



DOĶĀNĪYĀT

DOĶĀNĪYĀT (tobacco projects), referring to the State tobacco-monopoly law (Qānūn-e enḩeṣār-e dawlatī-e doĶānīyāt) of 29 Esfand 1307/20 March 1909 and to the state monopoly of tobacco products itself.

After an abortive attempt to tax unprocessed tobacco through a national monopoly in 1307/1890 (see [Tobacco Régie](#)) the Persian government imposed the cured-tobacco excise tax (Qānūn no. 1076) on 18 Du'l-qa'da 1333/27 September 1915. World War I made it impossible to exercise the state monopoly effectively, however, and a new law had to be passed in 1336/1918. Moreover, many officials in charge of collecting the tax found the regulations difficult to understand. Initially merchants paid the tax by purchasing banderoles for the packets to be marketed, but this system did not work well, especially for water-pipe tobacco (*tanbākū*), and was dropped. After June 1919 a system proposed by the tobacco merchants themselves was gradually introduced throughout Persia: Tobacco to be consumed locally was taxed directly, that taken to Tehran or other provinces at its destination. The tax, 20 percent ad valorem on cigarette tobacco (*tūtūn-e sīgār*) and 30 percent ad valorem on pipe tobacco (*tūtūn-e čopoq*) and water-pipe tobacco, was levied not on the growers but on the merchants. The General bureau of tobacco (Edāra-ye koll-e doĶānīyāt), established in the Ministry of finance (Wezārat-e māliya), was charged with collecting the tobacco excise. From November 1919 to September 1920 collection was farmed out in the six important tobacco-growing regions identified in the law (Kordestān, Hamadān, Kāšān, Golpayagān, Šāhrūd, and Semnān) because the government lacked the funds



and staff to collect the tax effectively. Nevertheless, the tax farming was resented by local merchants, who tried to sabotage its operation; its success was also negatively affected by the general insecurity and political anarchy prevailing in Persia (Nezam-Mafi, pp. 6-10).

In 1299 Š./1920 the grand vizier Mīrzā Ḥasan Khan Mošīr-al-Dawla abolished farming of the tobacco excise and merged the General bureau with the opium-excise bureau in a new General bureau of restrictions on opium and tobacco (Edāra-ye taḥdīd-e teryāk wa doĳānīyāt). Żīā'-al-Dīn Ṭabāṭabā'ī, during his short government in 1299-1300 Š./1921, raised the tobacco excise by 50 percent for cigarette tobacco and 33 percent for pipe tobacco. After his fall the old rates were reinstated (Ķosravānī, p. 5) .

Under the new system the merchants were to report their tobacco purchases to the bureau, which would then grant permission to store them. When the processed tobacco was ready for sale it was transferred to government warehouses, where it was sorted into four categories: for local consumption, sale in Tehran, sale in the rest of Persia, and export. Tobacco to be sold in Persia outside Tehran was taxed when it left the government warehouse; that to be sold in Tehran was taxed on arrival in the city. No excise was levied on tobacco to be exported; it had to be accompanied by a permit (*jawāz*) identifying the owner, quantity, origin, destination, and price of the tobacco. To prevent fraud, the owner had to put up an export bond, but he received the money back upon presenting the permit signed by the customs office (Ķosravānī, p. 5; Jamālzāda, pp. 129-30; Great Britain, Foreign Office 416/72: Millspaugh to Imperial Bank of Persia, 20 April 1923, fol. 99).

The tobacco-excise law was revised on 27 Esfand 1303 Š./18 March 1925 (Qānūn-e ešlāḥ-e qānūn-e doĳānīyāt). The main change introduced in this law was categorization of processed tobacco into three types (*tanbākū*, *tūtūn-e čopoq*, and *tūtūn-e sīgār*), which were taxed at different fixed rates. Tobacco to be exported remained free of this tax (*Majmū'a*, n.d.a, pp. 18-19).

On 29 Esfand 1307 Š./20 March 1929 the tobacco-excise law underwent major structural revisions; a new state tobacco-monopoly law was enacted by the Majles. Thenceforth the purchase, sale, importing, exporting, processing, and storage of tobacco, as well as the transport of processed and finished tobacco products, were a government monopoly. The tax was levied on growers, at rates varying with quality and location (*Majmū'a*, n.d.b, pp. 25-28). By the end of the 1920s tobacco was almost as important a source of revenue (3.5 percent



of the total) as opium (see [AFYŪN](#)), but it was no longer an important export commodity (Lingeman, 1928, p. 12; idem, 1930, p. 16; Hadow, 1925, p. 13). To improve the quality of Persian cigarette tobacco, the state monopoly imported new varieties from Turkey, Russia, and the United States; distributed seed free to growers; and took other measures to increase production (Gray, pp. 23, 24), but for tobacco imports in general the monopoly served as a barrier to trade.

In 1309 Š./1931 the state tobacco-monopoly law was revised yet again, and on 26 Esfand 1311/17 March 1933 a new law was passed. The next year *Šerkat-e doḡānīyāt-e Īrān*, a syndicate for centralizing the purchase and sale of tobacco from the state monopoly, was established with initial capitalization of 10 million rials (Simmonds, p. 32). In 1316 Š./1937 the *Doḡānīyāt* opened a state tobacco factory in Tehran, managed by Greeks, and drove all private factories out of business. At about the same time a tobacco-research institute was established in *Tīrtāš* in *Māzandarān*. All processing of tobacco was centralized in the Tehran factory, where the Greek managers trained Persian staff in various aspects of the business. Despite government efforts to increase output, however, monopoly and price controls led to an actual decline; by 1319 Š./1940 total acreage under tobacco cultivation totaled only about 30,000 acres, with an annual output of about 13,500 tons, sufficient to meet domestic demand. In the same year production of cigarettes reached 12 million a day (*Persia*, pp. 310, 445, 460; “Tabacs”; *Sāl-nāma* 1356, p. 550).

The situation did not change significantly after World War II. Cigarette tobacco was produced in the Caspian provinces, around *Reżā’īya* (Urmia) and *Ḳoy*, and in *Kordestān*, whereas pipe tobacco was produced mainly in *Fārs*, *Isfahan*, and *Kāšān* provinces (for particulars of production and manufacture, see “*Šerkat-e doḡānīyāt*,” p. 498). A new factory for filter cigarettes was built in Tehran in 1339 Š./1960 and a *tūtūn*-packaging plant in *Isfahan*. Additional tobacco-processing plants were in operation in *Reżā’īya*, *Sārī*, and *Gorgān*. By 1346 Š./1967 the total work force of the *Doḡānīyāt* comprised about 750,000 people, 350,000 farmers and an equal number of people involved in sales; the remainder were factory workers and headquarters staff (*Sāl-nāma* . . . 1346, p. 563). All were eligible for various government-sponsored educational and credit programs introduced in the next decade (“*Šerkat-e doḡānīyat*,” pp. 498-500; *Sāl-nāma* . . . 1356, pp. 551-53).

With regular adjustments in the tax rates the Persian tobacco monopoly remains in effect today (for a summary of the objectives of the *Doḡānīyāt* and



the types of tobacco produced, see *Sal-nāma . . .1346*, pp. 559-61). The DoĶānīyāt operates three tobacco factories, at Tehran, Isfahan, and Rašt, employing 7,500 people; a limited amount of water-pipe tobacco is exported to neighboring countries. In 1365 Š./1986 about 30 billion cigarettes were sold in Persia, an increase of 7 percent over the preceding years; almost 60 percent were produced in Persia (*Sāl-nāma . . .1367*).

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