

IRANIAN ARCHITECTURE OF THE MIDDLE EAST¹

*Vuk Lazic*²

*Danilo Babić*³

Abstract: The Middle East region has always been a politically significant and unstable area, with the permanent scramble of various regional and global actors. Due to circumstances at the international, regional, and domestic level, we can perceive consolidation and a growing tendency of the Iranian regional presence. The cultural and historical foundations of Iran's regional position date back to the distant past. Simultaneously, the geopolitical, economic, and military prerequisites for its modern rise have been present for several decades, especially after the Arab Spring.

After the Islamic revolution, the Iran-Iraq war, and international interventions against Iraq, the Arab Spring stood out as one of the most complex challenges for Iran, which in certain phases threatened to lead to its complete geopolitical and economic isolation. Nevertheless, an important role in the hard-won strategic victories in Iraq and Syria has enabled Iran to extend its multidimensional presence along the historically important geopolitical corridor that stretches from Iran-Iraq-Syria to Lebanon.

After examining the strategic determinants and the regional conjuncture as preconditions and the basis of Iran's regional presence, the article clarifies

¹ The paper presents the findings of a study developed as a part of the research project "Serbia and Challenges in International Relations in 2021", financed by the Ministry of Education, Science, and Technological Development of the Republic of Serbia and conducted by the Institute of International Politics and Economics, Belgrade.

² Research Associate, Institute of International Politics and Economics, Belgrade. vuk.lazic@diplomacy.bg.ac.rs.

³ Research Associate, Institute of International Politics and Economics, Belgrade. danilo.babic@diplomacy.bg.ac.rs.

Iran's vision of the Middle East and its dynamic engagement in the region. Iran's activities are first and foremost aimed at political and military consolidation, and then towards economic and infrastructural connectivity among the countries of the region. In this context, special emphasis was placed on Iran's relations with the key Middle Eastern countries and global actors without neglecting the internal and regional restrictions imposed on Iran in the realisation of its foreign policy goals.

Keywords: the Middle East, Iran, Iraq, Syria, Israel, China.

INTERNATIONAL, REGIONAL AND DOMESTIC PREREQUISITES OF IRAN'S GROWING POWER IN THE MIDDLE EAST

In a series of significant international events and problems that have occupied the interest of the scientific community over the past decade, a group of issues related to the prerequisites and consequences of the growing power of regional actors is particularly important. Some of these actors are characterised as challengers to the US hegemony. In this context, the Republic of Turkey and the Islamic Republic of Iran are attracting special attention, especially in the Middle East. In the research dedicated to Iran, tense American-Iranian relations, the issue of Iran's nuclear programme and agreements (JCPOE), and UN and US sanctions occupy a prominent place. Due to the complex environment in the international arena, several regional circumstances, and a decisive strategic direction over the past decade, Iran has come into a position to more actively and confidently project its extensive state and national interests in the region of the Middle East. In addition to ancient civilization-historical themes and extremely important geopolitical settings, the sources and causes of the rise of Iran's regional powers in the Middle East can be found at the domestic, regional, and international level.⁴

Historical, civilizational, and cultural heritage, geopolitical position, demographic potential, and natural resources have greatly contributed to the

⁴ In recent years, there have been a great number of academic articles and studies that analyse the impact of the nature of the international system and the characteristics of the strategic environment on Iran's regional power and foreign policy. See: Javid Karimi Nerbin and Hamid Sarmadi, "New systemic order and foreign policy strategies of the Islamic Republic of Iran in the Middle East", *International Journal of Political Science and Governance*, Vol. 3, no. 1, 2021, pp. 04–11.

stability and capacity of Iran's regional power. Internally, the most significant change was the Islamic Revolution (1979), which, through the content and form of a special Islamic heritage and teachings, promoted the imperatives of economic sovereignty, political stability, military power, indigenous technological development, and a stronger and more independent regional position. On the other hand, the revolution structured social divisions and produced the conditions for internal political competition, most often between religious and political leadership and liberal and conservative political forces.

Although the unipolar structure of the post-Cold War order has produced a variety of serious constraints on the strengthening of Iran's power in the Middle East, regional circumstances (beginning in the 1980s) have paradoxically weakened several of Iran's regional rivals and opened a wide and uncertain space for defining and pursuing more active Iranian policies towards the Middle East. The dissolution of the USSR significantly decreased the Soviet-Iranian antagonism and created new preconditions for the development of strategic Iranian-Russian relations. In the same period, a new political elite grew up in Turkey, inclined to strengthen all types of cooperation with Iran. The culmination of favourable regional circumstances was (probably unexpected) the intervention in Afghanistan (2001) and Iraq (2003), which ended the rule of anti-Iranian regimes in these countries. Following these regional changes, the idea of Iran as a regional power is increasingly emerging, accompanied by geopolitical concepts of "rebuilding the Persian Empire" and establishing a "Shiite crescent", usually planned in the area covering Iran through Iraq and Syria to Lebanon and Palestine.

However, far-reaching and broad UN sanctions, strained US-Iranian relations during the presidential terms of George W. Bush and Barack Obama, and a strengthened US regional military presence, have significantly limited the penetration of Iranian influence into the newly created regional vacuum. Moreover, the war in Lebanon (2006), economic sanctions, and the numerous announcements of military intervention against Iran were important aspects of a broader strategy to curb its regional power. According to the Syrian and Iranian ruling elites, and even several Lebanese and Iraqi political actors, the most intense and significant episode of this strategy was the Arab Spring. The processes that started in 2011 were characterized, among other things, as a carefully designed and consistently implemented plan that would primarily

limit Iran's regional power and then lead to its political and economic isolation. The realisation of this endeavor included extensive, diverse, and asymmetric activities in Lebanon, Syria, and Iraq, aimed at weakening the military and political strength of the Hezbollah movement, removing Bashar al-Assad, and establishing an anti-Iranian government in Iraq.

After a decade of intense confrontation on many different levels, followed by bloody civil wars in Iraq and Syria, it can be concluded that Iran, in cooperation with the Russian Federation, Syrian authorities, and local political and military actors, has thwarted the key intentions of the Arab Spring. On the other hand, Iran has paid dearly for this success internally, primarily economically and politically, as well as in the aspect of what can be classified as "regional overstrain".

Iran's strategic environment has changed significantly in recent years, primarily in the area of emerging opportunities and threats. One can assume that the US presence in the region most directly contributes to the sensitivity of Iran's strategic environment. Yet, based on a number of indicators, we may notice that the US hegemonic regional position is weakening, but the US still maintains a range of tools and instruments to influence the regional conjuncture. Having in mind the dilemma of the future architecture of this region in the conditions of the intensive presence of regional and non-regional actors, this article aims to analyse the basic features of the Iranian vision of the Middle East and, consequently, the current dynamics and perspectives of its political, military, economic, infrastructural, and cultural influence and connectivity in the region.

IRAN'S VISION OF A (NEW) MIDDLE EAST

After the stabilisation of security and political conditions on the Syrian and Iraqi battlefields, scientific discussions were intensified on the topics of the future constitutional, legal, and social organisation of these countries and the new regional architecture of the Middle East. In this context, it is necessary to consider the complex vision of Iran as one of the most powerful countries in the Middle East, which has a significant increase in influence on the overall regional situation. Iran's vision of the Middle East is a legacy of long historical development and a series of civilizational, religious, political, and economic determinants. Although the Iranian vision throughout its

turbulent history has largely adapted to international, regional, and domestic circumstances, it has largely retained a set of stable and enduring factors. The fact that modern Iran, despite a series of social and personal changes, still rests heavily on ancient and rich Persian culture in terms of values and ideas, allows a certain historical continuity and civilizational depth of its geopolitical position at the regional and global level. On the other hand, there are indications that Iran seeks to formulate and implement a neo-Persian or pan-Persian doctrine, based on the restoration of political, economic, and cultural presence in the former empire, from the Mediterranean to the Persian Gulf.⁵

In the academic literature, the Iranian geopolitical vision is most often associated with the notions of pan-Islamism, Panshism, anti-Westernism, anti-imperialism, and anti-Zionism.⁶ Unlike Western authors, who frequently refer to the expansionist and exclusive concept of the “Shiite crescent,” most Iranian scholars believe that the reason for the reduction of a complex and tolerant Iranian vision is solely based on this concept of the “Shiite crescent,” and that it is political, not scientific.⁷ Based on the analysis of a large number of foreign policy decisions, a recently published study identified the most important factors in contemporary Iranian foreign policy. These are: geopolitical structure, natural resources, ethnic and religious differences, government, ideology (Shi’ism), and the international and regional environment.⁸

From the aspect of strategic mentality, the “psychological effect of occupation” left the deepest psychological consequences on Iran’s foreign

⁵ The growth of the Iranian military presence in the region, trade, and investment activity and the developed cultural engagement in the protection and promotion of the Persian heritage have encouraged many Western analysts to launch the thesis about the formation of a new Persian Empire. See more in: Charles Krauthammer, *Iran’s emerging empire*, The Washington Post, 22.01.2015, https://www.washingtonpost.com/opinions/charles-krauthammer-irans-emerging-empire/2015/01/22/c3098336-a269-11e4-903f-9f2faf7cd9fe_story.html, accessed: 20.08.2021; Kayhan Barzegar, *Persia is back, but in a different form*, 28.01.2019, Atlantic Council, <https://www.atlanticcouncil.org/blogs/iransource/persia-is-back-but-in-a-different-form/>, accessed: 20.08.2021.

⁶ Vali Golmohammadi, „The foreign policy of the Islamic Republic of Iran: Prospects for change and continuity”, *All Azimuth: A Journal of Foreign Policy and Peace*, Vol. 8, No. 1, 2019, p. 93.

⁷ Anar Aliyev and Dr.K.M. Ashifa, „Internal and External Factors Determining Foreign Policy of Iran: Prospects and Perspectives”, *Journal of Contemporary Issues in Business and Government*, Vol. 27, No. 3, 2021, pp. 1158–1167.

⁸ *Ibidem*.

policy-makers, especially after the Islamic Revolution and the Iraq-Iran war. The main characteristic of this phenomenon is the immanent and deeply structured distrust of the intentions and policies of Western actors.⁹ The consequences of the “occupation effect” are reflected in Iran’s turn towards its own potential and its firm insistence on the principle of sovereignty. In conceptual and historical terms, the Iranian “effect of occupation” corresponds to the “Sèvres Syndrome” of modern Turkey, manifested through a special sense of geopolitical isolation.¹⁰

Masoud Kazemzadeh rightly notes that the heterogeneous structure of the population, made up of numerous ethnolinguistic communities, and Shi’ism, as the second-largest branch of Islam, occupy a very important place in Iran’s foreign policy.¹¹ In this light, it is worth pointing out a certain paradox in the Iranian vision, which draws its specific values and ideological worldview from Shi’ism while at the same time uncompromisingly and continuously insisting on the idea of Islamic solidarity and unity. Isolation from most of the Sunni world increases Iran’s sensitivity to the problems of Muslim communities throughout the Middle East and worldwide. This increased sensitivity leads to the paradox of levitating between pan-Shi’ism and pan-Islamism in Iran’s foreign policy, which is often neglected by many authors who tend to reduce the Iranian vision to either concept, ignoring the complex paradox. This paradox sometimes leads to unbalanced decisions in Iran’s foreign policy.

In the political dimension, Iran’s vision of the Middle East is based on the general principles of sovereignty, political, economic, and technological independence, the preservation of territorial integrity, and non-interference of non-regional actors in regional affairs. Due to its extreme internal heterogeneity and complex regional circumstances, Iran shows a high degree of sensibility and understanding towards the question of ethnic and religious diversity. Although the statements of the highest state officials insist on

⁹ Mahan Abedin, “The Domestic Determinants of Iranian Foreign Policy: Challenges to Consensus.”, *Strategic Analysis*, Vol. 35, No.4, 2011, p. 623.

¹⁰ For this reason, it can be assumed that these similarities in strategic mentality represent one of the bridges of understanding and pillars of stability of the Turkish-Iranian relationship.

¹¹ Masoud Kazemzadeh, “Foreign policy decision making in Iran and the nuclear program.”, *Comparative Strategy*, Vol. 36, No.3, 2017, pp. 198–214.

tolerance, inter-religious tolerance, and the fight against sectarianism, it can be seen that Shiite actors are the cornerstone of Iranian policy in the Middle East. The political and military dimensions of the Syrian war unequivocally demonstrate Iran's overriding reliance on Shiite actors.

Rivalry with Israel, the United States, and other Western actors is one of the most stable and dominant features of Iran's Middle East policy after the Islamic Revolution. However, it is necessary to point out that Iran's success in Middle Eastern affairs depends to a large extent on the quality of relations with these actors. Therefore, behind Iran's declaratively irreconcilable and firm stance towards these actors, there is often an increasingly pragmatic approach that deliberately and soberly considers the problems and possible solutions to the most important regional issues.¹² The complexity of the Iranian vision is most evident in the example of the policy towards the Kurdish factor in the Middle East. On the one hand, Iran seeks to establish strong political, economic, and cultural ties with Kurdish actors, especially Iraqi Kurds. On the other hand, Iran strongly opposes any move that would lead to the establishment of an independent Kurdish state.¹³

The new reality was formed in the Middle East based on strategic victory, the dire consequences of the Syrian and Iraqi wars, the announced US withdrawal from Iraq, the dynamics of Israeli-Palestinian relations, and Iran's

¹² As an example of pragmatism and a certain contradiction in Iranian policy, some experts cite Iran's recent tacit consent to the appointment of Mustafa al-Kadhimi, one of the suspects in the assassination of senior Islamic Revolutionary Guard Corps officer Qasem Soleimaniz as minister in Iraq's new government. Iran from anti-imperialist to imperialist again, Thierry Meyssan, *Voltaire*, 11.08.2020, <https://www.voltairenet.org/article210695.html>, accessed: 20.08.2021.

¹³ Since the beginning of the Arab Spring, Iran has sought to maintain communication and develop relations with the Kurds in Iraq and Syria. However, after the announcement of the referendum on the independence of Iraqi Kurdistan (2017), Iran threatened to suspend political and economic relations with the Kurds and turn to creating a coalition with Iraq, Syria, and Turkey. Turkey would, if necessary, militarily defeat the proponents of this idea. After stabilizing the situation with the Kurdish factor in the Middle East, Iranian Foreign Minister Javad Zarif paid a significant visit to Erbil, during which, in addition to providing guarantees that Iraqi Kurdistan will not be the ground for an attack on Iran, both sides expressed a desire to continue developing relations. *Iraqi Kurdistan's Soil Won't Be Used for Threatening Iran: Barzani*, IFP, 28.04.2021, <https://ifpnews.com/iraqi-kurdistans-soil-wont-be-used-for-threatening-iran-barzani>, accessed: 20.08.2021.

broader geopolitical vision. Considering this new reality, we can identify six key dimensions of the Iranian vision of the (new) architecture of the Middle East:

1. Minimization of the (military) presence and influence of non-regional actors, especially the US and the UK in the Middle East;
2. Finding a *modus vivendi* with the Gulf States;
3. Continuous political, military, and economic support for pro-Iranian actors in the Middle East;
4. The military strengthening and political stabilisation of Syria and Iraq with the strengthening of the role of Hezbollah in the political life of Lebanon;
5. The development of cultural cooperation with Middle Eastern countries;
6. Facilitating the political, military, economic, and infrastructural integration of Iraq, Syria, and Lebanon alongside strategic cooperation with the People's Republic of China, the Russian Federation, and to some extent with Turkey.

POLITICAL AND MILITARY INTEGRATION OF THE MIDDLE EAST

The post-Cold War order and the American effort to change the architecture of the Middle East did not directly affect Iran's interests in the initial stages because the US was primarily focused on Afghanistan, Iraq, and the Israeli-Palestinian dispute. However, immediately after the intervention in Iraq (2003) and the war in Lebanon (2006), it became clear that soon enough, the issue of Iran's regional influence would occupy the very top of the US and its allies' agenda. In the following years, many variables that influence the conjuncture of the Middle East have changed. There was an increase in the US military presence in the region, limiting the role of Hezbollah in Lebanon, the gradual isolation of Syria, and the economic strengthening of the Gulf states. Furthermore, devastating trade sanctions and the threat of military intervention against Iran, as well as the continuous and unsuccessful attempts by the United States to "produce" or find an adequate interlocutor in the political sphere of Iran.

The Arab Spring (2011), as the most dramatic event in recent Middle East history, is a key process that has had the greatest impact on contemporary regional conjuncture and trends. The political, economic, and military engagement of the world's most important powers and regional actors has

drastically raised the stakes of the war in Syria and Iraq. After years of bloody conflicts, demographic and economic collapse, and engagement of maximum military efforts, Syria, Russia, and Iran, with significant financial support from China, won a strategic, but not a final victory. The echo of the decisive victories in Aleppo, Deir ez-Zor, and Abu Kamal, the restraint of the Kurds in the region, and the announcement of the withdrawal of the US from Iraq, had an echo in the new and forced approach of the US and its regional allies. The main goal of the new US strategy is aimed at prolonging and hindering military, economic, and infrastructural integration and political and financial consolidation in the Middle East, in which Iran has a notable, and often initial, role. This chapter provides an overview of Iran's results and planned activities in this area, considering some serious constraints it faces in this complex and delicate endeavor.

Syria has been and continues to be Iran's key, and often sole, ally in the Middle East over the last few decades. The alliance between the two countries is based on strong trust between political elites, agreement on strategic goals, and certain cultural and religious similarities.¹⁴ The enormous military and economic assistance provided during the Arab Spring and continued diplomatic and political support for stabilising the situation in Syria, especially on the issue of preserving territorial integrity, the legitimacy of the presidential election, and debates about the new constitution, further strengthened strategic relations between the two countries.¹⁵ Over the past

¹⁴ In the political dimension, both countries take almost identical positions on the Palestinian issue, the Lebanese problem, and key Islamist militant organizations. (Muslim Brotherhood, Al-Nusra Front/Jabhat Fatah al-Sham) and the role of Israel, the United States, and their allies in the Middle East. At the same time, Iran provides continuous and full support to the territorial integrity of Syria, which is confirmed by the statement of the President of Iran, Hassan Rouhani that Golan is part and parcel of the Syrian territories, Rasha Milhem, SANA, 06.04.2019, <https://sana.sy/en/?p=162638>, accessed: 20.08.2021. In addition, the fact that Syria's political, economic, and military elite are mainly members of the Shi'ite Alawite sect is an important bridge of mutual understanding and co-operation.

¹⁵ Iran's support on the ground is primarily characterised by extensive and well-organized humanitarian aid, especially after the liberation of Aleppo and Deir ez-Zor. Iran sends 200 tonnes of aid to Eastern Aleppo, M.al-Frieh and H. Said, SANA, 03.10.2017, <https://sana.sy/en/?p=115060>, accessed: 20.08.2021; Iranian humanitarian aid convoy to the people in Deir Ezzor, 21.09.2017, SANA, <https://sana.sy/en/?p=114302>, accessed: 20.08.2021. Equally important as the entire war assistance is Iran's proposal to establish the International Fund for the Reconstruction of Syria. In the process of painstaking renewal

years, Iran has, at a very delicate moment, provided decisive support to the Syrian government in the arduous negotiations and then the tensions that followed with the Syrian Kurds, primarily in northeastern Syria.¹⁶

The Islamic Revolutionary Guard, Hezbollah, and other pro-Iranian militias had significant military engagement in the battles along the Lebanese border (Al-Zabadani) and the liberation of Aleppo and eastern Syria.¹⁷ The consolidation of Iran's military presence paved the way for the Syrian Arab

of Syria's infrastructure, which in a sense has already begun, significant assistance is expected from Iran. Khaji: Iran suggests establishing International Fund for reconstructing Syria, Baraa Ali and Mazen Eyon, SANA, 11.11.2020, <https://sana.sy/en/?p=209615>, accessed: 20.08.2021. In that context, Syria and Iran have signed agreements and memoranda on infrastructure reconstruction in recent years. One of the most important programmes signed in 2019, emphasised the provision of benefits for the establishment of Iranian-Syrian companies in charge of the reconstruction of housing units and public infrastructure. The following year (2020), a memorandum was signed which envisages the rapid construction of residential suburbs, the renovation of water treatment plants, and the construction and renovation of facilities for the production of electricity. Syria, Iran to enhance cooperation in infrastructure and housing domains, MHD Ibrahim and Mazen Eyon, SANA, 27.08.2020, <https://sana.sy/en/?p=201335>, accessed: 20.08.2021; Syria, Iran ink executive program on joint cooperation in public services and housing, Gh.A.Hassoun, SANA, 26.11.2019, <https://sana.sy/en/?p=179306>, accessed: 20.08.2021. Iran was among the first countries to congratulate Bashar al-Assad on his victory in the presidential election, while in a recent meeting with the President of the Islamic Shura Council, Assad reiterated that Iran is a key partner and sided with and supported the Syrian people in the terrorist war. President al-Assad: Iran is key partner to Syria, coordination in war against terrorism gave positive results, Bushra Dabin and Mazen Eyon, SANA, 28.07.2021, <https://sana.sy/en/?p=243464>, accessed: 20.08.2021.

¹⁶ On the one hand, Iran is in favour of negotiations between the Syrian government and the Kurds, while on the other hand, it strongly condemns any agreement between the Syrian Kurds and the United States, interpreting it as "a new step in plundering Syria's natural resources.", Iran: Deal between "QSD" militia and a U.S. company, a new step for looting Syrian natural resources, Bushra Dabin and Mazen Eyon, SANA, 04.08.2020, <https://sana.sy/en/?p=199126>, accessed: 20.08.2021.

¹⁷ Iranian forces are currently stationed in about 700 Syrian settlements and control an area of about 17,000 km². Their wartime engagement extended to the provinces of Latakia, Raqqqa, Aleppo, Damascus, and Tadmur. Including numerous pro-Iranian militias, current estimates say that about 20,000 of (pro)Iranian fighters are on Syrian soil, while estimates of realized Iranian financial aid range from a few tens to hundreds of billions of dollars. Since its official involvement in the war (2013), the Iranian Revolutionary Guard has lost about 2,300 soldiers and several high-ranking officers.

Armed Forces' strategic victory over the Islamic State and other terrorist organizations. In order to strengthen the Syrian armed forces and mutual military cooperation, a number of military-technical agreements have been signed between the two countries.¹⁸ Although Iran emphasises that the role of its military presence in Syria is solely advisory, the formation of numerous and various pro-Iranian armed formations suggests otherwise. The increase in the total number of its armed forces and the delivery of significant quantities of military equipment have produced strong reactions from neighbouring countries. In recent years, Israel's military activity against the Iranian armed forces in Syria has been accompanied by a series of airstrikes. In response to the ongoing Israeli attacks, Iran has resorted to a change in tactics that includes not only changing the deployment of the armed forces, but also the operational segment of its operations.¹⁹ In that context, the position and behaviour of the Russian Federation are indicative. Russia has shown considerable restraint and even understanding during a series of Israeli airstrikes. The fact that there is no complete agreement between Russia and

¹⁸ The following agreements have been signed in this area: memoranda defining coordination in the field of internal security cooperation and the fight against terrorism (2015), agreements dedicated to the development of cooperation and coordination between the armed forces (2017) and the recent comprehensive agreement on strengthening military and security cooperation (2020). Syria and Iran sign MoU on internal security cooperation and fighting terrorism, SANA, 22.06.2015, <https://sana.sy/en/?p=45929>, accessed: 20.08.2021; Syria, Iran sign MoU on developing cooperation and coordination between their armies, SANA, 22.10.2017, <https://sana.sy/en/?p=116282>, accessed: 20.08.2021; Syria and Iran ink agreement to enhance military and security cooperation, SANA, 08.07.2020, <https://sana.sy/en/?p=196751>, accessed: 20.08.2021. Visits of top military officials have been intensified in recent years. Syria, Iran to enhance military cooperation, Manar and Mazen, SANA, 01.05.2017, <https://sana.sy/en/?p=105311>, accessed: 20.08.2021.

¹⁹ Iran has shifted the focus of its military presence from its own armed forces to pro-Iranian local militias and other units composed mostly of Palestinian volunteers and several mercenary units. In order to legitimise and reduce the visibility of its presence, Iran seeks to incorporate these units into the official Syrian armed forces. In general, based on a number of indicators, it can be observed that after the initial phase of the spread of Iranian influence in Syria, the period of its entrenchment, deepening, and stabilisation began. The Atlantic Council report notes that Iran, especially since 2017, is applying a new approach that shifts the focus from classic military instruments to infiltrating Syrian society and strengthening relations with its businessmen. See more in: Nader Uskowi, „The Evolving Iranian Strategy in Syria: A Looming Conflict with Israel“, Atlantic Council, 2018.

Iran on the number, manner, and deployment of the armed forces in Syria can be a serious limitation for Iranian policy, especially in the period after the liberation of the remaining Syrian territories (Idlib).

Although the military and political aspects are the backbone of Syrian-Iranian relations, the achieved results and the planned cooperation in the fields of culture, education, science, and the media should not be neglected.²⁰ The foundations for expanding and further strengthening strategic cooperation were laid in 2019 when the two countries signed 11 agreements, memoranda, and executive programmes on strengthening relations in the economic, cultural, and scientific fields.²¹ In this period, the emphasis in relations was placed on the strategic area of energy, which envisages the construction of several capital infrastructure projects. Likewise, special attention has been devoted to helping and cooperation in the field of healthcare, especially during the COVID-19 pandemic.²² It is becoming more

²⁰ The memorandum of cooperation in the fields of higher education and scientific research, signed in 2018, was one of the first significant interstate agreements of this kind. Syria, Iran ink MoU on cooperation in higher education and scientific research, SANA, 03.07.2018, <https://sana.sy/en/?p=141439>, accessed: 20.08.2021. After a series of meetings dedicated to strengthening educational and scientific relations, an agreement was recently signed on strengthening cooperation in the cultural, economic, and tourism domains, with an emphasis on cooperation in scientific and research activities, student exchange, and scholarships. Syrian-Iranian talks on enhancing educational cooperation, Hala Zain, SANA, 27.07.2021, <https://sana.sy/en/?p=243315>, accessed: 20.08.2021. In order to strengthen scientific cooperation in the field of biotechnology, nanotechnology, communication and industrial technology, the Iranian Center for Innovation and Technology was opened in Damascus, while at the same time a credit line of 10 million arrivals to support the import of high-tech and hospital equipment from Iran. Iranian Innovation and Technology Center opened in Damascus, Manar Salameh and Hala Zain, SANA, 03.03.2021, <https://sana.sy/en/?p=224722>, accessed: 20.08.2021. Following modern trends, the two countries signed agreements on strengthening media relations with the media, with an emphasis on coordinating activities in dealing with the media war and similar types of threats. Syria, Iran to enhance media cooperation, Manar, Bushra and Mazen, SANA, 24.02.2021, <https://sana.sy/en/?p=223829>, accessed: 20.08.2021.

²¹ Syrian-Iranian relations... strategic cooperation, coordination in various fields, Shaza al-Ashkar and Ruaa al-Jazaeri, SANA, 11.02.2021, <https://sana.sy/en/?p=221826>, accessed: 20.08.2021.

²² Following Iran's provision of health care during the first wave of pandemic, a series of high-level meetings dedicated to developing relations in this area have been held since the end

and more obvious that Iran wants to build relations with Syria in a multidimensional and extensive way while simultaneously aiming to impose its own vision of these relations.

Iran's regional policy cannot be fully understood without shedding light on the nature and perspectives of contemporary Iranian-Iraqi relations. In geopolitical and geoeconomic terms, Iraq is a key and, at the same time, extremely sensitive and even potentially the weakest link in Iran's policy towards the Middle East. After decades of regional rivalry and conflict in the Iraq-Iran war, the Arab Spring followed, resulting in a complete turnaround in Iranian-Iraqi relations. The overlap of strategic goals and the existence of a common adversary in the form of Islamic terrorism and then "Kurdish separatism" was the basis for providing strong political support to the Iraqi government and the framework for future relations. During the fight against the Islamic State, Iran provided great military and economic aid to Iraq. The concrete results of the new dynamics in their relations were embodied in the trilateral meeting of Syria, Iraq, and Iran (2015).²³ Soon after, political harmonisation was developed, followed by economic and military unification of the three countries, while the trilateral format became a regular form of tripartite relations.²⁴

In addition to the undoubted and strong military presence of pro-Iranian forces in Iraq, Iranian policy pays great attention to the economy, and above

of 2020, with a focus on strengthening cooperation between medical, therapeutic, and scientific centers. Syrian-Iranian talks to enhance cooperation in Medical, technological Sciences, Manar Salameh and Mazen Eyon, SANA, 24.11.2020, <https://sana.sy/en/?p=211227>, accessed: 20.08.2021; Syrian-Iranian talks to enhance cooperation in medical sciences and engineering, Manar Salameh and Mazen Eyon, SANA, 08.12.2020, <https://sana.sy/en/?p=213060>, accessed: 20.08.2021; Syria, Iran discuss cooperation in health sector, Hala Zain, SANA, 26.01.2021, <https://sana.sy/en/?p=219414>, accessed: 20.08.2021.

²³ Trilateral meeting of Syria, Iraq and Iran a turning point in cooperation, Tehran says, SANA, 24.06.2015, <https://sana.sy/en/?p=46204>, accessed: 20.08.2021.

²⁴ Iran's diplomatic approach to Iraq has been carefully prepared and skillfully led. It is based on "the need for a sovereign, strong and developed Iraq." Iran Wants to See Strong, Developed Iraq: President Raisi, IFP, 05.08.2021, <https://ifpnews.com/iran-wants-to-see-strong-developed-iraq-president-raisi>, accessed: 20.08.2021. At the end of last year, the Roadmap for five-year cooperation between the two countries was defined. Iran, Iraq Delineate Roadmap for Five-Year Cooperation: Minister, IFP, 27.12.2020, <https://ifpnews.com/iran-iraq-delineate-roadmap-for-five-year-cooperation-minister>, accessed: 20.08.2021.

all to the process of rebuilding Iraq and strengthening trade and energy relations.²⁵ Finally, Iran seeks to establish a cultural and religious factor as a fundamental basis of relations between the two states.²⁶

The sensitive domestic circumstances in Iraq, embodied in ethnic and religious complexity and the existence of numerous opposing political groups, are forcing Iran to adopt a more sensitive and pragmatic attitude, which often includes making certain concessions.²⁷ On the other hand, despite the repeatedly expressed agreement between Iraq and Iran on the necessity of withdrawing US military forces, the fact remains that Iraq will have to carefully balance between the Iranian and Western blocs for internal and foreign policy reasons.

ECONOMIC AND INFRASTRUCTURAL INTEGRATION IN THE MIDDLE EAST REGION

Iranian MP Jalil Rahimi has proposed an idea: since Iraq is unable to pay reparations to Iran for the deadly eight-year war it imposed on Iran in the 1980s, it can instead give Iran certain exclusive rights in various fields, such as oil exploration, energy exportations, and the establishment of oil rigs. Then

²⁵ Over the past year, Iranian militias in Iraq have increased the pressure on the United States through a series of attacks on its communications lines and military bases. At the same time, Iran's top military officials have repeatedly expressed readiness to meet all of Iraq's military and defence needs. Special attention was paid to the procurement of air defence systems, artillery and missile weapons, electronic warfare equipment, and unmanned aerial vehicles. Top General Says Iran Ready to Meet Iraq's Defence Needs, IFP, 15.11.2020, <https://ifpnews.com/top-general-says-iran-ready-to-meet-iraqs-defence-needs>, accessed: 20.08.2021.

²⁶ A visit by the Iranian Minister of Culture has recently taken place in Baghdad. During the visit, the necessity of strengthening these ties was emphasized, especially in the fields of civilizational, cultural, and artistic aspects. Iranian Diplomat, Iraqi Culture Minister Meet in Baghdad, IFP, 09.06.2021, <https://ifpnews.com/iranian-diplomat-iraqi-culture-minister-meet-in-baghdad>, accessed: 20.08.2021.

²⁷ Iran is making a significant diplomatic effort in the process of uniting Iraqi religious factions and political groups, which is confirmed by the recent meeting of the former Iranian MFA Mohammad Zarif. Iran Respects Diversity of Religious, Ethnic Groups in Iraq: FM Zarif, IFP, 27.04.2021, <https://ifpnews.com/iran-respects-diversity-of-religious-ethnic-groups-in-iraq-fm-zarif>, accessed: 20.08.2021.

he referred to Iraq's hard economic conditions and considered the export of Iranian goods with special discounts to Iraq as another alternative to the \$97bn reparations.²⁸

However, cooperation is developing in a more mutually beneficial way. Iran and Iraq have signed an overall memorandum of understanding on the expansion of mutual economic cooperation. The deal was clinched at the close of the fourth meeting on Iran-Iraq economic cooperation at the Iranian Energy Ministry. Technical committees were formed in various trade areas, and they exchanged views on technical and engineering services as well as other issues of mutual interest. A commercial committee will soon meet as part of these meetings. Industrial and financial affairs committees will also be formed to follow up on issues of mutual concern.²⁹

Hamid Zadboom, Chairman of the Trade Promotion Organization of Iran, says the value of Iranian exports to neighbouring Iraq amounts to one-fourth of Iraq's total imports. The value of Iranian goods makes up \$10 billion of the total of \$40 billion in imports into Iraq.³⁰ According to Iranian Energy Minister Reza Ardakanian, the goal is to raise the value of the annual trade exchange to \$20 billion. The energy minister explained that achievement of the trade target requires plans to allow the private sector to get involved in economic activities freely, remove the trade barriers, set up a joint investment fund, and settle the problems arising in the transportation industry, customs issues, and preferential trade arrangements.³¹

Energetics plays a very important role in Iran-Iraq cooperation. Two key projects, which include the Iranian companies' endeavours to reduce losses in Iraq's electricity distribution network as well as retrofit and repair damaged

²⁸ Iraq Can Give Iran Exclusive Rights instead of War Reparations, IFP, 21.02.2017, <https://ifpnews.com/iraq-can-give-iran-exclusive-rights-instead-of-war-reparations>, accessed: 20.08.2021.

²⁹ Iran, Iraq Sign MoU on Boosting Bilateral Economic Cooperation, IFP, 14.01.2021, <https://ifpnews.com/iran-iraq-sign-mou-on-boosting-bilateral-economic-cooperation>, accessed: 20.08.2021.

³⁰ Iran's Share of Iraqi Imports Reaches 25 Percent, IFP, 06.12.2019, <https://ifpnews.com/irans-share-of-iraqi-imports-reaches-25-percent>, accessed: 20.08.2021.

³¹ Iran, Iraq Resolved to Meet \$20 Billion Trade Target: Energy Minister, IFP, 12.01.2021, <https://ifpnews.com/iran-iraq-resolved-to-meet-20-billion-trade-target-energy-minister>, accessed: 20.08.2021.

electrical equipment in Iraq. As a case in point, Iranian companies can restore more than 5,000 damaged transformers in Iraq and export 1,200 megawatts of electricity to Iraq.³² Iran and Iraq have connected their national electricity grids in a ceremony with the participation of the Islamic Republic's energy minister and the Iraqi deputy minister of electricity. The power grids of the two neighbouring countries were synchronised to help Iraq reduce its power outages. Gas imports from Iran generate as much as 45 percent of Iraq's 14,000 megawatts of electricity consumed daily. Iran transmits another 1,000 megawatts directly, making itself an indispensable energy source for Iraq.³³ Energy cooperation with Iran is crucial for Iraq. Besides electricity, every month, \$200 million worth of Iranian gas is exported to Iraq. But Iran-Iraq relations are increasingly coming under pressure from the US, which imposed unilateral sanctions on Tehran in May after abandoning an international nuclear agreement.³⁴ This has caused Iraq to owe Iran \$2 billion for gas and electricity, which cannot be paid due to sanctions. Moreover, an oil swap was taking place from Kirkuk. After the sanctions, the Iraqis were forced to stop that too.³⁵

Surprisingly, Iraq is trying to resist US pressure. In an attempt to mitigate the problems caused by US sanctions, Iran and Iraq have reached an agreement under which Baghdad will pay for Iran's energy sales to Iraq in euros. The debts that Iraq owes Iran will gradually be converted into euros and saved in these accounts. Iranian traders can open accounts with Iraqi banks to carry out their transactions under a new payment system between the two countries, said Iran's central bank governor, Abdolnaser Hemmati.³⁶

Of course, economic cooperation could not be possible without friendly political discourse. Hence, we can find numerous statements which

³² 'Iraq to Pay for Energy Imports from Iran in Euros to Mitigate US Bans', IFP, <https://ifpnews.com/iraq-to-pay-for-energy-imports-from-iran-in-euros-to-mitigate-impact-of-us-bans>, 30.12.2020, accessed: 20.08.2021.

³³ Iran's Power Export to Iraq Hits Record High: Energy Minister, IFP, 20.10.2019, <https://ifpnews.com/irans-power-export-to-iraq-hits-record-high-energy-minister>, accessed: 20.08.2021.

³⁴ Iraq Allows Iranian Traders to Open Accounts in Its Banks, IFP, 06.02.2019, <https://ifpnews.com/iraq-allows-iranian-traders-to-open-accounts-in-banks>, accessed: 20.08.2021.

³⁵ US Says Iraq Can Buy Energy from Iran, IFP, 23.05.2019, <https://ifpnews.com/us-says-iraq-can-buy-energy-from-iran>, accessed: 20.08.2021.

³⁶ Iranian official says Iraq agrees to release Iran's frozen assets, Xinhuanet, 13.10.2020, http://www.xinhuanet.com/english/2020-10/13/c_139437718.htm, accessed: 20.08.2021.

emphasise that the Islamic Republic of Iran will stand by the Iraqi government and nation and call for the protection of Iraq's sovereignty³⁷ Furthermore, after the assassination of Iranian General Soleimani and the attacks carried out against Iranian diplomatic locations, Iran and Iraq signed an agreement guaranteeing the security of Iranian diplomats in Iraq.³⁸

Iran and Syria have been taking major steps towards the expansion of their mutual trade ties. Syria and Iran signed five contracts for cooperation in agriculture, animal resources, industry, oil, and communications on January 17th, 2017, including cooperation among mobile network operators.³⁹ The two sides have exchanged numerous trade delegations, and Iranian private companies are investing in various fields of the Syrian economy, like providing construction materials, especially cement. They are also working on several reconstruction projects, some in conjunction with Chinese contractors. The Head of the Iran-Syria Joint Chamber of Commerce, Keyvan Kashefi, has stated that the value of Iran's trade with Syria will reach US\$1.⁴⁰ The Chamber officially started working on August 28, 2019, just six months after the signing. Participants pointed out the need to reactivate the agreement on Free Trade signed between the two countries in 2011 through exempting goods from taxes. This agreement came into force in 2015, but the scope of the products covered by it needs to be expanded. The Head of the Iranian-Syrian Joint Chamber of Commerce, Kiwan Kashifi, pointed out the need for improving relations between businessmen in the two countries, particularly in the fields of agriculture and industry.⁴¹ This goal is in coordination with the agreement signed in January of the same year. It is the banking cooperation agreement

³⁷ Iran Reaffirms Support for Iraq, Urges Boost to Bilateral Trade, IFP, 18.05.2020, <https://ifpnews.com/iran-reaffirms-support-for-iraq-urges-boost-to-bilateral-trade>, accessed: 20.08.2021.

³⁸ Iranian, Iraqi FMs Discuss Regional Issues in Tehran, IFP, 26.09.2020, <https://ifpnews.com/iranian-iraqi-fms-discuss-regional-issues-in-tehran>, accessed: 20.08.2021.

³⁹ Syria and Iran sign five contracts on economic cooperation, R. Melhem, H. Zain and H. Said, SANA, 17.01.2017, <https://sana.sy/en/?p=98377>, accessed: 20.08.2021.

⁴⁰ Iraq Ties Itself to China Via Belt & Road Rail Links Between Basra and Iran's Shalamcheh, 19.05.2021, <https://www.silkroadbriefing.com/news/2021/05/19/iraq-ties-itself-to-china-via-belt-road-rail-links-between-basra-and-irans-shalamcheh/>, accessed: 20.08.2021.

⁴¹ First conference of Syrian-Iranian Joint Chamber of Commerce calls for raising the level of economic relations, Mazen Eyon, SANA, 28.08.2019, <https://sana.sy/en/?p=172175>, accessed: 20.08.2021.

between Syria's Central Bank and Iran's Central Bank. The agreement aims to enhance the stabilisation of the banking sector. The secondary goal is to facilitate trade exchange and encourage investment as well as boost economic relations, which would benefit the private sector as well.⁴²

Syrian Minister of Oil and Mineral Resources Ali Ghanem talked with Iranian Oil Minister Biaz Zangeneh about aspects of strategic cooperation in the oil sector. They emphasized the need to work together to rebuild facilities and production lines, as well as exchange expertise and train Syrian personnel. Iranian Oil Minister stressed his willingness to cooperate in this area.⁴³ Iran is also developing cooperation with Syria, connecting it with Iraq along the way. The railway we mentioned above is a stellar example of this cooperation. Furthermore, Iran's Energy Minister, Reza Ardakanian, earlier talked about Iran's plan to export electricity to Syria through Iraq, saying it would require setting up a 400KV line so that Iran could play a significant role in the reconstruction of Syria.⁴⁴ A lot of noise has been made by the Memorandum of Cooperation in the field of electricity (2017), which envisages the opening of a new power plant in Lattakia with a capacity of 450 MW, the establishment of 5 Baniyas gas plants, the rehabilitation of the thermal power plant in Aleppo, the rehabilitation of al-Taim plant in Deir Ezzor, and the modernization of the Jandar Generating Plant in Homs. A few years later, a Memorandum of Cooperation in the field of hydropower was signed (2019), which envisages joint projects on the construction and rehabilitation of the water system. Syria and Iran signed a memorandum on cooperation in the domain of hydropower.⁴⁵

“DRAGON” IN THE SHADOW— CHINA’S ROLE IN THE MIDDLE EAST

China's role in the region should not be neglected. China did not disengage from Syria when the country was plunged into turmoil in 2011,

⁴² Banking cooperation agreement signed between Syria and Iran, Rasha Milhem, SANA, 29.01.2019, <https://sana.sy/en/?p=156962>, accessed: 20.08.2021.

⁴³ Syria, Iran to boost cooperation in oil, gas and industry sectors, Mazen Eyon, SANA, 24.09.2019, <https://sana.sy/en/?p=174147>, accessed: 20.08.2021.

⁴⁴ Iran, Iraq Connect National Electricity Grids, IFP, 02.11.2019, <https://ifpnews.com/iran-iraq-connect-national-electricity-grids>, accessed: 20.08.2021.

⁴⁵ Syria, Iran sign a memo on cooperation in domain of hydropower, Ruaa al-Jazaeri, SANA, 05.12.2019, <https://sana.sy/en/?p=179852>, accessed: 20.08.2021.

and contacts and communication between the Chinese government and the Syrian government remained in place at the political level. In addition, China has also refused to condemn Syria in the Security Council and has used its veto power (alongside Russia) to protect it. China has chosen a middle path in the Syrian issue and does not want to play a direct role like that of Russia and Iran.⁴⁶

Two main objectives have driven China's Syria policies. Firstly, in terms of security, China wants to build a strong partnership with Syria to maintain friendly ties and cooperate on counter-terrorism issues. Beijing's main concerns are militant jihadists and violent extremists outside of Chinese territory, which have historically focused on Afghanistan. For years, militant Uighurs from groups such as the East Turkestan Islamic Movement (ETIM) and the Turkestan Islamic Party (TIP) have crossed into Afghanistan, where they have purportedly plotted actions against the Chinese state.⁴⁷

Secondly, in terms of economics, the Chinese leadership seeks a Sino-Syrian relationship that helps Beijing advance its vision for the Belt and Road Initiative (BRI). The BRI will serve as an integration catalyst. Damascus welcomes the BRI. Syrian President Bashar al-Assad spoke about it in an interview on December 16, 2019, saying that Syria could be a part of the initiative by developing its infrastructure with China's help.⁴⁸ Another economic interest is the rebuilding of Syria. By keeping Assad in power, Beijing will maintain its primary access to the abundant investment opportunities central to the impending reconstruction. Through this approach and the fact that Chinese aid will not come with the political strings inevitably accompanying Western aid, China will be Damascus' firm favorite as the leader of the reconstruction, especially because it has much greater financial strength than Russia and Iran. China is active in Syria both long-term and in the short-term.

⁴⁶ Ministry of the People's Republic of China, "Wang Yi Proposes Five Principles to Facilitate a Political Settlement of Syrian Issue," 20.01.2014, https://www.fmprc.gov.cn/mfa_eng/wjb_663304/zjzg_663340/xybfs_663590/xwlb_663592/t1124573.shtml, accessed: 20. 08. 2021.

⁴⁷ China plays the long game on Syria, Giorgio Cafiero, Middle East Institute, 10.02.2020, <https://www.mei.edu/publications/china-plays-long-game-syria>, accessed: 20.08.2021.

⁴⁸ Abdullah Al-Ghadhawi, "China's Policy in Syria", March 2020, Chatham House, <https://syria.chathamhouse.org/research/chinas-policy-in-syria>, accessed: 20.08.2021.

China's short-term role in Syria remains to offer humanitarian aid, with aid agreements signed in 2017 totaling \$40 million, in parallel with its aspiration for a long-term economic role in reconstruction as part of its economic investment project while including Syria in the Belt and Road Initiative.⁴⁹

China also approached Iran. Beijing has signed a 25-year investment deal with Iran that could see China's economic, political, and military influence expand in the Middle East. On March 26, Iran and China signed an agreement expressing a desire to increase cooperation and trade relations over the next 25 years. This Strategic Cooperation Agreement, as it is officially known, represents a massive overhaul of Sino-Iranian relations that will see China invest anywhere from \$400 to \$600 billion in Iran, with some estimates running as high as \$800 billion.⁵⁰ In defiance of American sanctions, China will buy Iranian oil. The deal with the Chinese should give Iran more leverage with the US.⁵¹ Moving beyond oil, the arrangement aims to enhance China-Iran strategic ties, especially military cooperation, joint training, and high-end technological cooperation between the defense industries of the two nations.⁵²

China's investment in Syria, Iran, and Iraq is not random and without a plan, but is part of a carefully planned strategy. Proof of this coordination is the construction of a railway connecting these three countries. A railroad connecting Khorramshahr and Shalamcheh was inaugurated in 2011. It was supposed to stretch for another 32 kilometers to the city of Basra on Iraqi soil. However, the project was left unfinished for various reasons, such as the attack by ISIS on Iraq in 2014.⁵³ That short, 30km railway is vital because it showcases a new era of Iran-Iraqi detente, links the region to China's Belt and Road Initiative, and establishes a channel between Iran and Syria. Although

⁴⁹ Ibidem.

⁵⁰ William Figueroa, "China-Iran Relations: The Myth of Massive Investment", *The Diplomat*, 06.04.2021, <https://thediplomat.com/2021/04/china-iran-relations-the-myth-of-massive-investment/>, accessed: 20.08.2021.

⁵¹ China sets sights on Middle East with Iran co-operation deal, Jeremy Bowen, *BBC*, 31.03.2021, <https://www.bbc.com/news/world-middle-east-56574336>, accessed: 20.08.2021.

⁵² US wants out and so, the attraction for a Chinese presence in the region has been growing, Harsh V. Pant, *Observer Research Foundation*, 20.04.2021, <https://www.orfonline.org/research/shifting-sands-in-the-middle-east/>, accessed: 20.08.2021.

⁵³ Iraq, Syria Working on Joint Railway Project with Iran, *IFP*, 16.04.2019, <https://ifpnews.com/iraq-syria-working-on-joint-railway-project-with-iran>, accessed: 20.08.2021.

the line would run for only 30km and cost around \$150 million, none of the three countries has the financial capabilities nor the expertise to finish the rail construction. For that reason, they rely on China. The railway will be the only rail connection between Iran and Syria, which would vastly improve communications in the wider region. Iraq could become one of the largest transit countries in the region. Moreover, Iraq can be connected to China through the railways of Iran, increasing its strategic importance in the region. This will be a very big change, and Iran's railway will be connected to Iraq, Syria, and the Mediterranean. Indirectly, this connects China with the Mediterranean, and that is exactly where China's interests lie. Iran's First Vice-President, Es'haq Jahangiri (whose mandate expired on August 8, 2021), says the construction of the railway between Iran's Shalamcheh and Basra will facilitate cargo transit from China to the Mediterranean and become one of the world's transit hubs. The former vice-president, however, noted that part of the railway that connects Iraq to Syria needs to be reconstructed. Iran had earlier linked its railway network to western Afghanistan through a joint project that was inaugurated in December 2020. The 225-km railroad project that connects Iran's Khaf to Afghanistan's Herat includes four phases that are currently under construction. About 78 km of the project, which includes two phases, is on Iran's soil and the rest in Afghanistan. The link will also enable Iran to send various commodities such as consumer goods, construction materials, and minerals through the railway from Tehran to Shalamcheh, further to Basra, and finally to Qaem (Abu Kamal) on the border with Syria.⁵⁴

IRAN'S INTERNAL LIMITATIONS – HIDDEN WEAKNESSES OF IRAN'S ECONOMY.

With a population of 85 million, half under the age of 30 and highly educated, as well as a strategic location on the Persian Gulf and vast reserves of energy and other natural resources, including wind and solar energy, Iran's economy has incredible potential waiting to be unlocked.

In the past two decades, Iran's labor force has become increasingly well educated. The adult literacy rate is near 90%, compared to a regional average

⁵⁴ Iran-Iraq Railway to Connect China to Mediterranean: VP, IFP, 31.01.2021, <https://ifpnews.com/iran-iraq-railway-to-connect-china-to-mediterranean-vp>, accessed: 20.08.2021.

of about 80%. More importantly, nearly 70% of Iran's labor force has a university-level education, and young Iranian women are on par with men in terms of educational attainment. However, for mainly cultural reasons, it is expected that only half of the Iranian women with advanced education will participate in the labor force, while this figure stands at more than 80% for men. In the past decades, labor market conditions in Iran have improved significantly in women's favor, and policies aimed at encouraging greater female participation could benefit the Iranian economy by tapping into the large number of university-educated females who remain outside the labor force. Nevertheless, over the past two decades, the Iranian labor market has not been able to fully absorb a large number of university graduates, and the official unemployment rate among this group has been around 20%, with underemployment figures approaching 40–50%. Faced with harsh labor market conditions, especially since the imposition of sanctions, many of Iran's top graduates have migrated to countries with more favorable job prospects, costing the economy billions of dollars yearly.⁵⁵

Energy is the single most important factor in any economic activity. While Iran is home to about 1% of the world's population, it holds 9% of the world's proven crude oil and 16% of the world's natural gas reserves, respectively. Iran also has considerable reserves of other natural resources and minerals. According to estimates from the U.S. Geological Survey, Iran has major reserves of feldspar⁵⁶ (2nd largest in the world), barite⁵⁷ (5th largest), gypsum (5th largest), fluorite (8th largest), and iron ore (10th largest), as well as substantial reserves of other strategic minerals, like copper, manganese, zinc, chromium, and gold. Overall, Iran is home to an estimated 5% of the world's metal constituent reserves, but much of its vast reserves are untapped. Historically, mining has contributed less than 1% of the country's GDP. Moreover, despite huge natural gas reserves, Iran's production barely meets domestic needs and it accounts for less than 1% of total global gas exports.

⁵⁵ Iran's unrealized economic potential, Amin Mohseni-Cheraghloou, 09.02.2021, Middle East Institute, <https://www.mei.edu/publications/irans-unrealized-economic-potential>, accessed: 20.08.2021.

⁵⁶ Colorless or pale-colored crystals and consisting of aluminosilicates of potassium, sodium, and calcium.

⁵⁷ A mineral consisting of barium sulfate, typically occurring as colorless prismatic crystals or thin white flakes.

Iran can easily meet all of its electricity demand through wind and solar sources. About 75% of Iran's territory is suitable for solar energy generation. Also, Iran is located in a wind belt, where wind speed at a height of 40 meters averages more than 5 meters per second — the speed required for the development of utility-scale wind farms — in at least a quarter of the country. Therefore, Iran's mining, oil and natural gas, and renewable energy industries can benefit substantially from domestic and foreign investments and technology transfers and are widely considered some of the most attractive sectors to invest in.

Clearly, sanctions are the biggest problem in Iran's economy, but unfortunately, not the only one. Iran has failed not only to utilize the potential of its natural resources sufficiently, but also to diversify its economy. The labor market is imbalanced because of the lack of development in ICT technologies and renewable energy technologies. Additionally, Iran's economy has been debilitated by the combination of COVID-19. It is estimated that Iran's GDP contracted at least 4.5 percent over 2020–21. The ramifications of Iran's economic fallout are projected to last well into the future.⁵⁸ These economic weaknesses will definitely hinder Iran's power projection in the Middle East.

CONCLUSION

The processes and trends started by the Arab Spring have greatly changed the dynamics of regional relations and the architecture of the Middle East. Although the crisis has not been resolved with an adequate political solution, the strategic winners of this confrontation can be clearly seen. From the aspect of a complex regional conjuncture, the biggest winner is Iran, which, based on the achieved results and in accordance with the special vision of the Middle East, strives to formulate a comprehensive and multidimensional regional policy. Although the basis of its Middle East policy lies in the military and security components, Iran is trying to expand and increase the quality of existing relations with regional actors through economic, energy, and infrastructure cooperation. At the same time, the civilizational depth of Iran's

⁵⁸ Why China will not rebuild Syria, Samy Akil, ANU and OPC, East Asia Forum, 08.05.2021, <https://www.eastasiaforum.org/2021/05/08/why-china-will-not-rebuild-syria/>, accessed: 20.08.2021.

international position is accompanied by a continuous insistence on deepening cultural, educational, and scientific relations with these countries.

The pillar of the emerging regional dynamics is the increasingly firm Iran-Iraq-Syria axis, with an extension to Lebanon, while the complex processes of the political, military, economic, and infrastructural connection of this geospace remain the biggest challenge. On this path, permeated with many unknowns, Iran is facing a series of internal (political and, above all, economic and financial) difficulties. On the other hand, the external restrictions on this project come mostly from the rival bloc (the US, Israel, and regional allies), but also, to a certain extent, from the Russian Federation and Turkey. Finally, in the dynamic and uncertain process of regional integration, the People's Republic of China sees its political and even greater economic interests, which further complicates this already complex Middle East equation.

BIBLIOGRAPHY

- 'Iraq to Pay for Energy Imports from Iran in Euros to Mitigate US Bans', IFP, 30.12.2020, <https://ifpnews.com/iraq-to-pay-for-energy-imports-from-iran-in-euros-to-mitigate-impact-of-us-bans>, accessed: 20.08.2021.
- Abedin, Mahan, "The Domestic Determinants of Iranian Foreign Policy: Challenges to Consensus.", *Strategic Analysis*, Vol. 35, No. 4, 2011, pp. 613–628.
- Al-Ghadhawi, Abdullah, "China's Policy in Syria", March 2020, Chatham House, <https://syria.chathamhouse.org/research/chinas-policy-in-syria>, accessed: 20.08.2021.
- Aliyev, Anar and Dr.K.M. Ashifa, „Internal and External Factors Determining Foreign Policy of Iran: Prospects and Perspectives“, *Journal of Contemporary Issues in Business and Government*, Vol. 27, No. 3, 2021, pp. 1158–1167.
- Banking cooperation agreement signed between Syria and Iran, Rasha Milhem, SANA, 29.01.2019, <https://sana.sy/en/?p=156962>, accessed: 20.08.2021.
- Barzegar, Kayhan, Persia is back, but in a different form, 28.01.2019, Atlantic Council, <https://www.atlanticcouncil.org/blogs/iransource/persia-is-back-but-in-a-different-form/>, accessed: 20.08.2021.

- China plays the long game on Syria, Giorgio Cafiero, Middle East Institute, 10.02.2020, <https://www.mei.edu/publications/china-plays-long-game-syria>, accessed: 20.08.2021.
- China sets sights on Middle East with Iran co-operation deal, Jeremy Bowen, BBC, 31.03.2021, <https://www.bbc.com/news/world-middle-east-56574336>, accessed: 20.08.2021.
- Figueroa, William, “China-Iran Relations: The Myth of Massive Investment”, *The Diplomat*, 06.04.2021, <https://thediplomat.com/2021/04/china-iran-relations-the-myth-of-massive-investment/>, accessed: 20.08.2021.
- First conference of Syrian-Iranian Joint Chamber of Commerce calls for raising level of economic relations, Mazen Eyon, SANA, 28.08.2019, <https://sana.sy/en/?p=172175>, accessed: 20.08.2021.
- Golmohammadi, Vali, „The foreign policy of the Islamic Republic of Iran: Prospects for change and continuity”, *All Azimuth: A Journal of Foreign Policy and Peace*, Vol. 8, No.1, 2019, pp. 93–102.
- Hassan Rouhani: Golan is part and parcel of the Syrian territories, Rasha Milhem, SANA, 06.04.2019, <https://sana.sy/en/?p=162638>, accessed: 20.08.2021.
- Iran Reaffirms Support for Iraq, Urges Boost to Bilateral Trade, IFP, 18.05.2020, <https://ifpnews.com/iran-reaffirms-support-for-iraq-urges-boost-to-bilateral-trade>, accessed: 20.08.2021.
- Iran Respects Diversity of Religious, Ethnic Groups in Iraq: FM Zarif, IFP, 27.04.2021, <https://ifpnews.com/iran-respects-diversity-of-religious-ethnic-groups-in-iraq-fm-zarif>, accessed: 20.08.2021.
- Iran sends 200 tons of aid to Eastern Aleppo, M.al-Frieh and H. Said, SANA, 03.10.2017, <https://sana.sy/en/?p=115060>, accessed: 20.08.2021.
- Iran Wants to See Strong, Developed Iraq: President Raisi, IFP, 05.08.2021, <https://ifpnews.com/iran-wants-to-see-strong-developed-iraq-president-raisi>, accessed: 20.08.2021.
- Iran, Iraq Connect National Electricity Grids, IFP, 02.11.2019, <https://ifpnews.com/iran-iraq-connect-national-electricity-grids>, accessed: 20.08.2021.
- Iran, Iraq Delineate Roadmap for Five-Year Cooperation: Minister, IFP, 27.12.2020, <https://ifpnews.com/iran-iraq-delineate-roadmap-for-five-year-cooperation-minister>, accessed: 20.08.2021.

Iran, Iraq Resolved to Meet \$20 Billion Trade Target: Energy Minister , IFP, 12.01.2021, <https://ifpnews.com/iran-iraq-resolved-to-meet-20-billion-trade-target-energy-minister>, accessed: 20.08.2021.

Iran, Iraq Sign MoU on Boosting Bilateral Economic Cooperation, IFP, 14.01.2021, <https://ifpnews.com/iran-iraq-sign-mou-on-boosting-bilateral-economic-cooperation>, accessed: 20.08.2021.

Iran: Deal between” QSD” militia and a U.S. company, a new step for looting Syrian natural resources, Bushra Dabin and Mazen Eyon, SANA, 04.08.2020, <https://sana.sy/en/?p=199126>, accessed: 20.08.2021.

Iran’s Power Export to Iraq Hits Record High: Energy Minister, IFP, 20.10.2019, <https://ifpnews.com/irans-power-export-to-iraq-hits-record-high-energy-minister>, accessed: 20.08.2021.

Iran’s Share of Iraqi Imports Reaches 25 Percent, IFP, 06.12.2019, <https://ifpnews.com/irans-share-of-iraqi-imports-reaches-25-percent>, accessed: 20.08.2021.

Iran’s unrealized economic potential, Amin Mohseni-Cheraghloou, 09.02.2021, Middle East Institute, <https://www.mei.edu/publications/irans-unrealized-economic-potential>, accessed: 20.08.2021.

Iranian Diplomat, Iraqi Culture Minister Meet in Baghdad, IFP, 09.06.2021, <https://ifpnews.com/iranian-diplomat-iraqi-culture-minister-meet-in-baghdad>, accessed: 20.08.2021.

Iranian humanitarian aid convoy to the people in Deir Ezzor, 21.09.2017, SANA, <https://sana.sy/en/?p=114302>, accessed: 20.08.2021.

Iranian Innovation and Technology Center opened in Damascus, Manar Salameh and Hala Zain, SANA, 03.03.2021, <https://sana.sy/en/?p=224722>, accessed: 20.08.2021.

Iranian official says Iraq agrees to release Iran’s frozen assets, Xinhuanet, 13.10.2020, http://www.xinhuanet.com/english/2020-10/13/c_139437718.htm, accessed: 20.08.2021.

Iranian, Iraqi FMs Discuss Regional Issues in Tehran, IFP, 26.09.2020, <https://ifpnews.com/iranian-iraqi-fms-discuss-regional-issues-in-tehran>, accessed: 20.08.2021.

- Iran-Iraq Railway to Connect China to Mediterranean: VP, IFP, 31.01.2021, <https://ifpnews.com/iran-iraq-railway-to-connect-china-to-mediterranean-vp>, accessed: 20.08.2021.
- Iraq Allows Iranian Traders to Open Accounts in Its Banks, IFP, 06.02.2019, <https://ifpnews.com/iraq-allows-iranian-traders-to-open-accounts-in-banks>, accessed: 20.08.2021.
- Iraq Can Give Iran Exclusive Rights instead of War Reparations, IFP, 21.02.2017, <https://ifpnews.com/iraq-can-give-iran-exclusive-rights-instead-of-war-reparations>, accessed: 20.08.2021.
- Iraq Ties Itself to China Via Belt & Road Rail Links Between Basra and Iran's Shalamcheh, 19.05.2021, <https://www.silkroadbriefing.com/news/2021/05/19/iraq-ties-itself-to-china-via-belt-road-rail-links-between-basra-and-irans-shalamcheh/>, accessed: 20.08.2021.
- Iraq, Syria Working on Joint Railway Project with Iran, IFP, 16.04.2019, <https://ifpnews.com/iraq-syria-working-on-joint-railway-project-with-iran>, accessed: 20.08.2021.
- Iraqi Kurdistan's Soil Won't Be Used for Threatening Iran: Barzani, IFP, 28.04.2021, <https://ifpnews.com/iraqi-kurdistans-soil-wont-be-used-for-threatening-iran-barzani>, accessed: 20.08.2021.
- Kazemzadeh, Masoud, "Foreign policy decision making in Iran and the nuclear program.", *Comparative Strategy*, Vol. 36, No.3, 2017, pp. 198–214.
- Khaji: Iran suggests establishing International Fund for reconstructing Syria, Baraa Ali and Mazen Eyon, SANA, 11.11.2020, <https://sana.sy/en/?p=209615>, accessed: 20.08.2021.
- Krauthammer, Charles, Iran's emerging empire, *The Washington Post*, 22.01.2015, https://www.washingtonpost.com/opinions/charles-krauthammer-irans-emerging-empire/2015/01/22/c3098336-a269-11e4-903f-9f2faf7cd9fe_story.html, accessed: 20.08.2021.
- Meysan, Thierry, *Voltaire*, 11.08.2020, <https://www.voltairenet.org/article210695.html>, accessed: 20.08.2021.
- Ministry of the People's Republic of China, "Wang Yi Proposes Five Principles to Facilitate a Political Settlement of Syrian Issue," 20.01.2014, https://www.fmprc.gov.cn/mfa_eng/wjb_663304/zjg_663340/xybfs_663590/xwlb_663592/t1124573.shtml, accessed: 20.08.2021.

Nader Uskowi, „The Evolving Iranian Strategy in Syria: A Looming Conflict with Israel“, Atlantic Council, 2018.

Nerbin, Javid Karimi and Hamid Sarmadi, “New systemic order and foreign policy strategies of the Islamic republic of Iran in the Middle East”, International Journal of Political Science and Governance, Vol. 3, no. 1, 2021, pp. 04–11.

President al-Assad: Iran is key partner to Syria, coordination in war against terrorism gave positive results, Bushra Dabin and Mazen Eyon, SANA, 28.07.2021, <https://sana.sy/en/?p=243464>, accessed: 20.08.2021.

Syria and Iran ink agreement to enhance military and security cooperation, SANA, 08.07.2020, <https://sana.sy/en/?p=196751>, accessed: 20.08.2021.

Syria and Iran sign five contracts on economic cooperation, R. Melhem, H. Zain and H. Said, SANA, 17.01.2017, <https://sana.sy/en/?p=98377>, accessed: 20.08.2021.

Syria and Iran sign MoU on internal security cooperation and fighting terrorism, SANA, 22.06.2015, <https://sana.sy/en/?p=45929>, accessed: 20.08.2021.

Syria, Iran discuss cooperation in health sector, Hala Zain, SANA, 26.01.2021, <https://sana.sy/en/?p=219414>, accessed: 20.08.2021.

Syria, Iran ink executive program on joint cooperation in public services and housing, Gh.A.Hassoun, SANA, 26.11.2019, <https://sana.sy/en/?p=179306>, accessed: 20.08.2021.

Syria, Iran ink MoU on cooperation in higher education and scientific research, SANA, 03.07.2018, <https://sana.sy/en/?p=141439>, accessed: 20.08.2021.

Syria, Iran sign a memo on cooperation in domain of hydropower, Ruaa al-Jazaeri, SANA, 05.12.2019, <https://sana.sy/en/?p=179852>, accessed: 20.08.2021.

Syria, Iran sign MoU on developing cooperation and coordination between their armies, SANA, 22.10.2017, <https://sana.sy/en/?p=116282>, accessed: 20.08.2021.

Syria, Iran to boost cooperation in oil, gas and industry sectors, Mazen Eyon, SANA, 24.09.2019, <https://sana.sy/en/?p=174147>, accessed: 20.08.2021.

- Syria, Iran to enhance cooperation in infrastructure and housing domains, MHD Ibrahim and Mazen Eyon, SANA, 27.08.2020, <https://sana.sy/en/?p=201335>, accessed: 20.08.2021.
- Syria, Iran to enhance media cooperation, Manar, Bushra and Mazen, SANA, 24.02.2021, <https://sana.sy/en/?p=223829>, accessed: 20.08.2021.
- Syria, Iran to enhance military cooperation, Manar and Mazen, SANA, 01.05.2017, <https://sana.sy/en/?p=105311>, accessed: 20.08.2021.
- Syrian-Iranian relations... strategic cooperation, coordination in various fields, Shaza al-Ashkar and Ruaa al-Jazaeri, SANA, 11.02.2021, <https://sana.sy/en/?p=221826>, accessed: 20.08.2021.
- Syrian-Iranian talks on enhancing educational cooperation, Hala Zain, SANA, 27.07.2021, <https://sana.sy/en/?p=243315>, accessed: 20.08.2021.
- Syrian-Iranian talks to enhance cooperation in medical sciences and engineering, Manar Salameh and Mazen Eyon, SANA, 08.12.2020, <https://sana.sy/en/?p=213060>, accessed: 20.08.2021.
- Syrian-Iranian talks to enhance cooperation in Medical, technological Sciences, Manar Salameh and Mazen Eyon, SANA, 24.11.2020, <https://sana.sy/en/?p=211227>, accessed: 20.08.2021.
- Top General Says Iran Ready to Meet Iraq's Defence Needs, IFP, 15.11.2020, <https://ifpnews.com/top-general-says-iran-ready-to-meet-iraqs-defence-needs>, accessed: 20.08.2021.
- Trilateral meeting of Syria, Iraq and Iran a turning point in cooperation, Tehran says, SANA, 24.06.2015, <https://sana.sy/en/?p=46204>, accessed: 20.08.2021.
- US Says Iraq Can Buy Energy from Iran, IFP, 23.05.2019, <https://ifpnews.com/us-says-iraq-can-buy-energy-from-iran>, accessed: 20.08.2021.
- US wants out and so, the attraction for a Chinese presence in the region has been growing, Harsh V. Pant, Observer Research Foundation, 20.04.2021, <https://www.orfonline.org/research/shifting-sands-in-the-middle-east/>, accessed: 20.08.2021.
- Why China will not rebuild Syria, Samy Akil, ANU and OPC, East Asia Forum, 08.05.2021, <https://www.eastasiaforum.org/2021/05/08/why-china-will-not-rebuild-syria/>, accessed: 20.08.2021.