CONCLUSION

This study analyzes the dynamics of factionalism among the political elite in the Islamic Republic of Iran (IRI) and the approaches of the different political factions to economic, socio-cultural, and foreign policy issues from the Islamic Revolution in 1979 until 2007.

The modern secular-authoritarian regime of Mohammad Reza Shah Pahlavi was overthrown in 1979 by a coalition of a wide range of secular and Islamic social forces. Ayatollah Khomeini succeeded in establishing a semi-theocratic republic as a result of his ability to mobilize Shi’ite religious institutions and his focus on mass grievances against the Shah’s regime, as well as the failure of Mohammad Reza Shah to keep the support of the modern urban social forces he had created by rapid modernization from above in the 1960s and 1970s. The Islamic revolution caused a fundamental change in the composition of the political elite in Iran, whose secular oriented members were replaced by mainly clergies and religious laypersons. The nature of the political system of the IRI is unique as it is based on: a combination of state institutions that derive their legitimacy from Islamic law—the religious supervisory bodies (the Council of the Guardian [Majles-e Khoobregan], the Expediency Council [Majma’e Tashkhis-e Maslahat-e Nezam], and the Assembly of Experts [Shora-ye Maslahat-e Nezam]); republican institutions legitimized by the people (the legislative, the executive, and the judiciary); and major semi-governmental economic institutions (the religious foundations [bonyads]). The basic principle of the political system is the velayat-e faqih (the Government of the Jurist) system, as developed by Ayatollah Khomeini, according to which the supreme leader (vali-e faqih) is the head of the political system. The supreme leader, who is not elected by the people, may overrule any bills passed by the legislative. The power of the supreme leader, however, is not absolute, but checked by the religious supervisory bodies. Together, the supreme leader and the religious supervisory bodies oversee the republican institutions. This creates a continuous tension between the supreme leader and the religious supervisory bodies on the one hand, and the republican institutions on the other.

Legal political parties do not exist in the IRI. Political factions represent the different approaches to economic, socio-cultural, and foreign
The main political factions are the Conservative faction, the Pragmatist faction, and the Reformist faction. The political factions are not homogenized but loose coalitions of groups and individuals with similar views. They have no coherent organizational structure and no official program. Sometimes, different opinions within factions can even cause disruptions and result in alliances with other factions or the decline and emergence of new factions. The extent to which a political faction participates in policy formulation, or the political discourse depends, on what faction or alliance of factions control (semi-)governmental institutions in a certain period of time. However, though the domination of the republican institutions has shifted between the factions several times, the religious supervisory bodies, the military, and the religious foundations have, since the Islamic revolution, been under control of the Conservative faction. That means, the Conservative faction has continuously ruled over key state institutions and, consequently, has had a decisive influence on economic, socio-cultural, and foreign policy formulation.

The different approaches of the political factions to economic, socio-cultural, and foreign policy issues have an ideological and a material component. Firstly, there are diverse opinions between and within factions on whether Islamic jurisprudence should be the only or main basis of the legal system in the IRI. The Conservative faction considers Islamic jurisprudence—with varying interpretations—an important constituent of the juridical system in Iran. For the Pragmatist faction, Islamic jurisprudence is of relevance on the socio-cultural level but less on the economic level. The Reformist faction considers Islamic jurisprudence insufficient to address all issues in the Iranian society. Secondly, the political factions defend the material interests of their members and of economic groups that support them. The Conservative faction represents the interests of the traditional economic sector (the bazaaris), as well as ultra-orthodox clergy, and the highly religious public. It receives its major income from official economic sources based on fiscal instruments (taxes, fees, and borrowings) and oil/gas revenues (sources of foreign currencies), as well as from religious sources (the mosques, the Shiite holy shrines and sites) and the religious foundations outside the fiscal instruments. The other two main factions, the Pragmatist and the Reformist factions, rely only on the official fiscal sources. The Pragmatist faction is supported by (religious) technocrats, parts of the middle class, and segments of liberal tendencies. The