



The Labor Issue in the Oil Regions of the South during the Reza Khan Coup Years: From Protest to Policy Change The Triad of Government, Oil Company, and Workers (1920-1925)

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Extended abstract

This research aims to examine labor issues in the oil industry of southern Iran during the years of the coup d'état (1299-1304 AH) and focuses on the complex interaction between labor, capital (British and Iranian oil companies), and the Iranian government. The main research question is to identify the factors affecting the formation and emergence of labor challenges and the role of the government in addressing these challenges. This study employs historical analysis, drawing on archival sources, government documents, and historical reports to examine the developments of this period.

The findings show that the increase in labor demand and supply, resulting from unfavorable economic and social conditions, along with the ambiguities of the Darcy Agreement, paved the way for the oil company to abuse workers' rights. Labor protests against discrimination and inequality prompted the government to take a more active role in protecting workers' rights by consolidating central power and establishing dispute resolution commissions. Government pressure and labor protests led to changes in the oil company's policies on hiring, training, and wage payments. Finally, this study demonstrates that the period under review was a critical phase in the history of labor relations and the Iranian oil industry, paving the way for important developments in oil policies and labor laws in the years to come.

The oil industry, as one of the main pillars of the Iranian economy in the 20th century, has always been at the center of political, social, and economic developments. In the years following the 1910 coup, which was marked by the consolidation of central government power and changes in political relations, the oil fields of southern Iran also witnessed significant developments in labor relations. This period, considered a transitional phase from a historical perspective, paved the way for the emergence of fundamental challenges between workers, the Anglo-Iranian Oil Company, and the Reza Khan coup government. During World War I, the weakness of the Qajar government and England's support for the Oil Company led to an increase in the company's power in southern Iran. Additionally, the cooperation of Sheikh Khazal, the local ruler of Khuzestan, with the Oil Company further strengthened its influence in the



region. In this context, the Oil Company gained significant bargaining power over workers, allowing it to set wages at will and easily punish or dismiss workers. Meanwhile, unfavorable economic and social conditions in other parts of the country led to widespread migration of workers to southern Iran. This migration increased the labor supply, thereby strengthening the bargaining power of the Oil Company against the workers.

This study aims to examine labor issues in the oil facilities of southern Iran between 1299 and 1304 and seeks to answer the question of what factors contributed to the formation and emergence of labor challenges during this period and how the coup government addressed these challenges. To this end, using historical analysis and drawing on archival documents, government reports, and historical sources, we have carefully examined the developments of this period. The research findings show that the ambiguities of the Darcy Agreement, unfavorable economic and social conditions, and the oil company's abuse of workers' rights were key factors leading to the emergence of labor protests during this period. Meanwhile, the coup government, by consolidating central power and establishing dispute resolution commissions, sought to play a more active role in protecting workers' rights. These developments not only led to changes in the oil company's policies on hiring, training, and wage payments but also had profound effects on subsequent labor movements and efforts to nationalize oil fields in the following decades. Labor issues in the southern Iranian oil industry during the years of the coup government reflected the complex interaction between labor, capital, and the state. These issues paved the way for important developments in labor relations, oil policies, and labor laws in Iran.

The increase in labor demand and supply, driven by unfavorable economic and social conditions in other parts of the country, along with advertisements about job opportunities and the relative security in the oil regions, led to a large-scale migration of labor to southern Iran. The oil company exploited this situation as an opportunity to increase production and reduce labor costs. The ambiguities and weaknesses in the Darcy contract, combined with the lack of effective supervision by the Iranian government in previous years, paved the way for the oil company to abuse workers' rights. Workers' dissatisfaction led to numerous strikes and protests, which highlighted their awareness and demands for an end to discrimination and inequality. As the power of the central government consolidated and national awareness increased, the government gradually played a more active role in protecting workers' rights. One important development was the formation of government commissions to address workers' complaints and negotiate with the oil company, marking a significant step toward realizing workers' rights. Additionally, the government exerted pressure on the oil company to hire Iranian workers and train a specialized workforce. As a result of this pressure and the labor protests, the oil company revised its policies on hiring, training, and wage payments.

As noted above, the period under study was a critical one in the history of labor relations and the Iranian oil industry. During this time, the challenges arising from previous structural changes reached their peak. The Iranian government attempted to protect workers' rights and enforce national sovereignty through legal and political



means. Ultimately, the confrontation between the government, workers, and the oil company paved the way for significant changes in policies related to oil and labor laws in Iran in the years that followed.

Keywords: Labor History, Anglo-Iranian Oil Companies, Labor Protests, Dispute Resolution Commission, Social History.



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