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## China's political-economic Relations with Iran and its Influence on Iran's Oil Production and Export from Ahmadinejad's period to the end of Rouhani's Presidency

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### Abstract

The expansion of economic relations in the shadow of diplomatic relations is considered one of the most important approaches to the development of political systems. This issue is especially important for developing countries so that they can implement an important part of their development-oriented policies by insisting on expanding economic relations with international economic powers. The important issue is that the Islamic Republic of Iran has faced deep challenges in achieving its economic development goals, many times, due to the sanctions policies of the United States. This problem becomes more realistic when the economy of the Islamic Republic of Iran is basically uniaxial and based on oil exports. Today, investment is called as the engine of economic growth and since investment leads to the creation of employment, economic growth, social welfare and income for the country and has a significant impact on components such as bargaining, international prestige and dealing with threats. Therefore, Iran's acceptance of China's investment as a superpower in the economic market and its oil strategies, in addition to securing the interests of both countries, will include the realization of the vision of the oil industry and the breaking of American sanctions against Iran. ; Therefore, from the point of view of Iranian politicians, the policy of looking to the East and attracting foreign investment and specifically strengthening political and economic relations with China is a correct strategic policy, which in addition to breaking the sanctions, can lead to internationalization and extensive interaction with the world, especially the countries The Eastern Bloc fought against it with the aim of preventing the United States from building a consensus in the international system and accompanying other international powers.

**Keyword:** Strategy, Sanctions, Partnership, Energy security, foreign policy, Interdependence

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## Introduction

With about 154 billion barrels of oil reserves and 34 trillion cubic meters of natural gas reserves, the Islamic Republic of Iran is located in a region that has more than 50% of the world's energy resources (Brew, 2022: 61). Iran's position in the political geography of world energy is such that big consumers and statesmen cannot ignore it. Based on this, the role of oil and gas in international relations cannot be ignored (Garlick & Havlova, 2020: 90). With the beginning of primary sanctions and then the implementation of secondary sanctions by the American president and the subsequent global and regional reneges of the West in the aftermath of the JCPOA, Iran's economy as a whole was caught in a long-term recession, which, in addition to livelihood and economic issues, caused the continuation of the problem of unemployment and systematic inefficiency and lack of sufficient capital to boost the business environment (Painter, 2022: 18). The question here is what effect does Iran's political-economic relationship with China have on Iran's oil production and export strategies? Therefore, from the point of view of Iranian politicians, attracting foreign investment and specifically strengthening relations with China is a correct strategic policy that can be used for internationalism and extensive interaction with the world, especially with the countries of the Eastern bloc, with the aim of preventing the United States from building a consensus in the system (Nabipour, 2021: 35). The international community and the cooperation of other international powers confronted it, and from this point of view, it can be claimed that this agreement is the failure of the US sanctions policy and the strengthening of Iran's strategic relations with the Eastern Bloc (Englund, 2020:71). Although the commercial and economic relationship between Iran and China has expanded significantly in the past years, it can be claimed that part of this trend is natural because China, as an emerging economic power, has expanded its commercial relationship with many countries. With this assumption, the expansion of political-economic relations between China and Iran will strengthen Iran's production and export strategies. In this regard, and in the

economic stagnation, a comprehensive strategic agreement with China is a strategic necessity for Iran, which is under the most severe sanctions of the United States and whose relations with the West have led to a dead end (Fulton, 2021: 208). As a result, the conclusion of a strategic partnership agreement has the possibility of being implemented and is more desirable compared to a strategic alliance (Noori, 2022: 382). Strategic partnership with China because it lacks security obligations for both sides and away from geopolitical and geostrategic sensitivities of rivals. It is more likely to be implemented and in addition to not turning Iran into a place of conflict between the East and the West, it provides a better opportunity to deal with the pressures and sanctions of the United States and to manage the country's economic and living conditions, and in fact, it is one of the ways out of The current situation and the desire for economic development is the policy of looking to the east and the document of 25 years of cooperation between Iran and China (Belal, 2020:201). According to what was said, Iran's need for China to get rid of the economic stagnation on the one hand, and China's mutual need for Iran, as well as Iran's commitment to supply China's required oil under any conditions, the review of this article acknowledges based on the theory of interdependence (Harold, 2020: 376).

With these short introductions, this article tries to examine the political-economic relations between China and Iran and its effect on Iran's oil production and export from Ahmadinejad's period to the end of Rouhani's presidency.

Therefore, the main question of this article is:

What were the political-economic relations between China and the Islamic Republic of Iran during the presidency of Mahmoud Ahmadinejad until the end of the presidency of Hassan Rouhani and based on what components and indicators?

## Research methodology

This article is a descriptive research method and its data has been collected through library and virtual studies.

### Research background

-Yavuz Celik (2022) in an article with title: "An Overview of China-Iran Relations and its Impact on Central Asia" argued that China has gained a significant position in the newly independent Central Asia States, making China a significant player in the region. On the other hand, Iran has a strategic location in the Persian Gulf, and its placement at the crossroads of the Middle East, Central Asia, and South Asia has long made it a target for regional and global actors desiring control over a critical section of the Eurasian landmass. This study also analyzes the Shanghai Cooperation Organization (SCO) and Belt & Road Initiative (BRI) that significantly affect China-Iran relations.

-Bakhshiani et al (2022) In an article with title: "Economic and Political Variables Governing the Strategic Relations between Iran and China" argued that Iran has three comparative advantages, including sustainable energy supply, secure transit access to Central Asia and the Eastern Mediterranean, and security in the Islamic geography. In contrast, supplying value-added energy derivatives, completing transit infrastructure, and facilitating access to finance are seen as China's benefits to Iran's economy.

-John Curtis (2022). In an article with title: "China and the US in the Middle East: Iran and the Arab Gulf" argued that China's interest in the Middle East has primarily been economic but is growing more strategic. With the launch of China's "Belt and Road Initiative" (BRI) and its growing demand for imported oil, the Gulf has assumed greater significance to it.

While China's influence is growing, it remains far less substantial as a security partner for the Gulf States than the US. China's attempts to balance its relations with Israel, the Arab Gulf States and Iran also creates its own challenges—these states often being in tension with each other.

-Alavipoor & Kashian (2022) in an article with title: "The Impact of the Economic Components of the Soft Power of the Islamic Republic of Iran on the Development of Trade Relations with China" concluded that the economic components of Iran's soft power play a very important role on China's

desire to develop trade relations with Iran. Increasing Iran's economic power in terms of GDP, improving social capital and increasing foreign investment has played a very important role in developing Iran-China trade relations. International and development of trade relations with other countries requires increasing the country's soft power, especially in components such as domestic production, social capital and foreign investment, and increasing Iran-China trade relations can be justified in the context of increasing the soft power of the Islamic Republic of Iran.

-Angela Stanzel (2022) in an article with title: "China's Path to Geopolitics" concluded that sanctions regime imposed on Iran for its nuclear weapons Programme illustrates this ambivalence. China supported the diplomatic efforts of the E3+3 to resolve the Iranian nuclear weapons issue, which led to the signing of the JCPOA in 2015, and subsequently supported the gradual easing of international sanctions against Iran. China's interests were thus aligned with those of the US and the EU. Its calculated decision to participate in the JCPOA negotiations was based on the very fact that it had to fulfil its obligations and status as a permanent member (P5) of the UNSC. As a P5 power, it was indispensable for China to play a role in such important negotiations in the then new E3+3 format. Since then, it has used this contribution to underline that it acted as a responsible world power. Another motive in the negotiations may have been to avert possible damage to its economic interests in Iran.

-Hindiani & Afshari Aqdam (2020). In an article with title: "Bilateral cooperation between Iran and China and the expansion of economic pragmatism between them" concluded that components such as China's loyalty to Iran in the face of tough sanctions, Iran's continued distrust of the West despite reviving relations, Tehran's reciprocal economic requirements Beijing: Iran's geopolitical and geo-strategic importance to China, the need to counter terrorism extremism and fundamentalism, as well as opposition to the existing international order and US unilateralism have led Iran and China to maintain the current level of political and economic relations. Themselves, try to further expand

bilateral cooperation. In this regard, the present study seeks to find an answer to the main question of what factors have played an important role in the development and expansion of Iran-China relations after the final nuclear agreement or the UN Security Council.

-Shariatinia (2020) in an article with title: "The New Iran-China-US Triangle" concluded that in recent years, the United States has put increasing pressure on both countries. US pressure has created a growing sense of insecurity in Iran and China and paved the way for closer ties between the two countries' The United States has paradoxically pushed Iran and China closer together. In its new configuration, the China-Iran-U.S. triangle operates according to a new logic.

-Jansiz & Pirmohammadi (2020) in an article with title: "The New Iran-China-US Triangle" argued that founding the pattern of strategic partnership is considered as the beginning of a new chapter of strategic relations between Tehran and Beijing. Understanding the relations between the Islamic Republic of Iran and China within the aforementioned framework requires knowing the attitudes and viewpoints of the elites of two countries from themselves, each other and intervening actors. In this connection, the present study utilizes the structural theory to test the hypothesis that cultural and identity factors can have a determining role in jeopardizing their strategic relations as it does in forming strategic cooperation pattern in their relations. Research methodology in this study is causative and the method of data collection is also based on a library method done through referring to books, articles, Internet, etc.

The innovation of this article is to examine the political-economic relations between China and the Islamic Republic of Iran during the presidency of Mahmoud Ahmadinejad until the end of the presidency of Hassan Rouhani. Also, the most important indicators affecting the political and economic relations between Iran and China will also be examined during this period

### **The role and importance of oil in Iran and the international system**

Oil is an important factor in the power of countries in the international system. Especially after the Second World War, politicians and planners realized that any kind of economic growth is necessarily linked to the availability of natural resources (Bower, 2010: 94).

For this reason, oil as a strategic political commodity has always been mentioned in the international scene and even in diplomatic relations, and many political equations are proposed on the axis of how to obtain this important substance, which is the main driver of industrialized countries. Therefore, it can be claimed that the comprehensive program of 25-year cooperation between Iran and China can be considered a golden opportunity, which on one side is China with great political, economic and even military power in the world, and on the other side, Iran is capable of stability in The region and the main player in regional equations and of course the owner of oil and gas resources, which unfortunately the US sanctions and maximum pressure have brought many challenges to its energy sector and among the cases of this agreement is China's 400 billion dollar investment in the economy Iran is modernizing railways, ports, 5G network and communications in exchange for oil supply from Iran (Detomasi, 2022: 116). Therefore, it can be said that the oil industry has an international and effective nature, which has a high capacity in increasing foreign integration, and as a result, it has an important position in securing the relations between the two countries of Iran and China. Therefore, according to the above and taking into account that western multinational companies have made extensive investments in China and many western products manufactured by multinational companies are produced and supplied in China, deepening ties and increasing the level of cooperation and investment with Friendly countries like China is not only a conscious choice but a necessity that can solve many problems in the country's energy production and export sector. In general, it can be claimed that the lack of a clear perspective regarding the future of Iran's relations with the West, on the one hand, and the positive perceptions of the role of China and Russia in shaping the future

international order among some of the decision makers are among the most important reasons. There are those who have encouraged the Islamic Republic of Iran to reach such an agreement with China (Dalberg, 2019: 198).

### **Comparison of oil sales revenue in the government of Ahmadinejad and Rouhani**

With the beginning of Mahmoud Ahmadinejad's government as the sixth president of the Islamic Republic of Iran from 2005 to 2013, Iran's oil income was announced as 531 billion dollars, according to which oil has been the most important source of Iran's income throughout the years and the country's budget has been it is based on the sale of oil. According to the movement of the hands of time, which is approaching the end of the Rouhani government, the imposition of sanctions and the maximum pressure of the United States, the amount of Iranian oil sales has decreased from two million barrels per day in 2015 to less than 500 thousand barrels per day, so that the amount of oil sales In the last year of the twelfth government, with the continuation of the current situation, the sanctions will not reach 10 billion dollars. With these interpretations, the country's total oil income in 2018 due to the severity of the sanctions was around 8 billion dollars, which unfortunately had a significant impact on all sectors, including the country's economic budget and security and other components, following the changes made in America's foreign policy towards Iran came into effect with Trump's order on May 8, 2018, to withdraw the United States from the JCPOA and impose sanctions related to the energy and banking sectors against Iran for a period of 180 days (November 5, 2018), and for this purpose, no exemptions for Commercial companies were not taken into consideration (Azad, 2022: 145-147) with the unilateral withdrawal of the United States and the application of that country's policy of maximum pressure, and with the return of past sanctions and their intensification, there has been a sharp decrease in Iran's oil production and export to the world markets, which in addition to Considering the economic punishment, this caused the non-

activity of foreign companies in the development plans of the oil industry. Given the dependence of the country's economy on oil revenues and the role of oil in providing the primary energy needed and the country's foreign exchange earnings, it is unique and vital. Oil has an international nature, which has a high capacity in increasing foreign communication and cooperation, and as a result, it has an important position in providing relations and political and economic security of the country. From the beginning of the primary sanctions and then the implementation of the secondary sanctions by the American president and the subsequent global and regional bad promises of the West after the JCPOA, Iran's economy as a whole was caught in a long-term recession, which, in addition to livelihood and economic issues, caused the continuation of the unemployment problem. Systematic inefficiency and lack of sufficient capital to boost the business environment. Therefore, from the point of view of Iranian politicians, attracting and investing foreign countries, specifically China, is a correct strategic policy that can be used for internationalism and extensive interaction with the world, especially with the countries of the Eastern bloc, with the aim of preventing the United States from building a consensus in the system. International and other international powers confronted. (Wend, 2022: 17-18) Now, referring to the existing challenges, it can be said that today, energy trade, especially oil, is considered the largest sector of global trade, which interacts with other trade sectors and exerts influence on them (Mark, 2020: 155) with the explanation that Iran's security always has a direct relationship with oil, oil provides more than 80% of the country's foreign exchange income. The strengthening of the relations between Iran and China in recent years, especially during the signing of the JCPOA agreement in 2014 and with the signing of the joint comprehensive strategic memorandum, took on more serious dimensions. In this memorandum, the two sides defined the framework of bilateral cooperation in the political, economic, human and cultural, judicial, security-defense, regional and international affairs. Various cooperation in energy fields and other common fields of

political-economic relations between China and Iran strengthen Iran's energy production and export strategies (Tabatabaei, 2021: 60-62).

### **The 25-year agreement between Iran and China and the requirements of the parties**

According to this draft, China will invest in Iran in all sectors and transfer knowledge. According to Ali Agha Mohammadi, the head of the economic group of the office of Ayatollah Khamenei, the leader of Iran, the scope of cooperation is wider than this, and according to him, this 25-year cooperation in all areas of economic planning, including oil and gas, electronic industries, The areas of knowledge base, environmental protection, etc., this agreement has given incentives to the Chinese side to invest and create infrastructure and cooperate in creating and establishing industrial and commercial complexes, as well as a set of joint political, security and military measures to Iran. And in the meeting between Iran's leader Ayatollah Khamenei and Chinese President Xi Jinping, which was the forerunner of this cooperation understanding between the two countries, some axes of cooperation between the two countries were discussed in the majority of this cooperation document. In this meeting, Ayatollah Khamenei spoke about the need to expand cooperation in the framework of this 25-year cooperation, the need to revive the Silk Road and expand the cooperation of the countries located along this route, Iran's effort to provide energy to China under any circumstances, and confronting the hegemony of the United States (Corneliussen, 2022: 3-4). They had emphasized supporting the principle of one China, opposing the Western interpretation of terrorism and terrorist groups. On the other hand, in the same meeting, the President of China emphasized mutual benefits, cooperation with Iran, development of cooperation with Iran in the form of the Silk Road, support for the JCPOA and emphasis on confronting the American order, pointing to Iran's many geographical, human and energy advantages. And he emphasized on the preparation and expansion and deepening of cooperation in the cultural, educational,

technological, and military and security sectors and the creation of a mechanism to increase the security cooperation of the two countries in the face of terrorism and complex issues in the region. Therefore, the supporters of this agreement believe that Iran's need to earn money, attract foreign capital and receive technology in the conditions of sanctions and deadlock created in Iran's relations with America and Europe, there is no other way for the country except to communicate with China. And on the other hand, the history of relations with China, which has no negative records and interference in Iran's affairs, is necessary, and in this way, the needs and trade of the two countries can be examined and explored based on the theory of mutual dependence (Gheriyagh-Zandi, 2022: 136-137).

And secondly, in such a situation, countries do not have a higher priority than security and power. Also, according to the guidelines of Iran's leadership, statement versus statement, signature versus signature, implementation versus implementation, Iran's compiled steps are the implementation of the original obligations. According to the heavy conditions imposed by the sanctions on Iran's economy, Iran's leadership announced that our economy should be let's set it up so that it goes ahead despite the sanctions. East and receiving technological and financial aid from China has played a valuable role in confronting the threats and sanctions imposed by the United States, and it can be said that this cooperation is the result of hegemonic pressure, and finally, the extent of this investment increases Iran's bargaining power and investment in the fields of In addition to providing the national interests of the country, energy includes economic growth and employment, on the other hand, energy policy overlaps with other policy areas, especially with economic policy, national security, science and technology, employment and industries rapidly. Therefore, the use of China's tools is an undeniable necessity because power is the central signifier of international relations and the world does not move on the basis of law, but on the basis of force and power. Iran has a geopolitical and geostrategic position, on the other hand, it is considered a serious warning for



the West, and if in this direction, if China definitely has the will to strengthen strategic relations with Iran, and it will undoubtedly become two challenging powers against the dominant power of the regional and international order. will affect the political science thinkers, the world is looking for a new geometry of global power from the west to the east, and for this purpose and according to the report of the American intelligence community, by 2040, China will become a prominent global superpower and the era of American dominance on the market The world will end, America was once the only actor who had the ability to influence energy markets around the world, but Washington's global dominance is declining and in the meantime, the role of Russia and China is increasing day by day. And in the last decade, Mert Well, American experts and officials had warned about the rise of China and its threat to America and their country's interests (Shafiee, 2022: 8-11).

However, according to strategic indicators, the 25-year comprehensive strategic plan agreement between Iran and China will advance the Islamic Republic in achieving its strategic goals. According to the order of the leadership of the revolution (the solution to the policy of neutralizing sanctions is to communicate with friendly countries), therefore, in the tense relations of some countries in the region and the United States with Iran, the policy of looking to the east and in the way of securing national interests and protecting the survival Political, social and territorial is the right solution to neutralize the maximum pressures of the West and overcome the dangerous threats and complex developments of the current era. And this argument also applies to Iran and China, and in this regard, the initial road map for further cooperation has been developed, what is necessary is that in today's world relations, countries that will be successful in their strategic interests with great, advanced and refined power. For this reason, the comprehensive program of 25-year cooperation between Iran and China is an incentive for other countries in addition to the growth and creation of commercial and investment opportunities. Considering the change in the world view that the hegemonic and domineering approach of the United

States has cost the world, countries are moving towards multilateralism, and the powerful China is the most important indicator and priority of these countries. China is the world's largest exporter in terms of the value of 591.2 trillion dollars of goods exported to the world in 2020. This volume of exports shows an increase of 22.3% from 2019 to 2020, this growth in the era of Corona, when the world economy can it happened without movement and acceleration. Today, China is the first partner of 130 countries in the world, and among China's partners, Iran is in the 43rd row of the list of China's partners. 11 percent shows negative growth. According to the agreement, China has committed to invest 280 billion dollars in oil, gas and petrochemical industries and 120 billion dollars in road and railway projects in Iran in a period of 25 years. Iran is an important country for China and it can be said that Iran is located at the cross-roads of the world with huge oil and gas resources and is in fact located in the heartland of West Asia and what is one of the important issues of the western future think tanks today is the transfer of power from West is to East, and this fact is a factor that Iranian statesmen use as one of the levers to neutralize American sanctions, and in fact, the agreement between Iran and China is buried in the coffin of American hegemony in West Asia (Seliktar, 2020: 15-17).

### **The perspective of the 25-year cooperation document between Iran and China**

A cursory review of the Iran-China cooperation document is interpreted as neutralizing Trump's policy, which is mentioned below:

1. Bilateral military and security cooperation; exchange of military experiences and joint exercises;
2. Participation in the creation and equipping of oil, gas and petrochemical products storage tanks of both sides: stable supply of crude oil to China, participation in the construction and equipping of oil storage tanks and increasing petrochemical exports to China;
3. Encouraging the participation of Chinese companies in investing and financing

- electricity, energy, water and sewage projects;
4. Completing the east-west railway of Iran, and creating the pilgrimage railway of Pakistan, Iran, Iraq and Syria, as well as the north-south railway;
  5. Development and construction of airports, purchase of air products jointly produced by Iran and China;
  6. Development of Makran beaches; Development of Jask port, establishment of industrial city and construction of refinery and petrochemical industries;
  7. Building a smart city in Makran and Tis;
  8. Encouraging Chinese companies to invest in Iran's free zones, including Qeshm, Arvand and Mako;
  9. Long-term development of selected islands for the purpose of tourism;
  10. China's long-term investment in the refinery industry in Jask port and the construction of Jask port;
  11. Long-term investment in Chabahar petrochemical town;
  12. Establishing a cross-border common area in a third country
  13. ;Designing an industrial town for automobile production; cooperation between Iranian and Chinese automobile companies in order to transfer technology and joint production for supply in the market of two countries and third countries through the creation of production cycles;
  14. Encouraging investment in exploitation of copper mines, iron ore, steel and alloy industries
  15. Development of shipbuilding complexes and domestic luam;
  16. Investing in the metro line of 10 Iranian cities;
  17. Restoration and revival of historical textures;
  18. Political cooperation in regional and international assemblies, organizations and institutions;
  19. Encouraging investment in agriculture, fisheries and watershed management;
  20. Investing in the field of education and student exchange;
  21. Investment and development of the healthcare sector;
  22. Cooperation in the field of technology and telecommunications, the development of the fifth generation of telecommunications, the joint project of developing and strengthening information and communication infrastructures, search engine, e-mail and social messengers (Sadeghi, 2020: 26-32).
- Therefore, from a rational point of view and based on the experiences of getting rid of sanctions, although it appears easy on the surface, but in practice it has many complications. In reality, Iran has no other way than economic planning with the assumption of the permanence of sanctions. Considering these issues, it is necessary that the two countries of Iran and China should cooperate with each other. Therefore, looking at the history of relations between nations, we realize that one of the sensitivities and concerns that led the Chinese to sign a long-term relationship with Iran is the influence of the United States on the Arab countries of the Persian Gulf region. are producers and exporters of oil, and in the future, the pressure of the United States on these countries may increase to create restrictions on the export of oil to China. As a result, the Chinese must have a strategic and long-term solution, and therefore, the best option to communicate with Iran in issues Energy and cooperation in the fields of cost-effectiveness and meeting the needs of the two countries, which can be mentioned based on the theory of interdependence.
- Unbalanced interdependence at the global level**
- Iran has always faced international pressure from the West and America. In this regard, Tehran hopes for the help of countries such as China; Because Iran sees China as a potential ally in the international system. The People's Republic of China has always been willing to expand relations with countries such as Iran in order to create a balance against the big powers in the international system (Harold, 2020: 139-140). The country must:



### ***1. China's cautious role in the international system***

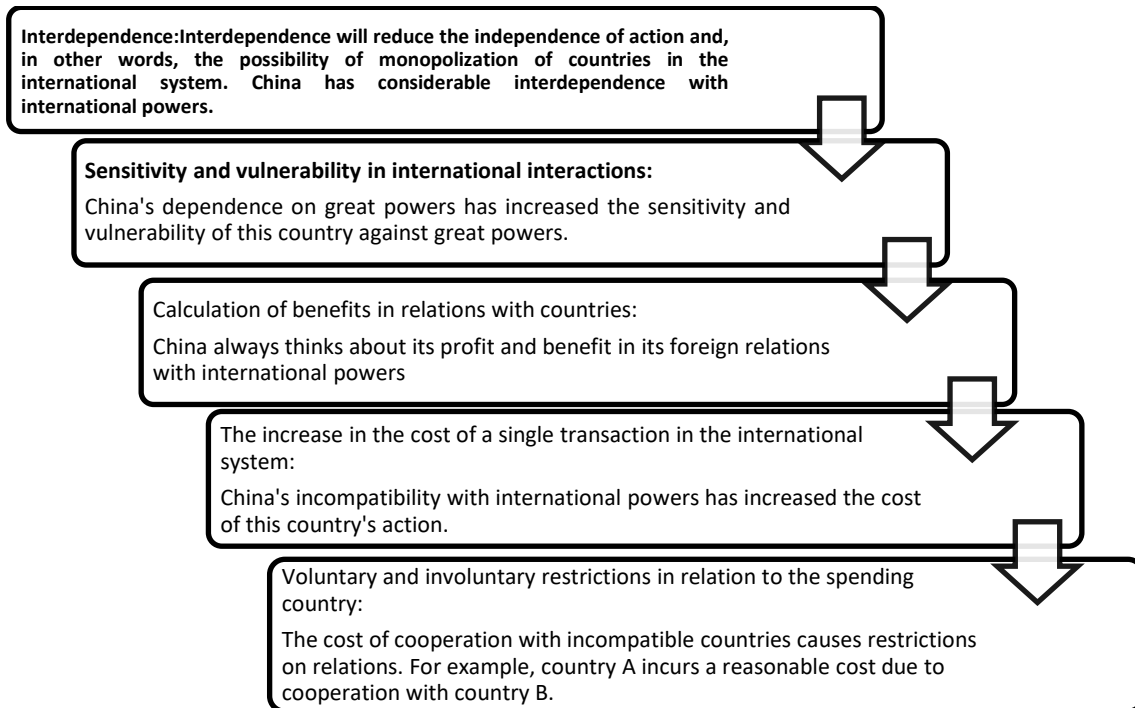
China wants to be recognized as a responsible shareholder in the international system so that global sensitivities regarding the rise of China will decrease (Feng, 2019: 46). This paradox is also visible in the bilateral relations between Iran and China at the global level. One of the important issues in Tehran-Beijing relations, which has a strong international dimension, is the nuclear issue. With the help of China, Tehran reduces the nuclear pressures against it and adjusts the policy of the western governments. However, in 2006, China referred the nuclear case. Iran agreed to the UN Security Council, and further, Iran did not veto any of the resolutions of the Security Council on the nuclear issue, and it has played a two-way game with these resolutions.

For example, China initially opposed the fourth round of sanctions in 2010. But after receiving the assurance from the US that the new sanctions will not hinder the activities of Chinese companies in Iran, he voted in favor of Resolution 1929. These conditions caused the exit of foreign companies from Iran and created an exclusive condition for the Chinese until the present investigation; an issue that both countries want to arrange in some way. Strategic relations are usually a two-way flow and the allies use all possible tools to support the other. In this regard, the President of the Republic of Iran emphasizes that: "Relations with China has always been and will be strategic for Iran" and Ali Akbar Velayati, the advisor of international affairs, said in a meeting with the advisory committee of the Ministry of Foreign Affairs of China that "the relations between the two countries are constructive and strategic, and these meetings will deepen the relationship. Of course, it must be accepted that considering the illegitimate control of the United States over the global financial system, China cannot simply act as a strategic deterrent against the west should act. In the most optimistic state, China is a factor in delaying the hostile policies of the West towards Iran. For example, one week after China's positive

vote for the fourth round of sanctions, Ahmadinejad said that "we have a very good relationship with China and we have no reason to weaken the relationship with China... the main problem is America" (Mahbubani, 2022: 32-34).

### ***2. The intersection of two different views on co-operation***

Iran's approach to the international system is more political and China's is more economic. By supporting the UN sanctions against Iran during the Ahmadinejad era, the Chinese authorities tried to prevent the destruction of China's image in the international arena and show China as a responsible shareholder in the international system. During the unilateral sanctions, Obama and Trump tried not to push Iran completely away and not to provoke America against them. For this reason, in the Trump era, they opposed the secondary sanctions of America, but they did not appear in a challenging act. Based on this, China seeks to take advantage of the conditions of countries where the presence of great powers is weak for some reason. In this situation, both countries have enough interests to cooperate. For example, the most important contracts between China and Iran after the imposition of UN sanctions and when there was no serious competitor for China and no other option for Tehran; It has been concluded. In this context, we can refer to the 2007 USD 2 billion contract (Yadavaran oil field development) and the 2009 USD 2.5 billion contract (Azadegan oil field development). In July 2016, a \$5 billion contract was signed between China National Oil Company with 30% shares, Total France with 50% shares and Petropars Company with 20% shares for the development of phase 11 of the South Pars gas field. After the return of the sanctions, the Total Company left this consortium and China bought 50% of the French shares. But with increasing pressure from Washington, he withdrew from this project in October 1998. Of course, the sanctions did not make China's oil import from Iran to zero in 2018-2019 (Fan, 2022: 506-509). This issue shows the important geopolitical position of Iran in China's foreign policy.

**Fig 1. China's foreign policy model towards Iran based on the theory of interdependence**

As a result, in the tense relations of America with Iran and China, the Chinese felt that close cooperation should be established with Iran, and the more the pressure from the West on them, the more the desire to communicate with Iran is felt. Although Iran is not the same as China in terms of economic components, it is very important in terms of strategic position. The fact is that sanctions have made Iran's economy ineffective at the international level, and what is certain is that due to the maximum pressure and the political conditions of Iran at the level The international market is not able to sell oil and gas condensates on its own, and worse, Iran is also unable to sell products under its own name, and it has to sell through intermediaries at the lowest price and with high additional costs, and its goods and needs are the same. to procure with the highest price and different costs, as a result, neither the government nor the market can play a role in

economic relations, and this policy will undoubtedly lead to the collapse of economic enterprises and ultimately the shutdown of the economy. In any case, economic cooperation with China If it is accompanied by the transfer of technology and capital, it will lead to economic growth. China and Iran, as two central and important countries in the world, have always sought to expand their relations at all levels. The experience of sanctions against Iran for the past decade shows that China plays an important role in Reduction in the effects of sanctions Although the Chinese were moving in the direction of securing their interests by ignoring the American sanctions against Iran, it seems realistic to expect that the 25-year strategic agreement between Iran and China will be able to completely remove the American sanctions against Iran. In general, the strategic agreement between Iran and China can be examined and analyzed from

various aspects, for example, one of the aspects of this cooperation, in addition to reducing the effect of sanctions and capital inflow, is the introduction of technology and its impact on the foreign policy and relations of the country. It is important that strategic partnership allows countries to solve their problems in interaction and communication with international actors, considering that China has achieved modern science and technology over the past years and the continuation of the production engine. That country needs to supply energy, on the other hand, Iran has strategic concerns such as getting rid of economic stagnation and the inability to sell energy, so China can be a suitable place to sell Iran's energy, and Iran definitely has the capacity to supply it. The continuous supplier has an important part of China's energy under any conditions and naturally, Iran and China are facing various challenges in expanding relations and deepening bilateral cooperation, without recognizing these challenges and dealing with them, reaching the goals and generalizing national interests will be very difficult.

Therefore, neglect and lack of sufficient investment in the country's energy industries will lead to unfortunate security consequences, which can be considered as follows:

1. Losing the growing energy market in the world;
2. Reduction of Iran's share and role in the OPEC organization;
3. Quick extraction of neighbors from common energy reservoirs;
4. Economic recession, increase in unemployment, livelihood problems, insecurity and internal instability;
5. The rise of Iran's national risk due to the decrease in oil revenues and the failure to repay foreign financial obligations on time (Curtis, 2022: 126-128)

Based on the aforementioned, the comprehensive cooperation program between the People's Republic of China and the Islamic Republic of Iran includes political goals and main titles for the 25-year comprehensive

cooperation program and executive measures, which contain four key points that address some concerns. It significantly reduces the consequences of such an agreement.

1. At least according to this draft, China will invest in Iran in all sectors and transfer knowledge. This amount of investment by China, while in the current situation China does not release investment or foreign exchange resources of several tens of billions of dollars of Iran in order to avoid sanctions even in Iran's huge oil industries, is amazing and if it is implemented, it will be a fundamental change for It will be Iran;
2. Except for incentives for investment and creation of infrastructure by the Chinese side and cooperation in the creation of industrial and commercial complexes and a set of joint political-security and military measures, there are no special services or privileges in the Iran agreement, such as handing over part of Iran does not give exclusive rights to China to implement these projects, therefore, at least with the implementation of the text referred to by Iran, it will not lose anything and the agreement is significantly in line with Iran's interests;
3. This agreement is mainly in the form of a memorandum of understanding and figures and numbers are included in it. In fact, this cooperation document represents the long-term strategy of cooperation between Iran and China, and each paragraph of the main text or the three appendices requires It has separate agreements to be implemented, which contain the details of this agreement, so if there is any sensitivity, it should be made about the agreements that will be made later after the approval of this agreement for the implementation of different parts between Iran and China;
4. In this 25-year contract, there is no performance guarantee for either side of Iran and China. Therefore, the goals set in this contract and the annexes made at any

stage by the parties may not be implemented and its implementation may be stopped. Unless it is later set in the framework of each clause of cooperation agreements with executive guarantee, which usually requires separate evaluations.

In fact, economic interdependence can be beneficial when a fair and just relationship can be established for the country. According to what has been said, Iran and China see each other as two countries that are aligned in long-term international goals and try to strengthen each other's international positions as much as possible against the unilateralism of the United States and its western allies.

In this connection, some experts believe that, contrary to China's announced policies regarding the importance of international strategic partnership with Tehran, as well as supporting the rights and positions of the Islamic Republic in the world arena, economic interests are far more important and priority for the Chinese. Therefore, in recent years, China's international cooperation with Iran to overcome the sanctions has been to the extent that it does not harm the economic interests of this country.

China has the second largest economy in the world. Also, the country has invested more than two trillion dollars abroad between 2005 and 2020. Therefore, it has the ability to invest in Iran's infrastructure, and also, considering that it is the largest oil consumer in the world and supplies a large part of its oil needs through imports; the purchase of 10 million barrels of oil from Iran by this country is not far from reach (Celik, 2022: 375-379)

With these interpretations, it can be said that with the increase of Western sanctions against Iran, many of Iran's former partners left Iran little by little, some apparently left and remained with Iran in secret, and in general, they could not escape the role of sanctions and the issuing of resolutions by the American Congress. In general, The US policies and sanctions are a big obstacle and a strategic limitation to the expansion of bilateral cooperation

between Iran and China and other countries with Iran.

According to what has been said, it is mentioned to examine the viewpoints and influential areas of sanctions.

### **Vulnerability of the country targeted by sanctions**

Sanctions, in a broad sense, include various types of measures, including suspension of political relations, disruption of communications, limiting or cutting off part of commercial and financial affairs altogether, and military action. Sanctions in relations between governments are of three types: unilateral sanctions in which the initiating government uses punitive measures as a tool of its foreign policy against the target government, multilateral sanctions in which a group of governments participates. And international sanctions, in which the international community, including most of the world's countries, impose specific punishments against a government that has violated the norms and principles of international law. The purpose of international sanctions is to punish the wrong government and make it comply with the norms (Zamani et al, 2021: 438).

In addition to this division, sanctions are classified into primary, secondary and tertiary sanctions according to the position of the initiating government and its relationship with the target government. In the initial sanctions, the initiating government has direct political and economic differences with the target government, and the sanctions only include the target government. In secondary sanctions, there are sanctions against other countries that have commercial and financial relations with the target government. The third sanction is against the parties who have economic relations with the target country or countries in the secondary sanction.

Economic embargo is also divided into two types, commercial and financial: commercial embargo is usually selective and includes one or more goods, but financial embargo includes

cutting official and government aid, and in the most severe stage, to Blocking the assets of the target government leads to; As a result, this sanction stops the process of financial relations and prevents the commercial activities of the target government, directly or indirectly. In this way, financial sanctions, especially in the cases of financing basic development plans, impose more difficult conditions and more costs on the target country.

According to sanctions theories, the vulnerability of the target country depends on the following three factors: the degree of foreign trade concentration of the target country, the elasticity of international markets (and sometimes domestic production) and the openness of the target country's economy (Kirkham, 2022: 66-69).

Trade concentration is a measure of the concentration of economic relations between the sanctioning country and the target country. This concentration relies on the volume and economic importance of the sanctioned basic goods (goods or capital) for the target country. Elasticity is the amount of opportunity that the world market provides for export and import and substitution of embargoed goods. Also, elasticity may reflect the flexibility of the target country's national economy to modify its new economic requirements. Anyway, sanctions theorists accept the fact that sanctions rarely force nations to change their policies. These theorists with economic arguments usually attribute the failure of the sanctions policy to the failure of the sanctions tool. In other words, the elasticity of the global market prevents the embargoing country from fully controlling the economic environment. Sometimes, embargo theorists attribute the failure of the embargo policy to the reciprocal effect it creates in the target country. But the failure of sanctions is due to the flaw in the theory of sanctions and not its implementation. John Galtung criticizes this theory because of its superficiality and simplicity and considers the implicit assumptions of this theory to be

invalid. He also explains a threefold strategy to neutralize the sanctions:

Establishing economic relations with other foreign actors (which involves elasticity), re-organizing the national economy (which involves flexibility), and training for sacrifice (which is discussed in sanctions theory).

### **Theoretical dimensions of sanctions**

According to the definition, economic sanctions are a series of policies planned for the government to limit economic relations (in general) with another government, in order to achieve its political and economic goals (Russell, 2022: 44).

Collective and criminal action involves diplomatic, economic or military actions against a country that has acted against the UN Charter. Based on the seventh chapter of the United Nations Charter, the Security Council calls on the member states to take the necessary measures against the offending country under the title of action on threats to peace, violations of peace and acts of aggression. These measures may include cutting off all or part of economic or communication relations, as well as cutting off political relations or, if necessary, include military measures (Fischer, 2021: 20).

Sanctions can be applied unilaterally, multilaterally or based on international resolutions. International sanctions require the issuance of a UN resolution; but in multilateral sanctions, several countries usually agree to impose sanctions against another country. In unilateral sanctions, one country alone acts against another country. In the latter case, it does not require the issuance of a Security Council resolution, and the countries' agreement provides the basis for sanctions. If there is a weak link in a multilateral or international embargo, the entire embargo will be weakened, because the overall strength of a chain depends on the resistance of its weakest link.

In international sanctions, a series of measures are often taken before the full sanctions are imposed, which can include the following:

1. Encouragement or persuasion through bilateral negotiation;
2. Public announcement and warning to inform the target country
3. Consultation with allies to create a coalition;
4. Beginning of non-economic sanctions;
5. Cancellation of multilateral international meetings in the sanctioned country;
6. Cancellation of granting visas to officials of the sanctioned country;
7. Reducing diplomatic relations with the sanctioned country;
8. Failure to grant facilities and financial aid;
9. Interruption of various communications (Sennan, 2020: 25-28).

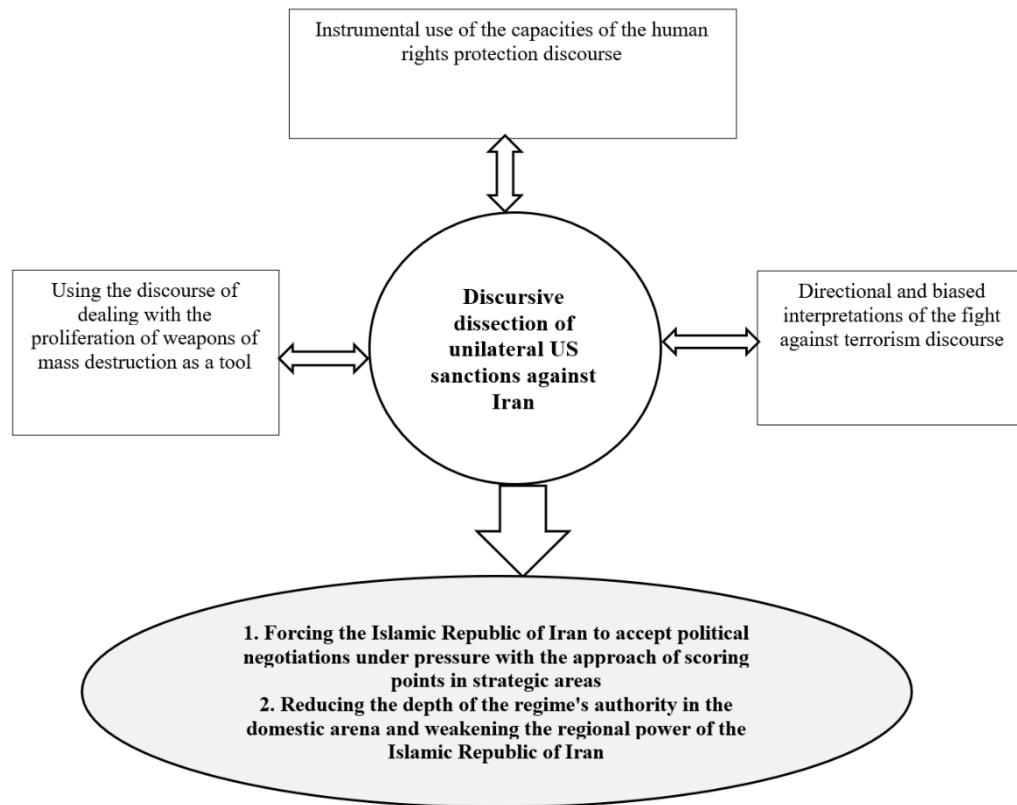
Following the theories related to the adoption of sanctions, the United States always justifies its policies in the form of discourses governing international relations in order to convince the public opinion of the world to intervene in regional systems. And as one of the tools used

by American statesmen and legislators to change the behavior of their opposing actors, sanctions have been an option; which follows in the following three forms of thought:

1. Passing laws or issuing executive orders under the pretext of preventing the production, accumulation, proliferation or trafficking of weapons of mass destruction;
2. Passing laws or issuing executive orders claiming to fight terrorism;
3. Passing laws or issuing executive orders with the showcase of supporting humanitarian values.

Points that can be learned in this article considering the 25-year cooperation between Iran and China: How America exploits sanctions in the form of discourse analysis in order to force the target country to submit to cruel demands. The general forms of investigating Washington's sanctions policies in the form of discourse imposition can be shown in the following pictures (Fan, 2022: 61-63).



**Fig 2. General diagram of American sanctions policies in the form of discourses governing international relations**

The American Congress has also passed resolutions in the form of discourses governing international relations against the Islamic Republic of Iran, which psychologically play a catalytic role in the issuance of sanctions laws.

For example, the most important resolutions of the 111th Congress of the United States of America against the Islamic Republic of Iran in the form of discursive separation are:

**Table 1. Separation of the resolutions of the US Congress against the Islamic Republic of Iran in the form of discourse analysis**

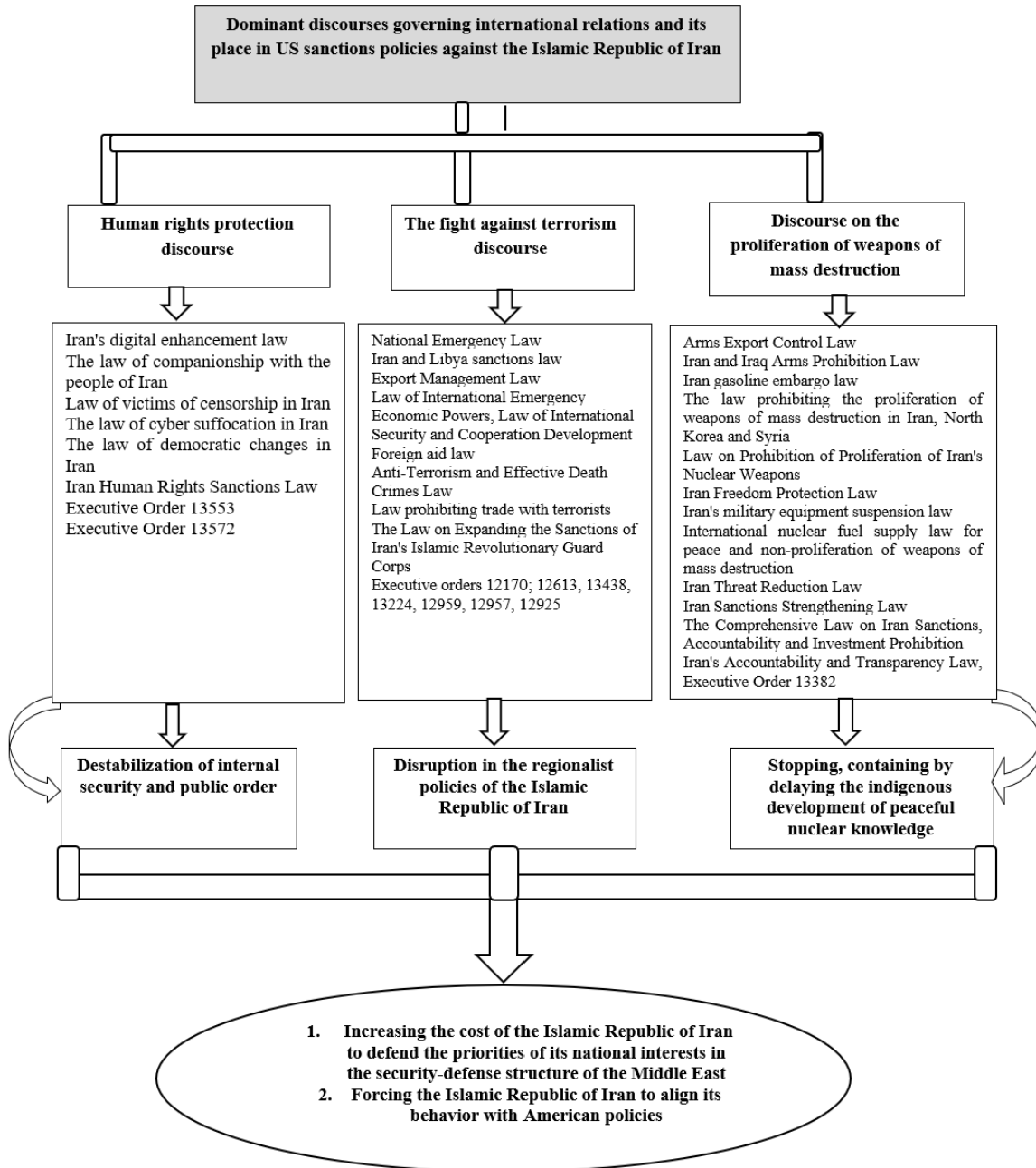
Resolutions of American Congress legislators in the form of counter-terrorism discourse		
Resolution Title	Main Sponsor	Position of representative in the commission
Resolution No. 548 of the Senate	John Cornyn, Republican Senator of Texas State	Judicial Commission of the Senate
Resolution No. 16 of the House of Representatives	Ileana Ros-Lehtinen "Republican" representative of Florida state	Foreign Relations Commission of the House of Representatives
Resolution No. 156 of the House of Representatives	Ileana Ros-Lehtinen "Republican" representative of Florida state	-----
Resolution No. 256 of the House of Representatives	James Himes", Democratic " representative of Connecticut	Internal Security Commission of the House of Representatives

Resolution No. 1599 of the House of Representatives	Carolyn McCarthy " Democratic " Representative of New York State	Financial Services Commission of the House of Representatives
Resolutions of the American Congress with a propaganda maneuver on humanitarian values		
Resolution Title	Main Sponsor	Position of representative in the commission
Resolution No. 71 of the Senate	Ron Wyden" Democratic Senator of " Oregon State	Senate Committee on Energy and Natural Resources
Resolution No. 386 of the Senate	Edward Kaufman" Democratic " Senator of the state of Delaware	Senate Armed Forces Commission
Resolution No. 551 of the Senate	Edward Kaufman" Democratic " senator of Delaware state	Senate Armed Forces Commission
Resolution No. 415 of the Senate	Robert Casey" Democratic Senator " of Pennsylvania	Agriculture and Forestry Commission of the Senate
Resolution No. 33 of the House of Representatives	Sheila Jackson-Lee, Democratic Representative of Texas	Internal Security Commission of the House of Representatives
Resolution No. 560 of the House of Representatives	Howard Berman", the Republican " representative of the state of California	Chairman of the Foreign Relations Committee of the House of Representatives
Resolution No. 1118 of the House of Representatives	Michael McCaul" Republican " representative of Missouri state	Internal Security Commission of the House of Representatives
Resolution No. 1431 of the House of Representatives	Bob Filner" Democratic " representative of the state of California	----

The laws and executive orders of the US sanctions against the Islamic Republic of Iran in

the form of discursive separation can be shown in the following diagram:

### Diagram of discursive breakdown of US sanctions laws against the Islamic Republic of Iran



Considering all the issues raised in line with the discursive separation of the US sanctions laws against the Islamic Republic of Iran, it must be said that China is not seeking to challenge the US in the Middle East or to take its

place as a provider of security in the region, but at the same time It cannot follow its old diplomatic strategy and keep politics separate from economy and business. Therefore, active pragmatism will become the most obvious

diplomatic strategy of China with Iran, and in the future, we will see more strategic and political actions from this country in the Middle East. Since China will be heavily dependent on Persian Gulf oil in the future, it is therefore trying to increase its economic and political presence in this region and have a balanced approach towards Iran. Basically, China considers Iran not only to maintain the free flow of oil from the Persian Gulf, but also as the future solver of energy security.

### Conclusion

Following the imposition of sanctions and maximum pressure from the United States, Iran's economy was in stagnation, so the best option for exit is to attract energy-oriented foreign investment due to the intertwining of the oil industry with foreign and international politics. As far as energy experts believe, the oil industry it requires two factors:

1. Capital 2. Technology, with these interpretations, after a century since the discovery of oil, there are now more than 830 billion barrels of hydrocarbon reserves, which should be developed as soon as possible. Due to the issues raised in the tense relations of some countries in the region And America's look-to-the-east policy with Iran is the right solution to neutralize the maximum pressure from the West and

prevent complete economic destruction. As a result, the Iran-China cooperation document is a smart move that can have positive effects in moderating America's hostility and maximum pressure.

Iran and China have many common and different aspects, both countries are of the same opinion in opposing the domination of the United States over the international system, and during the past two decades, when the nuclear issue had become a point of conflict between the great powers, including the United States, and Iran, China played an important role. in reducing international and unilateral US sanctions against the Islamic Republic of Iran, and in fact, it can be said that China and Iran see each other as two countries that are aligned in the macro and long-term international goals and try as much as possible to support each other's international position against the unilateralism of the United States and Western allies. Strengthen this country. It goes without saying that investing in the oil industry requires huge technology and financial resources, and most of the oil-rich and developing countries do not have the ability to provide the capital required for this sector of resources. Based on this, it is necessary for the country to turn to foreign resources and encourage foreign investment, especially in the oil industry.

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