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Abstract

Why Iran is underdeveloped and significantly dominated by imperial Western powers has been debated among Iranian intellectuals for more than a century. Japan's rise in the late 19th/early 20th centuries and its defeat of Russia in 1904-5 made it something of a model that Iran might follow in order to catch up with the developed capitalist world. Approaches which focus on this have been essentially liberal and "cultural" in nature. The aim of the current study is to re-examine the question of Iranian underdevelopment, using Gramsci's heritage to compare the actual contexts and material/historical roots of Japanese development and Iranian underdevelopment. That is, to suggest the Japanese indigenous "cultural" in nature. The aim of the current study is to re-examine the question of Iranian development and Iranian underdevelopment. That is, to suggest the Japanese indigenous

Keywords

Development, Uneven Development, Iran, Japan, Hegemony, Imperialism, Gramsci

This journal article is available in International Gramsci Journal: https://ro.uow.edu.au/gramsci/vol3/iss3/4
Japanese Development and Iranian Uneven Development: A Gramscian Perspective

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1. Introduction

Debates on why Iran is economically, socially and politically relatively under-developed have occupied a significant part of mainstream Iranian discourse during the twentieth and early 21st centuries. Japan, on the other hand, as a developed and powerful Asian State, has occupied an important place in the Iranian literature and debate on development. This was particularly true after its defeat of Russia in the Russo-Japanese War in 1904-5. The Japanese victory over Russia contrasted sharply with Iran’s loss of some 250,000 square kilometres of its northern territories to Russian forces in the early 19th century and its subordination to Russian power until the early 20th century.

However, similar to most of the discourse which has linked underdevelopment in Iran to problems arising from Iranian culture, the dominant debate among Iranian scholars about the Japanese model has taken a “cultural approach”. That is, the Japanese were able to achieve a developed economy because they had a “culture” more amenable to supporting such development, compared to the Iranians. Therefore, it is common to find Iranian-based studies that highlight education, religion, tradition, individual characteristics and so on as main factors behind Japanese development. Take, for instance, a recent study on Prime Minister Shinzo Abe’s economic policies and recent “development” in Japan (Yari and Bayazidi, 2017, pp. 65-84). In this article, factors such as “loyalty of the individuals to the Emperor and the State”, “individual justice”, and Japanese “respect and politeness” have been taken as elements behind development. An alternative approach suggests that “societies act based on their thoughts [culture] not in accordance with their material resources” (Naqi Zadeh 2005, p. 28). Therefore, Confucian thinking, nationalism and the borrowing of Western ideas are depicted as being at the heart of Japanese development and giving it “moral supremacy over the rest of the Asian nations”
(ibid., p. 44). These two examples are part of a broader liberal umbrella which dominates current Iranian economic-political discourse.

The domination of liberal and cultural approaches in economic-political debates in Iran also indicate the underdevelopment of critical studies in this regard. The current paper, therefore, attempts to emphasise the importance of critical studies by offering a comparison between Iran and Japan based on two periods: that of the late 1800s/early 1900s and then the period following WWII. As part of developing a critical approach, the paper incorporates into its framework some important ideas derived from Gramsci.

First, we shed light on two historical developments that led to the emergence and re-emergence of Japan as a developed capitalist and imperial power in the second half of the 19th century and after the Second World War, when it recovered quickly from its defeat and devastation by the United States and its allies. The Iranian case will be examined based on the same historical periods. We argue that, in the case of Japan, the progressive transition (revolution) was not retarded by foreign and imperial powers and therefore was successful in establishing a modern and highly developed capitalist hegemony. Even in the post-WW II period, the United States hegemonic interest did not retard Japanese development – indeed, it helped facilitate the modernization of the political system and revive and further develop the country. This was mainly due to the need to establish successful capitalist bulwarks against the spread of communism in Asia, especially after the 1949 Chinese revolution. In contrast, the attempts at progressive transitions, led by multiple organic social forces, in Iran met the fate of “passive revolutions” in both the early 20th century and post-WW II periods. These were mainly due to interventions of imperial forces such as Britain and Russia, and later the United States (US), which, based on their own imperial interests, changed the course of Iranian history. Underdevelopment in Iran, therefore, owes its existence to the country’s subordination to imperial powers, as a peripheral country, rather than to its “culture”.

2. Development in Japan and Uneven Development in Iran

Before they become the intellectual discourse of the Iranian bourgeoisie, cultural approaches to understanding underdevelop-
ment in this country are ideologically imported from the hegemonic Western powers. The famous perspective of Orientalism, suggested by Edward Said, is classic in this regard. Said pursued the root of this perspective which depicts the inferiority of Eastern cultures vis-à-vis the supremacy of Western culture from the late eighteenth century and the first colonial contact of the French with Egypt (Said 2003). In a recent study, Govand Azeez examines the Western historical framing of Middle Eastern revolutions and progressive transitions from Al-Mahdi’s revolution in the second half of the 19th century to the “Arab Spring” in 2011. Azeez finds that these movements were depicted as “illiberal”, “undemocratic” and “Islamist” and eventually “regressive” rather than “progressive” (Azeez 2014 pp. 64-86). Therefore, there seems to be no positive-sum game assumed by the West for the problematic culture of peripheral Middle Eastern States. Whether static or in a movement towards a revolution, Middle Eastern culture is the main factor behind Middle Eastern underdevelopment.

Moreover, approaches such as that suggested by Harvard historian David Landes are also popular among the proponents of the cultural approach in Iran. The key solution that Landes proposes to the developing States is to amend their culture, based on the successful Western model, in order to achieve and enjoy the same development that the First World capitalist States enjoy (Landes 1998). Therefore, based on Landes’ theoretical framework, those nations which have not yet achieved development either have not copied the Western model or they have not copied it enough.

The characteristics of the cultural approach can be seen as sub-branches of what Robert Cox has named “problem-solving theories”. Accordingly, the cultural approach is reductionist, given that it reduces the complexity of some 200 years of British, Russian and American hegemony over the Iranian socio-economic and political structure, and the impact and the uneven development that this hegemony leaves behind, to mere local culture. Therefore, the cultural approach is ahistorical in method and lacking in overall context. Its positivist criteria simply does not work when subjected to structural and critical examination. To remain within the critical

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1 For a debate on the characteristics of Problem-Solving Theories as opposed to Critical Theories, see Cox 1981, pp. 126-55.
framework suggested by Cox, the cultural approach is the ideology of the status quo for maintaining the status quo (ibid).²

The main issue with the pro-status quo approaches in relation to Iran is that they do not offer a perspective by which the underdevelopment in this society can be comprehended. In a sense, the cultural approaches constitute an epistemological dead-end in Iranian development-related discourse. This is precisely where the intervention of critical theory can also be understood as providing an epistemological balance. To fulfil such a task, we build upon Antonio Gramsci’s thought to offer a theoretical model in which both Japanese development and Iranian underdevelopment can be comprehended.

Gramsci’s name is most famously associated with the term “hegemony”. However, it is the process of achieving hegemony or the failure of such achievement that provides a perspective in which different kinds of States, their development and underdevelopment can be comprehended. Gramsci depicted two political structures, rather superstructures, in the modern era. One is a hegemonic structure in which the ruling élite rely primarily on consent as a means to rule, while the other is a non-hegemonic structure which survives mainly through coercive means.³ The first kind of States are the capitalist developed, or First World, States; the other are the underdeveloped peripheral, or Third World, States (Cox 1983, pp. 162-75).

Hegemony is a dialectical product of clashes between social forces and the superstructure of a specific society. To quote Augelli and Murphy, “It should be clear that in employing Gramsci’s theory to analyse IR (international relations) we are forced to learn a great deal about society” (Augelli and Murphy 1993 p. 138). The dynamic of the clashes between society and its superstructure takes place within, and through the leadership of, a historical bloc.⁴ Gramsci

² Ibid.
³ Given his special circumstances – being in a Fascist prison – Gramsci reflected on the two different kinds of States in fragmented writing. For a detailed historical discussion in this regard, see: Gramsci, 1971, pp. 123-205 (i.e. the section based largely on the “special” Notebook 13 on Machiavelli, with additions from elsewhere in the Notebooks – editorial note).
⁴ Our use of the term “historical bloc” here goes beyond a mere alliance of ‘social forces’ and should not therefore be confused as the outcome merely of negotiations and alliances of political forces around a specific political goal or programme. Rather, it is the collision between the structure and superstructure that is meant as an overall context in which social forces, classes and alliances lead a specific progressive transition toward a new era which fundamentally changes the State as it used to be known.
noted that material needs and common causes bring together different social forces – for instance, the economic élite, the intelligentsia, the religious, the urban poor and the peasantry – under a common banner toward a progressive transition (Gramsci 1971, pp. 123-205). This Gramscian theorization of revolution, as it can be observed in developed States, succeeds when a historical bloc leads a progressive transition, ends a period of historical stagnation and builds its hegemony over the ruins of the old regime. The transformation of England from a feudal to a capitalist political power structure, initially through the civil war between monarchy and parliament in the 1640s and the French Revolution in 1789 are examples of historical blocs that successfully led a progressive transition toward establishing new hegemony for new ruling élites.

As will be discussed, the Japanese historical bloc in the late 19th century and its transition to industrial capitalism will be viewed as a successful establishment of a new hegemony. Yet the same thing cannot be said about peripheral States; their new, modernizing historical blocs fail to accomplish a progressive transition and therefore are unable to replace old regimes with their own hegemony (Gramsci 1971, p. 105; [original] Gramsci 1975, Q15§59, pp. 1822-3). In this part of the world, otherwise known as the Global Periphery, we witness the underdevelopment which resulted from capitalist development in the Global Core. One way to implement this dynamic is to undermine the progressive transitions which are undertaken in the Global Periphery by the Core States. The dramatic fate of “passive revolution”, to use Gramsci’s term, is a feature of uneven development in the Global Periphery (Gramsci 1971 p. 59; Gramsci 1975, Q19§24, p. 2011).

Nineteenth-century Italy and the Risorgimento reformist movements were Gramsci’s own examples for passive revolution. Gramsci argued that the Risorgimento was so predominantly influenced by the French Revolution at the level of ideas that its historical bloc was distorted: it attracted intellectuals but lacked other vital social forces such as an organic economic élite (Gramsci pp. 116-7; Gramsci 1975, Q10II§61, p. 1360). In the current study we view the Iranian historical blocs in the early and mid-20th

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5 See footnote 3 (above).
6 In the 1960s and 1970s, these countries were often referred to as the Third World because of their position at the bottom of the global pecking order. The term was not pejorative; indeed, it was usually used by partisans of these countries and their liberation movements.
century as attempted progressive transitions which were defeated by the British, Russian and then American imperial powers and eventually became converted into passive revolutions.

Gramsci’s ideas have attracted much attention in multi-disciplinary fields of studies, most notably the International Political Economy school which came to be known as the neo-Gramscian school. In this regard, Robert Cox suggested a Gramscian model in which hegemony can be understood beyond national borders and at a global level. As we learn from Cox, the established hegemony in an industrial capitalist State such as Britain surpasses the national boundaries to globally serve the interests of the British ruling élites through the establishment of global hegemony. A global hegemonic power would need to shape a world order, and the coercive-consent process of making sure that other States follow, in order to maintain hegemony (Cox 1983). The sphere of hegemony includes allies and alliances which have their own vested interests to advance via agreeing to participate in the world order and maintaining it by accepting the role of the hegemon (Cox 1987, p. 215). This is an additional theoretical framework to realize the development of a State such as Japan in relation to either its own organically-developed capitalism or in alliance with the hegemon, and therefore beneficial to hegemony, as was the case in the post-WW II period, especially at the height of the Cold War. The absence of such a privilege for the majority of the peripheral States in a specific world order also helps explain continuing underdevelopment in States such as Iran.

Accordingly, both Iran and Japan function within and are affected by the same international system, but in totally different way. It is this historical materialist perspective, as Adam Morton reminds his readers, that is at the core of the Gramscian perspective which views history as always a “world history” in which the part is affected (whether positively or negatively) by the whole.7 Our analysis therefore sees uneven development in Iran as a result of international political and economic relations and capitalist development in imperial States such as Britain, Russia and the United States.

7 For the notion of uneven development in Gramsci’s work and its use to analyse the dynamic of the Global North-Global South relationship, see Morton 2007, pp. 2-7.
3. Japan
3a. The country in the nineteenth century

A century after European expansion into the Americas and the emergence of a colonial mode of accumulation, Japan was subject to a civil war in the late 16th century. As a result, the Ashikaga shogunate\(^8\) regime was replaced by the Tokugawa shogunate (Frédéric 2002, p. 978). The latter was in charge of the Japanese feudal system, although with loose and decentralized control, for over two centuries. The Japanese social structure in this period encompassed the feudal lords who were closely linked to, and traditional allies of, the Tokugawa ruling élites; the Samurai, who constituted a military and warrior caste; and the peasantry, who were viewed suspiciously by the other three social groups. The peasants, for instance, would not be incorporated into the military force, out of the fear that they might become powerful enough to challenge the establishment (Kennon 2012, p. 18). However, by the mid-19th century, the liberal world order and its economic system both began to make their presence felt in Japan.

By the 1850s, Japan was subject to pressure from Western imperial forces active in Asian waters, most notably the USA, to open up for trade. The Japanese accepted the 1854 Treaty of Kanagawa which was imposed by the US to grant the latter trade concessions (Hunter 1999, p. 5). Ironically, the US ended Japanese isolationism while itself having a conscious and sophisticated protectionist economic regime. Agreements between Japan and other European powers such as Britain, Russia and the Netherlands followed the US-Japanese treaty (ibid). By the end of the 1850s the weakness of the Japanese ruling élite and their subordination to Western powers was accompanied by a fear of peasant rebellion.

Various disadvantaged social groups emerged within a historical bloc to spark a revolution in 1868, the Meiji Restoration. The Emperor Meiji was supported by part of the ruling élite which were in opposition to the previous order. The Samurai, who at this stage were shifting from their military role to becoming entrepreneurs, supported the Meiji industrialization policy (Rajabzade, p. 25). The peasants too became de facto supporters of the Meiji revolution. They were subject to exploitation for mostly agricultural production

\(^8\) A title granted by the Emperor to a military governor which was common in the Japanese administration system.
during the Tokugawa era and were kept marginalized by the feudal élite. Similar to Iran in 1906, which will be discussed below, the Japanese historical bloc succeeded in establishing a new government. However, unlike the Iranian case, the Japanese government also succeeded in leading the progressive transition in Japan. Accordingly, from ending feudalism to leading investment in areas such as railways, mines, shipping and textiles, the Japanese government paved the way for the emergence of industrial capitalism (Stearns 1993, pp. 113-29). Therefore, the Japanese historical bloc, in the Gramscian sense, succeeded in establishing its hegemony. Japan escaped the fate of being reduced to a peripheral State and, by the beginning of the 20th century, was establishing itself as a major power.

While Japan was briefly dominated by the capitalist forces of the global economic system, unlike the entire Middle East or China it was never taken over by foreign powers or, like Iran, indirectly colonized. This also means that the logic of the dialectical evolution and transition from primitive economy to feudal and from there to capitalist economy was not disturbed or disrupted in the Japanese case. In the words of Gramsci when commenting on the Japanese intellectuals, “In Japan we have a formation of the English and German type [of intellectuals], that is an industrial civilization that develops within a feudal-bureaucratic integument with unmistakable features of its own” (Gramsci 1971, pp. 22-3: original Gramsci 1975, Q12§1, p. 1529). To refer to categories used by Alexander Gerschenkron, Japan introduced a government-led approach to capitalism in the 19th century. While the British model involved the emergence of an organic capitalist élite and the German-Austrian approach relied on banks to finance the emergence of industrial capitalism, the Japanese, and to some extent the pre-1917 Russian model as well, relied on conscious / planned governmental programmes to develop a capitalist industrial base (Gerschenkron 1965). These developments provided the background for the Russo-Japanese war in 1904.

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9 For the Japanese peasants as an object of suspicion for the feudal élite, see Kennon 2012.
10 Japan also observed the European powers and the US humiliating and exploiting China and were determined to escape that fate. While these powers were busy in China, Japan had a window of opportunity to modernize economically and even became one of the powers picking apart China.
Japan emerged as an imperial power and a Core State, particularly within East Asia, with its victory over China in 1894-95 and Russia in 1904-05. With its territorial expansion into China and Korea on the Asian mainland, Japan became a directly colonial power as well (Smith 1998, pp. 41-2). By the Second World War it was a major global power and a key protagonist.

3b. The Re-emergence of Japan

Similar reasons to the ones that allowed the emergence of Japan as an industrial and military power in the second half of the 19th century contributed to its re-emergence as a major economic power in the post-WWII / Cold War era. Japan did not face major external resistance to the Meiji Restoration and the policy of industrialization. After the defeat of Japan in 1945, the imperatives of US global hegemony led successive American governments to rebuild capitalist Japan (Panitch and Gindin 2012, pp. 203-4). This runs totally contrary to the treatment that peripheral States such as Iran have received at the hands of the major western powers.

The Second World War changed inter-State relations and most notably formally ended British hegemony. The new US institutional power ‘to take the helm in a project for making capitalism global’ was shaping the post-WWII world while most of its allies and rivals (especially Britain, France, Japan and Germany) had been substantially weakened by the war (Panitch and Gindin 2012, p. 7).

The rise of the American hegemony differed from its earlier British counterpart, partially in its reliance on multilateralism. This meant that multiple international organizations were to be established and installed in key roles by the US as mechanisms of its hegemony (cf. Cox 1981). These included the World Bank (July 1945), United Nations (1945) and International Monetary Fund (IMF) in December 1945. Multilateral cooperation within the above-mentioned mechanisms of hegemony was mainly among capitalist allies. The apex of the ‘American rescue of the European capitalist States’ in a pathway toward a hegemonic bloc based on American leadership was the Marshall Plan of 1948. Mostly indebted to the US even before WWII, and devastated as the result of that war, the European allies would not be able to recover without America’s

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11 For a more in-depth discussion, see Gill 1990, pp. 90-5.
financial support. To quote Keynes on post-WWII Britain, ‘our post-war domestic policies are impossible without American assistance’. Japan was included in the rescue pack.

Apart from building a new capitalist global economy, the American-led Western bloc was also meant to isolate the Soviet Union – and, after 1949, China. The hegemonic alliance was also successful in overcoming the effects of the pre-WWII Great Depression. The recovery of global capitalism was celebrated by another multilateral alliance, namely the Organization of Economic Cooperation and Development (OECD) founded in 1960, also to help ensure US hegemony (Cox 1987, p. 216). This included Canada and Japan – the latter having already benefited from a rebuild package parallel to the Marshall Plan. The new economic order was so beneficial and crucial to the re-emergence of the US capitalists’ allies that they willingly accepted US hegemony rather than a real partnership.

The Japanese route to re-emergence involved various stages in which the United States played the role of a subsidizer. Japan joined the World Bank in 1952 and soon became the biggest debtor client after India. Between 1946 and 1950 the US provided $1.95 billion in aid packs to Japan to prevent shortages in food and other essential goods. In these years, the Japanese economy was heavily reliant internally on State subsidies and externally on American aid (Halliday 1976, pp. 29-30). This aid to the Japanese economy continued; until 1970 US investment in Japan was 6.5 times larger than Japanese investment in the US (Halliday 1976, pp. 264-5). Accordingly, even after the massive destruction of Japan in WWII, the absence of pacifying elements on the one hand and the positive role of the very element (imperial foreign forces) that retarded and distorted development in Iran contributed to the re-emergence of Japan as a developed capitalist economy.

4. Iran

4a. The Constitutional ‘Passive’ Revolution

Iran owes its title of a “peripheral State” to when it was first incorporated into the global economic system in the early 19th century. Over a century of military defeat and humiliation, semi-feudal economic stagnation, dysfunctional and rather decentralized
government and famine inherently resulting from the Iranian political-economic subordination to the British and Russian imperial forces became the platform for the emergence of an Iranian historical bloc in the late 19th century. The movement sparked by this historical bloc is widely known as the Constitutional Revolution which formally succeeded in establishing a parliament in 1906. Reflecting on the diversity of the social forces and components of this Iranian historical bloc Janet Afary states:

The Constitutional Revolution was made possible through an initial hybrid coalition of forces, which included liberal reformers, members of the ulama [the clergy], merchants, shopkeepers, students, trade guildspeople, workers, and radical members of secret societies who promoted the formation of an assembly of delegates and a constitution (Afary 1994, p. 21).

The Constitutional Revolution is also the first modern Iranian movement in which women participated, protesting against the status quo along with the men (Abrahamian 2015, p. 57). The Revolution eventually forced the monarch, Muzafaraldin, to sign a constitution that would limit the absolute powers of himself and his heir and create a democratically-elected government in 1906.

The Iranian attempt at a progressive transition was soon compromised, however, by the two dominant imperial forces, namely Britain and Russia. The process of pacifying the Constitutional Revolution started just a few months later when Iran was divided into two areas of influence by the Anglo-Russian Convention of 1907 (Abrahamian 2010, p. 98). As a result, the new Iranian parliament was bombarded by Russian artillery, newspapers were banned, 250 people were killed and some of those arrested were executed without trial (Foran 2013, pp. 292-5). In short, Iran was punished for doing something that the British had just achieved through the civil war of the 1640s, the “Glorious Revolution” of 1688 and then the extension of the franchise for men in the mid-1800s – democracy, at least for men, and the removal of absolute monarchy.

The revolutionists fought back, but unsuccessfully. The years between 1906 and 1911 were years of social mobilization in an effort to restore the Parliament. However, the second Parliament was dissolved by an ultimatum jointly issued by Russia and Britain. A massacre of the revolutionists followed the dissolution of the Parliament in 1911, thus the slogan of “independence or death”,


became prominent for decades to come (Abrahamian 1982, p. 109). Given the role of imperial British and Russian forces in Iran, the Constitutional Revolution became a passive revolution in 1911 and this tragedy led to a decade of political instability and conflict, social disintegration, famine and finally the emergence of a Bonapartist modernizer, or what Gramsci refers to as Caesarism, namely Reza Khan, later Reza Shah, in the 1920s.

4b. The American World Order and the Impact on Iran

Contrary to Japan, the post-WWII passive revolution in Iran set off another wave of uneven (under)development in the country. Unlike Japan, Iran had a neutral position in WWII, although this did not prevent an alliance of the United States, Britain and the Soviet Union from occupying it in 1941. Different motivations inspired the different States involved in this violent occupation. Britain wanted to send troops to directly protect the oil it was exploiting in Southern Iran, oil which played a crucial role for the British in the war (Foran 2013, pp. 406-7). The US aimed at using the recently-built Iranian railroad and other infrastructure to aid the Soviets fighting the Germans. Similar to the Russian tsars, Stalin was divided between claiming the Iranian territories which the Red Army occupied in Northern Iran, establishing secessionist proxies to fight for the Soviets, and claiming oil concessions granted by the Iranian government in 1947 (Bose 1972, p. 2). The occupation itself in 1941 put an end to Reza Shah’s project of indigenous nation-State building, modernization and industrialization. Accordingly, the Shah was forced to abdicate and sent into exile by the occupation forces, and his 18-year-old son was installed as the next monarch.

The Caesarism of Reza Shah was itself a product of an historical bloc which had been defeated and pacified by the occupying imperial forces in 1941. However, the years between 1950 and 1953 witnessed the emergence of another historical bloc in Iran to lead the process of progressive transition. The highly exploitative nature

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12 Reza Shah can, in many senses, be compared to the Viceroy Mohamed Ali in Egypt and his modernizing project in the early 19th century. Samir Amin considers Mohamed Ali’s programme of development to be the first in ‘the periphery of globalised capitalism’, predating those of Japan and China. Amin also concludes that the root of the Egyptian failure in this period must be sought in “foreign aggression by Great Britain” which officially occupied Egypt in 1882 after years of domination. See Amin 2016, pp. 21-2.
of the Anglo-Iranian Oil Company (AIOC) was a source of concern for all Iranian governments after the discovery of oil by the British subject William Knox D’Arcy in the South (Reger 1982, p. 134). However, it was under the leadership of the National Front, which worked as an umbrella to contain various nationalist and leftist political groups and parties along with the clergy to support the elected Prime Minister Muhammad Mossadegh, that Iran’s struggle with AIOC developed. Backed by both the Parliament and the National Front, Mossadegh declared Iranian oil to be national property and stopped AIOC operations in the country after the latter refused to negotiate a better deal that took Iranian concerns into account. Seeing the decline of British hegemony and the rise of American power, the Iranian government even proposed a partnership with the US, based on similar enterprises between American corporations and the Saudis (Siavoshi 1994, pp. 106-34). What distinguished American corporations such as Standard Oil of California, which were already partners with the AIOC, from the British corporations was that the Americans were willing to share 50 percent of the oil revenue with producing States such as Saudi Arabia and Venezuela.

Mossadegh and the historical bloc of the early 1950s were betrayed by the Americans who acted alongside their British partners. Over a period of six months, the CIA and MI6 prepared a coup which removed Mossadegh from office on August 19, 1953. Once more in the 20th century, an Iranian progressive transition was turned into passive revolution by the hegemonic imperial forces – in the first instance, Britain and Russia; in the second, the United States and Britain – in their own interests. Unsurprisingly, the defeat in 1953 also set the conditions for decades of uneven economic, social and political development, including the turmoil of 1979 which resulted in a theocratic regime.

Iran had entered WWII with an occupation by the dominating imperial powers. There had been the beginning of a break, under the Mossadegh government, as post-war economic hardship drove the Mossadegh reforms, including the proposal to nationalize the oil industry. The 1953 coup ended the possibility of an alternative

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13 For more in-depth discussion about the diversity of the social forces which supported the National Front, see Abrahamian 2018, pp. 210-17 (Farsi).
14 For a detailed discussion of the coup which became known as Operation Ajax in CIA documents, see: Kinzer 2003, p. 2.
economic course and the rest of the 1950s amounted to years of economic stagnation. There was certainly consistent American economic aid to Iran, estimated to be $366.8 million for the period between 1953-57 (Richards 1975, pp 3-22, 24, 26.) but this was not at all similar to US economic aid and other help provided to Japan, a country which had more the status of a hegemonic partner. After all, the 1953 coup violently denied Iran the deal it needed to plan its own economy. Regional actors such as Saudi Arabia and Iran were needed to be economically stable to help contain the Soviet Union in the Middle East during the Cold War. Saudi Arabia was also granted similar economic aid by the US and the UK during the 1940s when the State witnessed a decline in the number of the pilgrims who were at that time the State’s main source of revenue (Cleveland and Bunton 2009, p. 233). The other – and less told – side of the story of Washington’s economic aid to Iran in the 1950s, however, was that the US, along with international organizations such as the World Bank, dictated a ‘comprehensive national development plan’ to Iranian governments and the CIA checked almost every media outlet and educational programme in Iranian schools to make sure that ‘American interests’ were met during the Cold War (Afshar 1981, pp. 1097-1108; Battle 2002). This was different to Japan, where the US needed a successful capitalist economic model to act as an ideological counter to China and its socialist model and their possible influence on newly-emerging independent Asian countries. If Japan failed to develop, other Asian countries could turn to a non-capitalist model. This was an important reason that the US thus did not economically plunder/exploit Japan the way it did Iran. After the Korean War, it also became important for the US to assist the economic development of South Korea as an alternative to the North Korean economic model.

5. Conclusion

The liberal and cultural approaches which dominate the Iranian ideological debate in relation to development / underdevelopment are ahistorical, lack structural analysis of Iranian – and Japanese – society and, therefore, cannot be useful for understanding and explaining the backwardness of the Global Periphery countries, including Iran. The ambiguous and unclearly defined phenomenon
of culture can, moreover, be impacted by material conditions, in a historical context, and not *vice versa*. The element of culture is responsible for neither development nor underdevelopment.

The methodological emphasis in this paper has been on the relevance of critical theory in understanding peripheral underdevelopment in comparison to the economic-political evolution of the developed core States. Accordingly, examining both Japan and Iran within a historical materialist context, we argued that Japanese development owes its success to the triumph, in the second half of the 19th century, of the historical bloc which was able to establish its hegemony, as defined by Gramsci. In contrast, the Iranian historical bloc within the same period was defeated by the dominant British and Russian imperial forces and turned into what Gramsci defined as passive revolution. The Japanese re-emergence after the Second World War was due to the positive role that the global hegemon, the United States, played to keep this State within the sphere of the capitalist hegemony via sophisticated and expensive programmes to rebuild Japan. This course was taken by the United States in order to preserve its hegemony in the face of the rise of a powerful opponent potential hegemon in Asia, namely communism. On the other hand, the Iranian historical bloc and its progressive transition faced a violent intervention, embodied in a military coup, from the same global hegemon after WWII. As a result, Japan can be classified as a developed capitalist State while Iran is still struggling with severe uneven development.

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