

## **Iran's membership in the Shanghai Cooperation Organization (SCO)**

### **Economic, Trade and Political Affairs**

**Pourya Nabipour**

*[pourya.nabipour@gmail.com](mailto:pourya.nabipour@gmail.com)*

*PhD Candidate in Political Science and International Relations,*

*the University of Birmingham, UK*

*<https://orcid.org/0000-0002-0976-0685>*

### **ABSTRACT**

This paper aims to provide a better understanding of the Iranian accession into the Shanghai Cooperation Organisation (SCO) and to answer the important question of whether one can identify substantial payoffs from “deep integration” (combining economic and political aspects of Iran’s SCO membership). Iran’s pursuit of full membership in the Shanghai Cooperation Organisation (SCO) seems to be reinforced by the distrust towards the global West, and its genuine Look East Policy with the prospect of allying with Russia and China. Indeed, the SCO is perceived as a geopolitical counterweight to the United States. Because of the distrust, Iran failed to get included in regional or international security architecture and the West did not embrace a new Iran wholeheartedly. This logic was grounded in a political climate of distrust, asymmetries of power and unilateral ethnocentrism which were hampering any initiative for trust-building and de-escalation. Tehran began to look for a place in the international system by relying on domestic discourses and ideas emanating from within the domestic ideas about Iran’s identity and consequently approaching superpowers of the global East. Crippling sanctions, threats of military intervention, cyber warfare, regime change and regime destabilization efforts were from Iran’s perspective the policies that were genuinely used against Iran and therefore contentious. By joining the SCO Iran can downplay the effect of sanctions.

**KEYWORDS:** Iran’s foreign policy, Shanghai Cooperation Organisation, Look east policy, Sanctions, Identity

Received: 6/12/2021

Revised : 13 /12/2021

Accepted: 14/12/2021

**Introduction.** After the Islamic revolution, Iran has tried to produce a discourse that surely reflects the formation of a specific worldview that is based on the Iranian post-revolution interpretation of Iran's history and national identity. What matters is that the decision-makers felt obliged to develop and make policies in a way that would not contradict the main narratives, as the narrative sets their limits for policies, relying particularly on identity's intellectuals, the legacy of the Iranian history and memories. Thus, Iran tried to show that revolutionary Iran is fundamentally different from both the West and the east, following the slogan of "neither the East nor the West". Furthermore, it was believed the Iranian people possessed a social-historical and cultural matrix of their own and an original type of spirituality and never merged with the East or West. Western opposition towards the nuclear programme was the major example and a source of threat that the West attempted to put the integrity of the land, sovereignty and the legitimacy of post-revolution Iranian modernity under full control and to deprive Iranians of their identity. From this perspective, Iran especially during the presidency of Mr Ahmadinejad believed that the country's international status and prestige could be achieved not only through military power but also through the politically influenced balance of power in its immediate neighbourhood at the first instance as well as through intangible spiritual, cultural heritage and scientific achievements and launched a new policy known as the Look East policy [1].

Iran's Look East policy, as pointed out, has a much deeper history of just China and goes back to Pahlavi's era. But very soon after the revolution, Iran distanced itself from both Russia and China and drew surprisingly closer to North Korea because it needed the security military help which no country was ready to provide, except North Korea. But Iran's eastern orientation policy started rigorously with President Ahmadinejad. Thus, the argument is here that the package of the look east policy was something much grander than just China during the recent years. It is important to look at this through a multi-sided prism which are geopolitics, geoeconomics and identity-civilization [2]. The idea is based very much on the nexus between Western and Eastern Asia, the former harbouring the main hydrocarbon producers in the world and the latter east Asian economies being the thirstiest one when it comes to energy supplies. Thus, this is very much a material underpinning of this foreign policy school, Iran's look east policy. Iran is a large and influential Middle Eastern Shia power, it sits at the pivot of where the US, Russian and Chinese interests both converge and diverge. It is at the front line of the competition between the West and the East. For Russia and China, Iran is a plausible deterrence against American misbehaviour, principally in the Middle East and West Asia. For America, Iran is a resistance power in its efforts to continue to manage the world's oil resources for the benefit of itself and its allies. Also, Iran is a balancer to the US allies in the Persian Gulf.

If Russia and China want to balance against the United States, Iran is an ideal partner in that regard, but so long as the United States is a security guarantor of this vital region, neither Russia nor China has any interest to pick a fight with the United States over Iran. The second point is the sense of victimhood. Iran carries baggage about the role of western neo-colonial powers in blunting their growth and developments. An additional element of geopolitical features is Iran's claim and strive to become an independent regional superpower [3]. Third important point is that Iran resists the United States not just for geopolitical reasons but also for ideological reasons, including the legitimacy question, independence, resistance against regime change policy and external interference. Ahmadinejad officially declared that

Iran sees the United States as an aggressive power, as a great 'Satan'. Thus, from the Iranian point of view, this policy is about the Iranian departure from its past, from being controlled by the West to shaking off these chains of foreign interference and involvement, and that plays very nicely to the Russian and China's narratives as well.

The third prism is geoeconomics and is very closely related to both above-mentioned points. In the region and the broader global south, Iran offers a useful industrial base, a creative population, large markets empowered with oil and gas resources [4]. Iran offers a particularly large market of hydrocarbons which was helpful to resist the sanctions. It has the second-largest gas deposits such as in the world, and it is endowed with a range of natural resources. Hence, geo-economically Iran is also an ideal candidate for convergence with Russia and China. Last but not least, it is the identity-civilizational dimension that links Iran with the East. His narrative plays very well at both ends of Asia, and this kind of identity relation and respect did not start just now. This really is rooted in history and we can see it within the Silk Road, and it can be traced back millennia in terms of relationships between the old Persia, China and the Russian Empires. These countries in modern times rediscovered each other, which was visibly improved during Ahmadinejad's presidency. Of course, there are ideational elements to it as well. There is the idea that first Iran is an Asian power and has as such an Asian identity and has to be part of Asia. Another underpinning idea is that there are attempts towards establishing an anti-hegemonic front against the United States and for that purpose Iran seeks powerful allies in the East in Asia, such as India, China or Russia which are contemplated allies of an anti-hegemonic block by Iran. During President Ahmadinejad, Iran proclaimed a Look to the East Policy which is a term for a geopolitical preference of Iran vis-à-vis the Eastern great powers and this policy was somehow revitalized just a few years ago, precisely at a time when Iran was greatly disappointed over the role of Europe as a kind of balancing power vis-à-vis the US sanctions and pressure. Particularly with the nuclear crisis, Iran lacked the alternative and there was a problem of disintegration of Iran from the Western world and international financial system in particular, which the Eastern partners of Iran knew well [5].

The Iranian national identity motivates its East orientation and underpins the Iranian vision of global and regional order since the relations rely on perceptions and trust. Ahmadinejad was favouring a look to the East policy, as he believed that China and Russia had a distinct reading of the international system and the distribution of power within Iran. In other words, this policy effectively underpinned that the East was 'closer' to Iran, primarily because of anti-Americanism and the fact that the East does not aim for an interference with issues such as human rights, good governance and democracy promotion when dealing with Iran, which the global West occasionally does. Ahmadinejad's 'Look East policy' towards Beijing and Moscow was significant not only because of economic and trade relations but also through the ideational affinities and shared values such as state sovereignty, limitation of the Western dominance in world affairs. Furthermore, Russian and Chinese participation in the nuclear negotiations was significant, as both were emphasising a peaceful solution to the nuclear issue, preventing further escalation of pressures on Iran. Both Russia and China abstained or vetoed many of the recent United Nations Security Council resolutions. At a diplomatic level, both Iran and China viewed the extraterritorial application of secondary sanctions by the United States as being inconsistent with the principles of non-interference and sovereignty.

## **The interactions: Iranian imagination of the Others, Trust and Security Dilemma**

The US approach towards Iran was to use the American policy of 'maximum pressure' and rhetoric such as that of 'all options are on the table'. However, on the Iranian side of the negotiations, the resistance to the 'arrogant powers' and the pursuit of nuclear energy for peaceful purposes was key nuclear negotiation policies. Moreover, for Iranian elites, including Ahmadinejad, the past will never fade away. Based on what Ramazani (2009) says, there has always been a paradoxical combination of national pride and prestige in Iranian culture and a sense of being a victim of oppressors since the early history of Shia Islam and throughout Iran's history of invasion by several powers [6]. Iran demonstrated a reluctance to modernize strictly along Western lines. Under the Shah, Iran had a peculiar type of modernization without real modernity, a hasty form of autocratic modernization while the Shah was cleared to converge with the West. After the fall of the Shah in 1979, we saw the emergence of an Islamic Republic modelled on a distinctly non-western theoretical construct. The 1979 revolution was an effort to create some sort of alternative modernity by emphasizing Persian nationalism but also more Islamic inheritance and by consigning the Western narrative to the margins [7]. During Rafsanjani and Muhammad Khatami's presidency, Iran appeared to have somewhat transcended the developmental dilemma. Khatami's programme for change was based on the idea that Iran needed an upgrade and view of the demands for political reforms and the pressures of globalization. His political platform represented a middle ground where western-inspired reforms would be implemented within the framework of Iran's national identity and its historical and cultural experience. In other words, a civilizational upgrade was to take place in the context of Iranian and Islamic identity. Khatami rejected the homogenizing model of modernity, however, at the same time he did not subscribe to a rigid interpretation of indigenous and nativistic path of modernity and traditions, as Ahmadinejad did.

The importance of the historical experiences, both existing and imagined actions by the United States to weaken Iran, just to mention the threat of the publicly declared regime change policy by the United States, and the lack of security guarantees for Iran in a region in which Iran is surrounded by either the hostile or nuclear states, constricted Iran's historical memory and caused of security concern [8]. The Ahmadinejad administration tried to bring up the nuclear option and a central part of its deterrent doctrine was the potential deterrent capacity vis-à-vis any illegitimate exercise of power against its national sovereignty. The threats are perceived by Iran due to the nature of stationed forces in the region, including nuclear forces encircling Iran and the possibility of an attack based on any political pretext. The Iranians saw how the United States attacked Iraq for, as it turned out, no evidence and reason at all.

Against this background, the argument is that trust was perpetually absent in Iranian interactions with the world powers but also almost any kind of face-to-face interaction which could have reduced the mutual anxiety and could have created a process of the trust-building possible, to understand more accurately the interpretation of each other's signals and communications [9]. This is a critical point because one of the important obstructions to cooperation in Iran's international politics was the difficulty that often its actors who send signals believed that others will understand their signals as they intended, whereas the problem was that oftentimes the receiver of a signal did not interpret it as meant by the sender. Unfortunately, during President Ahmadinejad's presidency, no trust existed at the international level neither from Iran's perception towards the West nor from the West towards Iran. Iran reflected the

past historical memory of a bad record when it came to the Western meddling in Iranian politics and particularly the experiences of the Western support for Saddam Hussein in eight years of war, which highlighted a condition of uncertainty. This is so important because if there was enough certainty, no one would need to build trust. Second, trust at the level of the highest decision-makers would have meant the decision-makers psychological state of security which then, could have enabled actions towards others that would not be achievable in the lack of trust. From Iran's point of view, there was no escape from a struggle for power in the Middle East. The firm belief was that internationally, there was little or no room for trust, as it was widely believed that especially the military-security arena, is just too crucial for trusting [10].

Iranians were invaded and defeated by foreign enemies, and that aggression and collapses have cultured a profound feeling of victimisation. It is no surprise that Iranians frequently seek legitimacy and justice, and thus resist bullying and external force and pressure. This paper contends that the West's antagonism to the Iranian nuclear programme resulted in the perception that again the West was going to avoid and curb Iran from independent decision-making and that the West puts Iran's energy and developmental path of self-sufficiency to a halt [11]. A significant point of this research lies therefore in priori codes of distrust and victimisation. There have always been variations in the official's preferred foreign policy behaviour. My argument is that both Iran and the West might have had generally peaceful intentions. They both nonetheless failed over the past decade to understand this, resulting in both sides mistakenly ascribing harmful intentions to the other, leading to amplifying verbal diplomatic attacks and threatening of military actions against each other's interest. Put simply, Iran based on the historical memory particularly did not know well if the United States will follow the regime change policy and launch a first strike on Iran, as they were never able to see the internal minds of their US or European counterparts had no such confidence. Thus, we must see both perspectives, both the Iranian and the Western to find out and to properly understand how far the Western aggressive behaviour towards Iran and the historical record of meddling policies might have conditioned the Iranian current foreign policy and particularly Iran's Look East policy [12].

The structure in Iran foreign policy decision-making is fundamentally different from the West and is made only by a few groups of people so that there was no open discussion of Iran's nuclear policy openly. But from Ahmadinejad's perspective, if Iran backed down even one step from its undeniable rights, Iran was a victim. In his televised speech on March 13, 2006, he announced "Iran would not surrender to the West's threats and rejects their demands for giving up the Iranian nation's right to have peaceful nuclear technology" [13]. In his speech for Iran's ambassadors and head of missions abroad in 2007, President Ahmadinejad declared, "all free nations and justice-seeking people from the oppressed countries, including the Iranian nation are now collaborating to resist against the oppressive system and thought of the West, in particular, the U.S. and its allies" [14]. From the president's point of view, the pursuance of the Iranian nuclear programme indicated the revolutionary struggle against the so-called arrogance (in Persian: *estekbar*). Therefore, resisting international pressures was justified as an act of anti-arrogance (*estekbar-size*). Arrogance is an interpretation based on the Islamic identity and the word arrogance is used in the Qur'an, such as the arrogant person, arrogant government, an arrogant group, that is a reference to those 'selfish' and interest-oriented actors that interfere in the affairs of human beings and other nations to protect and expand their interests. What we witnessed, especially after the

Islamic Revolution and most visibly with President Ahmadinejad, were a growing western pressure on Iran and a process of de-westernization of Iran. Among the most important push factors for Iran, was the pressure of sanctions under which Iran suffered hugely, which have been in place since 1979 but were considerably reinforced with Iran's nuclear crisis under Ahmadinejad. In one shape or another, the sanctions weakened Iran's economy and infrastructure. Moreover, the Iranian bourgeoisie class was diminishing, while Iran was hoping for foreign investment. Threats and sanctions deprived Iran of its macroeconomic position globally.

### **Iran Geopolitical Imaginations: A Critical Account**

The Islamic Republic of Iran after the Islamic revolution of 1979 has consistently applied multilateralism as one of the primary strategies of its foreign policy, mainly towards developing countries, and to improve South-South cooperation in highly sensitive regional environments. Nevertheless, this multilateral strategy did not arise in 1979, since the former Pahlavi rulers also utilized it – although with different themes and ideological, political and strategic thoughts. Iran, under the last Shah Mohammad Reza Pahlavi, was one of the 29 independent states that took part in the Bandung Conference in 1955, which was the example of the South-South cooperation initiatives within developing countries [15]. Since 1964 Iran has been a member of Group of 77, made by developing nations to boost collective economic interest and intensify lobbying volume within the United Nations context. Iran is also a member of the Group of 24, a chapter of the G77 set up in 1971 to arrange positions on monetary and financial matters. Furthermore, Iran is a founding member of the Organization of Islamic Cooperation (OIC), created in 1969, and a member of the Organization of the Petroleum Exporting Countries (OPEC). After the Islamic Revolution, Iran kept the membership in all the organizations and groups with which the former government had acted and became a member of new ones after the Islamic Revolution, which indicated the new strategic orientation of the Iranian foreign policy. For instance, Iran united with the Non-Aligned Movement (NAM) in 1979 and hosted the 16th NAM Summit in 2012.

Scholars note that a central element for the classification of a state as a regional power is the acceptance of its status by the governments with which it shares a regional system and, find the rules of the game of the international system [16]. Therefore, it is clear that a regional power is such because it can use its superior ability to influence at the regional level, although it may wish to project power also on the international level. In this sense, Iran's foreign policy goals, in general, correspond with its resources and capacities, and on occasion, it has presented a purpose to carry out political and diplomatic initiatives beyond the region. The international range of Iranian aspirations are strengthened by trying to become a nuclear science state and enter the "nuclear club," and even though crippling sanctions from the UN Security Council, the European Union, and the United States have all affected the process of the modernisation of Iran, the Iranian economy. Iran has long competed for power and influence in the Middle East, a competition characterized by territorial, ideational religious as well as geopolitical dimensions. A joint part in a large part of the literature on Iran's foreign policy analysis is the notion that the perpetual aim of Iran is to become a central actor which is not limited to the Persian Gulf, but goes far beyond it and reaches the Mediterranean region and the Caucasus as well as Central Asia.

Examinations of Iran's foreign policy neglected that the Iranian perceptions of friends and enemies, its historic distrust towards the great powers and their regional allies have mostly triggered Iranian policy actions and shaped its decisions and conditioned that Iran brings forth alternative strategies of cooperation. Iran's membership in SCO and cooperation with regional but also with extra-regional states, which means also states with whom Iran does not share borders and are geographically far to it, represent the new foreign policy strategy of Iran for more regional multilateralism which is embedded within its 'Look East policy. While Iran under Presidents Khatami, as well as Rafsanjani, appeared to be more empathic towards normalisation of relations with Europe and even the United States, Ahmadinejad put away that choice, concentrating his diplomatic efforts on the East, including China, Russia, Central Asian states, Africa and Latin America. Hitherto, the neoconservatism of President Mahmoud Ahmadinejad (2005–2013) was the logical consequence of international pressures on Iran, distrust and disintegration from most of the international economic and financial hubs [17]. The Policy of Iran to join the SCO and its aspirations for more regional multilateralism aim thus to increase regional profits and strengthen the resistance against what Iran considers 'unlawful coercion by global arrogant powers' and "imperialism". Iran, particularly under President Ahmadinejad, therefore kicked off various new postures in foreign affairs, among them the one that resulted in both oppositions and supporters inside and outside of the country and showed that Iran acts pragmatically, and less ideologically, a clear departure from the previous revolutionary slogan of neither the East nor the West.

### **The SCO and Iran's Foreign Policy**

In the course of Ahmadinejad's two-term presidency (2005–2013), the importance of the SCO in Iran's foreign policy thinking developed. The Iranian leadership was interested in the potential of the SCO and harmonising of geostrategic interests between Russia, China and Iran, and the SCO was the medium to bring it forward [18]. Indeed, the concentration of anti-US interests in the SCO has led many observers to contend that the SCO principally helps as a geopolitical counterbalance to the United States [19]. This predominating strategic attitude was seen as a genuine benefit for Tehran. Furthermore, full membership could allow for trade and economic ties to ease the economic sanction regime. In 2010, the SCO wrote a set of regulations to let in new members, which considered a construction forbidding countries under United Nations sanctions from being qualified, automatically preventing Iran [20].

In the words of one observer, Iran's full membership has the clear potential to 'drag the SCO into the fight between Tehran and the West' [21]. This concern about the meaning of admitting Iran to the organisation was shown diplomatically by the Russian president, Dmitry Medvedev, when he spoke in favour of the draft clause which left out Iran from SCO membership [22]. In his later addresses to the SCO, Ahmadinejad reiterated 'the organization has to be able to deal with threats and should resist unlawful interventions and military actions by other states in the region' [23], and intended to appeal to Russia and China. The SCO has been a helpful mechanism in solving territorial conflicts that came about with the fall of the Soviet Union in 1991 and promoting regional trade relations [24]. Meanwhile, Security cooperation on the 'three evils' of terrorism, separatism, and extremism has been a constant

characteristic of the SCO and contributes to a shared threat understanding among its members [25]. The annual conference in Dushanbe has officially admitted Iran as a full member of the SCO. Upon his arrival in Tajikistan, Ebrahim Raisi said that this development was both a “strategic movement” and a “diplomatic success”. He further indicated that Iran’s membership in the SCO would be to the benefit of the Iranian economy [26]. At the latest Tajikistan summit, foreign ministers of China, Russia, Pakistan, and Iran met to review the developments in Afghanistan and the ramifications of the Taliban takeover [27]. Iran shares a lengthy border with Afghanistan and thousands of refugees have poured into the country, which is already hosting many and primarily undocumented Afghan refugees. All the SCO member countries, including Iran, are concerned about Afghan instability, which are exacerbated after the Taliban takeover of power there.

On the one hand, contend that economic and political integration are substitutes and shore up their explanation for this negative relationship by stressing heterogeneous preferences and fractionalization [28]. On the other hand, Martin et al. (2012) contend that economic and political integration are complements. This strand of literature provides a sharp distinction between light and profound integration, with the last mentioned mixing economic and political integration [29]. “Economic integration, when not accompanied by political integration, can lead to less innovation and slower growth as firms respond to increased competition in the economic market by focusing more on rent-seeking activity. When economic integration is accompanied by political integration, innovation and growth will be stronger and welfare higher” [30]. There is disappointingly small literature engaging with econometric estimates of the monetary benefits from SCO membership. To be more precise, few studies answer questions such “what would be the level of per capita income in Iran had it not joined the SCO?” Making such estimations is also particularly difficult because one can hardly know how the international sanctions regime will develop against Iran. Many think, falsely, that this literature is huge because of the many first-class works on the profits from regional trade, and liberalization. Yet studies on the benefits of membership itself and literature that consider the Iranian condition are few. The fundamental point is that considering Iranian per capita GDP it is not clear if it would be considerably lower had it not joined the SCO. A further point is that it is yet unclear if the benefits from SCO membership, in this case, are more likely to be permanent than temporary.

It is clear that China and Russia predominate the SCO and each with different security priorities and the addition of India and Pakistan in 2017 with totally different positions and perceptions as well as conflicts of interests imply that the SCO functions currently more like a diplomatic forum than a united security bloc. However, the condition of distrust towards the East modifies Tehran’s relationships with the SCO and enables Tehran simply hopes to at least better address political, economic, and security issues across its borders and Eurasia. Moreover, Iran’s SCO membership underlines Tehran’s desire to build a profound and comprehensive partnership with China and Russia. Under Iran’s Look to the East foreign policy, Tehran sees SCO as its long-term partner. Large positive effects from SCO membership differ across countries and over time. Earlier this year, Iran and China ratified a 25-year strategic partnership that will perceive China invest several hundred million dollars in Iranian projects, including nuclear power, energy development, and infrastructure. Tehran has agreed to hold joint military exercises with Moscow and Beijing in late 2021 or early 2022, building on trilateral naval exercises in the Indian



Ocean and the Gulf of Oman in late 2019. Without deep economic and political integration, it will be extremely difficult to gain benefits over the long run [31].

The SCO has regular counterterrorism exercises involving member states to showcase their preparedness to react to the threat of terrorism in the region. As Alexander Pikayev found, the SCO turned to be principally interested in ‘nullifying Islamic fundamentalism’ [32]. Nevertheless, there were two other characteristics to the SCO’s counterterrorism readiness, the geostrategic assessments in Moscow and Beijing, and the domestic politics in Central Asia while this might have provided the Central Asian states extra credibility which could see the SCO’s counterterrorism agenda as a defence of their authoritarian policies. In reality, resistances in some of those countries were beaten under the guise of countering terrorism, which resulted in perceiving the SCO as contributing to the survival of authoritarianism in Central Asia [33]. Indeed, Russia and China had no interest in challenging the domestic behaviour of SCO member states and provided a judgement-free situation for regional cooperation. This approach stood in stark contrast to that of the West which puts issues such as liberalism and democracy as well as good governance on the top agenda and does not often stay quiet in the face of authoritarianism or human rights violations [34]. As a regional player, Iran is aware of the SCO’s potentials for countering the United States’ presence in its neighbourhood and Central Asia. However, what underscores Iran’s departure from the past’s slogan of the ‘Neither the East nor the West’ is the first Iranian look east policy and second, the pragmatic pursuance of alliance with Russia and China. While the SCO’s geostrategic capability looked to be in line with Iran’s anti-American mind-set, its default promotion of authoritarian governments contradicts Iran’s self-image as a Shia Islamic power and, a revisionist vis-à-vis all oppressors.

In line with its domestic policy, Iran favours self-esteem, scientific and economic self-sufficiency. So, it will not surrender to any sort of hegemony nor will it rely militarily on alliance with any country. However, security, economic, and technology cooperation now constitute a crucial part of Iran’s bilateral engagement with the East as well as with the SCO members. What account to explain closer engagement from Iran towards the East (Russia and China) and the SCO are (i) intensified strategic competition with the regional adversaries and the United States, (ii) broader hopes and efforts to get rid of the sanctions and to expand the overall trade and economic relationship with the SCO states, and (iii) regional trade and security incentives. It is simply believed that a full Iranian membership would benefit Iran, providing Tehran with some tremendous power support in its ongoing quarrel with the United States, as well as constant calls for a “polycentric world order” [35]. However, it is worth noting that Iran maintains a record of distrust of foreign powers from the West and West and will rely on a military alliance neither with the SCO, Russians nor with the Chinese. Meanwhile, stability and peace are sine qua non for development. Moreover, the Iranian current foreign policy emphasises regional cooperation as indispensable. Tehran is aware, however, that in a globalised world, no country can develop and modernise itself in isolation. President Reisi has stated over and over that Tehran will stick to a peaceful development strategy and support constructive relations with its neighbours.

## **Geopolitical Imaginations: A Critical Account**

Iran before and after the Islamic Revolution of 1979 as an independent state, has gone through far-reaching changes in security affiliation. While up until 1979 Iran remained a member of the Western bloc and a close ally of the United States in the Middle East, it was a state outside an alliance framework immediately with the Islamic Revolution. Since then, Iran has had to think of security outside of an alliance framework. Possibly a real change in terms of the country's perception that it was secure from any external threats came gradually in Iran's East orientation and regional multilateralism in the 1990s but visibly with President Ahmadinejad. The SCO members in general and member states with veto right at the UN Security Council, including Russia and China, consider the Iranian nuclear case must be solved only through diplomacy and not by military means. Tehran aims to generate some convergence of interest and gain sustained strategic supports between SCO members for the Iranian nuclear standpoint both regionally and at the United Nations Security Council. This paper argues that Iran perceives membership in regional organisations including the SCO more in terms of a geopolitical shift toward the East than accession to an organisation focused on collective military defence. Consequently, Iran considers the fulfilment of SCO responsibilities more in terms of augmenting their armed forces or setting up a defence strategy vis-à-vis an external threat over the long term. Tehran conceives SCO and powerful members such as Russia and China as the twin pillars of the future direction of the Iranian security development. Increased support for the modernisation of the military and endeavours to improve the quality and performance of the Iranian armed forces will come when the Iranian decision-makers and the public see the post-Islamic Revolution kind of 'neither the East nor the West' transition coming to an end and the Iranian economy recovering from the shocks of the war, sanctions and transition.

There are for instance already special grounds for an alliance between Iran, Russia and China, based on shared perspectives and security interests. Therefore, Tehran, Beijing and Moscow are holding increasingly regular joint naval exercises and anti-terrorism exercises as part of trilateral security arrangements. Any perceived foreign interference in their internal affairs or the U.S. attempts to strengthen its military and political clout in Central Asia or Asia-Pacific Region can drive Iran, China and Russia to collaborate on forming a collective regional security system. Through its enhanced regional security interactions on topics including the fight against terrorism, extremism and separatism, and based on the determination to support multilateralism, the Iranian role in directing regional security is bolstered, also reinforcing Tehran's "Looking to East foreign policy". Facing devastating U.S. sanctions and being mostly treated as a pariah by the West, Iran is looking for a way out. It considers Asian powers are growing at Washington's expense and that China and Russia do not share U.S. interests in containing Iran and crushing its economy. Subsequently, by becoming a full member of the SCO, Iran hopes to neutralize Western countries' attempts to isolate Iran. Accordingly, Iran under President Raisi and his administration are now engaging with what is known as the Look to the East policy, mainly to build ad hoc diplomatic alliances with Russians and Chinese and to gain immediate political support during the ongoing Vienna Nuclear Negotiations. This is also exacerbated by the perpetual distrust towards the West and the view that the previous administration's 'Look to the West's policy. This comes hand in hand with

the view that Rouhani's JCPOA was rather unfruitful and that the sanctions as coercive means to curb Tehran's nuclear and missile programme and contain its growing regional influence will not be lifted effectively.

Hence, Iran looks for some genuine economic and trade allies. The Iranian membership in the SCO illustrates an increasing level of sophistication in the perception of post-revolution Iran towards more regional cooperation, mainly between Tehran and the SCO member states. Iran is already a vital economic and trade partner for Russia and China in the Middle East and Iran has maintained regular high-level contacts, and bilateral economic and trade cooperation with most of the SCO members and has continuously deepened it. Tehran aims to gain finance and support on a wide range of projects in multiple sectors, including energy, technology, defence, and infrastructure [36]. Significantly, China and Iran achieved a 25-year strategic cooperation pact in March 2021. As part of the agreement, China is to invest US\$ 400 billion into infrastructure operations in Iran, solidifying Iran's position as a critical link along the 'New Silk Road' of China's Belt and Road Initiative (BRI), and paving a new path for bilateral trade and cooperation [37]. Hence, Iran's membership in SCO can now create a facilitative environment for trade and business between Iran and the SCO members and it will allow Tehran to not only neutralise the effects of sanctions but also balance Iran's relations with the West by reducing some old isolations.

Iran's relations with the East is based on a real pragmatism, to face the Western maximum pressure policy and to essentially water down the effect of sanctions. Yet much of the relationship between them is also determined by their relationship with other powers. So at times when the relationship between Iran, Russia and China turned into a more difficult partnership, it was in part because Russian-American or Chinese-American relations had improved with the United States, or Europe, which had greater strength and tremendous leverage over them and pressured them to tone down their relations with Iran. Russia and China and India have also presented a reliability problem because from Tehran's perspective they were subject to the United States and European influence. Hence, neither the Russians nor the Chinese or any other member state, such as India or Pakistan will drag their feet in the threats, which paved the way for genuine debates about whether and how far Iran should continue to deal with the Eastern partners and the question of Russian and Chinese hegemonic intentions vis-à-vis Iran, which led to some degree of distrust towards them. Hence, although there is a readiness to further deepen the so-called 'East look policy', Iran remains suspicious about the East, their approach and their vision towards Iran and the region. The relations with the East are from Iran's view, based currently on setting up a framework for more economic partnerships. This is even historically a contrast to Iran's relations with the West, particularly the United States which had held a deep footprint in the Iranian politics over the last century and shaped Iranian search for modernism during the Shah Pahlavi era, in which Iran positioned itself as an ally of the West. A firm belief was that since the collapse of the Iranian monarchy in 1979, the United States and later the European powers have only reinforced Iranian anxieties and Tehran is confident that the main goal of the United States and Europeans is blocking any Iranian independent scientific attempts to develop as a sovereign regional power and to deny Iran's distinct identity.

Considering China and Russia's relations with Iran's regional rivals, their partial support of sanctions and the historic distrust of Iran vis-à-vis Russia, it seems yet that the Iranian East Look policy

and membership in SCO may be a kind of ad hoc relation for economic reasons, in which however both China and Russia particularly use the Iranian nuclear case to further strengthen their footprint in Iranian politics and the broader region, and had privileged access to the Iranian market and energy supplies. Some of the SCO members, particularly China, and Russia, and Iran, indeed view the U.S.-led West as its common main antagonist, and they can theoretically forge an ideological block based on shared animosity towards the U.S. -led international order. This is, however, by no means an indication of an enduring alliance, nor is it an alliance based on a deeply shared political, economic, or moral philosophy. Yet it must be mentioned that the SCO members are each extremely interest-oriented and maintain bilateral relations with the global West and are particularly vulnerable. Thus, they remain concerned over the implications of taking sides in any regional conflicts. As such, given Iran's sensitivity and some historical distrust, Iran and the global East will hence work together when their interests align but they are unlikely to seek accommodation when their interests diverge.

The distribution of power in the international system is indeed changing. Iran sees that the United States is declining, but Iran does neglect that the United States could still be quite damaging for a country like Iran. In other words, although we have an increasingly multipolar world, and the centre of gravity of economic power and activity is moving from the Atlantic over to the Pacific, Iran overrates the small trade relation with the East and neglects that the new distribution of economic power does not necessarily translate into a new distribution of geopolitical power. Especially, because most of Iran's international trade is paid with the US Dollar and the huge influence of the United States over international markets which sanctioned Iran as well, the Iranian administrations neglect that the United States as a superpower possesses still not only the military but also economic craft to control the currency system of the international financial and banking systems. In addition, despite this multipolarity, and Iran's relations with non-western powers and the SCO members, are a function of their respective ties with the United States, since yet for all those powers the United States is much more important than relations with Iran. Therefore, China and Russia despite rhetorical opposition to US sanctions were voting in favour of those sanctions. From the Iranian perspective, the United States tries to encircle Iran and competes with other powers in the region to build an 'empire' through a policy of unlimited expansion of influence; By some accounts, the United States and Iran coordinated quite effectively their policies vis-à-vis regional terrorism and particularly the Taliban in the past, so that is something we could see again. However, without a U.S. security umbrella there, it does not make the United States more likely to cooperate because the U.S. focuses now rather on China [38].

**Conclusion.** Considering bilateral relations between Iran and the SCO members, for instance, Sino-Iranian relations, the paper finds that the increased per capita GDP, political and economic relations will continue to rise over the next years. However, this trend still cannot be confirmed yet considering Iranian relations within the SCO framework which consists of heterogeneous members. Considering the impacts of sanctions and the SCO member states' particular interests when it comes to relations with the global West, this certainly does not throw light on how Iran will benefit from the SCO membership. Future research should focus on disentangling the various aspects of the integration process, including the political economy dimension. Future analysis could also focus not only on trade and financial integration

but also on transparency and political support for regional integration. Iran, as a country with Shia Islamic and a Persian national identity, has constructed international relations following its national identity, so that Iran is looking for both independence, legitimacy and modernity. Iran has been keen to keep up a public commitment to the Umma (the global community of Muslims), despite fluctuations in its foreign policy under different presidents. Iran's 'Look to the East' foreign policy orientation, particularly the enthusiasm to join the SCO is consistent with this foreign policy priority and is grounded on Iran's sense of importance as a regional power – a legacy of its history, religion and culture and distrust towards the West. Indeed, there is very little evidence that Iran pursues ideological alliance with any of the SCO states, as this would contradict Iran's identity's principles such as independence and sovereignty so that Iran conducts itself in Central Asia and vis-à-vis the SCO rather pragmatically. Iran's pragmatism is significant as it is eager to join and bolster a regional organisation that acted as a pillar of the status quo, despite some inherent contradictions with Iran's world views.

The SCO is often interpreted as an inherently anti-Western bloc, with some even calling it the "anti-NATO." Yet divergences between individual member states have restrained the bloc's policy coordination which restricts the extent of substantive cooperation on important matters such as the security and post-withdrawal in Afghanistan and the emanating threats from the Taliban takeover of power. Gaining full membership is perceived as a vehicle for Tehran to consolidate regional relationships, which have taken on more importance due to the Western coercive measures towards Iran. Therefore, Iranian membership in the SCO not just as a regional security organisation, but also as a genuine regionalism project with long-term economic payoffs to all of its member states is a political and diplomatic gain for Tehran to avoid dependence and marginalisation and promote regional security and economic integration. Iran's full accession to the SCO can help Tehran's efforts to alleviate crippling sanctions and the strategies to curb Iran internationally.

## References

- [1] A. Fathollah-Nejad, *Iran in an emerging New World order: From Ahmadinejad to Rouhani*. Palgrave Macmillan, 2021.
- [2] W. Xiyue, "China won't rescue Iran. Foreign Policy," December 18, 2020 [Online]. Available: <https://foreignpolicy.com/2020/12/18/china-wont-rescue-iran/> [Accessed Nov. 3, 2021].
- [3] Z. Yazdanshenas, Iran turns east. Foreign Policy. 2021. [Online]. Available: <https://foreignpolicy.com/2021/10/26/iran-china-russia-sco-raisi-turns-east/> [Accessed: Nov. 3, 2021].
- [4] A. Ehteshami, "Iran's Foreign Policy after the Election of Hassan Rouhani," *Global Policy Journal*, 2014. [Online]. Available: <https://is.gd/6qSQo7> [Accessed: Nov. 3, 2021].
- [5] A. Ehteshami and R. Molavi, *Iran and the International System*. Routledge, 2012.
- [6] R. K. Ramazani, "Ideology and Pragmatism in Iran's Foreign Policy," *The Middle East Journal*, no. 58(4), pp. 1-11, 2004.
- [7] R. K. Ramazani, Understanding Iranian Foreign Policy. *The Iranian Revolution at 30*. The Middle

- East Institute Washington, DC, 2009, p. 12. [Online]. Available:<https://www.mei.edu/sites/default/files/publications/2009.01.The%20Iranian%20Revolution%20at%2030.pdf> [Accessed: Nov. 3, 2021].
- [8] S. H. Mousavian, Siāsāt-e khāreji-e Iran's Foreign Policy Requires a Loyal President to the Supreme Leader]. 2013. [online]. BBC Persian [Online]. Available: [http://www.bbc.co.uk/persian/iran/2013/02/130225\\_157\\_mousavian\\_iv\\_nuclear\\_talks.shtml](http://www.bbc.co.uk/persian/iran/2013/02/130225_157_mousavian_iv_nuclear_talks.shtml) [Accessed Nov. 3, 2021]
- [9] S. H. Mousavian, *The Iranian Nuclear Crisis: A Memoir*. Carnegie Endowment for International Peace, 2012.
- [10] S. H. Mousavian, "Globalising Iran's Fatwa Against Nuclear Weapons," *Survival*, no 55 (2), pp. 147-162, 2013
- [11] R. J. Reardon, *Containing Iran: Strategies for Addressing the Iranian Nuclear Challenge*. Rand Corporation, 2012.
- [12] F. Soltani and R. E. Amiri, "The foreign policy of Iran after the Islamic revolution," *Journal of Politics and Law*, no 3, pp. 199-206, 2010
- [13] M. Ahmadinejad, 60th Session of the United Nations General Assembly. 2005.
- [14] M. Ahmadinejad, Gharb bāyad voroud-e Irān be bāshgāh-e haste'i rā bepazirad [World Must Accept Iran's Entry into the Nuclear Club] BBC Persian. 2007. [Online]. Available: <https://is.gd/8kxBbr> [Accessed Nov. 3, 2021].
- [15] A. Acharya, "Studying the Bandung conference from a Global IR perspective," *Australian Journal of International Affairs*, no 70 (4), pp. 342- 357, 2016 [Online]. Available: <https://doi.org/10.1080/10357718.2016.1168359> [Accessed: Nov. 3, 2021].
- [16] L. Zaccara, "Iran's permanent quest for regional power status," in *Diplomatic Strategies of Leading Nations in the Global South: Asia, Africa, Latin America, and the Middle East*. Ed. , Braveboy-Wagner J. New York: Palgrave Macmillan, 2016, pp. 181-211.
- [17] A. M. Haji- Yousefi, "Iran's Foreign Policy during Ahmadinejad: From Confrontation to Accommodation," in *Annual Conference of the Canadian Political Science Association June 2-3, 2010*, Concordia University, Montreal, Canada, 2010.
- [18] A. M. Haji- Yousefi, "Iran and the 2011 Arab Revolutions: Perceptions and Actions," *Discourse: An Iranian Quarterly*, no 10 (1-2), pp. 23-60, 2012,
- [19] R. Cohen, 1979: Iran's Islamic Revolution, 2006.
- [20] V. Radyuhin, Setback for Iran at SCO. *The Hindu*, June 11, 2010 [Online]. Available: <http://www.thehindu.com/news/international/setback-for-iran-at-sco/article452161.ece> [Accessed Nov. 17, 2021].
- [21] J. Karimi, Iran and the Shanghai Cooperation Organization: Interview with Javid Karami. *IRDiplomacy*, June 27, 2011 [Online]. Available: <http://irdiplomacy.ir/en/page/14143/Iran+and+the+Shanghai+Cooperation+Organization.html> [Accessed Nov. 18, 2021].
- [22] S. Aris, *Eurasian Regionalism: The Shanghai Cooperation Organisation*. Basingstoke: Palgrave, 2011.

- [23] A. Dizboni, Iran and the Shanghai Cooperation Organization (SCO): Counter-hegemony as common purpose. *Dynamiques Internationales*, June 2010
- [24] J. Fulton, "Could the SCO expand into the Middle East?" *The Diplomat – The Diplomat is a current-affairs magazine for the Asia-Pacific, with news and analysis on politics, security, business, technology and life across the region.* February 24, 2018 [Online]. Available: <https://thedi diplomat.com/2018/02/could-the-sco-expand-into-the-middle-east/> [Accessed: Nov. 9, 2021].
- [25] Xinhua. Interview: Fighting against "three evil forces" remains the main task of SCO – Xinhua. English.news.cn. 新华网\_让新闻离你更近, July 1, 2017. [Online]. Available: [https://www.xinhuanet.com/english/2017-07/11/c\\_136435641.htm](https://www.xinhuanet.com/english/2017-07/11/c_136435641.htm) [Accessed Nov. 19, 2021].
- [26] ISNA News توضیحات رئیس جمهور درباره عضویت ایران در پیمان شانگهای In English: "President's remarks on Iran's membership in the Shanghai Agreement". *ISNA News Agency*, September 27, 2021 | خبرگزاری ایسنا | صفحه اصلی [Online]. Available: <https://www.isna.ir/news/1400062720269> [Accessed Nov. 19, 2021].
- [27] T. O'Connor, "China, Russia bring Iran, Pakistan into the fold to face the Afghanistan crisis jointly," *Newsweek*, September 16, 2021 [Online]. Available: <https://www.newsweek.com/china-russia-bring-iran-pakistan-fold-face-afghanistan-1629992> [Accessed Nov. 12, 2021].
- [28] A. Alesina, E. Spolaore and R. Wacziarg, "Economic Integration and Political Disintegration," *American Economic Review*, no 90(5), pp. 1276-1296, 2000
- [29] P. Martin, T. Mayer and M. Thoenig, "The Geography of Conflicts and Regional Trade Agreements," *American Economic Journal: Macroeconomics*, no 4(4), pp. 1-35, 2012.
- [30] D. Brou and M. Ruta, "Economic Integration, Political Integration or Both?," *Journal of the European Economic Association*, no 9(6), pp. 1143-1167, 2011.
- [31] P. Nabipour, "Iran and China: Political and Economic Aspects of the Strategic Relationship," *Ukrainian Policymaker*, no 8, 2021,. [Online]. Available: [http://www.ukrpolitic.com/journal/2021/06/UP\\_vol\\_8\\_Nabipour.pdf](http://www.ukrpolitic.com/journal/2021/06/UP_vol_8_Nabipour.pdf) [Accessed :Nov. 3, 2021].
- [32] A. Pikayev, "Enlarging the Shanghai Cooperation Organization: Is Iran a Viable Member?," *Policy Memo*, no. 15, 2008. Washington, DC: PONARS Eurasia.
- [33] T. Ambrosio, "Catching the 'Shanghai Spirit': How the Shanghai Cooperation Organization Promotes Authoritarian Norms in Central Asia," *Europe-Asia Studies*, no 60 (8), pp. 1321-1344, 2008, doi:10.1080/09668130802292143 [Accessed: Nov. 3, 2021].
- [34] Maddox, Bronwen, "Bush Caught in a Cleft Stick Over Uzbekistan," *The Times*, June 9, 2005 [Online]. Available: <http://www.thetimes.co.uk/tto/news/world/article1980249.ece> [Accessed Nov. 13, 2021].

- [35] TASS News Agency, "Russia, China see eye to eye on polycentric world order for global stabilization –Lavrov," TASS, June 1, 2021 [Online]. Available: <https://tass.com/politics/1296517> [Accessed Nov. 22, 2021].
- [36] Xinhua, "Iran approves visa-free travel for Chinese tourists," *China Daily*, June 30, 2019 [Online]. Available: <https://www.chinadaily.com.cn/a/201906/30/WS5d18ce3ba3103dbf1432b0f1.html> [Accessed Nov. 25, 2021]
- [37] P. Nabipour, "China's strategic agreement with Iran: An opportunity of the new century? Modern," *Diplomacy*, March 2021, [Online]. Available: <https://moderndiplomacy.eu/2021/03/30/chinas-strategic-agreement-with-iran-an-opportunity-of-the-new-century/> [Accessed Nov. 18, 2021].
- [38]. P. Nabipour, V. Yaghouti, and A. Khansari, "Iran's National Security and Afghanistan Crisis. Unpacking the Impacts of the Taliban's Takeover of Power on Iranian National Security," *Ukrainian Policymaker*, no. 9, 2008 [https://www.researchgate.net/publication/356434531\\_Iran%27s\\_National\\_Security\\_and\\_Afghanistan\\_Crisis\\_Unpacking\\_the\\_Impacts\\_of\\_the\\_Taliban%27s\\_Takeover\\_of\\_Power\\_on\\_Iranian\\_National\\_Security](https://www.researchgate.net/publication/356434531_Iran%27s_National_Security_and_Afghanistan_Crisis_Unpacking_the_Impacts_of_the_Taliban%27s_Takeover_of_Power_on_Iranian_National_Security) [Accessed :Dec. 5, 2021].