

Modernization and Political Parties: A Case Study of the Hashemi Rafsanjani Administration

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Abstract

This paper aims to explore the emergence of a political and social phenomenon, namely political parties, during a specific period in the history of contemporary Iran, in order to move beyond simple analyses and present a deeper and more accurate understanding of political parties in Iran. The question that this paper aims to answer pertains to the emergence of the Executives of the Construction of Iran Party (Kargozaran-e Sazandegi-e Iran) and the role of the Hashemi Rafsanjani administration's modernization efforts. In order to do so, among three main theories, modernization theory has been selected as the theoretical framework. The paper also uses secondary data analysis as its methodology. In new theories of modernization, instead of focusing on 'ideal types', the focus is shifted toward historical features specific to each society. The findings of this research demonstrate that there is a direct link between the Hashemi Rafsanjani administration's modernizations and the emergence of the Executives of the Construction of Iran Party (Kargozaran Party). This administration's modernization efforts caused a significant shift in Iran's development indexes, which resulted in the revival of Iran's new middle class and provided a basis for the foundation of Kargozaran Party and its victories in subsequent elections. The party became the major proponent of political and economic reform, social liberties, and cultural tolerance in Iran's political arena.

Keywords: Middle Class, Modernization, Institutionalization, Party, Political Participation, Agents of Construction of Iran, Kargozaran.

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Introduction

The government of Hashemi Rafsanjani came to power after the war with Iraq with the aim of carrying out post-war restorations. His slogan was “reconstruction and economic revival” and a great deal of efforts was made for modernization and reform. The Iran-Iraq war caused Iran thousands of billions of dollars in damage.¹ The Rafsanjani administration followed through with economic adjustment and liberation, industrial development, restoration of the country’s economic potential, attracting foreign investment, increasing industrial production, and import substitution policies. In the social and cultural spheres, the government tried to ameliorate social conditions through expanding social security, improving health care, family planning, expanding urbanization, developing mass media, and most importantly, expanding education, especially higher education. In foreign policy, the

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government attempted to ease the tensions and adjust foreign policy. Following this era of modernization and changes in the final years of Rafsanjani's presidency, the Executives of the Construction of Iran Party (*Kargozaran-e Sazandegi-e Iran* (Agents of Construction); referred to as '*Kargozaran*' in this paper) was formed on the brink of the fifth parliamentary elections and earned a landslide victory. Less than two years later, this party succeeded in establishing itself as the most prominent party in support of modernization and modern economic and social reforms by endorsing Seyed Mohammad Khatami in the presidential elections.

This paper explores the link between reform; Rafsanjani administration modernization program and the transformations that followed suit; and the emergence of *Kargozaran* Party. Can the changes that occurred during the either Rafsanjani 'Rafsanjani administration' or 'Rafsanjani's term in office' be referred to as 'modernization'? And, most importantly, based on modernization theory, which regards party formation as an outcome of modernization and socio-economic reforms, can the formation of *Kargozaran* Party be a result of Rafsanjani administration's reforms and modernization program?

Modernization and Institutionalization

The existence of political groups and parties is incontestable in the modern era. Political parties form one of the four fundamental pillars of democracy, contributing to its advancement.² They are such an essential force in the development of a country that they influence patterns of development as well. An election without the presence of political parties can hardly be called democratic. Political party function is not limited to elections, however. Using the concept of 'linkage', Lawson demonstrates that parties act as a link between citizens and policy makers.³ He argues that although the main function of parties becomes apparent in election time, however, their main task is creating a link between the public and the state. Contrary to what is seen in the developed world, the relationship between state and parties is a complicated one in less developed countries and due to a lack of democratic consolidation and political development, a state's political orientation has a vital influence on the rise and fall, the role and even the formation of political parties.

There are many theories that explain the formation of political parties. Three important theoretical approaches are as follows:

- 1- Institutional or Democratic Institutions Theory, which cites the quality and type of functions of institutions based on public voting — such as parliaments and legislative assemblies — as the reason for the formation of parties.
- 2- Social Cleavage Theory, based on which political parties are formed as a result of social cleavages. According to this theory, first critical cleavages are created in a society and later on parties emerge as a result of processes relevant to these cleavages.⁴
- 3- Modernization Theory was put forward by modernization theory thinkers, such as Pye, Almond and Huntington. In recent theories of modernization, the focus has shifted from ‘ideal types’ onto historical specifics of each country. This means that based on Huntington’s theory which states that modernization promotes new groups and gives them new roles, the emergence of ECP in mid-90’s is a product of Hashemi Rafsanjani administration’s modernization efforts. Based on this approach, parties would not be formed unless modernization efforts are carried out. The process of modernization is complex, specific and in need of certain factors including: a market-based economy; leading and dynamic economic classes; accelerated growth of communication and transport; increased social and geographical mobility; expanding education; growing urbanization; increased public confidence and growing secularization.⁵ La Palombara and Weiner claim that the development of parties requires at least one of the following conditions: first, changes in citizens’ attitudes; meaning that they should reach the conclusion that they should have a right to exercise power. Second, some elite groups or powerful elites seek or maintain power through public support.⁶

Throughout the article, it will be demonstrated how powerful elites were able to pave way for the development of a new party with support from political participation demands. According to Huntington, social and economic changes; urbanization; increased literacy and education levels; industrialization; and development of mass media increase political awareness and results in a multiplication of political demands and an expansion in political participation. He believes that societies move towards greater complexity in the process of modernization; in addition, modernization creates social mobility_which in turn

encourages political participation among individuals and groups within a society (Huntington, 1968).⁷

Processes of economic development that are accompanied by industrialization create a new economy, which is highly diverse, complicated, and interconnected to the extent that makes it harder for authoritarian states to supervise. Economic development outside the state's scope of influence creates new and diverse resources of power and wealth, which decrease the all-encompassing need of citizens for the state.

The influence of economic growth on democracy can be explained through better levels of education. A high level of general and higher education makes it difficult for authoritarians to deceive the public and helps in democratization. Furthermore, economic development helps create important resources and makes them accessible to social groups, thereby promoting negotiations and compromise (Huntington, 1968).⁸ Lastly, economic development expands urban middle classes: Experts, businessmen, professionals, teachers, civil servants and technicians who are familiar with modern world values and have received adequate education, are the greater support for the creation of democratic institutions, especially political parties.

Developing a Discourse on Construction

One of the ways to implement modernization is through a “top-down” approach. In other words, certain groups in the political structure carry out modernization and reform. This form of modernization can be subcategorized into deep structural reforms and super structural reforms. In fact, in this form of modernization, emphasis is put on the role of elites and their intellectual capabilities in order to organize them for modernization and development.⁹ The Rafsanjani administration came to power in the post-war era where the burden of consequences such as direct reduction of production, severe destructions in some parts of the country, destruction of human resources and limited currency resources were greatly felt. In addition, the war disrupted oil exports and had a damaging effect on the country's oil facilities. During the war, Iran devoted a great portion of its budget to military expenses. The expenses are as follows: 13.17 percent in 1981; 15.8 percent in 1982; 17.3 percent in 1983; 14.4 percent in 1984; 13 percent in 1985 and 21.9

percent in 1986. Therefore, in the 1981-86 time period, on average 16.9 percent of public expenses were spent to finance the war.¹¹ Rafsanjani has been quoted as saying: “In 1986, one third of the country’s budget was dedicated to armed forces expenses. In 1987, in addition to the current budget for the armed forces — including the army and the Revolutionary Guard — 70 billion Rials which constituted one fourth of the budget was spend on military expenses. In addition, one-third of the country’s currency facilities were dedicated to military expenses.¹¹ Due to this, Iran’s economy was experiencing a recession during this period and the budget deficit was increasing with each passing year.

M. Nili has stated that, “in 1988, the government was experiencing a deficit in the provision of 50% of its expenses. This demonstrated a crisis in the financial sector and respectively in the monetary sector. In 1988, more than 70% of Iran’s imports were made through foreign exchange earnings gained from oil exports and most of this income was spent to import consumer, intermediate and capital goods”.¹² It can be argued that by the time the war had ended, the county’s economic conditions were so grave that in Rafsanjani’s words “it fell below the red line”.

With Iran accepting the UNSC Resolution 598 and constitutional amendments that resulted in the elimination of the position of “prime minister”, the way was paved for a new political discourse based on construction and economic development. Rafsanjani, the moderate politician of the post-1979 Revolution years and the second man in power during the war, was the symbol of this new policy in the country. In the spring of 1989 he was quoted as saying: “I believe it is necessary that after the problems caused by the war, we should focus on [improving] the people’s lives and take action for the country’s economic prosperity. This is one of our main programs”.¹³ The Rafsanjani administration tried to formulate the First Developmental Plan in order to overcome economic problems. They attempted to mitigate the radical war-time positions, and adopt a more flexible foreign policy in order to promote stability in domestic politics and attract foreign investment. “We are ready to cooperate with our allies and other states that do not have expansionist or exploitative intentions.”

With regards to improving the economic structure, the government stopped seeking radical options in its economic development strategy,

opting for economic policies in the vein of western capitalist countries. These new economic policies consisted of leaving the populist approach of the 80's behind and trying to find a stronger integration into the global capitalist economy. The aim of this policy was to reconstruct a chaotic economy, expanding the scope of foreign partnership and privatization.”

The Government Achievements

Despite numerous obstacles, the Rafsanjani administration was able to attain some of the goals set in the Development Plans and creates significant changes in Iran's economic and social conditions. Some of these changes are as follows:

A. Economic Achievements

a. Production

During the First Development Plan, Iran had an economic growth rate averaging 8%. This figure put Iran among the top five countries in the world in terms of economic growth. In 1989, the growth rate was approximately % but in 1990, it experienced a sharp increase to 12.1% then - back down to 9.9% in 1991 (Ehteshami, 2002).¹ From 1989 to 1996, there was a dramatic rise in the production of domestic and basic goods.

b) Agriculture

- Agricultural products exports increased from \$51.5 billions to \$1,118 billions.
- Increase in agricultural water supply from 7 billion cubic meters to 79 billion cubic meters
- Production of cotton increased from 394 thousand tons to 600 thousand tons
- Production of sugar increased from 562 thousand tons to 740 thousand tons.¹⁵

c) Investment and Exports

In 1989-1996, the gross capital formation in % of gross domestic product increased from 12.1 percent in 1989 to 16.9 percent in 1996. During the same period, oil exports increased significantly as well: oil

production, as the main source of income for the country, rose to 4 million barrels in 1992, which is 2 million barrels more than war-time figures.¹⁶

d) Employment rate and population growth

Between 1989 and 1996, the total number of the employed rose dramatically from 11.45 million in 1989 to 14.101 million workers in 1996. Therefore, unemployment rates, which were experiencing a high growth of 15.4 percent in 1989, decreased to 11.4 percent in 1996. Population growth, which was rated 3.96 percent in the 1976-1986 time periods, decreased to 1.96 in the next decade (1986-1996).¹⁷

B) Social Achievements

Parallel to economic developments and reconstruction, social indexes experienced an ever significant marked growth. The indexes for literacy and education, media and communication, urbanization and healthcare are the major indexes that are crucial in the development of the middle-class, which is regarded as the propeller for social and political changes and the main supporting force behind parties and democratic institutions.¹⁸ As Daniel Lerner has put it, creating a society based on political participation requires developments in urbanization, public education and mass media.¹⁹

a) Education

Education -which is also a long-term investment in human resources - is an important part of this article. First, higher education can generate social mobility and can help individuals alter their social status. Given the significant role that universities have played in social and political developments in modernizing states, increasing the scope of higher education can provide opportunities for the political participation of individuals in the society. The effect of these developments is more prominently observed in the years after the election of Khatami to presidency (referred to as the *2nd of Khordad*, which was a starting point for reforms in the country). Thirdly, higher education can be a means of giving equal opportunities to women. Since women in developing countries are rarely present in the social milieus, education can create a greater social and political presence for them, improve their social standing, and advance the society by increasing employment

opportunities for a greater portion of the population, as well as promoting social and political awareness. This will make it possible for less patriarchy inside the families and increases the chances for the formation of a democratic society.

Based on the 1976 consensus results, before the Islamic Revolution, the rate of literacy was 47.5 percent of the population; however, the 1996 consensus results demonstrate a marked increase in the rate of literacy, at 80 percent of the population. We can examine the results for rates of literacy between the years 1986-1996. In 1986, the literate population was estimated at 23,913,000 individuals, which has increased to 41,582,000 persons in 1996. In urban areas, where the new middle-class was situated, the number was 15,507,000 individuals in 1986 and 27,857,000 in 1996. Moreover, the total number of students was approximately 12.9 million persons in 1988, rising up to 17.3 million in 1993 and 19.3 million in 1996.

In terms of human resources, the number of teachers and education workers has substantially increased as well. The number of teachers, which approximated 457 thousands in 1988, reached 588 thousands in 1996.²⁰ Furthermore, the number of schools has experienced an increase during that period as well. Primary schools increased from 54,431 establishments in 1988 to 62,659 in 1997. During the same period, middle schools went up from 13,405 to 26,698 establishments and high schools to 11,901 which show a 14.1 percent increase.²¹

In order to examine the status of the new middle class' and the development of democratic organizations, it is of utmost importance to examine the status of higher education. Growth in these indexes during the time period under discussion demonstrates fundamental changes in the social arena, where strengthening the role of students in the political sphere in the 90's is the prime outcome. In these years, the number of students accepted into universities increased from 136,809 in 1989 to 317,814 in 1997 and the number of students graduating from universities experienced a similar trend from 44,307 in 1989 to 126,813 in 1997.²² This affected changes in values and political and social orientation of families. As already discussed, this added to individuals' ability for social mobility, which in turn affects the society's political standing. Ahmad Ashraf, in his article 'A Study on Iran's New Middle Class' stated that, "The new middle class consists of a new generation of traditional families, liberal professionals and educated bureaucrats".

He believes that education is an important factor in social mobility from lower social classes to the new middle class.²³

b) Communications

Communications is defined as “a mechanism that is the basis for human interactions and all intellectual manifestations and their transfer and maintenance in time and space occurs based on this mechanism”.²⁴ From this perspective, another significant change which occurred a decade after the Revolution was the development in the field of communications. Seen from this angle, the other significant change which took place in the second decade after the Revolution was developments in the field of communication and its extensiveness. These developments played an important role in social mobility and the formation of the new middle class. It also paved the way for the emergence of a national economic market.

c) Transport

According to relevant statistics, Iran’s transport had a significant increase in the 1988-1996 time periods. In 1988, Iran had 126,030 kilometers of roads, which extended to 165,682 kilometers in 1997. In addition, during these years a total of 945 kilometers of main and secondary roads have been rehabilitated and 95,900 kilometers have been constructed. In the railway sector, the railroad network’s length amounted to 4,568 kilometers in 1988, which also increased to 6,067 kilometers in 1997. Passengers transported via railways have also increased: from 6.7 million people in 1988 to 9.5 million in 1997. In the air transport sector, the number of domestic flight passengers increased from 5.1 million persons in 1988 to 8.4 million in 1997.²⁵

d) Modern telecommunication networks

In this sector, the number of landlines increased from 1.87 million lines to 6 millions in 1996. The number of pay-phones (urban and long distance) was, respectively, 10,690 and 2,199 units in 1989 which increased to 56,132 and 7,591 units in 1996.²⁶

In rural areas, only 3,726 villages throughout the country had access to phone lines in 1989, a number which increased by 281% to 14,189 lines in 1996. With regards to modern telecom services, the same increase can be seen in access to modern telecom systems: in 1996

alone, the number of mobile phone numbers went up from 0 to 115,907. In postal services, the number of delivered packages was 240 million in 1989, which rose by 271% to 650 million packages in 1996.²⁷

e) Mass Media

The media is instrumental in increasing public awareness and creating a suitable space for social mobility and developing ideas and modern thoughts. Based on available statistics, the number of public libraries increased from 486 in 1988 to 1,147 in 1997. Moreover, the number of individuals who use library services has risen from 6 million in 1988 to 31.5 million in 1997. The number of published books has also increased from 7,700 titles per year in 1989 to 14,000 titles in 1997. Library circulation has constantly increased from 57,112 million titles to 71 million in 1996 and 80 million in 1997.²⁸

Radio programs increased from 79,939 hours in 1989 to 180,935 hours in 1997; TV broadcast programs from different channels increased from 12,307 hours in 1989 to 44,344 hours in 1996 marking an increase of 260%.

The press-which has been cited as the fourth pillar of democracy-experienced a significant increase in this period. The President also defended the freedom of the press and journalists, albeit in a limited manner, by stating that researchers and authors should feel completely safe and write and publish their thoughts (Ettelaat, 1997).²⁹ Therefore, the number of publications rose from 163 in 1989 to 439 in 1993 and finally to 824 in 1997; demonstrating a yearly increase average of 19.7 percent. The number of newspapers was limited to 8 titles in 1989, which increased to 19 in 1994, and 39 in 1997. Newspaper circulations increased from 136.6 million issues in 1988 to 884.6 million issues in 1993 and 623.5 million issues in 1997 (Statistical Yearbook, 1996).³⁰

Another culturally influential initiative was establishing cultural centers in Tehran Municipality, is an attempt to create innovative policies. For instance, Behrouz Gharibpour, the cultural consultant of Tehran Municipality, used two abandoned slaughterhouses in the south of Tehran to stage one of his theatrical works, Grandfather and Radish (Adineh, 1997).³¹

f) Healthcare

Based on available statistics, in 1987 the mortality rate for children

under one year was 44 per 1000 live births, which decreased to 26 per 1000 live births in 1996. The mortality rate for children under five years old was 53 per 1000 live births in 1987, which decreased to 35 per 1000 live births in 1996. Maternal deaths due to pregnancy and childbirth complications decreased from 90 per 1000 births in 1989 to 40 per 1000 births. The rate of access to primary healthcare was 56 percent in 1989; which increased to 100 percent for urban areas and 80 percent for rural areas in 1996.³²

Access to family planning in the target population (married women aged between 15 and 44 years old) increased from 24 percent in 1989 to 58 percent in 1996.

With regards to access to clean, drinkable water for the rural population, in 1989, the number of villages with plumping was 23,890 and following the measures taken, this number went up to 35,100 villages in 1996, demonstrating a 47% increase. The ratio of hospital beds per 100,000 populations was 147 in 1988, which reached 156 in 1996.³³

g) Rise of Urbanization

A great number of events-political and social developments-take places in cities and metropolitan areas. Living in cities causes traditional bonds and connections to be abandoned and creates a possibility for the formation of new identities based on regroupings and modern interests. According to available statistics, the total population of Iran was approximately 19 million people in 1966, 34 million in 1976 and 50 million in 1986. In 1986, the urban population exceeded the rural population at 27 million people, or 53% of the total population.

The number of cities in Iran rose from 373 to 615, with the increase in the number of cities with a population of 100,000 people being more substantial, from 42 to 61 cities. The number of cities in Iran rose from 373-615 and the number of cities with a population of 100,000 people rose from 42 to 61. Based on available statistics, 5,528,542 households lived in urban areas in 1986; which increased to 7,948,925 households in 1996.³⁴ An urban household consisted of 9.4 individuals in 1976, 8.4 individuals in 1986 and 5.4 individuals in 1996. This demonstrates that families have become smaller, which in turn demonstrates the effects of family planning policies as well as the emergence of nuclear families and a near-complete dissolution of traditional families in cities.

Now the question that needs to be answered is: what were the outcomes of these social developments and changes?

Economic Development, Social Mobility and Political Participation

The Rafsanjani administration modernizing efforts, as well as economic and social reforms resulted in a high degree of social mobility and the emergence of the new middle class, which had bureaucratic and technocratic capitalist tendencies. Naturally, the political interests of this group within the middle class was influential in the political processes after the post-war construction era and laid the foundation for the creation of political parties in later years (Bashiriyeh, 2002).³⁷ Thus, the rise of the middle class in post-revolutionary Iran has had numerous impacts on the political sphere. Such impacts can be observed in areas such as: influencing spheres of political power, influence of the middle class on political groups and parties and attempting to influence political culture.³⁶ The hypothesis that the new social class organized the principal force and social foundation for the *Kargozaran* Party and the development of this party was the result of this new social force's presence in the political scene of the country. "The middle class, as the society's motor of transformation, has always sought new identities and lifestyles... The middle class, who is moderately affluent, seeks to gain new experiences and find identities and new definitions for modern urban living" (Iran's Economy, 1999: 35).³⁷

The fifth Parliamentary elections in February 1995 were an opportunity for this new social force to claim its presence in Iran's political scene. The combination of developments that occurred during the Hashemi era resulted in widespread social growth and mobility. Development of construction and infrastructural projects, the evolution of education in all its forms, and the broadening of mass media and communication services resulted in the augmentation of political and social awareness. Moreover, opportunities and lifestyle choices were diversified since the prerequisite must be to have a choice where there may be structural limitations (Fazeli, 2003: 82).³⁸

The process of urbanization and industrialization, the evolution of the educational system and communications and broadening of bureaucracy resulted in the improved status of new classes especially for women, intellectuals, the youth and students. It has been stated that

the new middle class was more aware of its standing and its demands during this period and realized their existing differences with the ruling class and transformed into effective social forces.³⁹ This gradually affected other social classes; since the middle class lifestyle has become a global norm with its leisure and pleasure-seeking attitude and has a formative influence on other social classes' lifestyles (Terner, 1994: 90).⁴⁰

As the social status of this class progressed, it was natural that they would demand for political participation; nonetheless, there was no political force on the governing level that could represent the political and cultural demands of this newly emerging class.

The Position of Political Forces on the Verge of the Formation of *Kargozaran*

The political forces and their social bases and their slogans are as follows:

-The Right Wing

The Right Wing, which was governing all administrative and political sectors of the country in those years, did not represent the demands of the new middle class. Historically speaking, this political force had a strategic union with the market and in terms of political sociology categories; it belongs to the old middle class with slogans rooted in traditional Shi'ite jurisprudence. As it has been stated, "The Right Wing, more than anything else, has roots in the traditional Shi'i thought which had accepted the distinction between religion and politics up to the Islamic Revolution of 1979 and considered the government a usurper of Imams, especially Imam Mahdi".⁴¹ The Right Wing "believed in limiting political liberties in the civil society and did not particularly pay attention to political openness and discussions on political discourse in the society. Believed in backstage politics... had roots in traditions and opposes modernity and western civilization... with regards to women's issues, they emphasized traditions and oppose changes... as a whole, the right wing is conservative and demands the status quo to be maintained in social relations".⁴²

The above explanations demonstrate that the right wing and its social, political and cultural slogans do not have much in common with

the demands of the new middle class and could even be considered must be to have a choice where there may be structural limitations.

-The Left Wing

The Left Wing, which was known as “*Hezbollah*” and “Followers of the Line of Imam”, was a radical force mainly representing the demands of lower social classes. Their radical discourse on equality early on after the Revolution and in the 90’s gained many followers. The Left Wing relied on support from this social class that comprised a great segment of the society then, and in later years, their proximity to the thoughts and ideas of Ayatollah Khomeini and benefitting from his support, predominated over the legislative, executive and important sections of the judiciary. However, after the Iran-Iraq war and the new Supreme Leader was appointed, they...they became marginalized. With regards to political and social slogans, although the Left emphasized “the necessity of respecting the constitution, protecting people’s rights and broadening political liberties”,⁴³ which should have brought them closer to the new middle class demands; yet, the Left could not represent the new middle class because of the following reasons:

1. The Left Wing emphasized economic intervention,
2. They supported a radical foreign policy, which was met with the disapproval of the new middle class. They experienced political isolation and were not active in the political scene,
3. Although they had tried to revise their approaches and ideas, they were still associated with their past slogans and more time was needed for them to be known in their new role.

For these reasons, it became necessary for a political force to emerge and represent the demands of these classes. *Kargozaran* maintained the Rafsanjani administration’s technocratic and modernist sector as well as the Tehran Municipality. They emerged in 1995, following a conflict among elites, and could gain the support of a vast majority of the society and represent their new demands in the country’s political scene.

The Emergence of *Kargozaran-e Sanzandegi* Party

On the eve of elections for the fifth Parliament in early 1995, discords erupted between the government, The Association of the Militant Clerics, and the Islamic Coalition Party, in regards to providing

candidate listings in Tehran's electoral district. The Islamic Coalition Party, which formed the right wing coalition with the Association of the Militant Clerics and like-minded coalitions, was provided with campaign funds from supporters in Tehran's Bazaar and other associations; however, it claimed that it could not endorse some of the members on the Association of the Militant Clerics list, since the religious traders in the Bazaar, who provided campaign funding, could not do so due to religious and legal reasons.

Following rising conflicts in December 1995, at the suggestion of Hassan Habibi, Rafsanjani Rafsanjani addressed the Association of the Militant Clerics — of which he was a member — in a letter requesting that the names of 5 people who were contested to be put on their list. However, after some time, Mr. Nategh-Nouri informed Rafsanjani that like-minded groups with the Association of the Militant Clerics had not accepted that request.⁴⁴ As a result, 16 people- including 10 ministers, 4 vice-presidents, the head of the Central Bank and Tehran's mayor- after making an announcement on November 18, 1995, emerged, bearing the name of *Kargozaran-e Sazandegi*.

Members of Parliament reacted to this announcement, claiming that it was an attempt to monopolize *Kargozaran*, weaken the clerics and insult the Parliament. *Kargozaran* had made an inquiry to the Elections 'Central Supervisory Board regarding their legality; which was confirmed by the Board. However, 150 MPs addressed a letter to the Supreme Leader, seeking his counsel. The Supreme Leader responded that he did not disapprove of *Kargozaran's* activities; yet he advised the President that it would be better for government ministers not to intervene. Subsequently, announcements made by *Kargozaran* were published under the signature of 6 members that did not hold ministerial positions.⁴⁵

After that, *Kargozaran* were called "the modern right" and they represented the intellectuals, industrialists, bureaucrats and economic agents of the country, which were the same coalitions within the society that had gained a new political and social identity with Hashemi administration reforms. The General Secretary of the party has stated: "Kargozaran is a Muslim technocrat movement; technocracy is inherent to *Kargozaran*" (*Sobhe Emruz*, 1997, 2).⁴⁶ They started their activities at the end of January 1996: "at the top of the electoral list of *Kargozaran* in Tehran, there were names such as Abdollah Noori, Faezeh Hashemi,

Majid Ansari and Ashoori, the deputy mayor of Tehran, and some of the district mayors of Tehran; none of whom were on the list of the Association of Militant Clerics and converging associations".⁴⁷ Kargozaran triumphed in Tehran where they had a separate list: Faezeh Hashemi was running Closely with the head of Parliament at the time, *Nategh-Nouri*; however, she came in second after electoral fraud controversies. Some other *Kargozaran* candidates found their way into the Parliament.

There are some reasons why the *Kargozaran* Party was the outcome of Hashemi era modernization efforts. First, many of the policies and reforms carried out in the Hashemi era were conducted and administrated by those who later became the prominent members of the *Kargozaran* Party. A prime example is *Mohammad Najafi*, the Minister of Education, who attempted to perform structural reforms in the educational system of the country, thereby creating a modern system after the example of developed countries.

A second reason is the *Kargozaran*'s success in the fifth Parliamentary elections. If *Kargozaran* was solely a state-made force as some have claimed, created because of power differences between elites and disconnected from their social base and the society, it would not be able to gain landslide victories in consecutive elections (fifth Parliamentary election, seventh presidential elections, city councils and sixth Parliamentary elections). Although *Kargozaran* were not given a chance to repeat their triumphant victory during the sixth parliamentary elections, they still demonstrate their link with society as being branded a competent representative of the new middle class.

Another point to consider is that during the fifth parliamentary elections, the greatest victories of Kargozaran occurred in Tehran and other cities. This means that wherever in the country that has been more touched by modernization and reforms and a greater possibility for the urban middle class to develop, had a greater victory. In other words, there is a relation between *Kargozaran* and the urban middle class. Regarding the social base of *Kargozaran*, the general secretary of the party has stated that, "*Kargozaran* represents a social segment of managers, intellectuals, and people from the middle class and people in the lower ranks of administrative and managerial positions".⁴⁸ Marashi, the spokesperson for the party believes that, "our target audience is the middle class. Of course, it is our aim to serve the general public.

However, solving the population's problems requires the middle class and elites to become active. That's why they are our target audience" (Etemad, 2014).⁴⁹

In addition to what has already been discussed, another way of understanding the social background of a political force is to examine the slogans, statements and performance of that political force in order to find out it corresponds with which social class and segment demands.

Kargozaran Party Viewpoints

Economic viewpoints

Kargozaran Party Manifesto emphasizes improving Iran's economic position in world economy and paving the ground for public participation in the economy (Party's Manifesto). This party believed in Adam Smith's 'Invisible Hand of the Market' in the economy and follows industrial and manufacturing capitalism; defends foreign investment and financial borrowing; and believes in privatization and downsizing the government. The New Right, similar to Traditional Right, accepts privatization, liberalization and the minimal state. The difference is that Islamic principles comprise the basis for the traditional view, while the modernist view gives prominence to economic principles and global capitalism. The modernist right looks to South-Asian countries as its target economy and manifests its administrative approach is one of———. Marashi has stated that, "the state does not need to intervene in every small matter. We believe that except: for that the state should maintain as the main source of income for public service expenses, the rest of the economy can function if privatized. We do support manufacturers and we think they need a greater level of support in order to lead to greater economic development and growth. We believe that moving towards greater industrialization is in need of serious work in Iran".⁵⁰

- Cultural Viewpoints

The 4th clause of *Kargozaran Party's* Manifesto states: "defending freedom of thought, freedom of speech, intellectual and artistic creativity and innovation in compliance with Islamic principles and the constitution" (Shadloo, 2000:124). The Secretary General has stated: "In today's culture——- writers and artists should be respected. We

need to know that culture and literature are not prescriptive” (Sobhe Emruz, 1997).⁹¹ Atta-Ollah Mohajerani, a prominent member of the party who was appointed as the Minister of Culture after the 2nd of Khordad, At the time when Khatami became president, defended cultural liberties in all its forms. Prior to this, he openly condemned the arson attack on Morgh-e Amin Publications in a column published in Ettelaat newspaper (Ettelaat, 1995).⁹²“The Publishing house and bookstore was burned down by hardliners due to the publication of the book, titled ‘Gods Laugh on Mondays’.”⁹³As a whole, Kargozaran were liberal and tolerant in regards to cultural issues and believed in freedom in the culture and the arts.

-Domestic Policy

In this area, the most important political stance of *Kargozaran* Party is its opposition to the monopoly of power in the hands of a specific group. The party supports a modern and conventional society and strongly denounces extremist, mass society. The Manifesto also emphasizes encouraging people to participate in political matters in order to attain political development (Party Manifesto). Mohajerani, a prominent member of the party, noted after the 2nd of Khordad that, “those members in line with *Hezbollah* realized after this election that radicalism is going to backfire” (Iran Daily, 1997).⁹⁴“In terms of governing, *Kargozaran* believe in adherence to the constitution and nothing beyond that. *Kargozaran* want republicanism and Islam side by side and are opposed to patronizing and authoritarian approaches. Seyed Hossein Marashi has stated: “in the fifth term of the parliament, *Kargozaran* paved the way by their new approach and took the first steps towards political development and pluralism”.⁹⁵

- Foreign Policy

Kargozaran's approach in this area is different from radical slogans of left wing revolutionaries in late 80's and early 90's and their opposition to imperialism. Therefore, their foreign policy is moderate and based on easing tensions, so that it can be effectual in attracting foreign investment, taking loans from international banks and increasing exports Mohsen Nourbakhsh, another leading member of the

party explicitly declares that it would be in Iran's interests to have ties with the US (*Sobhe Emruz*, 1999).⁹An overview of these standpoints demonstrates that *Kargozaran*, similar to many middle class parties, was a moderate party that promoted and defended industrial development, rule of law, political liberties and cultural tolerance.

Conclusions

In order to clarify the emergence of *Kargozaran-e Sazandegi* Party and the role of Rafsanjani era modernization efforts on that, modernization theory has been chosen from a set of 3 relevant theories. However, the final analysis should take a comprehensive look at all three theories. A qualitative and quantitative evaluation demonstrates that during the Rafsanjani administration years, economic development indexes such as economic growth rate, industrial development, and economic production, rates of industrialization as well as social indexes such as rates of literacy, healthcare, social security and urbanization. These developments paved the way for greater social and political mobility and *Kargozaran* Party emerged as a legal and institutionalized response to the political demands of a new social class. *Kargozaran* Party's electoral victory in major cities and most significantly in Tehran, which was the core of developments, is the main reason demonstrating the party's emergence and success within this new social force. The second reason is the role *Kargozaran* party played in the events of the *2nd of Khordad*, where the urban middle class played a significant part as well. The third reason is the *Kargozaran* party slogans; which focused on economic restructuring, industrial development, reducing social controls and defending social and political liberties (albeit in a limited manner) and easing tensions on foreign policy matters. Therefore, it can be claimed that the reforms and modernization efforts carried out by the Rafsanjani administration laid the foundation for the revival and expansion of the urban middle class. This social class; which followed new political demands was the basis for the emergence of *Kargozaran* party. For the duration of their activities, *Kargozaran* attempted to represent the demands of this class, functioning as a new middle class party.

Notes

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