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Chapter 3
The Oil Encounter in Khuzestan (1908-1921)

Enclosures and the Assembling of the Oil Industry in Khuzestan:

The Anglo Persian Oil Company (APOC) was a commercial enterprise; its primary purpose was to discover, produce, and sell oil and its byproducts to make a profit for its shareholders. As such it had little inclination to be tangled in a thick web of social and political obligations to local populations, its employees, or anyone else for that matter. Nevertheless, as is always the case with the accumulation of capital of any kind, the utopia of a laissez faire operation of purely technical and economic nature was just that. While in the 1908-1921 period the Company was making alliances with local magnates for protection and for access to territory for oil extraction and building infrastructure, the dynamic changed significantly in the next decade as the central government cast its authority over the province. Thereafter, APOC found it inevitable to become engaged in a widening web of social projects, ranging from education to sanitation, housing, and municipal reform, that were part of a protracted process of transformative social engineering with profound, and indeed revolutionary consequences for local society in Khuzestan. But before the emergence of what I call the reluctant paternalism that characterized APOC’s reorganization in the 1920s can be discussed (see chapter 5), we need to analyze the earlier period, when no such sense of social entanglements were felt by the oil prospectors and imperial agents that were busy revolutionizing the social and physical landscape of rural Khuzestan. This chapter revisits the early oil encounter between the agents of oil capitalism, and the local society in Khuzestan, especially the Bakhtiyari pastoralists of Masjed Soleyman and the tribal Arab society of Abadan.

When the British government became an APOC majority shareholder on the eve of WWI, inevitably the Company became integral to the geopolitics of the British Empire. The sway of its power in Khuzestan, coupled with the severe weakness of

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1 On the long-term geopolitical connection of AIOC to the British Government and the role of oil in shoring up the financial system and Sterling’s global prominence see Steven Galpern, *Money, Oil, and Empire in the Middle East: Sterling and Postwar Imperialism, 1944-1971* (Cambridge: Cambridge University Press, 2009). APOC emerged as a consolidated company in 1909, having gone through intricate deals to combine the D’Arcy Concession, the Burma Oil Company, the Bakhtiyari Oil Company, and the First Exploration Oil Company. The British Government purchased 53 percent share in 1914. The two government-appointed directors to the board were nominally non-directing. In effect,
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the Iranian central government, made APOC virtually behave like a sovereign authority well into the 1920s (chapter 2). The brazen proto-colonial exercise of power was exacerbated by the constant concern over German or Ottoman sabotage during the War, or by the mounting resistance of local populations. According to the Company’s official historian, APOC had imposed a “veiled protectorate in Southwest Persia”\(^2\), and its operations could not be described as anything but a process of creative destruction of the existing local society and geography\(^3\). By the end of WWI, Curzon acknowledged that “the allies had floated to victory on a sea of oil”; petroleum had become an unthinkably important strategic resource\(^4\), and the Abadan refinery had become a key supplier of petroleum products for the British military and economy, especially in the critical theaters of Middle East and Indian Ocean\(^5\).

Table 1: Oil Production in Iran (000 barrels)

<table>
<thead>
<tr>
<th>Year</th>
<th>1912</th>
<th>1914</th>
<th>1916</th>
<th>1918</th>
<th>1920</th>
<th>1922</th>
<th>1924</th>
<th>1926</th>
<th>1928</th>
<th>1930</th>
<th>1932</th>
<th>1934</th>
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<tbody>
<tr>
<td></td>
<td>2.5</td>
<td>8.0</td>
<td>12.2</td>
<td>23.6</td>
<td>33.4</td>
<td>61.0</td>
<td>88.5</td>
<td>98.2</td>
<td>118.7</td>
<td>125.6</td>
<td>135.2</td>
<td>158.5</td>
</tr>
</tbody>
</table>


\(^3\) The term “creative destruction” was coined by Marx and Engels in The Communist Manifesto, and was later on popularized in mainstream economic theory by Josef Schumpeter. See Karl Marx, The Revolutions of 1848: Political Writings, Vol. 1 (London: Penguin Classics, 1993); Joseph Schumpeter, Capitalism, Socialism, and Democracy (New York: Harper Perennial Modern Classics, 2008), Part 1.


\(^5\) Times, 22 November 1918.

\(^6\) Abadan’s output had increased tenfold to nine hundred thousand tons annually. But in the wake of the Russian Revolution and forecasting post war global expansion, the Company planned to increase production to 1.2 million ton annually and expand ports, jetties, storage facilities, and pipelines. For supply of petroleum products from Abadan to the British military, 1914-1920, see Ferrier, History of the British Petroleum Company, 1:289.
Oil had not been the first force of modern commercial capitalism to penetrate rural Khuzestan. Prior to the discovery of oil southwest Iran had been undergoing more than half a century of increasingly intrusive penetration of global political-economic global forces, both commercial and proto-colonial. The Anglo-Persian war of 1856-57 was fought over Afghanistan and coincided with the great Indian Mutiny, but it had long lasting repercussions in Khuzestan. To fight Iran’s claim to Herat the British military invaded Bushehr and Mohammareh under the command of General James Outram, who soon after returned to India to take charge of crushing the rebellion there. The Indian uprising of 1857 precipitated a change in British colonial policy and modes of governance, as the government established direct rule over a formal colony replacing the indirect commercial sovereignty of the East India Company. In Khuzestan, the superior number of Persian artillery and troops consisting of soldiers and local tribal levies under the command of Ehtesham al Saltaneh, Nasser al Din Shah’s senior uncle collapsed ignominiously due to the cowardice of their royal commander. The humiliation was followed by the lack of punishment of the commander by the Shah significantly undermined the loyalty of local tribal leaders to Tehran and the Court. The subsequent establishment of direct British military presence and dominance in the Persian Gulf shifted the balance of power, giving Britain a commanding voice in shaping the local politics of Southern Iran.

From about the 1880s to the 1920s the British Government of India treated the Persian Gulf and southern Iran as the natural extensions and integral parts of the Empire, and primarily as a buffer zone against incursions by rival colonial powers. Under relentless British pressure, the local social and economic structures and relations of southern Iran had been increasingly undermined and reshaped by the opening up of the Karun river to commercial steam navigation and merchant ships,

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6 ‘Proto-colonial’ because Iran was never a formal colony or protectorate, but, as chapter 2 has shown, it was very much treated as such by its more powerful imperial neighbors.

and the Zagros mountain passes were made more accessible for trade with the interior plateau after the construction of a mule tracks trade by the Lynch Brothers Company.

These were important economic and social developments: In and around Mohammareh (later renamed Khorramshahr) and the river island of Abadan the growing flow of money and commerce led to shifts in agricultural patterns and the choice of crops. There was a steady growth in cash crops for export, such as palm dates, wool (mostly around Ramhormuz), rice (around Howayzeh and Maydavood), and opium (Dezful). The pastoralists of the mountainous regions of southwestern Iran became important suppliers of mules, drafts animals, and horses to British India, especially the colonial military there. The rather decrepit village of Ahvaz on the Karun river, once a thriving city until constant warfare and the collapse of dams and irrigation works, first in the 9th and 10th centuries, and further in the 17th and 18th Centuries led to its demise (see further discussion below), began to once again expand as a result of growing river commerce after the introduction of commercial steamship navigation, the establishment of the river port of Nasseri to its immediate south, and the completion of the Lynch road linking Ahvaz with Isfahan. Raising cash crops for export to Basra, India, the Persian Gulf, primarily for British troops and navy; and to the Persian interior via the Lynch road had spurred the expansion of a money economy, and consequently some degree of independence from the patriarchal tribal order by individuals who could take advantage of the growing market activities. Farmers leasing land to produce cash crops for sale were hard pressed, but they were not as dependent as herders and cash croppers who were much more at the mercy of

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Sheikhs and landlords. At the same time, with prices being determined by an international market, and the subsequent reduction of food crops, farmers and local society had become far more vulnerable to price fluctuations. The increasing export of food crops from the region curtailed the available surplus, and contributed to famines during droughts or other crises that affected agriculture. Amidst these developments Khuzestan remained a desperately poor area. The relatively high dependence on fragile and decrepit irrigation infrastructure that needed high investment and organized maintenance imposed limits on commercial expansion. As a result the region was especially vulnerable to harsh climatic fluctuations, natural disasters, and devastating epidemics (see chapter 6).

However, significant as they were, none of these earlier events had as transformative a role as the 1908 discovery of oil in Masjed Soleyman, an event that roughly overlapped with the 1906 advent of the Constitutional Revolution, and the ensuing political turmoil that was further exacerbated by ravages of the WWI (chapters 2, 5, 6). At the turn of the century oil had been an important, but not vital global resource. Its principle uses were for lighting and lubricants (chapter 4). As often happens in history war was the midwife of a new international political economic order, creating a demand for oil that has never been quenched since. As a result, Britain’s strategic position toward Iran shifted gradually but significantly, from considering the weak and impoverished country as a buffer state for its Indian empire, to a strategic asset of immense importance (chapters 2, 4, 5).

Political turmoil across the region and in neighboring countries, and the political energies released in the wake of the Constitutional Revolution in Iran, had created multiple centers of power among competing groups, ideologies, and provincial regions. The disruptions of existing pastoralist and agrarian political

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12 See the first hand accounts of British political agents in the area: C. J. Edmonds, East and West of Zagros Travel, War and Politics in Persia and Iraq 1913-1921, ed. Yann Richard (Leiden: Brill, 2010); Arnold T Wilson, SW Persia; A Political Officer’s Diary 1907-1914 (London: Oxford University Press, 1941).
15 Ahmad Kasravi, Tarikh-e Mashrouteh Iran (Tehran: Amir Kabir, 1951); Touraj Atabaki, ed., Iran and the First World War (London: I.B.Tauris, 2006); Houchang Chehabi and Vanessa Martin, eds.,
The economies of the southwest by the penetration of commerce, oil capitalism, invading foreign armies, feckless and predatory khans, sheikhs, and governors, were compounded by drought, famine, and epidemics, to heap untold misery upon the ordinary population (chapters 2, 5, 6). As a result, brigandage, raids, and general violence had become prevalent. Arnold Wilson warned of the deteriorating situation in Khuzestan in 1908,

“Sixty years ago or so there was regular traffic from Dizful to Hamadan and central Persia. Now tribal feuds have made traffic impossible and goods for central Persia must go either via the Bakhtiyari road to Isfahan, or via Baghdad and Kermanshah.”

This insecurity was posing a constant threat to the oil operations during a critical period where secure and growing supply lines had to be constructed and maintained, while the refinery and the shipping and export facilities were being established. To maintain the security of its operations in Khuzestan APOC, with the help of political British agents, made important alliances with local potentates, the Bakhtiyari Khans and Sheikh Khaz’al of Mohammareh. By the early 1920s, APOC and the British government were running Khuzestan as a virtually independent region, a situation that began to cause increasing apprehension among urban Iranian nationalists. The perception of national impotence and mounting resentment over the declining effectiveness of the administrative apparatus of the state flamed resentment

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16 Wilson, SW Persia; A Political Officer’s Diary 1907-1914, 72. Arnold Wilson was a political officer in Khuzestan during this period, and later led the Boundary Commission setting the borders of Iran and Ottoman Iraq. During the war he served in Iraq, rapidly rising to act effectively pro-consul there, before becoming the co-director of APOC in Mohammareh (later renamed Khorramshahr) until late 1920s. See chapter 1

For the general situation in southwest Iran during this period Gene Garthwaite, Khans and Shahs: A History of the Bakhtiyari Tribe in Iran (London: I.B.Tauris, 2009), 96–144; Pierre Oberling, The Qashqai Nomads of Fars (Hague: Mouton, 1974), 128–141; Cronin, Tribal Politics in Iran: Rural Conflict and the New State 1921-41; Ansari, “History of Khuzistan,” 203–216; Edmonds, East and West of Zagros Travel, War and Politics in Persia and Iraq 1913-1921; and also Yann Richard’s highly informative introduction to Edmonds’ book. The steady reports of mounting insecurity in British Embassy’s monthly Intelligence Summaries regarding southwest Iran for the years 1908-1921 are quite instructive. Here I will simply note the page references relevant to matters of “security” and “tribal unrest” in Khuzestan, and areas of Fars, Esfahan, Lorestan, and Kohkiluyeh that are relevant to this story, without citing dates and occasions in order to avoid cluttering the narrative. The point is the regularity of urgent reports about these unrests in the British diplomatic narrative: R. M. Burrell, ed., Iran Political Diaries 1881-1965 (London: Archive Editions Ltd, 1997), Volume 5, pp. 28, 66–67, 70, 80–82, 314, 329–336, 525. (Henceforth IPD, followed by volume and page number)
among nationalist elites, prompting a search to identify the causes of what they perceived as the chronic weakness of ‘the nation’. Thus anything associated with the putatively constructed notion of ‘the traditional’ – such as religion/Islam, the clergy/ulama, pastoral tribes, etc. – was identified as a causal problem, and seen as the regressive elements of society and of ‘culture’ that were acting as obstacles to scientific modernization along the progressive model of the modern nation state.\(^{17}\)

This notion was articulated unabashedly by Hassan Taqizadeh, one of the most prominent constitutionalist leaders and intellectuals, himself a former religious seminary student from Azarbaijan, who ended up advocating an unconditional acceptance of European models of education, science, and economic and social norms and practices: “Iran must become Europeanized, in appearance and in essence, physically and spiritually.”\(^ {18}\) On the other hand, establishing a powerful and effective modern central state came to be seen as the solution, and a necessary instrument of modernizing the nation and overcoming these weaknesses and resisting exploitation by colonial powers or internal enemies.\(^ {19}\)

**Land, Property, and Social Relations in the Bakhtiyari:**

According to Kaveh Bayat and Stephanie Cronin, the period after the Constitutional Revolution through WWI and the fall of the Qajar dynasty in 1925 was the juncture where pastoral nomads who at the time formed more than a quarter of the total population of the country were framed by modernizing nationalists and urban Iranians as a ‘problem’ and one of the main obstacles to the progress of the country; one that the nationalists believed could be resolved only through confrontation, since the tribes were mobile and military forces with a high sense of political entitlement. This sense of entitlement was rooted in a political history where the vast majority of the royal dynasties that had ruled had pastoralist origins, or relied in some form on the

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\(^ {19}\) Ibid., 13-60.
tribal military coalitions to consolidate and enforce their rules. The solution required the eventual elimination of tribes, perhaps not as a population but as social and military units, to pave the way for the effective monopoly of coercion in the hands of the central state, whose ultimate project was to forge a modern nation state out of the heterogeneous population of Iran.

The emergence of “the tribal question” and “the tribal problem” (see chapter 1 for the clarification of the term “tribal”), and the alliance of various tribal leaders with Britain and APOC were among the key motivations for the support that Reza Khan received from modernist nationalists in the 1920s (chapters 2, 5, 6, 7). The close relationships, contractual deals, and controversial alliances between the Bakhtiyari Khans, Sheikh Khaz’al, and APOC have been well covered by other scholars, so I will refrain from repeating all the details and simply provide a brief sketch. However, I will engage in a more detailed discussion of the collective relations of production and social reproduction between the Bakhtiyaris and the tribal Arabs of Mohammareh and Abadan with the land and their physical geography, and how the rise of oil capitalism and the changing property relations that were ushered in after 1909 affected these.

The contractual deals between APOC and the Bakhtiyari Khans were centered on land transfers in Masjed Soleyman and the Bakhtiyari highlands, and for the provision of unskilled labor, as well as guards for the armed protection for pipelines.


22 See Alireza Abtahi, Naft va Bakhtiyari-ha (Tehran: Moassesseh Motale’at Tariikh-e Mo’aser-e Iran, 1985); Garthwaite, Khans and Shahs: A History of the Bakhtiyari Tribe in Iran; Stephanie Cronin, The Making of Modern Iran: State and Society Under Riza Shah, 1921–41 (London: Routledge, 2003); Arnold T Wilson, A Precis of the Relations of the British Government with the Tribes and Shaikhs of Arabistan, 1911; Wilson, SW Persia; A Political Officer’s Diary 1907-1914, 226.

The archival records of British Petroleum at University of Warwick contain the following files which detail the land negotiations, the agreements between the Khans and the APOC, contracts, assessments of land measurements, and the analysis of long term consequences and mutual expectations of the parties involved: BP 69830, BP 71691, BP 70335, BP 70895, BP 70297, BP 71694.
and other Oil Company facilities. In exchange, four senior khans were allocated a three percent share in the newly established Bakhtiyari Oil Company, along with a series of negotiated cash payments and loans, in addition to assurances given to them regarding British support for the maintenance of their personal autonomy against the central government after the war\textsuperscript{23}. No provision or guarantee from either party was made to insure that the sale and privatization of the collective tribal land should benefit the entire tribe, and not only the khans and their closest allies and clients. When in 1926, during re-negotiations with the central government Arnold Wilson, then Company Director in Mohammareh, was asked about the dispossession of rank and file Bakhtiyari as a result of this agreement, he replied that back in 1911 the central government had been weak and the khans strong. The D’Arcy Concession had given some questionable and fuzzy freedom of action to the Oil Company to enter negotiations with the Khans, which it had on at least seven occasions between 1905 and 1925\textsuperscript{24}. Not making any distinction between the British government and the private Oil Company (after all the key negotiations had taken place interchangeably by government agents speaking and acting for the Company), Wilson displayed no sentimental loyalty to the erstwhile allies:

“We had to adapt ourselves to the situation, and pay the khans, but this does not negate the government’s claim to the land. Second, our agreement with the khans makes them directly responsible to the tribes. If they have not paid them it is their fault. We could only negotiate with the khans, not with the entire tribe. The Ilkhan and the Ilbeg were in turn responsible to pay the other khans”\textsuperscript{25}.

Although the land leased in Masjed Soleyman from the Bakhtiyaris was formally “only” 20 square miles of supposedly waterless and arid scrub situated in the rugged highlands of Zagros, nevertheless it had a vital role to play in the Bakhtiyari collective and pastoral political economy. The adventurer and intelligence gatherer Henri Layard, who travelled to the region in disguise in mid 19\textsuperscript{th} century, and whose romantic travelogue inspired successive generations of Victorian and colonial visitors, wrote of Masjed Soleyman, “There is no spot in Khuzistan [in the original] to which

\textsuperscript{23} Ferrier, \textit{History of the British Petroleum Company}, 1:114–128. See also previous footnote
\textsuperscript{24} The text of the D’Arcy concession is available in Ibid., 1:640–646.
\textsuperscript{25} BP 71183, A.T. Wilson “Bakhtiyari Relations and Land Purchases”, February 24, 1926
so many legends attach as to the Musjedi-Suleiman, and it is looked upon by the Lurs as a place of peculiar sanctity”

Nor was the land as desolate and barren as the prospecting oilmen wanted it to be. A brief analysis of the social and legal structure of the Il can provide an insight into the frictions that ensued between the Oil Company, the Bakhtiyari Khans, and the rank and file women and men of the Il.

Migrating pastoralists were organized in clans and sub-clans; in the case of the Bakhtiyari these were called Tayefeh, Tireh, Tosh; each under white beards (Rish Sefid), headman (Kadkhoda), chief (Kalantar), and higher Khans. Since the 19th century the Qajar central state, which was itself of Turkoman tribal origin, was increasingly feeble and unable to project authority across its territory. As a solution it had adopted and continued the medieval practice of Iqta’, or the bestowal and the farming out (pending on the period and context) of territories and regional governorships in exchange for tax collection and military levies.

It had also continued the Safavid practice of organizing the tribes into confederacies and, in the case of Bakhtiyaris, claiming the right to appoint the Ilkhan and the Ilbeg the two paramount chief contains, as the means of ruling through proxy by confirming leaders who were from among the tribal aristocracy, but through their appointment by the state became go betweens, and effectively dependent on it for their status; a situation that made them vulnerable to manipulation and internal rivalries fostered by Tehran.


Regarding access to land and territory, the Bakhtiyari system operated along a collective system of reciprocity and mutual access to pasture that had significant internal variations and geographic flexibility and fluidity built into it. Ilya Petroshevsky, the Soviet orientalist who studied medieval land tenure systems under the Mongol Ilkhans, describes the system as essentially a hybrid of feudal rules and collective patriarchal arrangements where,

“...Legally pasture, or ‘yurt’ was collectively owned by the tribe and its leaders. The use of pasture was collective... migration and pasturing of livestock were collective activities. Although the Amir (leader) of the tribe, his immediate entourage and lieutenants, and the elders of the Il controlled pasture land and exercised authority over it and led the seasonal migration, nevertheless they did not dare prohibit their followers from using pastureland, or to sell the pasture, or in one way or another transfer its ownership to outsiders. These lands were transferred together with the office and the title of the leader of the tribe, clans, and sub-sections... this type of feudal landownership was integral to the military and political structure, and the social organization of the pastoralists. It was also conditional on their reciprocal obligations to supply military levies and the performance of other Iqta’ duties [to the hierarchy of the Il and also to the central state]”

In other words, within this general system, which had considerable historical and regional variations, the Khans performed a double function, as intermediaries between the tribal confederacy (Il) and the central state, as well as a vital role of internal leadership and coordination within a heterogeneous and highly diverse, martial, and mobile population. The relationship of ordinary Bakhtiyaris with their khans was one of mutual dependence, not of pure hierarchy. At least until the period under study the power of the khans depended, especially when it came to internal tribal relations and rivalries, on the support they could garner among the rank and file.

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32 See for example Layard’s description of the charismatic popularity of Mohammad Taqi Khan; Wilson’s discussion of the importance of Samsam al Saltaneh’s recognized leadership qualities; or Sepehr’s analysis of the vital role that was played by prominent Khans in stirring the Confederacy through challenging historical junctures. See Lesan al Saltaneh Sepehr, Tarikh-e Bakhtiyari (Tehran:
“I went to see the Bakhtiyari Khans at Ab-bid on the Karun River above Shushtar. Big men with big escorts and small minds – but able as no one else to keep the tribes they govern from fighting with each other or, to any considerable extent, with their neighbors. Their faults are many, but they have made it possible for the Oil Company to develop their Oilfield at Masjid Sulaiman without a day’s interruption of work. That would have been quite impossible anywhere else in Persia, except, of course, Arabistan [Khouzestan], where the Shaikh of Mohammerah [Khaz’al] is supreme. My only fear is that their ambitions may lead them into courses which they have not the strength or inward unity to pursue to a successful conclusion”33

While the Bakhtiyaris were the subject of extensive orientalist studies by successive British political agents and scholars from mid 19th century to the 1920s; recent ethnographies and historical anthropologies by more critical post-colonial scholars, as well as a number of social histories written by the leaders and scholars from among the Il itself, have recast the complex internal social relations of the Il into a less instrumental and more historical framework34. A brief summary of the findings from this more recent scholarship provides a better general picture of the social conditions of the Il when the oil encounter with APOC took place in the first decades of the 20th century.

At the turn of the 20th century, the Bakhtiyaris were divided into two major branches, Haft Lang and Chahar Lang, that together constituted the largest tribal confederacy in Iran in terms of population. Predominantly pastoralists, they were inclined to shun all trades and crafts, nor in general would they inter-marry with outsiders engaged in commerce, industry, or urban economic activities. Highly


33 Wilson, SW Persia: A Political Officer’s Diary 1907-1914, 226.
mobile and migratory, their economy depended on trade of wool and meat in exchange for other necessities, making it a symbiotic relationship with townspeople and settled villagers. This did not mean that Bakhtiyaris did not engage in agriculture, as many cultivated separate plots of land in their winter and summer quarters. However, since the rhythm of sowing and harvest did not always correspond with those of pastures and livestock grazing, agriculture was kept limited, in order not to compromise the priority of mobile animal husbandry.

This pattern changed dramatically under the impact of three major historical events: First came the intrusion of oil capitalism from 1909, which privatized substantial pastoral territories, undermined and delegitimized the vital coordinating role of the Khans in settling disputes and organizing migrations, and created an urban wage labor market that increasingly monetized economic relations to the detriment of the pastoral economy. Second, came the increasing intrusion of the central government, especially after 1922 (see chapter 2), and the subsequent imposition of universal military conscription, and the registration of all tribal territory as khaleseh or state land. This process culminated in the violent forced settlement of tribes in villages after 1933\(^35\). Last, came the nationalization of all pastures during the White Revolution of the 1960s, which effectively forced the remaining pastoralists to register their livestock and obtain government permits, a process that excluded those members of the Il who had meanwhile settled into permanent agriculture. Meanwhile, the developments in transportation, and increased security imposed by the military and gendarmerie, had led to the effective disarmament of the Il and a reduction of their ability to control territory and their seasonal migratory movements. The expansion of an urban economy also posed heavy pressure on their pastoral economies as imported meat and wool products forced many to either revert to permanent agriculture as a supplement for subsistence, or to seek wage labor or urban employment as alternative means of existence\(^36\).

Thus Bakhtiyari economy and society were always influenced by and had to adapt to the flow of external factors, and were never as insular as portrayed by many orientalists, colonial scholars, and romantic writers of the period. However, this still


begs the question of the internal relations of property and economic activity within the Il37. The Bakhtiyaris had strict internal rules in place to regulate the number of livestock, the use of pasture, and the maintenance of an intricate balance of power among various groups and individuals when it came to overgrazing or intrusions upon adjoining territories. The role of clan, section, and tribal leaders were essential in maintaining political equilibrium, managing disputes, coordinating intricate migrations and geographic movements, and preventing frictions from breaking into open conflict in a spatially fluid social system.

During the early years after the discovery of oil APOC officials and British diplomats were hard at work trying to determine land ownership patterns and units of land measurement to evaluate property prices around the Fields (this was the general Company designation for all areas under its control outside Abadan) for oil wells, Company buildings and facilities, pipeline routes, pumping stations, telegraph and telephone lines, road networks, and a Company railroad, in order to draw up separate agreements with the Bakhtiyaris. The Il, on the other hand, had an intricate system of property designation in place that did not correspond to the liberal private property laws, but nevertheless was integral to the operation of its economy. In 1973 the anthropologist Asqar Karimi was granted a rare access to study old property deeds and land transfer contracts (Qabalehjat, Bonchaq) in the Bakhtiyari, some dating back to the 17th century, that had been the basis of landholdings by groups and property transfers between individuals. These contracts are written on paper (not a widely available material among the mobile pastoralists), and cite the names of the seller and the buyer (first name and the name of the father), clarify the free will of the seller in voluntarily undertaking the sale or the transfer, define the characteristics of the land (orchard, building, irrigated plot, dry land, fallow, mountain land, pasture, etc.), its specific boundaries38, and its size (variable according to local units of measurement)39.

37 This section is mostly beholden to the ethnographic work of Asqar Karimi and Jean Pierre Digard. See the footnote 35 for references.
38 See Karimi, “Nezam-e Malekiyat-e Arzi dar Il-e Bakhtiyari.”
39 For example jarib, dang (1/6 of a total unit), habbeh, in winter territories (sardsir); and man (equivalent to 30 kgs of seed), or khish (‘plow’, a labor-based unit of land measurement calculated locally as the area that can be plowed in one day, usually with an oxen or other draft animals) in summer territories (garmsir). It is clear that summer agricultural land is measured by units of labor, while winter land is measured by area. These forms of property measurement were common throughout Iran, but also in Feudal Europe in different variations. See Javad Safinejad, Boneh dar Iran, 3rd ed. (Tehran: Amir Kabir, 1988); Witold Kula, Measures and Men (Princeton: Princeton University Press, 1986). I have discussed the problems of property relations in agriculture and urban economy in post land reform era in Kaveh Ehsani, “Rural Society and Agricultural Development in Post-
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The price of land, and the extent of authority over its further disposal are specified (“the buyer can sell at will, or retain the property, he [assuming the buyers were male] is sovereign”); and each contract is dated and sealed by a mirza (professional notary or secretary) or whoever had drawn the contract; as well as the buyer, the seller, and the witnesses.

Of course the notion of “specific boundaries” are very different in various legal regimes of property. The present day prevalent Lockean liberal notion of absolute private property, based on cadastral surveys, registered deeds, and the precise designation of specific and finite boundaries, is very different from the far more flexible, yet equally enforced and legally binding, notions of property used in non-capitalist agrarian or pastoralist systems. Here is an example from a property title (Qabaleh) issued in 1602 by Ilkhan Imamqoli Khan Bakhtiyari to the sub-clan (Tosh) Sadeqi of the Hasanvand clan (Tireh) of the Mouri tribe (Tayefeh) who, at the time, did not possess their own pasture:

“The first boundary is from the outflow of the Water Springs. From there proceed from [mountain] ridge to ridge until you reach the Snowline on to Tent Pitch Ridge, from there veer right until you reach the trail to the Edged Ridge, from there proceed from ridge to ridge until you reach the highland of Cotton Planting under Sunlight, from there follow ridge to ridge until you reach Do Shouran Sachmeh-ha (where the pellets are double washed [?]). [This territory] I am granting for pasture and feeding of livestock to the price of 30 Touman. They [the grantees] can sell it or keep it as they wish; the proprietor is sovereign.”

In other words, the locally recognizable and individually named natural characteristics of the landscape, especially the more permanent features that are less


prone to quick shifts with climatic or ecological change, set the boundaries of property claims, and not the geometrically surveyed, mapped, fenced, and visibly demarcated straight lines of the cadastral survey that characterize the outlines of the contemporary private property of the industrial era. However, the point to emphasize is that the Il as a collective claimed the entire Bakhtiyari territory:

“In both winter (sardsir) and summer (garmsir) territories each tribe (qabileh) has its own specific pastures, and pitches its tents there. The boundaries of each section have been demarcated with white stones from ancient times, and according to established customs moving the stones are prohibited…The entire Bakhtiyari territory is demarcated and subdivided among sections, and each section has further divided its territory among its members. Usually, the owner of specific plots is the person who has brought irrigation and water there at his own expense”\(^\text{42}\).

Contrary to pasture, which was open land that was collectively subdivided but had not been improved by human labor, specific plots could become individual properties once human labor and capital investment had been expended on their improvement, especially by bringing water there. This system of landownership was neither permanent nor a-historical, as property relations had been changing incessantly through warfare, inheritance, land grants and redistributions, marriage alliances, as well as monetary negotiations and exchanges. The relative power of individual khans or clans at various historical junctures played an important role in a spatially fluid system that was often open to coercive redistribution of claims to territory. According to Jafar Qoli Khan Rostami, the clan patriarch (Kalantar) of the Babayii tribe (Tayefeh) in the 1970s:

“From the easternmost winter region (sardsir) of the Bakhtiyari to its westernmost summer territory (garmsir) there is not a single “hand-width” (vajab) of land without its own property deed (bonchaq), and whose ownership is uncertain”\(^\text{43}\)

\(^{42}\) Ibid., 69–70.
\(^{43}\) Ibid., 70.
Thus, while on the surface and in the gaze of oil prospectors the Bakhtiyari territory seemed desolate, empty, and a wasteland, its boundaries fuzzy or nonexistent, its ownership questionable, and its price nominal at best, in fact this was a highly demarcated territory that operated along its own intricate rules and laws of property. The territory of each section belonged to the entire section. Within each section individuals had claims to specific pieces of territory, which they could trade or sell with neighbors and other members of the section, but not to outsiders, unless written permission had been obtained from all section members. In other words, any transfer of property to outsiders was a collective decision that was documented within an established legal framework. Further intricate rules governed internal exchanges of land, which were not necessarily based on money changing hands. If someone wanted to use another’s pasture they had to obtain formal permission for a specific duration. When crossing other sections’ territory during migration the maximum right of stay on pasture was a day and a night. In case of emergencies, such as disputes, raids, theft, or illness, a migrating group could linger for 2 days and nights, or for one week to allow time for the sick to get well. To build a house on somebody else’s land a pledge of alliance and cooperative labor was demanded. The redistribution of land to those with not enough was common, and was undertaken sometimes in exchange for money, other times for a share of the grain, or other arrangements. In the Kouhrang region whoever had irrigated land had the right to claim an equivalent measure of dry land to go with it. The permutations were many, the flexibility considerable, but the intricate rules and regulations were in place, binding everyone from the tip of the social power pyramid to its base.

**Enclosures and Oil Capitalism in the Bakhtiyariland:**

The creative destruction that was ushered in with oil capitalism, and the construction of the modern nation-state undermined these mutual and collective, but also hierarchical, patriarchal, and unequal relations of property, and the balance of political power that underlined their continuation. It allowed the senior most khans to benefit personally from the privatization of the collective land and resources of the tribe, effectively at the expense of their followers. During the reign of Reza Shah

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some of the Khans were physically eliminated in the 1930s as part of the strategy of centralization by destroying competing regional centers of power; but most, and their descendants, became ordinary landlords or joined the rising urban bourgeoisie.\(^{45}\)

The right of different clans to specific pastures, and especially the migration routes and passages allotted to families and specific clans (tireh) were vital components of an intricate, collective, and martial social system that had adapted itself to a harsh climate and terrain, by using the land seasonally. In the plains of Masjed Soleyman oil fields sprawled across spring pastures and the migratory routes of several clans. The pipelines and access roads cut across and disrupted territories that were used seasonally. The agreement with the Oil Company called for hiring of Bakhtiyari guards to effectively police their fellow tribesmen from resisting or disrupting Company operations that were undermining the pastoral economy and social structures. At the same time, the employment of wage laborers from among male tribesmen began depriving clans at critical times of the year of the manpower vitally necessary for seasonal sowing, shepherding, or other seasonal agrarian, pastoral, or martial duties (more on this in chapter 7).\(^{46}\) This issue became more pressing especially after 1926, when the Company began the long-term push to replace casual, anonymous, and temporary hires with permanent and more technically trained workers (see chapters 5, 6).

The privatization of collective Bakhtiyari territory dispossessed the rank and file pastoralists, immiserated many, and undermined the Confederacy’s collective social structures. A similar story unfolded with other pastoralists of southern Zagros, such as the Bahmayii, Kohkiluyeh, Mamasani, etc. who did not have a contract with Oil Company, but whose economies and social military structures were also quickly affected by the devastations of WWI; the growing impact of money and market relations throughout southern Iran caused by rising demand for opium, pack animals,

\(^{45}\) Lambton, Landlord and Peasant in Persia, 283–289.


For the similar experience of native Americans confronted by different and permanent notions of property imposed by European settlers see Cronon, Changes in the Land. On Iran and the conceptualization of land by governmental political power, drawing parallels with the American frontier experience see Firouzeh Kashani-Sabet, Frontier Fictions (Princeton: Princeton, 2006).
and grain; and eventually the incursion of the central state. In the Bakhtiyari territories some *kalantars* (chieftains) emerged as established landlords, or consolidated their position by joining the Oil Company as recruiters and labor contractors. Others settled, either voluntarily or coercively, became farmers, or joined the bureaucracy. A few have continued the pastoral ways to the present. But most were proletarianized and flooded into oil towns (Aghajari, Gachsaran, Naft-e Sefid, Haftgel), ports (Khorramshahr/Mohammareh, Mahshahr), administrative cities (Ahvaz), railroad towns (Andimeshk, Doroud). Many joined the oil company as unskilled laborers, guards, and domestic servants swelling the population of Abadan and other oil company towns.

This process was already clear to British agents stationed in Khuzestan at the time, like Arnold Wilson, or to insightful Oil Company employees like Dr. M. Young, the famous Company doctor, who were instrumental in finalizing the land agreements with the Bakhtiyari. In 1911 Wilson described the pastoral world of Fars and Zagros as a fragmented geography where “every valley is a social unit with its own leaders and headmen, its own reserves of grain, its own traditions. Civilization here is of ancient antiquity”, but he went on to predict its demise. In Fars,

“The Qavam family [of the Khamseh Confederacy] were no longer in control of the Arabs, the day would come when Saulat [Dowleh, the Ilkhan] would no longer control the Qashqai. Both tribes were well-armed and not easy to control except at the expense of a third party, viz. the villagers. Government by tribes and by great families was at an end: the system had broken down. What was needed was government by a government – the Persian Government.”

Wilson went on to repeat the trope about pastoralists being little better than bandits, but in the process captured in his usual incisive way something of the political reality that had engulfed southern Iran during the first decades of the new century:

47 Olson, “Persian Gulf Trade and the Agricultural Economy of Southern Iran in the 19th Century.”
48 For Dr. Young’s analysis of the protracted Bakhtiyari land negotiations from 1912-1915, in the success of which he was instrumental see his correspondence in BP 70335, BP 70297, and BP 69830
“Life for a tribesman was hard and getting harder: Their leaders robbed them and were in turn fleeced by more rapacious governors; the tribesmen robbed each other, or villagers, travelers or merchants. No one cared to build, or even to sow more than he needed, lest he be deprived of the fruits of his labor... In Modern Persia the rifle is a scepter and every rifleman is a Shah”⁴⁹.

**Establishing Masjed Soleyman as a Company Mining Town**

From the beginning of the oil industry in 1908, the access and control over “the Fields”, which included the proto urban zones and settlements that grew around oil wells, pumping stations, and service centers for pipelines and transport and communication lines servicing the oil industry, were treated jealously by the Oil Company, sometimes to the point of paranoia. When Wilhelm Wassmus, the German consul at Bushehr went for an unannounced visit to Masjed Soleyman in 1910 he was stopped by the Company’s Bakhtiyari guards, and expelled from the region “looking very disconsolate”⁵⁰. The entire region surrounding Masjed Soleyman was treated as simply off limit to anyone, and assiduously guarded as a protected enclave by APOC. By the onset of WWI the entire geography of the region had been transformed at breakneck speed:

“In July 1915 I …visited the oilfields after an absence of a year. I did 60 miles by car, a new experience, and the last 30 through the hills on horseback. The changes made in a year are astonishing, even to me: the great 8-inch pipeline runs over two ranges of hills; a motor road will soon be complete. The cart track is far better than before. Houses are being built and store rooms, workshops, and new rigs…my friend Dr Young is more than ever the presiding genius, with a larger hospital and some good subordinates”⁵¹

The agreement with the Bakhtiyaris had been difficult to reach and fraught with discord. There were intense internal feuds within the various branches of the Bakhtiyari threatening any unified agreement that may be reached⁵². A number of maverick khans who felt left out, objected to the whole deal and resorted to eventual sabotage. Parviz Khan Gondozlu who owned the land around Dar Khazineh near the landing jetties on the upper Karun,

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⁴⁹ Wilson, SW Persia; A Political Officer’s Diary 1907-1914, 184, 187, 189.
⁵⁰ FO, “Persia Summaries; Minister’s Reviews”, January 1910, Burrell, IPD, Vol.5, 393.
⁵¹ Wilson, SW Persia; A Political Officer’s Diary 1907-1914, 124.
“Prevented the Company from importing grain and straw, requiring them to buy from him at exorbitant price. He demanded 80 krans a month for guards, which the other Bakhtiyari Khans were prepared to provide for 60 krans, and when theft occurred in his district and under the noses of his guards he invariably repudiated responsibility”\textsuperscript{53}.

Nor was the deal entirely amenable to APOC and the British government, who felt they could have done better. George Reynolds, the head engineer who had discovered the fields of Masjed Soleyman, had conducted the initial negotiations in 1905, during which he had signed an agreement committing the Company to pay for “uncultivated land”, despite the terms of the D’Arcy Concession, which made all such land freely available. At the time of his prospecting, Reynolds had had very little choice, but now he was being blamed for committing the Company to pay more than it should have, and he was eventually fired from his position\textsuperscript{54}. Company directors in London, and British diplomats in Tehran, who had not been present in Khuzestan when the difficult explorations were going on, now that oil had been discovered against all odds and amidst great challenges, felt that Reynolds had been criminally negligent and naïve by obligating the Company to pay twice the royalties, to the Bakhtiyari landowners as well as to the Iranian government\textsuperscript{55}.

The greatest frictions came with the central government in Tehran, which from the onset rejected the separate deals mediated by Percy Loraine on behalf of the British Government between the Bakhtyari Khans and APOC; but it had been simply too powerless to do anything about it. Aside from rejecting the legitimacy of the Bakhtiyari Oil Company and the land deal between the Company and the Bakhtiyari Khans, there was a distinct sense in Tehran that Masjed Soleyman had become effectively an occupied territory where APOC was running its mysterious affairs with open impunity, and with the collusion of the local magnates\textsuperscript{56}. This resentment colored most official reports by the Kargozars (local attachés of the Foreign Ministry,

\textsuperscript{54} Ibid., 122-123
\textsuperscript{55} Laurence Lockhart, The Record of the Anglo-Iranian Oil Company, Ltd. (London: Anglo Iranian Oil Company (AIOC), 1938).
\textsuperscript{56} “Report on Company activities in Masjed Soleyman and the ownership of land required by the said Company by Bakhtiyari Tribes and the Sushtar Arabs”, INA, “Official Telegraphic Correspondence Regarding Labor Relations and Other Issues Concerning the Anglo Iranian Oil Company’s Operations in the Province of Khuzestan (1908-1937)” (Iran National Archives, 1937 1908), May or June 1909, Serial # 144/145.
under whose jurisdiction APOC affairs were placed) to their superiors in Tehran regarding the goings on in the oil fields; and it left a lasting imprint on how relations developed between the Company and the state administration in Khuzestan. For example, in 1911 the Kargozar reported to the Foreign Ministry “The Company is installing telephone and telegraph pylons in Masjed Soleyman and Braim. It has hired more than 300 Ottoman and Indian workers…it is building roads and a railroad and confiscating state land as well as the private properties of Qiri Sadats [emphasis added]”57. In 1923 the provincial governor Entezam al-Saltaneh reported to his superiors in the Interior Ministry that the Company was acting like a sovereign state, controlling who comes and goes to the area: “A number of people from Shiraz have asked to be allowed to work and do business in Masjed Soleyman, but the Company has refused”58. Five years later, in 1928, the situation hadn’t changed, and the Company simply refused to allow freedom of passage to the fields for anyone it disapproved59.

A major controversy erupted in July 1926 when 500 local shopkeepers and business owners in Masjed Suleiman brought a formal complaint against APOC to the Majles for having set fire to the town’s bazaar. This coincided with similar waves of violent evictions instigated by the Company in Abadan during the same period as it was trying to build a modern and sanitary bazaar there (chapter 6). The plaintiffs claimed the Company had ordered them to evict the area before starting the fire, which had destroyed 51 shops and caused 150 thousand Touman damage. The attorney for the victims had to plead with the Foreign Ministry to coerce the Company to submit to Iranian judiciary rules regarding compensation60.

Effectively the Company treated Masjed Soleyam as its exclusive enclave, and referred to the terms of the D’Arcy concession to justify its claim61. The army’s

57 Ibid., 8 February 1911, # 174–176.
58 Ibid., (1923) 17 (month illegible) 1302, Serial # 192–195.
59 Ibid., Iran Consulate in Basra to Governor of Khuzestan and the Foreign Ministry, 3 April 1928, #128–130.
60 Ibid., From the Majles to Foreign Ministry, 7 July 1926; From Attorney for the fire victims of Masjed Soleyman to the Foreign Ministry, 30 December 1926, #360003386. Thus far I have been unable to find any further reference to this significant event in the BP archives or the Iranian National Archives.
61 Article 3 of the D’Arcy Concession stated: “The Imperial Government [Iran] grants gratuitously to the Concessionaire all uncultivated lands belonging to the State which the Concessionaire’s engineers may deem necessary for the construction of the whole or any part of the above mentioned works. As for cultivated lands belonging to the state, the Concessionaire may purchase them at the fair and current price of the Province. The Government also grants the Concessionaire the right of acquiring all and
incursion in 1924 sparked momentary concern regarding the fate of the land contracts that had been established between the Company and the Bakhtiyaris and Sheikh Khaz’al; but Reza Khan alleviated those fears, at least for the time being. It turned out Khaz’al had moved all his *Farmans* (royal decrees) to Basra for safekeeping. The Company obtained copies and made sure they were all in order.

“The government made no attempt to interfere with the Company’s title to its lands, and it was arranged later in 1925 that all rents that were payable to the Sheikh should be paid in future direct to the Ministry of Finance…Reza Khan’s visit to Masjid-i-Sulaiman and Abadan in December 1924 was a complete success and he was much impressed with the Company’s achievements and prospects. While at Fields he gave orders for adequate security measures to be taken for the Company’s geological parties in the Qilab and Khalafabad areas.”

After its ascendance in the 1920s, and the elimination of the local magnates, the central government left the control of security and administration of Masjed Soleyman to the Company; although their arrangements with the Bakhtiyaris for labor procurement and guard duty was gradually undermined, first by the appointment of army officers as security supervisors, and eventually by transferring the entire security and policing operations out of Bakhtiyari hands and under the control of the military. In March 1926, amidst mounting tensions caused by the resistance of local populations to the municipal changes being imposed by the Company in Abadan, the central government sent a fact finding mission to Khuzestan headed by an envoy, Mr. Nasr, to report on the goings on in the oil areas (see chapter 6):

“ In Masjed Soleyman some 200 oil wells have been sunk, but only 14-16 work. There is water nearby, but [a powerful merchant] Hajji Moin alTujjar claims ownership - I have not seen his Royal Grant (*Farman*) to that effect - and has made an agreement [to lease right of passage] with the company. Masjed Soleyman has ten districts [provides a list] and there are 20 thousand Lur and Bakhtiyari workmen. The Company has laid the ground and provides

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any other lands or buildings necessary for the said purpose, with the consent of the proprietors, on such conditions as may be agreed between him and them without their being allowed to make demands of a nature to surcharge the prices ordinarily current for lands situated in their respective localities”. Ferrier, *History of the British Petroleum Company*, 1:640. [My emphasis added]

all necessities and stores. In addition there are also two peddling shops that belong to an Armenian and an Indian. There is a hospital nearby. The paved road is also leased from Moin al-Tujjar.”

Nasr was alarmed by the state of affairs in Masjed Soleyman and at the extent of the Company’s autonomy, and became suspicious of the collusion of local merchants and the Bakhtiyaris with APOC. Regarding the Bakhtiyari guards he reported,

“The Governor of Masjed Soleyman is a Bakhtiyari named Sardar Khan who has 50 armed foot soldiers and cavalry, and receives a monthly stipend of 10,054 Qrans. The Bakhtiyari Ilkhani and Ilbeigi receive annually £2,100 form the Oil Company for maintaining order. In my opinion these funds should be paid directly to the central government now that it is strong enough to safeguard the installations of the Company. The Policemen are also Bakhtiyari… In addition APOC pays tax to Britain [but not to Iran]”

After the 1921 coup d’état the Bakhtiyari khans became increasingly apprehensive about the growing incursions of the central government and the objections it was raising to the dividends they were receiving from the joint oil company they had established with APOC and the annual £3,000 the Company paid for Bakhtiyari guards to protect the Fields. The Company paid £900 of this sum directly to the Head Guard at Masjed Soleyman, the rest was divided among the senior Khans with the implicit understanding that its further distribution among the tribe was their responsibility. The four major Khans who were signatories of the original contracts with APOC were politically at odds with each other, and all were heavily in debt. They had used the revenue from the Bakhtiyari Oil Company to establish themselves as urban landlords, thus incurring the resentment and wrath of the of the Confederacy and the rank and file members of the II. Furthermore they were old men, and the changing political situation did not bode well for an effective generational transition in a highly fragmented and personalized political system.

63 “Report of Mr. Nasr, Chief of Mission to Khuzestan, to Mr. Homan, Provincial Director of Finance, Concerning APOC”, 3 March 1926, INA 240029099
64 Ibid.
APOP began changing the terms of its contracts with the Bakhtiyaris by using the leverage of the heavy debts that the Khans had incurred. It obtained their consent to integrate the Bakhtiyari Oil Company within the APOP, thus ending its nominal legal status. It then forced the Khans to pledge their company shares as well as their dividends as security for receiving further loans. The expenses the Khans were incurring for providing lavish gifts for the upcoming coronation of Reza Shah in 1926 further reduced their bargaining ability. Between 1925 and 1937 the combination of arrear taxes, escalating debts, new national laws that declared all customary tribal land as state property, and the elimination of the offices of Ilkhan and Ilbeg by the new government, which eliminated the authority of the Khans to sell collective tribal land to the Company, significantly reduced their remaining authority. In 1933-1934 Reza Shah moved to physically eliminate all the senior khans, including those who had allied with him and were serving his government. By then, however, the political and economic structures of the tribal social order had been so hollowed out that the Il could no longer muster any effective collective and unified resistance, although local insurrections and regional clashes persisted even after the WW2.

As for the important function of guard duty for the Oil Company that had been a fief of the Bakhtiyaris and integral to the Il’s relation with the Oil Company from the onset, for a while both APOP and the Government tread more carefully. For the time being APOP kept paying the Khans the annual £3,000 for maintaining guards at Masjed Soleyman. The Government also did not stir the waters too much, although it made its presence unmistakably felt. The 1925 Reza Khan’s visit to the Fields was soon followed by the new military governor, Sartip Fazlullah Khan [Zahedi, the future leader of the 1953 coup d’état] who appointed his nephew as “military observer”, under strict orders not to interfere with the guarding arrangements of the Bakhtiyaris. Nevertheless, the nephew proceeded to do exactly that, and in the

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process “incurred the animosity of the Bakhtiyari Head Guard as he prevented him from extorting money from shopkeepers and others”. The outraged Khans appealed to Reza Khan, who assured them that “no change was contemplated ‘at present’. The Military Representative at Fields was there merely to support the tribal authorities”.

However, soon the situation began to change. As the remarkably productive oil fields of Masjed Soleyman began to decline in productivity, newly discovered oil fields, also located in the highlands of the Bakhtiyari country, were brought online at Haftgel and Gachsaran in 1928, and Aghajari in 1938. Guard duty for these new lucrative fields was no longer assigned to the Bakhtiyaris, but to the military. However, the army was instructed to hire as many local guards from among the Bakhtiyari as it saw fit, although under the command of army officers. “In 1927, the fortunes of the Khans were decidedly on the decline” and the Government had assumed direct control of all provincial affairs, including in Bakhtiyari territory. The Company tried to mediate a working solution, especially regarding Masjed Soleyman.

“During the period of Company activity in Masjed Soleyman the security of the area has been entrusted to the Bakhtiyari Ilkhani. A Head Guard from the Bakhtiyari Tribe, who resides in Masjed Soleyman, hired local guards from various local clans of the Tribe for guard duty, and the Company paid their salaries. In the past three years a junior army officer along with a few soldiers have also been stationed there, although thus far the said officer has not been responsible for the security of the Company operations. Since recently the Government has appointed a governor for Masjed Soleyman, and the area is now under the direct control of the Central Government, which has expressed its decision to eradicate Bakhtiyari rule in Masjed Soleyman, the issue of the security of the region must be reviewed. We prose either of two solutions. Either the Government should appoint a Military Governor and take direct

66 Lockhart, The Record of the Anglo-Iranian Oil Company, Ltd., 69.
68 "Ministry of Court to Governor of Khuzestan: Regarding His Majesty’s Agreement with the Request of the Oil Company for the Appointment of Military Officers for the Protection of Haftgel Area”, 2 January 1929, Naft dar Doereh-e Reza Shah; Asnadi az Tajdid-e Nazar dar Emteaznameh D’Arcy 1933 (Oil During Reza Shah’s Reign; Documents from the Renegotiated D’Arcy Concession), Historical Archives 2 (Tehran: Printing and Publishing Organization of the Ministry of Culture and Islamic Guidance House of the, 1999), 66–67.
69 Lockhart, The Record of the Anglo-Iranian Oil Company, Ltd., 74.
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responsible for security, or a civilian official should be appointed under the Provincial Governor. In either case, it is still necessary to continue the employment of tribal guards from various local clans who have the right of pasture [emphasis added].

To my knowledge this is the first instance in the archival materials I have investigated where the Company relations with the Bakhtiyaris are acknowledged not as contracts between two clearly designated individual parties, as in liberal contract laws; but where one of the parties is recognized as a collective entity with customary rights to space and to the productive economic activity predicated on that territory. However, the dispossession of the Bakhtiyari collective economy had been already under way since the initial deals that their Khans had begun making with the oil prospectors and the British Government from 1909.

Later that year (1929) a major tribal insurrection erupted across southern and western Iran, which was eventually suppressed by the army. In 1932 further strife occurred among the Bakhtiyaris against their khans who “had failed to pass onto other beneficiaries the sums to which they were entitled”. In 1934, after having eliminated their paramount leaders, the government abolished the posts of Ilkhani and Ilbeigi (the paramount positions within the tribal confederacy), and appointed its own choice Morteza Qoli Khan as the Governor of Bakhtiyari. There ensued minor skirmishes between the army and rank and file Bakhtiyaris, and in the process some of the Company’s installations were sabotaged. In reaction to these developments,

“The Head Guard [in Masjed Soleyman] was dismissed and the armed Bakhtiyari Guards were replaced by a detachment of the Amniyeh [security police or Gendarmerie]. This detachment was placed under Jahanshah Khan, the son of Morteza Qoli Khan”. Thereafter the Company stopped paying the annual £900 for the Guards, although it continued its payment to the descendants of the Khans as before.

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70 T.L.Jacks, Resident Director APOC, to Teymourtash, Minister of Court, 27 January 1929, Naft dar Dooreh-e Reza Shah, 75–77.
72 Lockhart, The Record of the Anglo-Iranian Oil Company, Ltd., 74–75.
Oil capitalism and the consolidation of a centralized modern nation state transformed the Bakhtiyari society and the geography of the Zagros highlands. The accumulation of capital in oil was predicated on the production of a new built environment on the ruins of the dispossessed Bakhtiyari society. The process was carried out through alliances and contractual deals between the Bahtiyari leadership, Oil Company experts, and British diplomats. In the next section we will discuss the role of these agents of social and political-economic change before exploring their changing position within a global framework of the transformation of capitalism during the interwar years in chapter 4.

**Photograph 1: Bakhtiyari Man Transporting Oil Drums in Abadan (Circa 1910)**

Source: Ministry of Petroleum, Iran
Chapter 3 – The Oil Encounter in Khuzestan (1908 -1921)

Photograph 2

![Photograph 2](image1)

Source: Ministry of Petroleum, Iran

Photograph 3

![Photograph 3](image2)

Source: Ministry of Petroleum, Iran
Preparing the Ground in Abadan: The ‘Contract” as Instrument of Dispossession

While the land agreements with the Bakhtiyaris were being drawn in Masjed Soleyman the Oil Company was also engaged in making a similar arrangement with Sheikh Khaz’al the Arab ruler of Mohammareh (Khorramshahr), for leasing a strip of land for a refinery on the Island of Abadan. Initially conducted by the Company chief engineer George Reynolds in 1908, they became more successful when Sir Percy Cox, the foremost British diplomat in the Persian Gulf, entered the process and concluded the contract in 1909, once again showing the symbiosis that had been established between the British state and the private Oil Company from the onset.73

The Company leased an area with a 200-yard frontage on Shatt al Arab, with a strip of land connecting it to Bahmanshir River on the east, and further strips for pipelines, storage, and pumping stations. They obtained from Khaz’al the right to erect buildings and shape the built environment within their leased territories, as they pleased. The annual rent was agreed at £650, paid in ten-year installments, so the Company paid the Ashayer (Tribes) £6,500. In addition, the Company also agreed to pay Khaz’al personally £10,000 nominally as a loan, and to hire local guards. Khaz’al in turn gained the endorsement of the tribal elders, and the contract was signed.74

Throughout its dealings in Iran the Oil Company was obsessed with contracts. Its relations with all those it encountered were always contractual. When objections were raised contracts were brought out and waived. “The contract” was the legal instrument that paved the way for the oil complex to be established in Khuzestan. Of course, it was always backed up with the threat of force, implied or explicit, military or economic. As we have discussed, Bakhtiyari property relations were also meticulously contractual, as they were in the tribal Arab areas of the province’s southwest.75 Similar to the Bakhtiyari territories the boundaries of contractual property relationships in these predominantly Arab tribal societies were not as absolute and individualized as they were in liberal private property laws. The physical boundaries were fuzzy and in line with ecological characteristics of the landscape, seasonal variations, and specific and often multiple land uses by different social actors. The rights of alienation and sales were highly curtailed and conditional. Even

75 Ansari, “History of Khuzistan.”
the abilities of the Sheikhs and Khans to distribute land and resources were not absolute or arbitrary, but an extension of their ceremonial and mediating functions and their official social role in the collective. As Polanyi would say, these were property contracts embedded within an intricate web of redistributive priorities and reciprocal social obligations\textsuperscript{76}. Land and territory were on occasion, and within specific bounds exchangeable through monetary transactions. They were considered a vital economic resource, but tribal lands and pastoral territories were not fully commodified or privatized, and nor were they alienable through open market exchange.

**Photograph 4**

![Members of the Anglo-Persian oil company’s staff being entertained at luncheon by the Kashguli Khans at their winter camp, C. 1925](image)

*Source: Minsitry of Petroleum, Iran*

The property transfer contracts pursued by the Company were fundamentally different. For one, these contracts were meant to clearly define the boundaries of the Company’s absolute sovereignty and clarify the range of activities it could engage legally (see chapter 6). Even more significantly, the contracts with APOC served as a

\textsuperscript{76} Polanyi, \textit{The Great Transformation}.  

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prohibitive instrument: They were ultimately used to exclude and deny alternative claims to land, to time and labor exchanged for money, and to loyalties. Enormous efforts were devoted to draw out contracts, and particular care was taken to make sure the other party understood the content, in order to avoid any future claim of dishonesty. Arnold Wilson’s description of the negotiations and the signing of the contract with Khaz’al are instructive: In May 1909 Cox sailed up the Shatt al Arab to Mohammarch in a British gunboat.

"He exercised from the onset great influence on the Sheikh of Mohamarah but was careful not to press him unduly…It was my first experience of this kind of negotiation and of the manner in which high British officials did business. Cox was content to sit like the Shaikh on cushions on the floor, with his devoted oriental secretary Mirza Mohammad by his side. He attached great importance in devising forms of words which should not give rise to disputes and invariably drafted a clause in Persian or Arabic, and discussed it in that form…His ideal was that the Persian text should prevail, being that of the weaker party" 77

Seemingly impeccably fair, courteous in appearance, and procedurally meticulous as this approach may have been within the classic liberal legal framework, where property is defined as a natural right and integral to human liberty and sovereignty 78, the process overlooked and simply ignored the profoundly different notions of property that existed on the ground. Property is a social and historical relationship that, among other things, regulates, facilitates, or curtails access to land and resources by individuals and collectives. Fundamentally, property is a relationship of power and as such is always open to contestation 79. Social relations of production and reproduction are organized through and around property relations that, as a result, come in various overlapping and often contradictory forms. The legal

77 Wilson, SW Persia; A Political Officer's Diary 1907-1914, 92–93.
systems upholding various property claims may include customary, religious, or secular judicial laws. These legal systems may be more or less flexible, institutionalized, or open to negotiations and interpretation, but often they are not compatible. Jesse Ribot and Nancy Peluso who have studied the enclosure of indigenous forest rights in West Africa and Southeast Asia analyze these clashes as conflicts of different claims of access to physical resources. Some of these claims are “rights based” (property claims), others are based on relational and collective mechanisms of access, or altogether reject claims of legality. But each is predicated on sets of social relationships that are historically defined, and require their own mechanisms of administration, enforcement, and knowledge (of boundaries, limits, and selective inclusions or exclusions). Exclusive private property, for example, in principle requires formal records as proof of claim, absolute and enforceable boundaries, and universally applied sets of standard rules administered by a single authority.

Tribal territories in Abadan or Masjid Soleyman were not personal assets belonging to individuals to be disposed of as private property by the local magnates. As the legal scholar Carole Rose puts it: “‘Acts of possession’ are, in the now fashionable term, a ‘text’; and the common law rewards the author of that text. But as students of hermeneutics know, the clearest text may have ambiguous subtexts.” In this section we will attempt to “read” the new contractual property relations carved out in Abadan, that gave rise to an inevitable conflict of interpretations over different social texts. APOC’s relations with its local allies, as well as its employees, were built on clearly drawn contracts that defined exclusive boundaries of sovereignty over space for each party, despite the inconvenient fact that no such uncontested institutional arrangements existed anywhere in Khuzestan.

All parties involved were clearly aware that the contracts just signed were an illusion that would be strongly resisted by Khaz’al’s own subjects as well as the

central government. Khaz’al signed the contract in order to guarantee British protection for his continued personal dominion over Khuzestan, “a country as different from Persia as is Spain from Italy. Without a guarantee that we would assist him to the outmost of our power in maintaining his hereditary and customary rights and his property in Persia it would be suicidal for him meet our wishes. The Home Government authorized Cox to give such assurances, and to extend them to his heirs and successors”83. The signed contracts then became the basis for displacing what existed there before in order to establish the oil complex.

An Empty Land and a People Without History

In chapter one the functional importance to the discourse and practice of modernization of depicting the targeted area for development as desolate and empty, and of its population as unproductive and obstacles to modernity, were discussed. This framing allows land (and nature) to be presented as a valuable but poorly treated, underused, and a wasted resource. Its emptiness invites claims of ownership and trusteeship in the name of improvement. Depicting the population as sparse and incognizant of the valuable asset they hold frames them as unproductive, lazy, and ignorant of the requirements of the forward march of history toward progress. In the process they become unworthy custodians of scarce resources that ought to be developed for the common good of the modern civilization84. These themes underlay the transformation of the built environment of Khuzestan throughout the 20th century, first by the advent of oil capitalism, and later on by the claims of the central state and of private capital and major transnational development institutions that implemented enormous and internationally prestigious projects commercial agribusiness, hydroelectric dams, and vast irrigation works, as well as petrochemicals and heavy

83 Wilson, SW Persia; A Political Officer’s Diary 1907-1914, 93.
This section will unpack the operation of this discursive practice as APOC began to lay claim to the river island of Abadan.

To facilitate its acts of enclosures, APOC’s narrative about Khuzestan was replete with images of empty land and infertile scrub, occasionally populated by ‘natives’ who were not industrious enough to make the desert bloom. At the time of the first discovery of oil Arnold Wilson was a young junior officer who had arrived in Khuzestan two years before in charge of twenty Indian mounted soldiers to protect the oil fields and pipelines from Bakhtiyari and Arab raids (chapter 1). He was then appointed in 1909 to survey the river Island of Abadan before a square mile of it was leased to APOC for jetties and the refinery. He reports an ancient shrine and recounts the historical lore about the place of pilgrimage. His detailed diplomatic analyses and reports contain only scattered mentions of the Island, which is regularly portrayed as a desolate stretch of sand: During the negotiations to lease the land from Khaz’al Sir Hugh Barnes, of the Council of the Government of India, wrote to Cox pressing him to obtain the lease on the cheap, “for if it was not only uncultivated, but uncultivable such land was free of all cost”. Barnes did acknowledge that, “It may be necessary to pay [Khaz’al] something to ensure his cordial cooperation but certainly not more than the ordinary market value”. This begs the question of whether and to what extent land was generally treated locally at the time as a commodity, to be bought and sold in a property market. Archival sources, Company records, and historical studies do not support such a claim. It is fascinating that the official history of the Company (now British Petroleum) contains a picture on the opposite page to this statement of

85 Elsewhere I have discussed the history and social and geographic consequences of these modernization projects in Khuzestan, which have led me to label the province as “the laboratory of modernization in 20th century Iran”. In addition to oil, the province became the experimental ground for the World Bank for the development of the first major multipurpose hydroelectric and irrigated agribusinesses on the model of TVA in the global south after WW2. See Kaveh Ehsani, “Sweet Dreams; Sugarcane and the Politics of Development in Pre and Post-Revolution Iran” (Conference presented at the Development After Development, New York University, 2003); Ehsani, “Rural Society and Agricultural Development in Post-Revolution Iran: The First Two Decades”; Grace Goodell, Elementary Structures of Political Life: Rural Development in Pahlavi Iran (New York: Oxford University Press, 1986); Paul Vieille, “La Société Rurale et Le Développement Agricole du Khouzistan,” L’Année Sociologique, no. 16 (1965): 85–112; Kashani-Sabet, Frontier Fictions.
86 Wilson, A Precis of the Relations of the British Government with the Tribes and Shaikhs of Arabistan, March 1911, filed as a rare document and archival material under Arnold.T. Wilson at the British Library
87 Ferrier, History of the British Petroleum Company, 1:123.
the ‘desolate’ “mudflats of Abadan in 1909”, showing a date grove, irrigation ditches stretching away, and a continuous line of date groves and trees in the distance!\(^88\)

**Photograph 5: Empty Land? "The mudflats of Abadan 1909"

\[
\text{Source: Ferrier (1982):123; Iran Ministry of Petroleum.}
\]

Date groves were the cash crop of southern Khuzestan. Palm dates adapted better than grains and legumes to the sandy soil and the sparse windfall, especially as the sea tide raised the river water, allowing a simple but practical system of irrigation to feed the groves. Since the opening of Karun in late 19th century dates had become a major component of the cash crop economy of Southern Khuzestan\(^89\). Perhaps the newspaper “Asr-e Jadid’s” claim was an exaggeration that “Mohammareh and the Abadan Island have millions of date trees owned by small farmers, that are being turned into the personal and hereditary property of Sheikh Khaz’al”\(^90\), nevertheless British diplomatic surveys as well as Company accounts did acknowledge, but then

\(^{88}\) ibid.
\(^{90}\) *Asr-e Jadid*, May 14, 1915
Chapter 3 – The Oil Encounter in Khuzestan (1908-1921)

conveniently overlooked and dismissed the significance of a poor but thriving rural community that already resided on the Island:

“Maniuhi: [village and area in Abadan] A stretch of date plantations on the western shore of Abbadan [as it is spelled] Island extending fifteen miles along the Shatt al-Arab, and containing some 300 mud huts scattered here and there in small groups. Annual yield of these plantations is over 50 thousand baskets.”

George Reynolds, the energetic Company chief engineer who had discovered oil in Masjed Soleyman, was skeptical about the valuation placed on land. He predicted that with proper mechanical drainage and irrigation the land would flourish, but at present “Arab apathy renders the ground waste, and Arab avarice will prevent you getting it at the price you quote” (see chapter 6). The recurring themes of “lazy native”, “fair market value of land”, and of “empty land” ready to be planted and made productive by energetic European agents of industrial progress if only the stubborn obduracy of the “natives” was overcome made its dispossession justifiable. Getting right the terms and the signature on the “contract”, and paying the “fair market value” for the land; land that was “wasteland” and even “uncultiveable”, only proved the fairness, honesty, and the immense generosity of the British party of oilmen and colonial statesmen to themselves.

The recurring image of the “empty” and “uncultivated” land was an important component of signing of the contracts with the Bakhtiyari Khans and Sheikh Khaz’al. For example, Masjed Soleyman was repeatedly portrayed as a harsh, arid, and desolate plateau, yet K.C.Scott, the surveyor who mapped the pipeline route from there to Abadan later reminisced that in 1910 when he was mapping 3000 square...
miles of territory, “when rain comes the whole country teems with people, animals, sowing, grazing, and migrating birds”\(^94\). Much like North America or eastern Eurasia, tropical south Americas, or most of coastal Africa, the terrain of pastoral and hunter gathering societies is used seasonally, and not permanently. Its geography is not one of permanent picket fences, barbed wires, registered deeds, and unambiguous and airtight legal contracts\(^95\). Its land use is selective and plural; as some of the features of the land are used only seasonally - such as grass, acorn, and brush – while others are left alone. This is in contradistinction to the monocrops of commercial industrial agriculture, which demands the permanent cultivation of land with the aid of chemical supplements (mostly petroleum based), and eradicates alternative fauna and flora as pests. However, the enclosure of this common and fluid land use, and its conversion to exclusive private property designated only for extraction of surplus capital, requires the legal fiction of the contract and its depiction as empty and worthless.

In early 20\(^{th}\) century Abadan was populated, sparsely like the rest of the province, by the Nassar Arabs, who were totally sedentary, cultivated dates, plus some cereals, flax, and fruits. They lived in adobe houses, and politically were under the dominion of Sheikh Khaz’al in nearby Mohammareh\(^96\). The copious intelligence reports of the General Staff of the British India’s diplomatic and military personnel posted in southern Iran provide some of the most detailed descriptions of the overall social and geographic setup in Abadan. In 1908 the island was described by the Gazetteer of the Persian Gulf in the following terms:

“The center [of the island Abbadan [as it is spelled] is mostly desert, but the margins of the rivers, as far inland as the creeks extend, are cultivated and planted with dates; much land is now being reclaimed in the Ma’amareh neighborhood near the south end…The inhabitants are almost all Ka’b Arabs…the south coast of the island appears to be fairly firm and well marked, but there are no fixed villages on it. Total population is reported to be about 24,000. The two southern administrative divisions are Maniuhi and

\(^{94}\) G.B.Scott, “The First Surveys of the Persian Oil Fields”, Naft, 7 (1931): 6-12

\(^{95}\) Cronon, Changes in the Land.

\(^{96}\) Ansari, “History of Khuzistan,” 23–36.
Nassar. In each of the villages bearing these names there is a representative of the Shaikh of Muhammarah. [my emphasis] 97.

There was also an important regional shrine, the putative tomb of the Prophet Khedhr, located on the island, which was a major center of local pilgrimage. The presumed “empty land” was in fact populated, sparsely like the rest of the province (by the contemporary European demographic standards). Khuzestan at the turn of the century was estimated to have had a population of 300,000 98, albeit within slightly different borders from the present, of mostly agrarian and pastoralist communities that made flexible and seasonal use of the land and available resources. British intelligence reports were detailed in providing information on livestock, agricultural production, and number of “rifles” (as well as ammunition and type of weapons) that any social unit could muster at various times: “The fighting strength of the southern province was calculated in 1902 to be 54,500 men…They are principally armed with a rifle of Martini pattern, of which there are computed to be at least 15,000. Cartridges are refilled locally with native power” 99; but these were instrumental details and “no attempt [was] made to estimate the overall number of the population” 100 since the information by itself was of little practical use for political and commercial purposes.

The local social structures were tribal, in that real or imaginary kinship was the primary but not necessarily the exclusive basis of collective solidarity and action 101. There was a constant movement in and out of the area of migrants and newcomers who worked the land by drawing agreements (contracts of a different kind) with the Sheikh, who embodied the corporate interests of the tribal confederacy. In the impoverished southern Khuzestan, date farming was a long-term investment of considerable risk and hard work. Date groves were not ‘owned’ as private domain, and there were a multitude of legal arrangements to take into account irrigation, the varying quality of land, its terms of ownership/possession, the contribution of various forms of labor (individual, collective, communal labor performed not directly on

98 Ibid., 3- Abadan:55.
99 Ibid.
100 Ibid., 3- Abadan:52.
productive land, but on the means of improving yields, for example in drainage or maintenance of irrigation works) etc. 102.

Officially, land in southern Khuzestan was all crown land (khaleseh), but given the virtual absence of any real central government authority in the province since 1857, land in general was treated as tribal communal property, vested for specific purposes on individuals or collective groups, not permanently but for a specified time frame, by the living sheikh (so not in perpetuity), without conferring on him the right of private ownership or permanent alienation as private property. Of course, the boundaries of this form of control of land were rather fluid, and a powerful sheikh, like Khaz’al who had ruled for a long stretch (ruled 1897-1925), gradually accorded himself increasingly arbitrary powers that could undermine the customary limits set on his authority over land and the population. Tribal sections or clans were settled on fairly bounded territories, but the boundaries were rather fluid and porous. Much like the Bakhtiyari territories, individuals in the Arab Ashayeri areas of Khuzestan had no permanent claims to a given piece of land, but claimed shares in the collective tribal holdings, or obtained conditional contractual rights to plots, pastures, and groves. Access to productive pieces of land shifted as individuals and collective labor groups were assigned different plots. This was not a political economic system geared toward accumulation and constant growth based on technical input and capital investment 103.

102 Ibid., 255; Lambton, Landlord and Peasant in Persia, 324–328; Najm al-Molk, Safarnameh Khuzesan beh Zamimeh Ketabcheh Dastour-e Ma’muriat-e Khouzestan va Gozaresh-e Barresiha-ye Ân Saman; Adamec, Historical Gazetteer of Iran, 3- Abadan:54–57.
Although commercial change had been affecting the social fabric of southern Khuzestan and Abadan, at least since 1857, it was the sudden appearance of oil capitalism in 1911 that radically and irreversibly transformed life on the Island. Within a short two decades immigration and the construction of the refinery and shipping facilities increased the population to sixty thousand and growing. By the middle of the century, according to the demographer Jamshid Behnam, Abadan was one of the five “leading cities” in the country, larger than Shiraz, but it was a new town “with no links to the past”\textsuperscript{104}. In subsequent chapters I will argue that “history” is not such a limited concept as this statement suggests. Abadan certainly had a history, and as it became a boomtown, new layers were added to make it the heart of the oil complex. However, the constant reinforcement of the myth of “a land without people and a people without history” was essential to the processes of dispossession that paved the way for the primary accumulation of oil capitalism there.

Chapter 3 – The Oil Encounter in Khuzestan (1908-1921)

Making Abadan an Oil Town: 1911-1921

Khuzestan was one of the most impoverished and least urbanized areas of Iran, itself a desperately poor country at the turn of the 20th century. “In 1900 Iran was a fairly primitive, almost isolated state, barely distinguishable as an economic entity. About one fifth of the population lived in small towns; another quarter consisted of nomadic tribes, while the rest eked out an existence in poor villages”105. Historical cities of Shushtar, Dezful, Ramhormoz, Hoveyzeh, and Behbahan, had small populations ranging between 7 and 25 thousand. Ahvaz was initially a large village, but it had been turning into a fast growing market town following the opening of Karun in 1880s to steamship commerce and the construction of the mule transport “Lynch Road” from there through Zagros to Esfahan106. Later on in the 1920s the selection of Ahvaz as the new provincial capital as well as an administrative headquarter for APOC made the town expand further. Ahvaz’ commercial growth as an intermediary city between the Iranian interior and the global market was briefly thwarted in the early 1930s when the commercial river traffic effectively ended by the imposition of a government monopoly of foreign trade. However, the trend accelerated again with the growing rail traffic once the trans Iranian railroad project and a major road connecting Tehran to Khuzestan had been completed107.

On the other hand it is accurate to say that prior to the advent of oil capitalism there had been no urban life to speak of (although there had been plenty of other forms of social life, as discussed in the previous section) in what were fast becoming established oil cities of Masjed Soleyman and Abadan. These oil boomtowns began to be flooded by a constant flow of migrants generated by the dismantling of customary and collective economies of pastoral nomadism and agrarian historical social and political networks. “Our unskilled labour came first from local Arab and ‘Persian’ villages. When word of employment and good wages spread from all over came “tribesmen”, from areas as distant as Luristan, the Bakhtiyari country, Kurdistan, found their way to Abadan. These men were more robust than locals, and were

107 Paul Vieille, La Féodalité et l'Etat en Iran (Paris: Anthropos, 1975); Kasravi, Zendegani-e Man.
welcomed. These migrants had little option but to begin adapting permanently to the new urban order increasingly regulated and shaped by bureaucratic rules, sanitary regulations, industrial discipline, wage labor, and an economy based on money and market exchange.

When oil was discovered in 1908 the entire population bordering the Persian Gulf was estimated no more than 2.5 million and Khuzestan, one of the most poverty-stricken areas in Iran, had a population probably no more than two hundred thousand. Mohammareh (Khorramshar) was a town of five thousand, mostly Arab fishermen, farmers growing dates and grain, and tending sheep and buffalo. There were some merchants and craftsmen, like ship builders, reed weavers, shopkeepers, and jewelers (Nestorians and Jews), but in general, Southern Khuzestan was an overwhelmingly rural and agrarian economy. While in the Zagros region and northern Khuzestan the Bakhtiyari khans held sway, eastern Khuzestan was the domain of the Lur tribes of Kohkiluyeh, Bahmayi, and Mamsani. In southern and western parts of the province Sheikh Khaz’al was the paramount ruler, and his alliance with Britain had become close enough that Mohammereh effectively had turned into a British protectorate by the time APOC had made the decision in 1911 to build a refinery in Abadan by leasing land from him. Britain’s commitment to Khaz’al were long standing and primarily strategic: Until the discovery of oil in 1908 the Persian Gulf, and especially its northernwestern coast region was perceived by the British as a pivotal defensive frontline against hostile designs by rival powers to threaten India via the sea routes (chapter 2). In addition, Khaz’al’s dominance in the province helped

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109 This was a long-drawn out process, with significant ups and downs.
112 Provincial boundaries were redrawn in the 1930s, when aerial mapping and military geographers collected more detailed cartographic information, adding it to the much more detailed spatial information that had been gathered by Europeans. Present day Khuzestan contains areas in the east that had been part of Fars, and in the north and northeast, which had been part of the Bakhtiyari territories. Western boundaries, bordering the then Mesopotamia/now Iraq, were drawn finally drawn after decades of drawn out intrigue, by a joint transnational boundary commission, in the midst of the WWI. The Commission was led by Arnold Wilson (after the initial head was taken ill), and a number of prominent Russian, Ottoman, and Iranian members rounded the commissioners who travelled from Mohammareh to Ararat. The tale of the commission is told in Keith McLachlan, ed., *The Boundaries of Modern Iran* (New York: St. Martin’s Press, 1994); Wilson, *SW Persia; A Political Officer’s Diary 1907-1914*; John Marlowe, *Late Victorian: The Life of Sir Arnold Talbot Wilson* (London: Cresset, 1967).
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assure the growing flow of commerce, which by 1900 had doubled to nearly half a million Pounds Sterling most of which benefited British commerce. To reward his loyalty and consolidate the alliance Khaz’al was knighted in 1910 (KCIE) by the British Government of India, thus cementing a special relationship that assured British commitment to his autonomy and the continued rule of his dynasty, until they chose to abandon him in 1925, in favor of a new alliance with the emerging central government.

The separate British alliances with the Bakhtiyari and Khaz’al caused a great stir in Tehran, an unease that was reflected in the flurry of telegraphic correspondence between the Foreign Ministry in Tehran and its local agent in Mohammareh (called Kargozar), the ambassador in London, and a few other officials. The bureaucratic and diplomatic chatter reflected the mounting anxiety among Iranian statesmen over APOC’s schemes and actions in the distant province, its recruiting policies, and the liberties it seemed to be taking in controlling the movements of the population, the importing of goods, and the construction of facilities, all without any concrete knowledge or seeking the approval of the central state. The daily press, limited as it was, also picked up the story, especially in 1915 when word of Khaz’al rapprochement and meetings with the Sheikhs of Kuwait and Basra reached Tehran. Given the current of political developments leading to the dismemberment of the Ottoman territories in the Najd, Mesopotamia, and the Persian Gulf; the Tehran

114 The teimrs of the 1910 Knighthood, and the British guarantees to and agreement with Khaz’al were as follows:

“I am authorize to inform your Excellency (Khaz’al) that whatever change may take place in the form of the government of Persia- whether it be Royalist or nationalist- His Majesty’s Government will be able to afford you the support necessary for obtaining a satisfactory solution in the event of any encroachment by the Persian Government on your jurisdiction and recognized rights or on your property in Persia… These assurances are given for yourself and are intended to extend to your male descendants so long as you or they shall not have failed to observe your obligations toward the central government, and shall continue to be acceptable to your tribesmen, to be guided by the advise of His Majesty’s Government, and to maintain an attitude satisfactory to them”.

The diplomatic report goes on to state: “the document to be handed to His Escellency [Khaz’al] for the information of his tribesmen would only differ in that in the last paragraph there would be omitted the words ‘to be acceptable to your tribesmen’”. Persia Annual Report 1910, Burrell, IPD, Vol.5, 114– 115.

115 These telegraph reports are an un-numbered file available at the Iran National Archives (INA). The originals, which I have studied, were perishable thin telegraphic papers that had not been filed yet. The INA at my request typed the content into a 29-page document, and provided me with a copy in 2006. The reports contain the serial numbers of each telegraph and the date. INA, “Official Telegraphic Correspondence Regarding Labor Relations and Other Issues Concerning the Anglo Iranian Oil Company’s Operations in the Province of Khuzestan (1908-1937)” (Iran National Archives, 1937 1908).
newspaper *Asr-e Jadid* claimed that the meeting that had taken place between these British protected potentates was aiming to carve out a separate state from Iran and the Ottoman Empire[^116^]. This paranoia was not farfetched, as Wilson later admitted that at the time British policymakers had drawn a map of an independent Mohammareh, but due to the circumstances it [the map!] had not survived[^117^]. Amidst the armed conflagrations of WWI, the effective collapse of central governmental authority in Tehran, due in no small part to the interference of rival imperial powers as well as mounting calls for autonomy and a greater share of power by various segments of the Iranian society, a nationalist discourse was shaped among urban population and especially the elite, that was deeply antagonistic to the local autonomy of provincial centers of power. Nowhere was this elite nationalist anxiety more pronounced than Khuzestan, and especially the areas under APOC’s effective jurisdiction.

By the end of this period in 1921, Abadan was an overcrowded boomtown, badly congested, and a seat bed of social frictions and concentrated poverty. In large part as a result of this situation, and the unavailability of infrastructure and adequate material supplies for construction on such a massive scale, there were serious debates within the Oil Company about relocating all technical refinery operations outside Iran[^118^]. The general circumstances surrounding the decision against this move became the basis of an emergent paternalism that is the subject of chapters 5 and 6.

Meanwhile, most observers have noted some of the distinct features of these industrial cities:

> “Their inhabitants who come from the most isolated and abandoned corners of the country without any experience of urban life, find themselves in contact suddenly with a 20th Century industrial city. Thus the nomads of the Zagros and fishermen of the Persian Gulf made up the population of Abadan without having lived through any prolonged phase of transition. These new elements which have so recently arrived on the demographic map of Iran, as on that of other underdeveloped countries, are the portents of fundamental changes in the Iranian Society.”[^119^]

[^116^]: “Arabestan va Jonoub-e Iran; Haqiqat-e Owza’e Gozashteh va Tashri-he Pishamad-e Hazereh” *Asr-e Jadid*, May 14, 1915; and “Arabistan va Jonoub-e Iran”, May 7, 1915; “Raje’ beh Maqale-ye Arabistan va Jonoub-e Iran”, May 21, 1915
[^117^]: Wilson, *Southwest Persia*, 420
[^118^]: Ferrier, *History of BP*, vol.1, 430, 432-433, 436-437
[^119^]: Behnam, “The Population”, *CHI* vol.1, 476
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This story has often been told from the perspective of the Oil Company, the Iranian central state, and political activists championing labor rights and interests, but seldom from the perspective and the lived experiences of the ordinary local population who were also integral to this encounter. This silence is partly a result of the historical sources used as well as the narrators’ perspective. Thus, the historical analyses relying solely on the archives of the Oil Company or the British Foreign Office tend to produce a narrative where the APOC is effectively the sole agent of transformative modernization. On the other hand, state-centered historiography tends to produce an anti-colonial and nationalist narrative that outlines and highlights the Company’s exploitative and abusive practices, and juxtaposes these against a narrow interpretation of ‘national interests’ that are taken to be the same as the interests of the state. In chapter 6 I will rely on a range of archival material, pertaining to the legal petitions and collective challenges by the local population of Abadan challenging the Oil Company’s claims to property, its imposed land use patterns, and its segregated and planned urban order, as a means to investigate whether and how ordinary people of varying social and economic standings attempted to insert their claims in shaping the built environment of oil in Abadan. Looking at the oil encounter through the lens of the physical world it created reveals that in spite of

120 My use of the term ‘local populations’ is awkward, but unavoidable. I do not intend to imply that whoever lived in the local geography experienced similar trajectories and therefore bonded as a unit. However, once Abadan began to take shape more as an urban built environment it became the site of many different life trajectories coming together and participating in its urban process. My use of ‘local population’ here is meant to lay the ground for a discussion of that urban process in the following chapters.
121 This has often been the case in the literature, with the result that whichever of these major social actors are the subject of analysis they may appear as autonomous monads. For example, the architectural historian Mark Crinson, in his history of Abadan argues that Abadan was a company town that was a conglomeration of four distinct spaces: the European neighborhood, the town/bazaar where the local population lived, the professionally planned residential neighborhood that started to be built from the 1930’s, and the refinery that dominated it all. Although the physical space changes according to events and architectural plans, this portrayal is curiously a-historical in that the city is conceptualized as purely the child of the company; local actors, adjoining society, even the Iranian state have only subsidiary roles and little voice in this narrative. This is also the case in other scholarly analyses that rely exclusively on British and oil company sources to construct this history. See Mark Crinson, “Abadan: Planning and Architecture under the Anglo-Iranian Oil Company,” Planning Perspectives 12 (1997): 341–59. See also Bamberg, History of the British Oil Company.
significantly uneven relations of power the local population of Abadan were an integral part of the new political economy of oil, and not marginal and accidental to it.

Conclusion: From Formal to Real Subsumption to Oil Capitalism

Abadan’s urban environment had to be carved out of the existing social order, by first fragmenting and then reintegrating it into the emerging regime of oil capitalism. The assembling and consolidation of this oil complex required its own spatial configuration and built environment of pipelines, wells, transport networks, ports, residential areas, security perimeters, and spaces of consumption and leisure. This process of creative destruction was not only about housing, food, public health, employment, property relations, and municipal infrastructure and services; but also ideology, culture, laws, novel institutions and, above all, a new spatial order. APOC’s archives and publications are replete with exasperated comments by company directors and managers complaining about the relentless burden of social responsibilities placed on their shoulders as a result of the scale of urban growth in Abadan, and the extent of the social disintegration in adjoining areas. Many among them thought of themselves as rugged and pioneering agents of civilization, the Empire, and scientific progress. Others sought their fortune and a career opportunities better than what was on offer in crisis-ridden interwar Britain (see chapter 4).

The Company’s emergence had coincided with global events that redefined the next era, which was almost universally understood to be an important break with the world of pre-WWI. Alternatively various critical scholars have called this new era “the age of extremes”, “late capitalism”, “imperialism, the highest stage of capitalism”, or “the second great transformation”. Michel Aglietta has argued that these crucial decades augured a new mode of regulation based on a new regime of capital accumulation, while Eugene Weber saw this juncture as the end point of the transitional period when peasants were transformed into Frenchmen. Polanyi argued that the hundred year piece had come to a crashing close, and the market economy had to be either re-imbedded in a web of social and political obligations through planning, or collapse into barbarism123.

Certainly this was an especially critical period for the colonized world marked by the beginnings of nationalist calls for political participation, by the masses as well as by the new middle class professionals and nationalist elites. It was a new era for the rising class of professionals who became critically important intermediaries between labor and capital, and took on an expanding role in the regulation of social conflict in the name of universal welfare (chapter 4). In Iran’s neighboring Russia and Caucasus the 1917 revolution had created a decisive historical break. For nominally independent Iran, Afghanistan, Turkey, the political turmoil as well as the popular possibilities opened up by constitutionalism and the rise of nationalism were offset by the untold miseries ordinary populations were to suffer.

As I have argued in this chapter, in Khuzestan this period augured a revolutionary integration into a global political and economic whirlwind that irrevocably undermined the existing social and political economic agrarian, pastoral, and tribal orders. The following decade of the 1920s saw the emergence and the intrusion of the central state and its bureaucratic-military apparatus. Oil was central to these transformations, and the sum result of the establishment of APOC and the oil complex in Khuzestan was the dispossession of customary forms of property and social organization.

Marx in volume one of Capital argues that the subjugation of labor to capital tends to begin as a formal process, with the products of labor being what matters to the capitalists, rather than who the laborer is and how they work and produce, but eventually turns into a real subjugation when capital takes hold of the entire labor

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126 I am using the term ‘global’ not as a flat adjective implying the emergence of a unitary world system, but within the tradition of Global Labor History, as a maelstrom of transnational, conflicting, and deeply interlinked political, economic, and ideological currents (see chapter 1).
process itself, as well as the laborers themselves and their reproduction. Initially capital is unconcerned with daily lives and social organizations of those who are left with no option but to sell their labor, and even those who buy the commoditized products of that labor. However, as competitions and class strife take root, and technical knowledge and more intricate division of labor gain more importance, the continued accumulation of capital needs to gradually take hold of ever more detailed aspects of collective and individual lives in order to continue the work of extraction from nature and surplus value form people. At some stage, the formal subjugation of labor is transformed into a real subjugation, when those who have to sell their labor power no longer have access to an alternative social and economic order, and end up with little option but to consider themselves integral to the process of accumulation of capital.

Marx’ reference point was England where by the last quarter of the 19th century, the organized laboring classes were no longer targeting industrial machines and the factory regime as the enemy, but had begun to negotiate a role within the industrial and capitalist order by treating their own labor power as a commodity, and pushing for improved material conditions and a greater say in the political society. E.P Thompson noted that this coercive transition was profoundly cultural, and not purely material. The embodiment of industrial time and industrial rhythms in lieu of agrarian or even merchant regimes of time, based on seasons, knowledge of climate and navigation, etc. marked this passage as much as the emergence of the modern working class trade unions or electoral politics.

I have argued in this chapter that the establishment of APOC in Khuzestan was also fundamentally a process of primitive accumulation of capital in oil, the commodification of labor and space on the basis of enclosures and the dismantling of existing modes of collective social and economic life. The collusion of local magnates, tribal leaders, and political elites was pivotal in making this transformation

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127 Marx saw this shift as important but futile, and believed only a revolutionary rejection of capitalism would serve as a solution to the crises of capitalism.

128 E.P. Thompson, *Customs in Common*, see especially Pp. 352-403; and idem, *The Making of the English Working Class*. Michel Foucault’s notion of disciplinary power is also deeply indebted to Marx, although without acknowledgment. Foucault wants to situate the discursive structures of modern power outside the time frame of capitalism, in order to avoid what he perceived as a reductionist meta-narrative in the Marxist theory that reduced the analysis of power relations to forms of property, and a narrow definition of social class. Michel Foucault, *Discipline and Punish : The Birth of the Prison* (New York: Pantheon Books, 1977).
a reality, as were legal contracts and geopolitical maneuvers, backed by the military and economic might of the British Empire, that created conditions where ever-increasing populations were dislocated and had to move to the new urban environment that allowed the oil complex to come into existence. The assembling (rather than “the birth”) (see chapter 1) of the oil industry was predicated on dismantling the existing social order, and gaining exclusive access to land that was productive for oil capitalism. This assemblage required safety, certainty, and practicality. It had to be constantly maintained and reproduced through relentless effort, technical, scientific, financial, as well as political. It had to be defended, and made acceptable to those resisting or refusing to serve it. The history of Khuzestan in 1908-1911 reveals this protracted and highly contested process of real subsumption of the existing social order to the emerging oil complex.

In the following chapters I will demonstrate that the real subsumption of labor to capital, began in earnest in the 1920s when the Company had to shift policy due to radically changing circumstances. These changes were taking place at all levels—global, national, and local— and in various domains: in the place of oil in the emerging Fordist regime of accumulation, the transformation of corporate organizations ushered in by the rise of multi national corporations, and in seismic global political shifts that included the Russian Revolution, the rise of the American prominence, the dismemberment of the Ottoman Empire and a changed regional dynamic, and not least in profound domestic political challenges facing post War Britain and Iran.

As a result of these shifts at global and national scales, the Qajar dynasty was replaced by the nationalist and authoritarian Pahlavi state, whose mission was to build a modern and homogeneous nation state out of the heterogeneous population and fragmented territory of Iran. Locally in Khuzestan, APOC had to reluctantly adopt various forms of paternalism, in the form of municipal welfare, public health measures, and rudimentary urban planning. These measures were undertaken initially in order to retain and reproduce its skilled labor force, and to placate the rising central state, and a mushrooming urban population. As the industry was further consolidated the necessity of making a permanent industrial working class, to replace the casual and unskilled labor force became an unavoidable priority (chapter 6).
Chapter 3 – The Oil Encounter in Khuzestan (1908 -1921)

Photograph 7: Bakhtiyari Road Workers with an Indian Foreman (circa 1910s)

Source: BP Archives

At the same time, by mid 1920s, the bureaucracy and administrative-military apparatus of the central government had begun to take shape and to lay claim to its sphere of sovereignty in Khuzestan. This administrative machinery was not purely coercive, since it had to also fill the vacuum left by the demise of Khaz’al and the tribal order. In other words, it had to display “the will to improve”\^{129} the general living conditions of the growing urban population of Abadan. Elaborating on Foucault’s theory of power to analyze the development regime in Indonesia, Tania Murray Li has argued that modern governmental power is exercised through three levels of sovereignty, governmentality, and disciplinary power\^{130}. The discussion in the next chapter will show that the governmental machinery, as it was gradually assembled and asserted in Khuzestan, operated at these three levels outlined by Murray-Li: It ruled and subjugated, it sought to perform and define general welfare, and it set up a disciplinary apparatus aimed at shaping the individual. At a micro level, the local society consisting of Bakhtiyaris, Arabs, Lurs, men and women, migrants from other regions, etc. found themselves dispossessed, materially as well as socially and culturally. They were effectively coerced to first adapt, and eventually to integrate into the intertwined systems of oil capitalism and nation-state. However, this

\^{129} Li, *The Will to Improve.*

\^{130} Ibid.
integration was full of friction and turned out to be a protracted and negotiated process.

The present chapter discussed the contractual relations between the Oil Company and provincial potentates in Khuzestan, that effectively prepared the ground for the creative destruction of the existing order to make room for the emergent oil capitalism. In the next chapter I will focus on the global shifts that took place during and after WWI and changed the nature of political power and the rules of accumulation in industrial capitalism. In chapters 5 and 6 we will return to the local scale, in order to analyze the frictions between the Oil Company, the emerging state bureaucracy, and local populations over property relations and the control of land and the built environment during the interwar years in Abadan, the heart of APOC’s operations in Khuzestan. Land/space was the key resource for all these actors, albeit in very different ways. How the power over shaping space was struggled over and re-allocated tells us much about the nature of the oil encounter.