CHAPTER III
EVOLUTION OF CIVIL SERVICE ADMINISTRATION IN IRAN

Iran is one of the oldest countries in the world. Its geographical location, rich natural resources and industrious population steeped in the tradition of one of the oldest cultures of the world, have all given it an important place in the concert of Asiatic Peoples. Although Modern Iran has adopted the outward forms of western civilization, in spirit, it remains faithful to its native traditions.¹ It is a fact that in the twentieth century, Iran has with extraordinary speed, entered into the modern era and assumed a central place in the world affairs. The rapidity of events happening there has outpaced the growth of knowledge about Iran. Most of the people of the world are not sufficiently familiar with the richness of Iran's cultural heritage, its traditional values, its current (development) plans and aspiration (of its people).² Same is true about the administrative system of Iran. Therefore, there is a growing need to study and obtain deeper and broader understanding of Iran and its problems. In the following pages it has been attempted to trace the evolution of civil service administration in Iran.
Since the first quarter of the 20th century Iran's population has grown steadily, first slowly and later very rapidly at a rate of growth of over 3 % per annum. In 1925 the population of Iran was just about 10 million, in 1975 it was over 33 million, in 1983 it was over 41 million and in 1988-89 it has reached over 50 million, presently increasing at a rate of growth of about 3.9 % per year. More than 45 per cent of Iran's population today is below 15 years of age. Total active population of Iran has increased steadily from 3.3 million in 1921 to 9.4 million in 1975. In 1984 it was 12.5 million.

Administrative system of Iran has undergone many changes during the twentieth century. With the adoption of the new constitution in 1906, administration of Iran was laid down on sound and modern foundation. Since then the Government's activities and functions have expanded very rapidly. Consequently Iran's administrative machinery has also increased to a very great extent. The new and new ministries, departments, and administrative organizations and agencies had
to be set up one after another. There are, new 23 Ministries and 245 other agencies in Iran. For administrative convenience the country is divided in 24 provinces (Ostans), 496 Shahr (city), 195 Shahrestan (Counties), 501 Bakhsh (Districts) and 1583 Dehestan (Group of villages) which have their own respective administrative set-up. The total number of Government servants has also grown tremendously. In the year 1967 the total number of Government servants was 6,38,000 which has grown to about 12,17,000 in the year 1983.

In the ancient Iran and even in the medieval period, the functions of the State and Government were limited. Main functions of the State were basically the police function of protecting the country from the invaders, and maintaining law and order within the territory under the control of the Monarch. In the armed forces, policing services and administrative services, people were employed by the Kings to perform these limited functions of the State. There are acceptable indications to show that in ancient and medieval Iran these Government servants were employed on one simple
economic principle of "work in satisfaction of wage."\(^7\)

During the "Achamiyan Dynasty" (550–330 B.C.) the administration of Iran was divided into several Satrap\(s\) (provinces).\(^8\) Governors were nominated by the Kings for each Satrap.\(^9\)

Recruitment of Government personnel was also under King's instructions and order. There were two ways in which the Government servants were recruited in that period.

(1) Recruitment of personnel directly by the King's order for the Central Administration.

(2) Recruitment of personnel by the Governors of the Satraps (provinces) for their respective regional administration.\(^10\)

Public servants were mostly recruited for the functions like collection of taxes, public security and provision of justice etc. It is worthy to mention here that there were no coins or money, as the medium of exchange at that time was barter system and servants of the State used to receive their wages in the form of goods for daily needs.
or valuable stones or gold.\footnote{11}

Administrative organizations during "Sassanian period" (225-650 A.D.) became more complex and vast. Independent and separate organisations were established for military, religious, judicial and administrative purposes of the State. But all were under the King's supervision. Sassanian Administration also formed another pyramid, at the head of which stood the grand "Vazîr" or Prime Minister who in practice held the reins of power, which he exercised under the control of the Sovereign.\footnote{12}

The Arab invasion (636 A.D.) of Iran, destroyed religious, administrative and military organisations of the country for sometimes.\footnote{13} But later on an improved type of administration, mostly based on Sassanian administration combined with the Islamic principles was established. For example nomination of Prime Minister (Sadre Azam) or Ministers by the King were an imitation from Sassanian administration. Similarly, during this period the formation of a separate military organisation, separated from religious, judicial and administrative ones was again of the same character as that in the Sassanian period.\footnote{14}
During the "Safavîh Dynasty" (1502-1736) the administration of the country was developed and the religious, military, civil, financial and judicial organizations were reorganised and given independent status from each other.15

During the Qajar Dynasty (1795 to 1925) and especially in the beginning of the twentieth century, the public service functions of the Government rapidly expanded and therefore, a need was felt to have a new pattern of employment regulations. Earlier to this, different ministries and organizations were following different codes and regulations. This was causing a lot of confusion and chaos in the administration. Because of these chaotic and confusing circumstances it was necessary to have a unified code for all types of employment in the Government. These circumstances lead to the enactment of the First Civil Service Code by the Parliament in November, 1922. During this period, administratively Iran was divided into provinces under Governor-General or Governors appointed by the King and these provinces were further subdivided into districts and smaller divisions.16
The history of contemporary civil services dates back with the establishment of the constitutional revolution in Iran. The Constitution of 1906 was based on the principle of separation of power, and Government was divided into three branches namely Legislature, Executive and Judiciary. The powers and authority of each of these branches were clearly set out in the 1906 Constitution.17

It was only after the constitutional revolution of 1906, that the administration of Iran took a new dimension and the developments during the next two decades from 1906 to the adoption of the First Civil Service Code in 1922, had given a new turn to the Civil Service administration in Iran. The First Civil Service Code, passed in November, 1922, changed the entire administrative policies of the Government and brought a uniform code for civil servants for the first time. This is very important because before the constitutional revolution and even some years after it the public servants recruitment was mainly based on the King's order and even his salary and allowances were fixed by him.18
Administratively the country was divided into number of provinces (Ostan). Blocks and Districts in this period. The administration of each district which was the smallest administrative division, was given to an official of the Interior Ministry.\(^{19-2}\)

The structure of the Central Administration of Iran, after 1906 Constitution, had the following ministries:\(^{20}\)

1. Ministry of Justice
2. Ministry of Foreign affairs
3. Ministry of Interior
4. Ministry of Finance
5. Ministry of War
6. Ministry of Science
7. Ministry of Social Affairs
8. Ministry of Commerce

Besides this, there were other sub-ordinate organisations and offices under each Ministry which were generally supervised by the minister concerned or directly by the Prime Minister. Due to the socio-economic developments, the Government was entrusted with the various welfare activities. This increased
the duties and responsibilities of the Government and lead to the creation of new organisations. Staffing was one of the most important functions of these Ministries and Agencies. Before the enactment of the First Civil Service Code, following were the functions of the Ministries and other administrative organisation:

(1) To estimate the administrative and technical personnel needs in the ministry or agency.

(2) To administer the employment affairs such as recruitment, promotion, retirement etc.

(3) To prepare and regulate personnel information and employees statistics.

(4) Cooperation in the field of position classification and in-service training.

(5) To prepare and establish administrative tribunal, supervision over discipline of the employees, investigation of the employee's offences, insurance and hygiene, etc.
(6) Supervision over employees office attendance. 21

Several development and changes occurred in the administrative field at the end of this period i.e. 1922. The Public Administration in Iran took a new turn in order to set a new standard code for Government employees. We may divide the contemporary or modern history of Iranian Civil Service Administration into the following two periods:

(1) Administrative System during 1922-1966:

In this period the first Employment Law of 1922 was adopted by the Parliament. On the other hand many new economic and social development plans were started during this period and a great part of these development programmes were to be executed by the newly organized administrative system. In the process of the development of administration the need for more technocrats was felt for carrying out the new development programmes. This resulted in more recruitment of technocrats in the public services of Iran.
It was because of these changes that the need of a standard Law for civil servants was felt and the first Employment Law was adopted in 1922 which remained in practice till 1966, when the Second Employment Law superseded the first law. The Civil Service Code of 1922, however, has paved the way for new tasks and organizations for the civil servants in Iran.

The evolutionary process of Iranian administrative system has been shaped and framed by the social events that followed in the course of the passage of time. Although the first Employment Law was adopted in 1922, many major amendment to the law were made in years 1924, 1926 and 1932. The Employment Law of 1922 originally consisted of five Chapters and 74 Articles. The Chapters mainly were related to the following:

- (1) Admission to Service
- (2) General Rules for Ranking and Promotion
- (3) Discipline and Punishment
- (4) Retirement and Pension
- (5) Special Provisions.
Principles of the Employment Law of 1922:

The Civil Service Law of 1922, described Government Services as a "permanent job in one of the ministries/or Government Departments." It was clearly stated by the Law in Article 4 and 5 that the entry to the official services is through examination. Civil servants were divided as follows:--

(1) Registrar
(2) Third Clerk
(3) Second Clerk
(4) First Clerk
(5) Chief of Section
(6) Chief of Division
(7) Assistant to Chief of Department
(8) Chief of Department
(9) Director-General or Administrative Under-Secretary.

Although Article 16 of the Law stated that the minimum salary of employees was to be determined by the annual budget. But during the Second World War due to the rise in consumer prices and difficult economic conditions of the world, the salaries of civil servants covered by the Employment Law and
Employees of Parliament, Municipalities and official employees of Judiciary were substantially improved. The promotion system was based on seniority of service. According to Article 23, those employees were entitled for promotion who performed their duties satisfactorily in the following way:

Two years of service in each Grade of the following rank -

(1) Registrar
(2) Third Clerk
(3) Second Clerk
(4) First Clerk

Three years of service in the following rank -

(5) Chief of Section
(6) Chief of Division of
(7) Assistant to Chief, Department
(8) Chief of Department
(9) Director General or Administrative Under-Secretary.

The promotion of employees would be of two types -
(1) Official promotion

(2) Honorary promotion.

(1) The official promotion is the employee's promotion to higher grade with higher salary, based on ability, performance of duty and seniority of service.

(2) Honorary promotion is given to those employees who are not promoted even after six years of service. They are given Honorary promotion.26

Chapter three of the Employment Law of 1922, dealt with the Disciplinary measures and administrative Tribunals. The procedures for disciplinary measures and the Tribunals had been defined in the Law as "to investigate and verify employees administrative offences and to specify the judgement on the Employees." The Administrative Tribunal was established under the Minister or his Under-Secretary. The tribunals also consisted of three officials of the Ministry in which the defendant employee serves.27

Article 38 of 1922 law states that, the
disciplinary measures for the civil servants are as follows:—

(1) Written notices without filing in the personal record.

(2) Written notice filled in personal record.

(3) Deduction of one third of the salary for one to six months.

(4) Temporary suspension for three to twelve months.

(5) Demotion of one or more grades.

(6) Permanent Dismissal from the Ministry.

(7) Permanent Dismissal from Government Service.

Chapter four of the 1922 Law describes the Retirement and Pension. The employee could ask for retirement only if he could fulfil the following conditions:—

(1) They have 20 years of active service.
(2) They have 25 years of service including 20 years of active service.

(3) They have 30 years of service, whether or not an active service.

(4) They are sixty years of age irrespective of years of service.

In addition, Government could also retire employees over sixty years of age, having any one of the above mentioned conditions.\textsuperscript{28}

Article 45 of the 1922 law says that the Pension of the employee, calculated on the following basis:

One-thirtieth of the most recent salary and adjustment multiplied by the number of years of service which in his case shall exceed the total amount of the most recent salary.\textsuperscript{29}

The above mentioned Articles were from the original law of 1922, but the law had been revised and amended number of times. Original law was adequate to run the administration of that time. But in order to make it upto date, due to creation
of the new ministries, new organizations and agencies and to cope up with the important economical and social developments of the country, a change in the Law was felt necessary.  

Although a number of amendments and reforms were made in the 1922 law, the Government Institutions and organisations could not apply them in a uniform manner, and in addition, there was a tremendous increase in the government functions due to developmental plans resulted into the need for more employees. It was, therefore, decided that a new Law with modern concepts was necessary. Moreover the Employment Law of 1922, had too many shortcomings. It was precisely this situation which paved the way for the creation of the Second Employment Law in 1966. The First Employment Law of 1922 was in force upto 21st June, 1966.  

(2) Administrative System from 1966 to the Present: 

The Second Employment Law of 1966 was adopted and approved on 22nd June, 1966 and is in practice till today though it has also experienced many amendments both before and after 1979 Revolution.
The Civil Service Code of 1966 covered many shortcomings of the first code and has provided detailed and relevant rules and regulation regarding recruitment, promotion, classification, transfer and assignment, Retirement and Pension. There have been a number of reforms and amendment to the original Law, but it has remained, more or less the same in principle and structure till today.

The original Second State Employment Law of June, 1966, consisted of eleven chapters and 149 articles.

There were many amendments to the Law during the last twenty years, 16th May, 1967, 13th June, 1967, 30th October, 1970, 20th June, 1971, 15th March 1973, 19th March, 1975, 18th January, 1979, 7th June, 1979 and 4th June, 1980.32

The employment Law of 1966 was to be executed in two stages:-

(1) In the first stage, which was a transitional period, the position and conditions of the civil servants were considered and adjustments were made to suit the new Law.
(2) In the Second stage, the new Employment Law of 1966 was to be executed completely.\textsuperscript{33}

**Principles of the New State Employment Law:**

The aim of the 1966 Employment Law is to bring an up-to-date and unified civil service code. This was mainly due to rapid growth in economic situation and comprehensive developmental plans adopted in the country.

The Employment Law of 1966, its first Chapter starts with the definition of different terms used in the Law, such as Government service, official employee, contractual employee, Recruitment, Organisational post, promotion, Transfer of employee, Assignment, etc. Government service is considered to be an engagement in a task which an employee must perform pursuant to an official personnel action.

Official employee is one who, according to an official order is employed in a Ministry or Government Agency subject to the Employment Law, for occupancy of one of the organisational posts within one of the twelve employment Groups.
A contractual employee is one who is employed according to a contract for a temporary, definite period and for a specified task.

A permanent organisational post is a position which is considered in the organisation of Ministries and Government Agencies as a continuing job, for assignment to an employee. Promotion consists of acquiring a higher step. Transfer consists of an official employee being detached from the service of a Ministry or Government Agency without any break in service and maintaining his Group, step and service record, being placed in the service of another Ministry or Government Agency.

Assignment consists of the delegation of an employee on a temporary duty other than the regular or main duty of his permanent organisational post. Article 1 of the Law defines the "Employment in Government means accepting a person into Government service in one of the Ministries or Government Agency." 34

The difference between a Ministry and Government Agency is that a Ministry is a specific organisational
unit which is recognised by this designation by Law. Whereas a Government Agency is an organisation which is created and administered according to Law by the Government.  

According to the 1966 law, certain Ministries, Organisations and Government Agencies are exempted from the subjection to the Employment law. They set out their own personnel regulation. They are as follows:

(1) Employees of the Government Agencies which are created and administered by the Government. The Employment regulations of these agencies have been prepared separately by a central personnel agency known as State organization for Administration and Employment Affair (SOAE) on 26th May, 1973.

(2) Employees of the Municipalities, their subject agencies, health councils and local bodies, which meet their expenditure from incomes that are derived from special local sources.
(3) Employees who are subject to the provisions of the Employment Law of the Armed Forces.

(4) Employees holding the various grades of judiciary, the official members of Universities, Scientific Board and Government's scientific agencies.

(5) Employees of the Ministry of foreign affairs which has its own employment regulation.

Chapter two of the Second Employment Law describes that the Recruitment and Appointment, in "the employment for Government Services shall take place through competitive examinations." Admission to civil services require a minimum qualification of sixth standard and a probationary period before employment in the official service.\(^\text{38}\)

The Law of 1966, says that "the promotion of official employees take place on the basis of competence, merit, aptitude, intellectual calibre and experience in previous jobs."\(^\text{39}\)
It also provides position (job) classification for Government employees. "All jobs have been placed in different Groups, on the basis of importance of duties and responsibilities and position requirements relating to knowledge and experience. The jobs will be classified into different salary groups." 40

On the basis of Article 30 and 32 of the Employment Law, all Government jobs have been placed into different groups and each group divided into 15 steps.

The monthly salary of official employee is to be determined by a single table which has a minimum base of 100 and maximum base of 900.

Control and supervision of civil servants in Iran is to be done by the Administrative Tribunals. The Iranian Constitution states that, "Administrative Court of Justice have been formed under supervision of the High Judicial Council in order to investigate complaints. Official Employee may, in case of any infringement upon their employment right, lodge a complaint with the Court." 41
These Administrative Courts have to act in both public cases as well as the cases of the employee's rights. They are, therefore, eligible to handle the disputes between the employee within the Administration, and also the disputes between an employee of Administration and public. These tribunals and Courts can take the disputes from the date that the relevant organisation accepts it by an official action. In case the organisation has not accepted, the employee may complain with the Administrative Court of Justice. 42

The Law of 1966, provided regulation for the Retirement and Pension. It provided retirement for official employees under the following conditions:

(1) At least 60 years of age and any number of years of service.

(2) At least 55 years of age and at least 30 years of service. 43

The employee's share of Retirement Fund is a sum equivalent to 8½ per cent of the monthly salary. The Government share of retirement is equal to the Employee's share and the total amount is to be
transferred into State Retirement Fund (S.R.F.). The Retirement Programme covers most of the Government Employees. When the Employee is retired he will receive the retirement salary equal to \( \frac{1}{30} \) of his average salary multiplied by the number of years of service. In case of the death of a retired employee, one-half of the retirement salary shall be paid to his legal heirs.

As discussed earlier there are various Government Organisations which are not subject to the Employment Law. On the whole the Civil Servants in Iran would be classified into three categories.

(1) Government Employees who are fully covered by the Employment Law. This category includes all permanent employees of Ministries, under the law.

(2) Government Employees who are partly covered by the Employment Law. Based on Article 2 (c) of the Employment Law, the Government Agencies which are administered as companies, the Employment regulation of these categories have been prepared by
the State Organization for Administration and Employment Affair (SOAE).

(3) Government Employees who are not covered by the law. Each of such organisations and agencies set out their own employment regulation like the National Iranian Oil Company, Iran Radio and T.V. Broadcasting, Port and Navigation Organization, Airline of Islamic Republic of Iran, Iran Iron Melting Company affiliated to the Ministry of Mines and Minerals, Social Security Organization, Tehran Municipality, Banking staff etc. It is to be noted that those holding the grades of Judges, the members of Universities, Scientific Board and Employees of Foreign Affair Ministry are not covered under the Code. And the labourers are under the Labour Law. 46

Under the Civil Service Law, an organisation designated as the State Organisation for Administration and Employment Affair (SOAE) affiliated to the Prime Ministry has been established. 47
The duties and functions of this central personnel agency are like the Civil Service Commission. It is to establish uniform procedures for Recruitment, promotion, transfer, retirement, Pension etc.

The Central Personnel Agency (SQAE) has been created to regulate Government's Personnel Policy and procedures, relating to the Public Servants. The idea of having a Central Personnel Agency has been introduced for the first time in Iranian Administrative System by the Second Civil Service Code. The Law has also introduced the Administrative Tribunals in Iran for the first time.

The political change of February 1979 had its own impact on the Administrative System in Iran. With the view to have a speedy implementation of administrative decisions in villages, districts, towns and provinces and execution of the development plans and welfare programmes in social, economic, health culture and education fields many changes were made in the Employment Law after the 1979 revolution in the Administrative System. To make administration more efficient and more active in developmental
activities and nation building programme it was felt necessary. 48

In spite of all these changes, the Administrative machinery is still lacking and does not match with the development activities going on in the country. The Civil Service Administration of today has been criticised for its bureaucratic attitude. It is lacking in solving the problems, which have occurred after the change in the political system, disturbing the entire administration of the country for sometimes.

However, in recent years, the political system has completely dominated and controlled the Administrative System. But these developments have not yet given room for the basic alteration in the Civil Service Administration of Iran.

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(4) Statistical Center of Iran - A Statistical Reflection of Iran, No.5, Tehran, February, 1989, p.10.

(5) Ibid., p.3.


(10) Ibid., p.13 and 14.


(16) Ibid., p.383.

(17) Vazirnia Mehdi: Iranian Administrative Organisations (Sazemangieh Edari Iran) - Faculty of Public and Business Administration, University of Tehran, Tehran University Press, Tehran, 1974, p.49 (In Persian)


(19-1) Ostsan is an Administrative Sub-Division of Iran Corresponding to a Province or State in India.


(20) Ibid., p.50.


(22) Vatani M.H.: Recruitment Regulations, op.cit., p.22.


(24) Ibid., Article 15, p.6.


(27) Ibid., Article 32, p.7.

(28) Ibid., Article 43, pp.9-10.

(29) Ibid., Article 45, p.10.

(30) Vatani M.H.: op.cit., p.66.


(35) Ibid., Article, 1(D) and (C), p.12.


(37) It is only applicable to Tehran Municipality.

(38) Lajevardi A., & Vatani M.H.,: op.cit., Article, 13, p.17.

(39) Ibid., Article, 23, p.19.

(40) Ibid., Article, 30, p.21.

(41) Constitution of Islamic Republic of Iran - Entesharateh Payam Azadi, 15th November, 1979, Tehran, Article, 173, p.60 (In Persian)

(42) Lajevardi A., & Vatani M.H.,: op.cit., Article, 58.

(43) Ibid., Article, 74, p.39.

(44) Ibid., Article, 73, p.38.

(45) Ibid., Article, 78 , p.40


(48) Many were removed and compulsorily retired but the basic framework remained the same.

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