
OTHER NATIONS

European countries.

The only clear threat to Finland's fortunes in the near future arises, paradoxically, from the growing strength of the finmark, which boosts export prices. Otherwise, Boyd concludes, Finland is more prosperous, democratic, and politically stable than ever.

Iran's Discontents

"Industrialization and Revolution in Iran: Forced Progress or Unmet Expectation?" by Norriss S. Hetherington, in *The Middle East Journal* (Summer 1982), 1761 N St. N.W., Washington, D.C. 20036.

When the Ayatollah Khomeini unseated the Shah of Iran in 1979, it seemed that Iranians had rejected their former leader's Western-style modernization goals. Actually, says Hetherington, a University of California research associate, it was the inefficiency and slowness of the Shah's program that turned his people against him.

The Iranian standard of living rose sharply after the first OPEC oil price hike in 1973. Per capita income jumped from \$180 annually in the early 1970s to as high as \$1,521 in 1975. The Shah grandiloquently declared that Iran would match West Germany's prosperity by 1983.

Material gains, though great, were not equally distributed. Between 1972 and 1975, the middle 40 percent of the population saw its share of national income decline from 31 to 26 percent, while the share of the top 20 percent grew from 57 percent to nearly 63 percent. Inflation, checked during the first years of prosperity, was out of control by the mid-1970s. The monthly rent for a house in Isfahan jumped from \$70 in 1973 to over \$500 in 1978.

Middle class professionals, who comprised 10 to 12 percent of the population by 1978, enjoyed little increase in status, though they supplied vital skills. Bazaar merchants suffered when, on the eve of the revolution, the Shah's government outlawed what it called profiteering in an effort to find scapegoats for inflation. These two groups, Hetherington says, provided much of Khomeini's support.

Governmental mismanagement exacerbated these difficulties. As foreign goods poured into Iran, the transportation system broke down. Merchant ships stood offshore for as long as five months waiting to unload. In 1974, the Shah doubled the number of trucks in Iran, but failed to upgrade roads, hire new drivers, or buy spare parts. Newly prosperous Iranians could not buy the things to which they felt entitled. The Shah's commitment to extend education also backfired: High school enrollment grew from 1.4 million in 1972 to 2.3 million in 1978. But existing colleges could admit only 10 percent of the graduates, creating another pool of discontent.

Many Iranians joined with the *mullahs* in opposing the Shah for lack of an alternative, Hetherington believes. Iran's religious leaders may soon have to contend with the same forces that toppled the Shah.