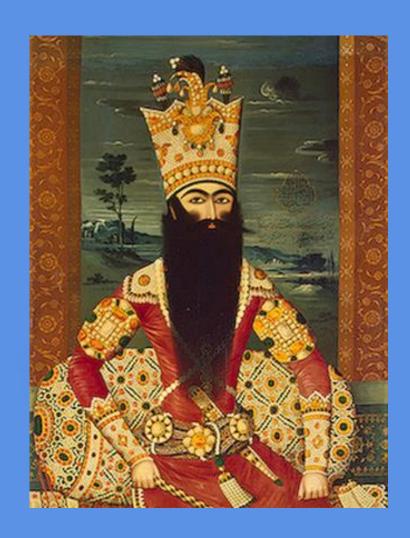
Iran's Formation

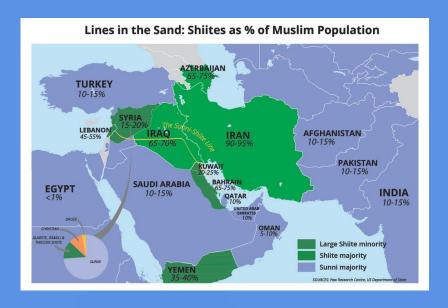
Introduction

- Modern Iran traces back to the Safavid dynasty
- (1501-1722).
 - First established governmental systems of Shahs (Kings)
- Qajar Dynasty (1794-1925) gained control after a series of civil wars.
 - Misrule of country led to a 1906 constitution modeled after Western Governments
 - Elections, Separation of Powers, a Majles (Parliament), and a more limited Shah



Influence of Religion

- Iran adopted Shi'ite Islam as official state Religion
 - As opposed to Sunni Islam which most Muslims follow
 - Iran sees self as protectors of Shi'ite Muslims
- The authority to interpret Shari'a should be in the hands of the senior clerical scholars
 - Iran institutes a Cleric to advise the implementation of Shari'a laws into government





Pahlavi Dynasty (1925-1979)

- Establishment of a Constitutional Monarchy
 - Started by Muhammad Reza Pahlavi
- Heavy involvement by British
 - Had interests in Iran because of oil
- 1953 attempt to nationalize Oil industry by Parliament
 - US and UK backed coup to overthrow
 Parliament and install authoritarian Shah



Pahlavi Rule

- Authoritarian Rule
 - Large military and developed Navy
 - Supported by Secret Police
 - Rigged Election System
 - Majles filled with supporters of Shah to give rubber stamp authority
 - Secularization of Iranian Government
 - European-Style Civil Code replaced Shari'a Law
 - Government control of Media, Oil Industry, and Banks
 - Oil profits made Iran one of the most unequal wealth distribution countries in the world
- Patron-Client Loyalty Pyramids
 - The Pahlavi's disbursed benefits (pay-offs) to groups in return for loyalty
 - Oversaw White Revolution
 - Land Distribution and Literacy Drives to prevent Communist Revolution
 - 1975 Iran becomes a one-party state under Resurgence Party

1979 Revolution

- Ayatollah Khomeini
 - Cleric in exile begins populist movement
 - Formulated political movements based on Shia doctrine
 - Argued against Shah as the "Great Satan"
 - Jurist's Guardianship
 - Khomeini argued only senior clerics should have authority over society
- Starts as a student protest
 - Shah forced to flee
 - Assembly of Experts draws up new constitution
 - Adopt Theocratic Constitution giving power to Clerics



Response to Revolution

- Iranian Hostage Crisis
 - Students attack US Embassy and hold staff hostage for 444 days
- Iran's economy drops
 - Inflation at 20%
 - GDP halved
 - Income drops
 - Unemployment drops
- United States supports Iraq in war against Iran
- Iran develops as Rentier State
 - Parastatal State Oil company responsible for most of GDP