development).

Ideological/Political Considerations. Ideological and political factors played an important part in hindering the active intervention of the workers in the society-wide democratic struggles that occurred immediately after the Revolution. In this respect, two specific elements could be identified: the populist policies of the Islamic state, and their untenable political evaluation by the “traditional Left.”

The populist policies of the Islamic state emanate from the unique nature of the *welayat-e faqih* (“government of the jurist”). This Islamic form of the state in Iran is characterized by its conflicts with both the working class and the bourgeoisie. (I have outlined the origin and unique nature of the Islamic state in more detail elsewhere.)¹⁴ It suffices here to say that the populist stand of the state played an important part in confusing and dividing the working class politically. A small but active and privileged section of the working class identified its interests with those of the state. Organized in the Islamic associations and the Islamic *Shurahs*, which were initiated by the IRP inside the workplace, this group backed the policies of the regime and formed part of its social/political basis.

Not only the working class but also a large part of the traditional Left became confused by the populist, “anti-capitalist,” and “pro-down-trodden” stance of the Islamic state. These leftist groups conceived of the Islamic state as representing the “interests of the petty bourgeoisie,” which they described as having an “anti-imperialist” political character. Such conceptions of the state, which informed the political agitations of the left-wing groups, further confused those workers who leaned toward the Left organizations. In addition, the Left groups paid little attention to the issue of civil and democratic rights and liberties, dismissing them as “liberal bourgeois demands.”

Mediated Impacts

The labor movement nevertheless contributed to the cause of democracy through the medium of the councils. This contribution was realized in the following terms:

Structure. The councils by their nature were democratic, grass-roots organs. Their executive committees were directly elected and were subject to recall, at any time, by the members. The committees were accountable to general assemblies of employees, and their members were not paid any extra salary for their positions in the committees. Almost all workers in a unit would attend the meetings in which heated debates would take place on issues concerning the running of the workplace. At crucial meetings, such as the ones concerning the conduct of management, a few officials from the Ministry of Labor or the "Imam's representatives" would also attend. The day-to-day activities of the *Shurahs*, including elections, debates in general meetings, and operation of the affairs of the enterprise, had a dramatic impact upon the way the workers conceptualized society, authority, and their social position in the society at large. Indeed, the workers were involved in a learning process. To understand the significance of this change, the reader should recall that, during the last thirty years, democratic institutions (whether state or nonstate) have been almost totally nonexistent in Iran. In family and school, in workplace and political organizations, both open and clandestine, decision making had been basically authoritarian. It was against such a background of political culture that the councils established a nascent democratic tradition and culture.

Function. As indicated above, the workers' councils were the organizational manifestations of the workers' struggle to exert control over the processes and administration of production. In other words, the workers' councils tended, in practice, to transform the authoritarian character of power relations in the workplace by altering the traditional division of labor between functions of "conception" and "execution." This division signifies a division between roles and positions involved in decision making on the one hand, and roles and positions involved in mere implementation of such decisions on the other. The struggle to alter or modify this division of labor is a fundamentally democratic act, because it reflects not simply a technical division of labor between certain employees but, rather, a social division. It points to the relations of domination and subordination of the workplace.

It must be stressed, however, that the *Shurahs* were not Soviet-type organizations, nor could they be an alternative to the Islamic state in pursuit of a socialist revolution. In broad terms, *soviets* in Russia represented the specifically *political self-organization of the working class*—a self-organization that transcended anti-capitalist struggles at the point of production and aimed at controlling the political power.¹⁵ The *Shurahs* in Iran, which generally resembled the characteristics of the factory committees that emerged during the Russian Revolution, fought a battle to transform the despotic and authoritarian power relations that existed in the workplace. The *Shurahs* might have become a national political force if they had survived and combined into a national organization.

The factory councils appeared in five areas within the industrial arena.

1. Trade-union or economic struggles: After the revolution, trade-union organizations were absent. The workers were reluctant to set up syndicates,

principally because of their unpleasant experience with the state-run unions under the Shah and the lack of free and independent trade-union organization. Thus the *Shurahs* also had to play the role of typical labor unions in fighting for economic demands.

2. Struggles against authoritarian relations in the production and administrative enterprises: Authoritarian relations are a predominant characteristic of a factory system based upon the capitalist division of labor. In Iran, the despotic attitude of traditional management was an additional dimension in industrial relations. Thus the councils tended to struggle against these relations by attempting to alter them. The workers' general assemblies put on trial and sacked the elements responsible for maintaining such relations: directors, foremen, SAVAK agents, and so on. For this purpose, the councils formed "investigation committees" and factory tribunals to investigate cases of misconduct and corruption. These activities were undertaken, for example, in Pars Metal, Arj, Yamaha, and the Phillips companies.

3. Control over hiring and firing: Two motives were behind the workers' struggles to control this area of managerial authority. The first, the principal incentive, was related to the idea of "sovereignty of people over their own destiny," as indicated in the constitutions of the *Shurahs* prepared by the workers themselves. The second motive, the practical one, involved achieving the right to fire (e.g., the managers) and to prevent victimization of the workers.

4. Control over the financial affairs of the workplace: This concern related to the workers' determination to have access to the financial information of the companies and to monitor the flow of resources. The workers wanted to know how much was being produced, how many profits or losses there were, where the profits went, to whom the products were sold, and how much was being reinvested.

5. Management of production and administration of production: This concern pertained to the high degree of control wielded by the *Shurahs*. Control at this sphere rendered the management, appointed by the government, virtually redundant. In factories such as Earfoo, Saka, Behpoush, and the Alborz Electrical Industry, the councils declared themselves as "solely responsible for the company." That is, the workers regarded themselves as having the right to preside over distribution, finance, administration, communications, pricing, the purchase of raw materials, production, cultural affairs, and security. The case of the Phillips Company is a good example. "What do all these have to do with the workers?" I asked a council member in a modern plant. He replied:

The reason the revolution was made at all is because we wanted to become our own masters, to determine our own destiny. . . . We didn't want a situation where one person or a few make decisions for two thousand. When we, two thousand, are working around these walls, we want to know what is going on here; what we'll achieve in the future, in what direction we are running the company, how much we could take for ourselves, how much we could contribute to government for national investment. For this reason, we never

let management employ somebody to make decisions. This would be a repetition of the same previous mistakes to the extent that it would violate the rights of the workers, which are in fact the rights of the Iranian nation.

Wider Social and Ideological Implications. So far, I have focused on the means by which the council movement contributed to the democratization of the workplace. Now I want to discuss the third level at which the councils affected and could have had further impacts on democracy in Iran if they had survived. In striving to restructure the production process and to alter the inherited relations of subordination and hierarchy, the workers found themselves experiencing new terrains of control and power status previously in the exclusive domain of managers. As they functioned in this learning process, their perceptions of work, power, and society tended to change. Such an experience would confer on the workers a new perception of their role in society such that they would be seen not just as a subordinated and exploited people but as those with the right and ability to determine the direction of production. This change in perception, if sustained, would have been immensely significant in social terms. For it would have involved not only the workers in thinking differently about themselves and about other classes but also the rest of the civil society, notably the dominant classes, in acquiring different attitudes toward the workers. The workers would no longer have been identified as subordinate, miserable, crippled, and regrettable creatures, but as human beings with initiative and ability. This change of attitudes would also have acted against the exclusivist view that the subordinate classes neither need, deserve, nor understand democracy.

In the first six months after the Revolution, a kind of "control from below" prevailed. However, the real power of the councils began to be undermined when the provisional government started to implement its economic policies and to reestablish the one-man management system at workplaces by appointing professional managers from above. This second period began in the late summer of 1979 and lasted until July 1981. During this time, the industrial workplace became the scene of widespread struggles and tensions between various organs of power: professional management, Islamic (or *maktabi*) management, *Pasdaran* (Revolutionary Guards), Islamic Associations, independent councils (the subject of the present chapter), and the Islamic *Shurahs*. The latter were set up by the pro-IRP workers and backed firmly by the Islamic Republic party as a loyal alternative to the independent *Shurahs*. It is beyond the scope of this chapter to explain the logic behind those tensions and the changing composition of the alliances within the power struggles. It is enough to state that among these rivals the independent councils were incrementally undermined. We turn next to a discussion of the causes behind their disintegration.

Causes of the *Shurahs*' Disintegration

Political Pressure

The political factor underlying the dissolution of the councils concerns the attitudes of both the state and capital toward the *Shurahs*. Although

(for the reasons mentioned earlier) the relationship between the Islamic state and the capitalists have long remained contradictory, proponents of both expressed their opposition to the workers' councils primarily because of the anti-authoritarian orientation of the councils.

Different factions in the Islamic state adopted different attitudes at different times toward the *Shurahs*. The provisional government categorically opposed their formation. Instead, it advocated the establishment of syndicates. The provisional government set up a Special Force inside the plants, composed of appointed inspectors, to report on the activities of the councils.

The populist faction of the IRP known as the "Imam's Line" aimed at creating a form of "Islamic corporatism" in order to integrate labor into the Islamic state. In general, corporatism is a form of populist strategy that attempts to integrate the tripartite forces of labor, capital, and the state in order to make them work cooperatively for the good of a "beloved nation." Cooperatism in Iran featured such additional ingredients of Islamic ideology as the corporatism of Islamic workers, *mashru* ("legitimate") capitalism, *maktabi* (literally, "Islamic") management, and the Islamic state, all of which cooperated for the common cause of the nation. By attempting to adopt such a policy, the IRP strengthened the notion of *shuraism* (albeit with an Islamic character) and employed it both in the workplace and in society at large in order to discredit the values and the elements that it considered "liberal." The policy also aimed to preempt the socialist ideas and organizations with which the idea of *shuraism* had been intertwined. The policy, in practice, also weakened the position of workers by dividing the councils into "Islamic" and "non-Islamic." The nonconformist councils were later dismantled.

The "fundamentalist" faction of the IRP, the Hojjatiyeh sect, believed that the very concept of *Shurahs* was irrelevant to Islam and should be abolished altogether. The sect argued that power in Islam emanates from above, from God through the mediation of the *imam* and in his absence through the *naib imam* (the substitute of *imam* on earth). *Shurahs* were un-Islamic because they constituted an institution of power from below. In 1981, Ahmad Tavakkoli, the then minister of labor and a follower of the Hojjatiyeh sect, prohibited the formation of the new Islamic *Shurahs* for a year. But the workers' resistance and the power struggle within the state led to his dismissal. Ayatollah Khomeini himself largely shared the view of Hojjatiyeh on the issue of the *Shurahs*, a fact that observers consider to be the main reason for the conflict that existed between him and Ayatollah Taleghani, who advocated the formation of Islamic councils.¹⁶

The practical implication of the policies mentioned above assumed different forms: (1) an economic blockade, through which (given its overwhelming control over the banking system, credit, loan, import-export operations, and so on) the state was able to bring such non-conformist *Shurahs* in Saka, Orkeedeh Chineh, Naz Nakh, the Esfahan Wool Industry, among others, to their knees; and (2) blatant political crackdowns by means of intimidation, framing, firing, arresting, and so on, which became common practices. This policy assumed a new momentum after the events of July 1981, when the clergy seized the state apparatus following President Bani Sadr's downfall.

The political crackdowns were devastating blows to the structure and activities of the independent councils. It would be a mistake, however, to attribute the disintegration of the councils wholly to political factors. I maintain that the internal contradictions of the councils should be considered the major factor responsible for their failure. In other words, for the reasons stated above, the *real* (versus the formal) power of the *Shurahs* would have been undermined, even in the absence of political pressure.

Internal Contradictions

The internal contradictions that led to the councils' dissolution consisted of conflict between the short-term and long-term interests of the councils. The workers who had fought so dramatically against the professional managers and the system they represented, who had put the managers on trial and dismissed them on several occasions, and who had been running the companies for months requested the state to send back these same professional managers to solve certain problems. This contradiction in the workers' behavior toward the managers reflected the dual function of the management task: "Coordination" and "control" corresponded respectively to the technical and social divisions of labor in the production process. The function of coordination is related to the technical coordination of the affairs—that is, to the maintenance of harmony, avoidance of waste and the like—which is required in all complex forms of organization. The function of control, on the other hand, is the manifestation of power relations in the production process and is historically determined and specific to authoritarian forms of organizations. The two functions can be separated only at the level of abstraction. In reality, they reproduce each other.

Now, the workers wanted to transform the existing management system. In so doing, however, they felt that they needed, in the short run, the skills of professional managers in order to maintain production. But the reinstatement of the very same managers meant, in fact, reestablishment of the same technical and social (power) relations. So the workers both wanted, and at the same time did not want, the existing management system. Thus, on the one hand, restructuring or modifying the existing system of the division of labor was essential to the survival of the councils in the long run. The consolidation of the councils therefore required new relations and a new system of management. On the other hand, their short-run survival depended on the same traditional forms of managerial competence. In short, the councils wanted the same managerial functions without the associated power relations; but this desire obviously could not be realized because in the hierarchical structure of management, each agent carries, within his or her position, a specific degree of power that is exerted objectively.

The immediate implication of this contradiction for the *Shurahs* was the general weakening of their real power and their transformation into institutions that had only formal power. From the time of the U.S. Embassy seizure in late 1979 and the government's growing concern with "rationalizing" industry, the executive power of the councils tended to change gradually from

determination of the organization of work and production to consultation and cooperation with the management. The rapid demise of the independent councils started just after the political crackdown of July 1981, following which the pro-IRP Islamic *Shurahs* and the Islamic Associations dominated the workplace.¹⁷

Conclusion

I have attempted to explore the relationship between the labor movement and democracy in post-revolutionary Iran by assessing this relationship at two "immediate" and "mediated" (or indirect) levels of impact of labor upon the realization of democratic practices. My argument is that the workers' movement, embodied in the council organizations, contributed to the cause of democracy by establishing democratic institutions and a nascent democratic tradition at the workplace. The labor movement, however, failed to act as an effective force to maintain the *political democracy* that had been generated in the aftermath of the Revolution.

Having witnessed the "Islamic Revolution" and its outcome, we may once again find it possible to observe the establishment of democracy in Iran in the future. In that case, the question of how to maintain political democracy would certainly be the major issue, because the historical and structural factors constraining the practice of democracy will be present: weak capital, transitory classes, and a backward state. At this time, not much can be said about the way in which political democracy may be reproduced in Iran in the future. But what can be said at this stage is that democracy, whether at the societal or the local ones, cannot be maintained by the good will of the political leaders, however sincere their intentions may be. The future political system must be structured in such a way as to be able to *afford* the practice of democracy. Democracy can be maintained only through the establishment of a necessary balance among the conflicting forces in society: capital, labor, and the state in their totality.

Restriction or even abolition of market relations does not automatically lead to a democratic structure. Besides, as far as Iran is concerned, market relations are likely to remain even after another revolutionary upheaval. Thus, the creation of popular, independent, and grass-roots organizations seems essential to the generation and maintenance of that necessary balance. In this process, the experience of labor councils in industry, the service sector, state administration, and educational establishments, as well as the councils in local neighborhoods and among the ethnic minorities, would be of immense value. Among these, the grass-roots and independent labor councils can play a vital role, for they are able to contribute to the cause of democracy both directly (as unified organizations of working people) and indirectly (as democratic institutions in which employees would experiment, practice, and learn democracy in a systematic way).

Two points must be made in this regard. First, the objective feasibility and systematic operation of these mass organizations could only be the

preconditions and products of a political order that will transcend class and elite rule. Second, there must also exist a clear vision of how to construct the necessary balance of social forces to maintain the political democracy. If it is true that mass and grass-roots organizations are essential for the creation of that balance and, thus, for the democratization of Iranian society in the future, then one must have a clear idea of how to reproduce the *real* power of such mass organizations (such as the factory councils). The answer to the above question lies in the future, in the process of experience, and partly in the present—specifically, in the construction of a *theory* of “power from below,” at both the “micro” and the “macro” levels.

Notes

1. I have developed this view in my *Workers and Revolution in Iran: A Third World Experience of Workers' Control* (London: Zed Books, 1986), ch. 11. I am aware of the fact that other factors may intervene to determine the success or failure of a democratic structure in a given country (e.g., historical, cultural, international, or geopolitical factors). Yet I must stress that the two factors I have mentioned in the text (i.e., degree of capitalist development and the intensity of social [class] struggle) are the basic ones.

2. See E. P. Thompson, *The Making of the English Working Class* (London: Penguin, 1962); and G. Therborn, “The Rule of Capital and the Rise of Democracy,” *New Left Review*, no. 103 (1977); G. Therborn, “The Travail of Latin American Democracy,” *New Left Review*, nos. 113–114 (1979).

3. G. Therborn, “The Travail of Latin American Democracy,” *op. cit.*; J. Dunkerley, *Rebellion in the Veins: Political Struggle in Bolivia, 1953–1982* (London: Verso, 1984).

4. In this chapter, I use the terms *Shurah*, *workers' council*, and *factory council* interchangeably. For further discussion of the Iranian council movement, see A. Bayat, *op. cit.*; A. Bayat, “Iran: Workers' Control after the Revolution,” *MERIP Reports*, no. 113 (1983); V. Moghadam, “Workers' Councils in Revolutionary Iran,” *Against the Current*, no. 2 (1985).

5. For a more elaborate account, see A. Bayat, *Workers and Revolution*, *op. cit.*, ch. 6.

6. For an elaboration of the concept of “economic/political struggles,” and the sources of the figures, see A. Bayat, *Workers and Revolution*, *op. cit.*, ch. 6.

7. H. Nategh, “Anjomanhaye Shurahi dar Enghelab-i Mashroutiat,” in *ALEFBA*, no. 4 (1363) [1984], Paris (in Persian); Kh. Shakeri, “Pishinehaye Jonbesh-i Anjomanein,” in *Kitab-i Jomeha*, no. 5 (1364) [1985], Paris (in Persian).

8. The literal definition of *Shurah* in the *ayats* is as follows: “To conduct a work, the Moslems should consult among each other.” See J. Shoar, *The Quranic Documents on Shurahs* (Tehran; 1360 [1981]) (in Persian).

9. I have discussed this matter in my working paper, “The Rationale of an Irrational Economy: Economic Management and the Islamic State of Iran,” presented at the Fourth Annual Conference of the Center for Iranian Research and Analysis (CIRA) (Washington, D.C., April 1986).

10. These figures have been calculated on the basis of an analysis of reported industrial incidents recorded in leftist literature between February 1979 and February 1980.

11. The number of industrial incidents in the three years after the Revolution are as follows: 1358 (1979–1980); 366; 1359 (1980–1981); 180; 1360 (1981–1982); 82.

12. As a matter of fact, conversations with individual workers revealed that the workers were not particularly interested in such anti-democratic government policies.

13. See A. Bayat, *Workers and Revolution*, op. cit., ch. 4; A. Bayat, "Proletarianization and Culture: Tehran Factory Workers," in *ALEFBA*, no. 4 (1363)[1984] (in Persian).

14. A. Bayat, *Workers and Revolution*, op. cit., ch. 7.

15. Originally, the term *soviet* referred to two forms of workers' organizations that sprang up following the February Revolution of 1917—namely, the actual Soviet of Factory Committees (i.e., the Executive Committee of the Conference of Factory Committees held in late May 1917) and the Soviet of Deputies of Petrograd, which represented the workers, soldiers, and even the peasants. See M. Ferro, *October 1917* (London: Routledge, 1980), p. 150. It was the latter, the Soviet of Petrograd, that eventually questioned Kerensky's government.

16. Professor Ervand Abrahamian brought this observation to my attention.

17. It must be emphasized that the processes of transformation of the *Shurahs* were characterized by tensions, struggles, and a high degree of resistance.