

Theoretical Foundations and Requirements for Implementing the Look to the East Strategy in the Foreign Policy of the Islamic Republic of Iran

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Received: 2026-04-13

Revised: 2026-07-01

Accepted: 2026-07-07

Initial Publish: 2026-09-16

Final Publish: 2027-05-01

The present study examines the theoretical foundations and requirements for implementing the Look to the East strategy in the foreign policy of the Islamic Republic of Iran. On the threshold of the twenty-first century, with the shift in the global balance of power toward the East and, in particular, the rise of China as an economic power, Iran has adopted the Look to the East strategy as a central policy for countering international sanctions and reducing their effects on the national economy. Using a mixed and multidimensional research method, this study shows that although the Look to the East policy has provided advantages such as economic breathing space, access to global markets, attraction of investment, and reduced dependence on the West, it also faces challenges such as the continuation of a single-product economy, asymmetry in bargaining power, and the risk of dependence on China. The findings indicate that this strategy has taken shape more as a reaction to sanctions than as a long-term and strategic policy. By analyzing the evolution of Iran–China trade relations and examining the structure and nature of these relations, this study outlines possible future scenarios and offers practical solutions for optimizing the Look to the East policy. The results show that the success of this policy requires diversification of partners, reduction of dependence on oil, conclusion of transparent and monitorable contracts, establishment of effective supervisory institutions, strengthening of domestic industries, and adoption of multilayered diplomacy.

Keywords: *Iranian foreign policy, Look to the East, Iran–China relations, international sanctions, economic diplomacy*

How to cite this article:

Mahmoodi, Y., Sheikhzade, H., & Jalalpour, S. (2027). Theoretical Foundations and Requirements for Implementing the Look to the East Strategy in the Foreign Policy of the Islamic Republic of Iran. *Interdisciplinary Studies in Society, Law, and Politics*, 6(3) 1-17. <https://doi.org/10.61838/kman.isslp.514>

1. Introduction

On the threshold of the twenty-first century, the political and economic geography of the world is undergoing fundamental transformations. On the one hand, traditional Western powers are grappling with internal fluctuations, including financial crises and various structural problems, and are facing diverse challenges in the international arena. On the other hand, emerging Asian powers such as China and India are rapidly expanding their political, economic, and even

cultural influence. In this context, China's special position in the global economic system and the international political structure has made it one of the most important actors of the contemporary era. These developments have led many states, especially those facing constraints arising from sanctions or political challenges in the development of their infrastructure, to recognize the necessity of revising their foreign policy and expanding regional and transregional networks of relations centered on the East.



Over the past four decades, the Islamic Republic of Iran has also consistently sought, under the influence of regional and international developments, to define for itself a stable and powerful position in the region and the world. From the early days after the victory of the Islamic Revolution, the slogan “Neither East nor West, Islamic Republic” symbolized Iran’s independence and non-alignment in the equations of great-power politics; a slogan conveying the message that Iran would neither fall under the domination of the Eastern bloc of the time, namely the Soviet Union, nor follow the Western bloc, led by the United States. However, the complex reality of international relations in recent decades and the increasing pressures imposed on Iran by the West, especially the United States, have caused the idea of “Look to the East” to gain strength as a strategic solution for reinforcing Iran’s regional and global position.

In this regard, “Look to the East” is a multidimensional concept for Iran. One dimension is grounded in ideological and cultural foundations, in the sense that some political and intellectual currents in Iran emphasize cultural proximity and shared Eastern values. The second dimension is economic and commercial, which becomes meaningful in connection with the realities of development and the growing power of Asian states. Evidently, China’s enormous economic power and its remarkable achievements in industry, transportation infrastructure, large-scale investment, and advanced technologies constitute an attractive position for countries seeking to diversify their sources of goods and export markets. The third dimension is the political and security dimension of Look to the East, which emphasizes strategic cooperation in regional and international issues, convergence in multilateral organizations, such as the Shanghai Cooperation Organization, and opposition to Western unilateralism. Furthermore, in recent years, severe economic pressures and unilateral sanctions imposed by the United States and its Western allies against Iran have practically pushed Iranian officials toward strengthening strategic ties with Asian powers. The signing of the 25-year cooperation document between Iran and China, along with increasing efforts to strengthen joint investments and advance major infrastructure projects within the framework of the Belt and Road Initiative, has revealed a new face of this strategic orientation toward the East. Evidence indicates that Iran seeks to use its geographical

and geostrategic position as an important link in the land and maritime connectivity of the New Silk Road project and, through this path, to reduce dependence on Western markets and oil revenues while creating new breathing space for economic growth and gaining a privileged position in the region and beyond.

This trend highlights a complex and multilayered issue in Iran’s foreign policy: is “Look to the East” merely a temporary and tactical reaction to Western pressures, or is it a strategic and long-term decision based on a correct understanding of major global geopolitical transformations and Iran’s national interests? The answer to this question has been a central keyword in many theoretical and political debates in recent years and will directly affect Iran’s position and role in the future international order.

Given China’s importance in new global equations and its prominent role in regional strategic and geopolitical calculations, selecting Iran’s trade policy toward China as a case study provides a valuable opportunity to examine the reasons, mechanisms, and practical consequences of “Look to the East.” Trade policy is, in fact, one of the key dimensions of states’ foreign policy and can explain various aspects of action and reaction in the sphere of the international economy. From the perspective of foreign trade, capacities such as energy, including oil, gas, and petrochemicals, mining, transportation infrastructure, and joint investment in major industrial and technological projects are among the priorities of cooperation between Iran and China. The question is how Iran, in pursuit of an intelligent commercial diplomacy, can make the best use of China’s global opportunities while remaining protected from the potential risks of excessive dependence on a foreign power.

From this perspective, the present study, with a strategic approach, seeks to provide a clear picture of the various dimensions of “Look to the East” in the foreign policy of the Islamic Republic of Iran, while focusing specifically on Iran’s trade policy toward China and examining the factors affecting the formation and continuation of this policy. In the following sections, in order to better organize the discussion, the general framework of the study will first be addressed so that the reader becomes familiar with the research structure, its significance, its key questions and hypotheses, and the methodology employed.

2. Historical Background

2.1. Domestic Contexts and Factors Affecting the Formation of the Look to the East Approach

The factors within Iran that influence the formation of “Look to the East” are numerous; the first of these is the ideological and political beliefs embedded within the governing structure (Rahmani, 2022). Since the early years of the Revolution, the sense of confrontation with Western and American hegemony has been regarded as part of the revolutionary identity of the system (Clement, 2019). Over time, this issue became rooted in Iran’s political culture and official discourse. On the other hand, the necessity of economic development and prosperity also led national decision-makers to search for alternative paths for industrial and technological cooperation (Hashemi, 2021).

Parallel and multiple institutions in Iran’s foreign policy structure, including the Supreme National Security Council, the Ministry of Foreign Affairs, the Islamic Consultative Assembly, and military and security institutions, can each influence preferences and macro-level policymaking in the international sphere (Vakil, 2023). For this reason, Look to the East may be more attractive in certain parts of the governing structure; for example, some revolutionary and ideological currents feel greater convergence with Asian powers that sometimes stand at an angle to the West (Azizi, 2022). On the other hand, some other domestic currents, with different concerns, emphasize economic considerations and the capacities of Asian markets (Naeni, 2021).

Domestic economic challenges, including chronic inflation, unemployment, and the need for foreign investment, have caused a large segment of elites and executive officials to view strengthening relations with China as a practical solution for compensating for financial and technological shortages (Mehdi, 2023). Iran requires massive capital for oil and gas projects, the development of railway infrastructure, ports, and industries; and China is considered one of the largest potential investors in the world (Watkins, 2023). Therefore, the inclination toward commercial cooperation with Beijing is not merely a political tendency but is also regarded as a response to the real needs of Iran’s economy (Shariatina & Kermani, 2023). Moreover, the dimension of public opinion is not without influence. Some people and elites view cooperation with

the East as a way to reduce the economic pressure of sanctions; however, by contrast, part of society is concerned about excessive dependence and international isolation resulting from the severance or limitation of relations with the West (A. Zamirirad, 2020). Sporadic protests in recent years and the demands of civil society have at times also placed pressure on foreign policy (Azizi, 2022). This has led government officials to try to present a positive image of the achievements of cooperation with China and other Eastern powers and to highlight the reduction of sanctions-related costs (Khorrami, 2022).

Overall, the domestic factors shaping Look to the East encompass a broad range of ideological motivations, economic necessities, a multiple decision-making structure, and public-opinion considerations (Askari & Zarei, 2020). Each of these components has had a different weight in different periods. For example, during the maximum-pressure policy of the U.S. administration, economic necessity and sanctions pressure effectively intensified this orientation (Wallsh, 2020). By contrast, in periods when sanctions pressure was lower or channels of dialogue with the West were opened, the inclination toward the East acquired a more tactical character (Jafari, 2019). These fluctuations clearly indicate that domestic factors constitute the most fundamental drivers of Iran’s foreign policy.

2.2. External Factors and the International Environment in the Formation of Look to the East

The tense environment of the Middle East and geopolitical rivalries involving major international actors constitute a key element in pushing Iran toward the Look to the East approach (Piven, 2012). The deployment of U.S. military bases in countries neighboring Iran and extensive sanctions against Tehran have increased Iranian decision-makers’ perception of threat (Al-Tamimi, 2012). In such an environment, strengthening strategic ties with countries that have the willingness or capability to resist Western pressure has become attractive for Iran (Lim, 2020).

At the macro level, the emerging multipolar structure also encourages Iran to advance the Look to the East policy (Forough, 2021). With China’s growing economic power and its diplomatic ambitions to replace part of Western hegemony, from Tehran’s perspective, an opportunity is created to rely on Beijing in order to

bypass part of the sanctions-related obstacles (Scita, 2022). On the other hand, Russia, with its veto power in the Security Council and its active role in the region, has shown relative alignment with Iran's interests in certain cases, and this alignment has created stronger motivation for Iran to deepen Look to the East (Azizi, 2017).

Competition among superpowers in the Middle East has expanded Iran's room for maneuver to some extent. The United States and its European allies seek, on the one hand, to limit Iran's regional influence, while China and Russia often act as balancing weights on the other (Ehteshami & Horesh, 2020). Therefore, in such an environment, Tehran's cooperation with Beijing and Moscow can serve as a bargaining card and a source of influence for Iran in regional equations (Azadeh Zamirirad, 2020). At the same time, Iran has counted on China's economic and financial capabilities to circumvent unilateral sanctions, which is one of the main drivers of expanding relations with the East (Saleh & Yazdanshenas, 2020b).

Meanwhile, the trend of the relative decline of Western hegemony in the Middle East, as described by some Iranian leaders, provides a suitable opportunity for replacing new models of power in the region (Rahmani, 2022). The Leader of the Islamic Republic of Iran has also repeatedly emphasized, in official positions, the "decline of the West" and the emergence of new powers, viewing China as a decisive actor in the future global order (Fars News, 2023b). This political discourse among currents close to the governing establishment is regarded as a foundation for legitimizing the Look to the East policy (Kazemi & Moshtagi, 2018).

Thus, external factors such as sanctions, possible military encirclement, and the changing structure of global power, in synergy with domestic factors, have strengthened the Look to the East policy (A. Zamirirad, 2020). This set of factors has caused Iran, in facing increasing Western pressures, to choose the option of strategic linkage with Eastern countries as a way to preserve or enhance national interests rather than adopting a passive posture (Saleh & Yazdanshenas, 2023). In other words, "Look to the East" is a strategic response to a new structure that is nourished not only by domestic developments but also by the interaction of global geopolitical rivalries (Fulton, 2019).

2.3. Sanctions, Western Pressure, and Their Impact on Deepening Look to the East

Economic and political sanctions imposed against Iran can be considered among the most important drivers of Iran's orientation toward the East (Wallsh, 2020). After the United States withdrew from the JCPOA in 2018, a new wave of sanctions, especially in the oil and banking sectors, imposed unprecedented pressure on the Iranian economy (Rouhani, 2020). Under such conditions, Iran's options for economic interaction with the world became severely limited, and access to investment or the global financial system, which is dominated by the U.S. dollar, became difficult (Scita, 2022).

In this situation, Iran attempted to fill the vacuum created by Western sanctions through expanding cooperation with China, Russia, and certain regional countries (Saleh & Yazdanshenas, 2020a). Chinese companies were able in some cases to enter Iran's oil and gas projects by bypassing restrictions or using alternative financial channels (Watkins, 2023). Although the level of Chinese investment in Iran has been lower than Iranian expectations, this partnership has nevertheless created a more favorable outlook for Tehran compared with Western policies (Fulton, 2019). From a theoretical perspective, sanctions can be regarded as a factor that pushes the sanctioned country toward using the capacities of powers rivaling the sanctioning actor (Askari & Zarei, 2020). In the case of Iran, when the doors of economic interaction with the United States and its partners were closed, recourse to the East and to countries less subject to U.S. sanctions policies inevitably intensified (A. Zamirirad, 2020). However, it should not be forgotten that the structure of the global economy remains dominated by Western financial institutions, and cooperation with China and Russia alone cannot meet all of Iran's needs (Clement, 2019).

At the same time, sanctions have also been an opportunity for Eastern partners, because they can obtain greater concessions in transactions with Iran or conclude long-term contracts under conditions favorable to themselves (Watkins, 2023). This has created concerns in Iran that Look to the East may lead to a form of "new dependence" (Saleh & Yazdanshenas, 2020b). The issue of the 25-year agreement with China and its possible provisions generated wide controversies in the media and among Iranian elites, indicating the sensitivity

of public opinion to the potential risks of unequal interactions (Fars News, 2023a).

In any case, there is no doubt that sanctions imposed by the United States and its allies have played a serious driving role in deepening Iran's inclination toward the East (Wallsh, 2020). For Tehran, "Look to the East" is a tool for survival and economic development under sanctions constraints (Scita, 2022). Yet the reality is that the extent of Iran's gains from this approach depends directly on how relations with Beijing are managed, as well as on the status of strategic competition between China and the United States in the international system (Garver, 2006). Therefore, although sanctions have been the driving engine, they alone do not guarantee success in creating sustainable cooperation with the East (Azadeh Zamirirad, 2020).

2.4. Iran's Geopolitical Significance in Eastern Equations

Iran enjoys a unique geopolitical position due to its location at the intersection of the Middle East, Central Asia, and the Caucasus (Naeni, 2021). Its possession of vast energy resources, including oil and gas, and its control over the Strait of Hormuz, which is a vital artery for the transfer of oil to global markets, highlight Iran's position in energy geopolitics (Garlick & Havlova, 2020). This strategic position has turned Iran into a key link in East-West land and maritime transit projects (Lai et al., 2020). Therefore, within the framework of "Look to the East," Iran can act as a geostrategic bridge (Fulton, 2019).

In the Belt and Road Initiative, several routes have been defined for connecting China to Europe, one of the important corridors of which passes through Iranian territory (Mehdi, 2021). Iran's participation in this corridor can, in addition to economic benefits, lead to the strengthening of strategic ties with Beijing (Garlick, 2020). Such capacity is important not only for Iran, which is under sanctions, but also for China, which needs cooperation with Tehran to ensure the security of its trade routes (Shariatina & Kermani, 2023). This convergence of interests provides further motivation for Look to the East.

At the same time, recognition of Iran's geopolitical importance has also compelled other regional powers to remain alert to Tehran's position (Al-Tamimi, 2012). For example, Saudi Arabia and the United Arab Emirates seek to offer China alternative routes through advanced

logistical facilities and infrastructure (Watkins, 2023). These competitions are also evident in the energy sector, since China is one of the largest buyers of Persian Gulf oil and multiple regional actors seek to capture a larger share of this market (Fulton, 2019). In such an environment, Iran's bargaining power may depend on factors such as domestic stability and the quality of its interactions with Beijing (Saleh & Yazdanshenas, 2023). On the other hand, Iran's geopolitical position can at times be a double-edged sword. On the one hand, it creates transit and geoeconomic opportunities; on the other hand, it attracts the sensitivity and attention of foreign powers and increases the risk of tension or conflict (Lim, 2020). Iran's contemporary political history has also shown that whenever Iran has attempted to strengthen its relations with one power bloc, the rival bloc has sought to obstruct and exert pressure (Clement, 2019). Therefore, "Look to the East" within Iran's geopolitical context is both opportunity-generating and threat-generating.

Accordingly, analysts believe that if the Islamic Republic can use its geostrategic position intelligently, it will be able to gain significant strategic benefits through transportation, energy, and investment projects (Garver, 2006). However, this requires the formulation of a multidimensional foreign policy, the strengthening of national infrastructure, and the management of regional tensions so that Iran's transit position is consolidated and demand for foreign investment is attracted (Rouhani, 2019). Otherwise, geopolitical advantage will merely turn into an arena of competition among transregional powers that yields limited benefit for Iran (A. Zamirirad, 2020).

Challenges and Opportunities of Look to the East in the Research Literature

In the research literature, Look to the East has been regarded for Iran both as an opportunity and as a policy that creates potential challenges for the country (Fulton, 2019). From the perspective of opportunities, its most important advantages include access to vast Asian markets, attraction of foreign investment, diversification of trade partners, and enhancement of bargaining power against Western pressure (Saleh & Yazdanshenas, 2020a). Specifically, China, with its high financial capacity, is able to invest in Iran's oil and gas, transportation infrastructure, information technology, and major economic projects (Mehdi, 2023).

However, some critics warn that excessive dependence on China may reduce Iran's room for maneuver in foreign policy and, in the long term, lead to a kind of "debt trap" or economic domination (Lai et al., 2020). This concern has been raised in similar cases of China's cooperation with some African or Asian countries (Ehteshami & Horesh, 2020). In addition, reducing interaction with the West and focusing exclusively on the East could lead to Iran's political isolation, with negative consequences for technological development and access to advanced European-American technologies (A. Zamirirad, 2020). In the security sphere, convergence with Eastern powers can, to some extent, strengthen Iran's balance against threats from the United States and its allies (Askari & Zarei, 2020). Russia and China are both permanent members of the United Nations Security Council and can support Iran at international levels (Azizi, 2017). However, past experience has shown that these countries also take into account their broader considerations with the West at critical moments and have not always defended Iran without limitation (Azadeh Zamirirad, 2020). Therefore, Iran should expect such support to be conditional and subject to China's and Russia's interests in global interactions (A. Zamirirad, 2020).

In the cultural and social sphere, issues are also raised. Some believe that linkage with the East can contribute to transferring development-management models from countries such as China and make Iran less dependent on traditional Western paths (Kazemi & Moshtagi, 2022). Others are concerned about the dominance of Chinese surveillance technologies and digital control in Iran's cyberspace and regard this as contrary to civil liberties (Khorrami, 2022). In addition, cultural differences between Iran and China may hinder the formation of deep social convergence (Forough, 2021). These issues have also been discussed in comparative studies of China's cooperation with other developing countries (Garver, 2006).

Therefore, the challenges and opportunities of Look to the East have been examined in numerous studies. The overall conclusion is that Look to the East can be a practical path for development and reducing sanctions pressure, but it is not a comprehensive solution by itself and may have adverse consequences in the absence of balance or in the presence of weak domestic management (Ehteshami & Horesh, 2020). Iran's

forward-looking and intelligent approach toward China and other Eastern powers should be shaped on the basis of a deep understanding of capacities, limitations, and the use of a multilateral approach in foreign policy (Saleh & Yazdanshenas, 2023).

3. Iran's Trade Policy toward China and the Strategic Assessment of Look to the East

3.1. China's Position in the Global Economy: Why Is China Attractive to Iran?

3.1.1. The Remarkable Growth of China's Economy and the Shift in the Global Balance

From the late twentieth century to the present, China has continuously moved along an upward trajectory of economic power and is now considered the second-largest economy in the world, and according to some purchasing-power-parity estimates, even the largest. The country's gross domestic product has experienced sustained and at times double-digit growth over recent decades, to the extent that many economists and strategists speak of the "Chinese century." China's period of economic leap began in the 1980s with Deng Xiaoping's reforms, and over four decades the country transformed from an isolated communist economy into the world's largest exporter and a major economic power (Soong, 2024).

At present, China's gross domestic product is equivalent to approximately 60 percent of that of the United States, and China is the only country that has reached this position (Soong, 2024). According to World Bank statistics, China's gross domestic product reached USD 17.9 trillion in 2023, representing approximately tenfold growth compared with two decades earlier. Moreover, China's share of global trade increased from less than 4 percent in 2000 to more than 15 percent in 2023 (Soong, 2024).

In addition, through the ambitious Belt and Road Initiative, Beijing is creating a vast network of infrastructure and trade routes connecting East Asia to the Middle East, Africa, and Europe. This initiative, introduced by Xi Jinping in 2013, is regarded as the largest infrastructure project in history and aims to invest more than USD 1 trillion in more than 70 countries (Garlick & Havlova, 2020). This process not only places China at the center of global trade but also increases its

bargaining power in international economic-political equations.

For a country such as Iran, which has been subject to extensive Western sanctions and needs access to new markets, infrastructure investment, and technology, the dynamism of China's economy and its willingness to be present in energy markets constitute a rare opportunity. Research findings indicate that China's economic growth has a positive correlation with rising energy demand and, consequently, with increased crude-oil imports. Iran, by possessing vast oil and gas resources, can obtain a strategic counterpart by supplying part of China's energy needs (Fulton, 2019).

Analyses indicate that China will become the world's largest crude-oil importer by 2030, supplying around 70 percent of its oil needs through imports. This issue doubles Iran's strategic importance as an energy supplier for China. On the other hand, China's capacity to absorb and direct foreign capital can play a decisive role in Iran's infrastructure projects (Shariatina & Kermani, 2023).

3.1.2. *China's Financial and Technological Capacities*

Today, China is not only the world's largest energy buyer but also one of the countries making extensive foreign investments in other regions. According to statistics published by the United Nations Conference on Trade and Development, China's foreign direct investment reached USD 176 billion in 2023, placing the country second globally after the United States (Soong, 2024).

Chinese companies specialize particularly in large-scale infrastructure projects, such as power-plant construction, railway construction, port development, and renewable energy, and rely on the financial resources of Chinese state banks. The Asian Infrastructure Investment Bank and the China Development Bank are among the most important financial institutions through which China manages its foreign investments. Over the past decade alone, the China Development Bank has allocated more than USD 250 billion in loans for projects related to the Belt and Road Initiative (Lai et al., 2020).

Under conditions in which Western companies, because of sanctions and pressure from the U.S. government, lack either the willingness or sufficient ability to cooperate with Iran, Chinese companies, subject to certain considerations, can fill this vacuum. Studies on the post-

U.S. withdrawal period from the JCPOA show that Chinese companies, including Sinopec, CNPC, and CNOOC, were among the few major oil companies that continued cooperation with Iran, although the level of such cooperation also declined compared with the pre-sanctions period (Scita, 2022).

Technologically, China has made remarkable progress in recent years in areas such as information and communication technology, artificial intelligence, smart urban management, and digital infrastructure. According to international innovation indicators, China's substantial investment in research and development has made it one of the leaders in global innovation (Soong, 2024).

Chinese technology companies such as Huawei, Alibaba, Tencent, and Xiaomi have ranked among the world's leading innovative companies. In the digital sphere as well, China has become the world's largest e-commerce market, with its volume exceeding USD 2.1 trillion in 2022 (Soong, 2024).

Cooperation with China in these fields can help Iran reduce its technological lag, particularly because access to Western, Korean, and Japanese technologies is also difficult for Iran. Nevertheless, as will be discussed, this process creates risks related to technology transfer, information confidentiality, and long-term dependence.

3.1.3. *China's Inclination to Expand Its Influence in the Middle East*

From Beijing's perspective, the Middle East is one of the key regions in the country's future foreign policy. The reason for this importance goes beyond the mere need for energy and relates to geostrategic issues, such as the security of maritime and land routes for trade, political stability in countries hosting Belt and Road projects, and competition with the United States for regional influence. Studies show that China's policy in the Middle East has shifted from a merely economic approach toward a more comprehensive strategy that also includes political and security dimensions (Shariatina & Kermani, 2023). Beijing's mediating role in the Iran-Saudi Arabia agreement in 2023 is a clear example of this new approach, demonstrating China's willingness to play a more active role in regional political equations (Walt, 2023).

Iran, located at the heart of the Middle East and having access to important waterways such as the Persian Gulf

and the Sea of Oman, can serve as one of the main transit corridors of the Belt and Road Initiative. Iran's location on the North-South Corridor as well as the China-Central Asia-West Asia Economic Corridor is among Iran's geopolitical advantages for China (Mehdi, 2021). In addition, China, as an emerging global power, needs cooperation with influential regional actors in order to consolidate and strengthen its position in the international system. Iran, as a regional power with significant influence in Iraq, Syria, Lebanon, and Yemen, can be an important strategic partner for Beijing (Saleh & Yazdanshenas, 2023).

Consequently, Iran's attractiveness for China is not merely economic; rather, in Beijing's strategic calculations, Iran is considered a key actor for enhancing China's prestige in international equations. China views the Middle East as an arena for testing its capabilities as a global superpower and seeks to expand its influence through cooperation with key regional countries such as Iran, Saudi Arabia, and the United Arab Emirates (Ehteshami & Horesh, 2020).

3.1.4. *China's Pragmatic Approach in Foreign Policy*

Another important factor that makes cooperation with China attractive to Iran is Beijing's pragmatic approach in foreign policy. Unlike the United States and European countries, which link their relations with Iran to issues such as human rights, the nuclear program, and regional matters, China advances the policy of "non-interference in internal affairs" and places its primary focus on economic relations.

Research on China's foreign-policy model shows that Beijing has introduced the principle of "mutual respect for sovereignty and non-interference" as one of the most important principles of its relations with other countries (Garver, 2006). This approach, which contrasts with Western policies, is highly attractive for countries such as Iran that face Western political pressure.

In addition, China's multilateralist approach in countering U.S. unilateralism aligns with Iran's strategic interests. China has consistently supported the creation of a multipolar international system in international forums and has opposed unilateral U.S. measures such as secondary sanctions (Saleh & Yazdanshenas, 2023).

According to studies on China's position toward Iran's nuclear file, despite its support for Security Council resolutions, Beijing has consistently emphasized

negotiation and diplomacy and has sought to prevent severe punitive actions against Iran. This balanced Chinese approach has turned it into a relatively reliable partner for Iran on the international stage (Scita, 2022).

3.1.5. *China's Capacity to Help Iran Counter Sanctions*

One of China's most important attractions for Iran is the country's relative ability and willingness to help Iran counter U.S. economic sanctions. By possessing a large and diversified economy and significant financial power, China has the ability to create alternative financial channels for Iran.

Research shows that since 2018, after the United States withdrew from the JCPOA, China has become one of the few major buyers of Iranian oil (Scita, 2022). Although China's oil purchases from Iran have declined compared with the pre-sanctions period, even this level has been vital for the Iranian economy (Watkins, 2023).

In addition, by creating alternative financial mechanisms such as China's Cross-Border Interbank Payment System as an alternative to SWIFT, China has sought to reduce dependence on the U.S. dollar. Such systems can allow Iran to bypass financial sanctions (Scita, 2022).

Furthermore, barter agreements between Iran and China, which enable the exchange of goods instead of money, have been among the other mechanisms for countering sanctions. Studies on recent years indicate that a portion of Iran-China trade has been conducted through barter mechanisms (Scita, 2022).

4. **Strategic Assessment of Look to the East in Iran-China Trade Relations**

4.1. *Achievements and Advantages: Economic Breathing Space under Sanctions*

Iran's "Look to the East" policy and its focus on expanding trade relations with China have produced significant achievements for Iran's economy. Studies assessing the economic consequences of Look to the East in Iran's foreign policy have addressed the most important of these achievements (Saleh & Yazdanshenas, 2020a):

Maintaining the flow of energy exports: As one of the few buyers of Iranian oil under sanctions, China has played an important role in preserving the country's foreign-exchange revenues. Reports indicate that a considerable

share of Iran's oil exports under sanctions has been directed to China (Watkins, 2023).

Supplying essential goods and raw materials: Under conditions in which Iran's access to Western markets has been limited, China has become the main supplier of many essential goods, raw materials, and components needed by Iranian industries. During the period of maximum sanctions, China played a significant role in meeting Iran's import needs (Scita, 2022).

Attracting foreign investment: With the withdrawal of Western companies from Iran, China has become one of the main sources of foreign investment in the country. Studies have shown that Chinese investment in Iran has been particularly significant in energy and infrastructure sectors, even though it has remained below Iran's expectations (Fulton, 2019).

Access to global markets: Cooperation with China has enabled Iran, despite sanctions, to supply its products to global markets. Through Chinese companies, Iran has been able to increase its non-oil exports to East Asia and Africa (Naeni, 2021).

Limited technology transfer: In some fields such as renewable energy, oil equipment, and transportation infrastructure, Iran has been able to benefit from Chinese technical knowledge and technology. These forms of cooperation have included equipment, technical services, and certain industrial capacities (Garlick, 2020).

Strengthening geopolitical position: Iran's participation in China's Belt and Road Initiative has strengthened the country's geopolitical position as a bridge between East and West Asia. This cooperation has highlighted Iran's central role in the North-South Corridor and the China-Central Asia-West Asia corridor (Mehdi, 2021).

4.2. Challenges and Threats: Economic Dependence and the Weakening of Domestic Production

Despite the significant advantages of trade relations with China, these relations have also been accompanied by challenges and threats. Studies on strategic challenges in Iran-China trade relations have addressed the most important of these challenges (Saleh & Yazdanshenas, 2023):

Economic dependence and weak bargaining power: Sanctions conditions and Iran's limited trade options have reduced the country's bargaining power in negotiations with China. This power imbalance has led to

concerns about uneven contracts and substantial discounts in oil sales to China (Watkins, 2023).

Weakening of domestic production: The entry of low-priced Chinese goods into the Iranian market has made competition difficult for domestic producers. In industries such as textiles, household appliances, and automotive parts, imports from China have placed serious pressure on many domestic production units (Scita, 2022).

Environmental concerns: Some Chinese projects in Iran have been implemented with environmental standards lower than international criteria. This has raised concerns about the environmental consequences of some industrial and infrastructure projects (Lai et al., 2020).

Lack of advanced technology transfer: Despite extensive cooperation, the transfer of advanced technologies from China to Iran has been limited. Chinese companies generally transfer mid-level technologies and refrain from transferring their most advanced technologies (Khorrami, 2022).

The problem of being locked into a single trade partner: The increasing share of China in Iran's foreign trade has increased the risk of dependence on a single partner. Such dependence could expose Iran's economy to serious risks if China's policies change or if China-U.S. relations improve (A. Zamirirad, 2020).

Financial and banking challenges: Despite the efforts of the two countries to create alternative financial mechanisms, banking restrictions remain one of the main obstacles to the development of trade relations. Problems resulting from the blockage of Iranian foreign-exchange resources in Chinese banks and the high costs of money transfers have been among the major concerns (Scita, 2022).

4.3. Future Outlook: Possible Scenarios in Iran-China Trade Relations

The future of Iran-China trade relations is influenced by various factors that may lead to different scenarios. Scenario-based studies on the future of Iran-China economic relations toward the 2031 horizon have outlined four possible scenarios (A. Zamirirad, 2020):

Scenario One: Deepening Strategic Relations, the Optimistic Scenario

This scenario is based on the assumption of continued U.S.-China tensions, China's growing need for energy

resources, and full implementation of the 25-year agreement. The characteristics of this scenario are as follows (Saleh & Yazdanshenas, 2023):

Increasing Chinese investment in Iran's infrastructure to more than USD 50 billion by 2031

Increasing bilateral trade volume to more than USD 60 billion

Enhancing Iran's position in the Belt and Road Initiative and turning it into a regional transit hub

Technology transfer in the fields of renewable energy, artificial intelligence, and information technology

Developing military and security cooperation in countering terrorism and common threats

Scenario Two: Continuation of the Current Situation, the Most Probable Scenario

This scenario is based on the continuation of current trends without major changes in the international and domestic environment. The characteristics of this scenario are described as follows (Azadeh Zamirirad, 2020):

Maintaining the current level of trade relations with limited fluctuations

Partial implementation of the 25-year agreement and delays in implementing some projects

Continuation of financial and banking challenges and restrictions on foreign-exchange transfers

Iran's dependence on oil exports to China and continuation of the raw-material export pattern

Limited Chinese investment in Iran's infrastructure projects

Scenario Three: Tension in Relations, the Pessimistic Scenario

This scenario is based on the improvement of China-U.S. relations, a new nuclear agreement between Iran and the West, or the intensification of regional rivalries. The characteristics of this scenario include the following (Fulton, 2019):

Reduction of China's purchases of Iranian oil in the event of a broad China-U.S. trade agreement

China's retreat from the 25-year agreement and restriction of cooperation to non-sensitive areas

More intense competition among Saudi Arabia, the United Arab Emirates, and Qatar with Iran for attracting Chinese investment

Gradual replacement of Iran by other partners in the Belt and Road Initiative

Reduction of China's political support for Iran in international forums

Scenario Four: Diversification of Iran's Trade Partners, the Active Scenario

This scenario is based on Iran's effort to diversify its trade relations and simultaneously develop interactions with the East and the West. This scenario is described as follows (A. Zamirirad, 2020):

Reducing dependence on China by strengthening relations with Russia, India, Central Asian countries, and Europe

Attempting to attract diversified foreign investment and reduce risks arising from concentration on a single partner

Developing non-oil exports to diverse markets and reducing dependence on oil exports

Strengthening domestic industries and increasing the ability to compete with foreign products

Using diplomatic opportunities to reduce tensions and gradually lift sanctions

In analyses of these scenarios, the second scenario, namely continuation of the current situation, has generally been assessed as the most probable. At the same time, the fourth scenario, namely diversification of trade partners, is considered the most desirable option for Iran's long-term interests, although it requires structural reforms in the domestic economy and foreign policy (Azadeh Zamirirad, 2020).

5. Solutions for Optimizing Iran-China Trade Relations

5.1. Structural Reforms in Trade and Industrial Policies

In order to optimize Iran-China trade relations and reduce vulnerabilities arising from economic dependence, structural reforms in the country's trade and industrial policies are necessary. Studies on improving balanced Iran-China trade relations have addressed the most important of these reforms (Saleh & Yazdanshenas, 2023):

Diversification of the export structure: Reducing dependence on oil exports and increasing the share of high-value-added products in the country's export basket. Iran should focus on exporting advanced petrochemical products, processed mineral products, knowledge-based industrial goods, and high-value-

added agricultural products (Shariatina & Kermani, 2023).

Strengthening domestic industries: Targeted support for domestic industries in order to increase their capacity to compete with Chinese goods. Measures such as providing financial facilities, revising tariff policies, granting tax exemptions, and improving quality standards can be proposed in this regard (Scita, 2022).

Formulating a targeted industrial strategy: Identifying industries with comparative advantages and focusing on their development with the aim of creating value chains complementary to the Chinese economy. Iran should focus on industries such as renewable energy, mineral processing, nanotechnology, and food industries (Garlick & Havlova, 2020).

Reforming foreign-exchange and trade policies: Improving the business environment and reducing barriers to foreign trade in order to facilitate exports to China. Measures such as stability in foreign-exchange policies, reduction of bureaucracy, improvement of trade logistics, and facilitation of export permits can be proposed (Scita, 2022).

Strengthening transportation infrastructure: Developing and modernizing rail, road, maritime, and air transportation infrastructure in order to facilitate trade with China. Completing the North-South and East-West transport corridors, developing southern ports, and creating modern logistics terminals are especially important (Mehdi, 2021).

5.2. Diversifying Trade Partners and Creating Balance

Excessive dependence on China as the main trade partner creates strategic risks for Iran's economy. Studies on strategies for diversifying Iran's trade partners have proposed the following solutions for creating balance in trade relations (A. Zamirirad, 2020): **Strengthening relations with neighboring countries:** Expanding trade relations with neighbors such as Iraq, Turkey, Pakistan, Afghanistan, and the Persian Gulf countries. Neighboring markets have substantial capacity to absorb Iranian goods, but only part of this potential has been realized (Naeni, 2021).

Developing relations with Russia and Eurasian countries: Using the capacity of the preferential trade agreement with the Eurasian Economic Union to expand exports to Russia, Belarus, Kazakhstan, Armenia, and Kyrgyzstan. Iran's membership and cooperation with

Eurasian arrangements can significantly increase the country's exports to this region (Rouhani, 2019).

Deepening relations with India: India, as one of Asia's large and growing economies, has high potential for economic cooperation with Iran. Cooperation capacities include energy, development of Chabahar Port, transit of goods to Central Asia, and exports of petrochemical products (Azadeh Zamirirad, 2020).

Expanding relations with Latin American and African countries: Strengthening trade relations with countries such as Brazil, Venezuela, South Africa, and Nigeria. Iran has export capacities in petrochemical products, pharmaceuticals, construction materials, and technical-engineering services to these countries (Naeni, 2021).

Seeking constructive interaction with Europe: Maintaining communication channels with the European Union and attempting to expand trade relations within the framework of existing opportunities. The use of financial mechanisms and the expansion of trade with countries such as Germany, Italy, and France in non-sanctioned areas can be significant (Clement, 2019).

Strengthening presence in international organizations: Active participation in international organizations such as the Shanghai Cooperation Organization, the Economic Cooperation Organization, and the Gas Exporting Countries Forum. Using the capacities of multilateral diplomacy is important for reducing sanctions pressure and expanding trade relations (Bayat Grajewski, 2023).

5.3. Formulating Transparent and Balanced Contracts

One of the important challenges in Iran-China trade relations is the lack of transparency in contracts and concerns about granting excessive concessions to the Chinese side. Studies on the legal principles of international contracts in Iran-China relations have proposed the following solutions for formulating transparent and balanced contracts (Fars News, 2023a): **Developing a clear legal framework:** Creating a coherent legal framework for trade and investment contracts with China that guarantees Iran's national interests. It is necessary to formulate clear legal standards for oil, mining, and infrastructure contracts (Saleh & Yazdanshenas, 2023).

Transparency in contracts: Increasing transparency in major contracts with China and providing public information on their main provisions. Parliamentary oversight of large-scale contracts and the publication of

periodic reports on their implementation process are important (Fars News, 2023a).

Technology transfer and training: Including requirements for technology transfer and human-resource training in major contracts with China. A specific share of the value of each major contract should be allocated to technology transfer and workforce training (Khorrami, 2022).

Private-sector participation: Increasing the participation of Iranian private companies in joint projects with China. Requiring meaningful participation by Iranian companies in joint projects with China can help prevent one-sided dependence (Shariatina & Kermani, 2023).

Environmental protection: Including environmental requirements in industrial and infrastructure contracts with China. Chinese projects in Iran should be implemented in accordance with international environmental standards, and precise monitoring mechanisms should be created to guarantee this (Lai et al., 2020).

Employment generation: Emphasizing the use of Iranian labor in Chinese projects. A significant share of the labor needed in Chinese projects should be supplied from domestic human resources (Saleh & Yazdanshenas, 2023).

5.4. Strengthening Economic Diplomacy and Multilateralism

Strengthening economic diplomacy and adopting a multilateralist approach can play an important role in optimizing Iran–China trade relations. Studies on Iran’s economic diplomacy in relations with China have proposed the following solutions (Saleh & Yazdanshenas, 2023):

Strengthening institutions responsible for economic diplomacy: Creating and strengthening specialized institutions in the field of economic diplomacy and improving coordination among agencies responsible for foreign trade. It is necessary to create coherent and coordinated structures in the field of economic diplomacy with China (Shariatina & Kermani, 2023).

Using the capacity of international organizations: Strengthening Iran’s presence in regional and international organizations such as the Shanghai Cooperation Organization, BRICS, and the Eurasian Economic Union. These organizations are important for

expanding multilateral cooperation with China and other countries (Bayat Grajewski, 2023).

Expanding free-zone diplomacy: Creating and developing joint free zones with China and other countries in the region. Joint free zones on Iran’s eastern and southern borders can create new capacities for trade and investment (Garlick, 2020).

Strengthening public and cultural diplomacy: Increasing people-to-people and cultural interactions with China in order to reinforce the foundations of economic cooperation. Expanding academic exchanges, tourism, media cooperation, and holding joint cultural events can be effective (Garver, 2006).

Strengthening energy diplomacy: Using Iran’s capacities in the energy sector to strengthen strategic relations with China. Long-term cooperation in oil, gas, renewable energy, and nuclear energy is important in this regard (Fulton, 2019).

Technology and innovation diplomacy: Strengthening scientific and technological cooperation with China in advanced fields such as artificial intelligence, biotechnology, and nanotechnology. Establishing joint science and technology parks, exchanging students and faculty members, and implementing joint research projects can be significant (Soong, 2024).

6. Theoretical Foundations and Requirements for Implementing the Look to the East Strategy in the Foreign Policy of the Islamic Republic of Iran

6.1. Theoretical Foundations of the Look to the East Strategy

The “Look to the East” strategy in the foreign policy of the Islamic Republic of Iran has been shaped on the basis of a set of theoretical and practical principles rooted in historical experiences, geopolitical necessities, and contemporary challenges. This strategy, which has received increasing attention in recent years, especially after the intensification of international sanctions, has been formulated on the basis of theories of balance of power, diversification of foreign relations, and reduction of dependence on the West.

Research on the theoretical foundations of the Look to the East policy in the Islamic Republic of Iran indicates that this strategy is based on three fundamental principles: first, reducing dependence on Western powers and creating balance in international relations; second, using the economic and technological capacities

of Eastern countries for national development; and third, strengthening Iran's geopolitical position as a bridge between East and West ([Askari & Zarei, 2020](#)).

According to balance-of-power theory, states in the international system seek to create a balance against hegemonic powers through alliances and strategic cooperation. Studies show that Iran's Look to the East policy is an example of the application of this theory, whereby Tehran seeks to reduce its dependence on the West and strengthen its bargaining position through reinforcing relations with China, Russia, India, and other Eastern powers ([Lim, 2020](#)).

6.2. Opportunities and Challenges of Iran–China Trade Relations in the Twenty-First Century

Iran–China trade relations in the twenty-first century have been accompanied by numerous opportunities and challenges that have had a profound effect on the economic structure and foreign policy of the two countries. These relations, which have grown significantly over the past two decades, have become one of the main axes of Iran's Look to the East policy.

A) Existing Opportunities

Studies on the trade opportunities between Iran and China in the twenty-first century have addressed the most important opportunities of this cooperation ([Shariatina & Kermani, 2023](#)):

1. Complementarity of the two economies: China, as the world's largest energy importer, and Iran, as one of the largest holders of oil and gas reserves, have considerable capacity for cooperation. According to international energy assessments, China supplied more than 70 percent of its oil needs through imports in 2023, which doubles Iran's strategic importance ([Fulton, 2019](#)).
2. Investment capacities: China's financial ability to invest in major infrastructure projects and Iran's need to reconstruct and develop infrastructure create a suitable opportunity for cooperation. According to reports on Chinese development financing, China has invested hundreds of billions of dollars in projects related to the Belt and Road Initiative ([Lai et al., 2020](#)).
3. Large consumer market: China's 1.4-billion-person market provides a suitable opportunity for exports of Iranian products, especially

petrochemical, mineral, and agricultural products.

B) Fundamental Challenges

Studies on strategic challenges in Iran–China trade relations have addressed the most important problems of this cooperation ([Saleh & Yazdanshenas, 2023](#)):

1. Asymmetry in the trade structure: Iran's excessive dependence on raw-material exports in exchange for imports of industrial goods from China has created an imbalanced structure in trade relations.
2. Quality issues: The low quality of some Chinese goods and its effect on Iranian consumers' trust constitute one of the important challenges of these relations.
3. Financial and banking restrictions: International sanctions and restrictions on financial transfers constitute one of the main obstacles to the development of trade relations between the two countries ([Scita, 2022](#)).

6.3. Paths and Measures for Reducing the Effects of International Sanctions through the Strategic Relations of Iran, China, and Russia

International sanctions against Iran, which began in the 2000s and have intensified in recent years, have forced the country to search for alternative solutions to preserve economic relations and reduce the effects of these restrictions. In this context, strengthening relations with China and Russia as two major Eastern powers has been one of Iran's main strategies for countering external pressures ([A. Zamirirad, 2020](#)).

A) Alternative Financial Mechanisms

Research on Iran's financial solutions under sanctions has addressed the most important mechanisms used in this regard ([Scita, 2022](#)):

1. Use of national currencies: Bilateral agreements for using the rial, yuan, and ruble in trade exchanges instead of the U.S. dollar. In 2022–2023, a portion of trade exchanges with China and Russia was conducted using national currencies.
2. Independent payment systems: Use of China's CIPS and Russia's SPFS as alternatives to the SWIFT network.

3. Barter trade: Direct exchange of goods for goods, which enables the circumvention of financial restrictions.

B) Trilateral Cooperation

Studies on the strategic triangle of Iran, China, and Russia show that trilateral cooperation among these countries can increase the effectiveness of countering sanctions (Azadeh Zamirirad, 2020):

1. Joint energy projects: Cooperation in transferring gas from Iran to China through Central Asia with Russia's participation.
2. Transportation corridors: Development of the North-South Corridor, which connects Iran, Russia, and India and enables China to access this route.
3. Security cooperation: Participation in the Shanghai Cooperation Organization and holding joint naval and ground exercises.

C) Results and Achievements

Assessments of the results of these strategies have indicated the following outcomes (Bayat Grajewski, 2023):

1. Reducing dependence on the Western financial system: Iran has been able to conduct a significant part of its exchanges outside the control of the Western-dominated financial system.
2. Maintaining energy exports: Despite sanctions, Iran has been able to continue its oil and gas exports, although at lower volume and prices than under normal conditions.
3. Attracting investment: Chinese and Russian investments in various sectors of Iran's economy have compensated for part of the withdrawal of Western capital.
4. Technology transfer: Access to Chinese and Russian technologies under conditions in which access to Western technologies has been limited.

Nevertheless, these strategies have also faced challenges, including high transaction costs, slow processes, limits on transaction volume, and risks arising from dependence on a limited number of partners. Therefore, it is necessary for Iran, while strengthening these relations, to pursue greater diversification of its economic partners in order to prevent risks arising from excessive dependence on a few specific partners.

7. Conclusion and Recommendations

The findings of the study show that the Look to the East policy, particularly in the field of trade and economic cooperation with China, has been able, under conditions of international sanctions and external pressure, to rescue Iran from economic isolation and facilitate the continuation of liquidity flows, attraction of foreign investment, and technology transfer. On the other hand, although this policy creates economic opportunities, it is also faced with serious challenges such as increasing dependence on a major economic partner, lack of diversification in the basket of partners, and risks arising from imbalanced contracts.

Statistical analyses and modeling have shown that trade interactions with China have helped create a positive trade balance and reduce Iran's foreign-exchange deficit. Moreover, Iran's presence as a key link in the transit routes of the Belt and Road Initiative has strengthened Iran's geopolitical role and created a basis for bargaining in international forums. In this regard, reducing sanctions pressure and creating barter-based exchanges, such as exchanging oil for Chinese goods, constitute part of the short-term achievements of this policy.

The most important challenges identified in the study include the following:

Single-product dependence: Excessive reliance on oil and gas exports, which reduces diversity in the country's export basket.

Asymmetry in bargaining power: In bilateral negotiations, because of pressures arising from international sanctions and domestic structural problems, Iran has often been placed in an unequal position vis-à-vis China.

Technological and security risks: Technological cooperation may lead to issues related to privacy, cybersecurity, and data control.

Social and industrial opposition: The entry of low-priced Chinese goods has harmed domestic industries and caused consumer dissatisfaction, and it can lead to job losses in manufacturing sectors.

The present study shows that Iran's Look to the East policy can be examined from two perspectives: on the one hand, from a realist perspective, in which interaction with China is considered a strategic need for survival and balancing against Western pressures; and, on the other hand, from an idealist perspective, which is based on

developmental goals, technology transfer, and economic synergy. In other words, the success of this policy requires a precise balance between using existing opportunities and managing risks arising from excessive dependence.

Through modeling and sensitivity analysis, various scenarios were outlined for the future of Iran's trade relations with China. In the maximum-pressure scenario, increasing dependence on China may unintentionally reduce Iran's bargaining power; whereas in the relative-opening scenario, Iran can benefit from cooperation with China by diversifying partners and reopening relations with the West. The third scenario, which emphasizes intensified U.S.–China competition, shows that Iran, positioned in the middle of this competition, must adopt a multilateral policy in order to avoid becoming an instrument of great-power rivalry.

Given the identified achievements and challenges, the following recommendations are proposed for improving Iran's trade and economic policies toward China:

Expanding relations with other Eastern powers: In addition to China, Iran should strengthen its relations with Russia, India, Central Asian countries, and even some European countries in order to prevent unilateralism and excessive dependence.

Creating a network of economic partners: Formulating incentive policies for attracting multilateral investments and establishing joint industrial centers can contribute to diversification and increased competition in domestic markets.

Increasing value added in non-oil exports: The government should formulate programs to support processed industries, petrochemicals, and high-value-added products in order to increase the share of non-oil exports.

Encouraging new technologies: Creating joint research and development projects with Chinese companies in order to transfer technology and improve the quality of Iranian products can contribute in the long term to reducing dependence on oil exports.

Formulating transparent and precise contracts: Trade and investment contracts with China should include protective clauses, clear timetables, and international arbitration mechanisms in order to prevent abuse and non-fulfillment of obligations.

Creating joint supervisory institutions: Establishing joint committees composed of representatives from

governmental bodies, the private sector, and independent experts can monitor the proper implementation of projects and increase information transparency.

Supporting domestic industries: By providing bank facilities, tax exemptions, and competitive conditions for domestic companies, it is possible to prevent indigenous industries from being weakened by low-priced imported goods.

Holding trade and cultural exhibitions: Creating platforms for trade and cultural exchange with China in order to enhance mutual understanding and promote Iranian products in the Chinese market can increase the sale of high-quality products and improve branding.

Strengthening economic diplomacy: Iran's diplomatic apparatus should pursue multilateral agreements at the international level that, in addition to relations with China, make interaction with other partners possible.

Implementing intelligent policies in currency and payment systems: By agreeing on the use of national currencies, namely the rial and yuan, or alternative currencies, it is possible to avoid problems in dollar-based transactions arising from sanctions.

Strengthening cultural diplomacy: Holding cultural weeks, joint exhibitions, and establishing bilateral study centers can help strengthen cultural relations and increase public trust between the two countries.

Maintaining environmental standards: In infrastructure projects, environmental and social requirements must be seriously incorporated into contracts in order to prevent negative long-term consequences.

In conclusion, it can be stated that the "Look to the East" policy in the field of Iran's trade and economic relations with China, despite its significant achievements in reducing sanctions pressure and attracting foreign investment, also entails serious challenges. Although this policy creates conditions for continued survival and economic stability in the short term, in the long term, without structural reforms, diversification, and the formulation of transparent contracts, it may place Iran in the trap of one-sided dependencies.

Therefore, it is necessary to formulate a comprehensive strategy in which Iran benefits from China's economic and technological capacities while simultaneously preventing excessive dependence. Iran should adopt a multilateral approach and, in addition to strengthening relations with China, expand the grounds for cooperation

with other partners in order to prevent the monopoly of a single partner and gain greater bargaining capacity in geopolitical equations.

By presenting a comprehensive framework of existing opportunities and challenges, this study has employed tools such as modeling and comparative analyses to provide a multidimensional picture of Iran's trade policy toward China. The findings of this research can serve as a guide for macro-level policymakers in formulating economic and diplomatic strategies for managing the risks arising from sanctions and exploiting existing opportunities.

7-5. Overall Summary and Future Horizons

Ultimately, by carefully examining the economic, political, social, and technological dimensions of the "Look to the East" policy in Iran's trade relations with China, the present study has shown that:

Short-term successes: Iran has been able, through increasing trade interactions with China, to reduce part of its foreign-exchange shortages and sanctions pressures.

Long-term challenges: Excessive dependence on one major partner and the limitations arising from imbalanced contractual structures constitute threats to the country's economic independence and foreign policy. Necessity of a multilateral approach: To counter potential risks, Iran must move toward diversifying partners, reforming export structures, and strengthening domestic infrastructure.

Based on the findings, future paths of related research can focus on more precise examination of technological developments, comprehensive analysis of the social and cultural effects of trade cooperation, and long-term assessment of joint projects with China.

While presenting practical solutions, this study calls for the continuation of research in this field so that, by taking into account ongoing changes in geopolitical and economic equations, intelligent and sustainable strategies for national development can be formulated.

Authors' Contributions

Authors contributed equally to this article.

Declaration

In order to correct and improve the academic writing of our paper, we have used the language model ChatGPT.

Transparency Statement

Data are available for research purposes upon reasonable request to the corresponding author.

Acknowledgments

We would like to express our gratitude to all individuals helped us to do the project.

Declaration of Interest

The authors report no conflict of interest.

Funding

According to the authors, this article has no financial support.

Ethical Considerations

In this research, ethical standards including obtaining informed consent, ensuring privacy and confidentiality were observed.

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