

Iran's Aspirations and Prospects in the Emerging Chinese-Indian Nexus in Central Asia and the Caucasus

Nima Khorrami*

Abstract

The war waged in late 2020 between Armenia and Azerbaijan over Nagorno-Karabakh was an abrupt reminder of Iran's vastly diminished role and influence in its northern frontier. Coming at the back of increased Chinese and Indian presence in Central Asia and the Caucasus, and aware of Tehran's critical role in Beijing and New Delhi's strategic visions for increased connectivity with Europe via these regions, this paper makes the case that Iranian officials' strategy for revitalisation of Tehran's influence in Central Asia and the Caucasus largely rests on attracting Chinese and Indian investments into their own strategically located Free Trade and Special Economic Zones. Notwithstanding Iran's vision of becoming a bridge between the landlocked nations of Central Asia and the vibrant markets of East and South Asia, however, Tehran's efforts have been frustrated by its reactionary and ideological foreign policy-making, both of which have turned it into a risky partner for China and India whose long-term agreements have created more (inter)national news headlines and less economic opportunities for the Islamic Republic.

***Nima Khorrami** is a Research Associate at the Arctic Institute in Washington DC, United States of America, and the OSCE Academy in Bishkek, Kyrgyzstan.

Introduction

Iran has been chiefly concentrated on developments in the Arab world since its Islamic Revolution. However, the recent conflict between Armenia and Azerbaijan have been nothing short of an unwelcome wake-up call for Iranian officials, who were caught off-guard when the frozen conflict over Nagorno-Karabakh¹ turned hot. Notwithstanding its geographical proximity to the conflict

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and its historical bonds with the warring parties, Tehran was largely treated as an outsider and its offer to serve as a mediator fell on deaf ears in both Baku and Yerevan.² At the same time, and equally significant, while trade volumes between Tehran and Central Asia and the Caucasus (hereafter, referred to as CA/C) have nose-dived and most of Iranian-financed projects have been curtailed, if not terminated all together, China and India's ties, alongside other external actors such as Turkey, with both regions have been increasing.³

As such, Tehran has now embarked on a renewed push to reestablish itself in its historic northern frontiers, driven to do so by fear that its marginalisation has allowed other nations to extend and expand their strategic reach at its expense.⁴ Such concerns were on clear display when Iran's then-Foreign Minister, Javad Zarif, set about a hastily arranged tour of regional states between the third and eighth of April 2021,⁵ during which he reiterated Iran's long-held desire to act as a bridge connecting landlocked Central Asia to the vibrant markets of the Gulf Cooperation Council (GCC) and South Asia. This revived activism itself, it must be noted, is representative of a rethink that heralds the emergence of a new direction in Iran's foreign policy, one that could complement its broader 'Look East' policy⁶ and add more weight to its strategic worth in the eyes of rival Chinese and Indian strategists and policymakers.

Through their 'Belt and Road'⁷ and 'Connect Central Asia'⁸ initiatives (hereafter, referred to as the BRI and CCAI, respectively), China and India have signalled a firm desire for achieving effective connectivity with Central Asia as they seek to further diversify their trade and supply routes; they also have increasing interests in the Caucasus. Although their official narratives differ,

1 Also known as 'Artsakh' (Արցախ) to many Armenians, this being derived from the name of a province of the ancient Kingdom of Armenia.

2 Brenda Shaffer, 'The Armenia-Azerbaijan War: Downgrading Iran's Regional Role,' *The Central Asia-Caucasus Analyst*, 25 November 2020: <https://www.cacianalyst.org/publications/analytical-articles/item/13650-the-armenia-azerbaijan-war-downgrading-iran's-regional-role.html> (accessed 10 December 2021).

3 Mario Popkhadze, 'China's Growing Influence in the South Caucasus,' Foreign Policy Research Institute, 24 November 2021: <https://www.fpri.org/article/2021/11/chinas-growing-influence-in-the-south-caucasus/> (accessed 7 April 2022); Lilit Hayrapetyan, 'India's Turn Toward Armenia,' *The Diplomat*, 20 October 2021: <https://thediplomat.com/2021/10/indias-turn-toward-armenia/> (accessed 7 April 2022); Emil Avdaliani, 'Turkey's Return to Central Asia,' Royal United Services Institute (RUSI), 21 April 2021: <https://rusi.org/explore-our-research/publications/commentary/turkeys-return-central-asia> (accessed 10 December 2021); Marlene Laruelle, Jean-Francois Huchet, Sebastien Peyrouse and Bayram Balci, 'Why Central Asia? The Strategic Rationale of Indian and Chinese Involvement in the Region,' in *China and India in Central Asia: A New 'Great Game'?* eds. Marlene Laruelle, Jean-Francois Huchet, Sebastien Peyrouse and Bayram Balci (New York: Palgrave Macmillan, 2010).

4 Omid Rahimi, 'Iran's New Pivot to Central Asia,' *Eurasia Daily Monitor*, v. 18, is. 60 (2021): <https://jamestown.org/program/irans-new-pivot-to-central-asia/> (accessed 10 December).

5 'Zarif to start tour of Central Asia,' *Tehran Times*, 3 April 2021: <https://www.tehrantimes.com/news/459411/Zarif-to-start-tour-of-Central-Asia> (accessed 10 December 2021).

6 Hamidreza Azizi, 'Iran Looking East: A Shifting Balance of Power in Tehran's Foreign Policy,' Italian Institute for International Political Studies (ISPI), 15 June 2021: <https://www.ispionline.it/en/publicazione/iran-looking-east-shifting-balance-power-tehrans-foreign-policy-30863> (accessed 1 December 2021).

7 'Full text: Action plan on the Belt and Road Initiative,' State Council of the People's Republic of China, 30 March 2015: http://english.www.gov.cn/archive/publications/2015/03/30/content_281475080249035.htm (accessed 23 November 2021).

8 'Keynote address by MOS Shri E. Ahamed at First India-Central Asia Dialogue,' Ministry of External Affairs of the Government of India, 12 June 2012: <http://www.mea.gov.in/Speeches-Statements.htm?dtl/19791/Keynote+address+by+MOS+Shri+E+Ahamed+at+First+IndiaCentral+Asia+Dialogue> (accessed 23 November 2021).

both initiatives are essentially neo-mercantilist⁹ policy frameworks aimed at increasing the geopolitical clouts of Beijing and New Delhi through the strategic use of infrastructural projects and the subtle elimination of bottlenecks and technical barriers.

This paper takes the position that Tehran could actually indeed benefit from working with Beijing and New Delhi in realising its own regional goals, especially given that China and India, in spite of all their differences and their own strategic rivalry, tend to share a critical interest in boosting Iran's presence in regional affairs,¹⁰ and more generally, preventing its economic marginalisation.¹¹ Along these lines, this paper will zoom in on Iran's geopolitical agency by investigating the extent to which Tehran utilises its prime location and its importance to both China and India to secure its own geopolitical interests and/or objectives in CA/C. Specifically, the importance that China and India attach to Iran as a key link in their initiatives will be juxtaposed with how Iran's own reactionary and ideological foreign policy-making hinders it from being able to make use of this opportunity.

A puzzle presents itself to Iran's foreign policy-makers: Tehran has so far failed to replicate in CA/C what it has largely achieved in the Middle East, namely, carving out a central position for itself in the region's security and trade ecosystem. This paper argues that the main, although not sole, factor that has heretofore hindered Tehran has been an ideological anti-Americanism that borders on the obsessive. By this is meant that Iran's foreign policy is driven not by its Islamist identity as one might expect, nor conversely by *realpolitik* as many analysts argue.¹² The fact that Iran has active and positive relations with an assortment of non-Shia, non-Muslim and even anti-religious groups and regimes around the world is not interpreted here as evidence of pragmatism, but instead of an ideological anti-Americanism that trumps Tehran's Islamism. Moreover, this ideological anti-Americanism is postulated as the true core of the Iranian state's self-conception, rather than Islam as is commonly supposed.

Iran's anti-Americanism interferes with its ability to triangulate with China and India precisely because it complicates their ability to maximise and optimise their own position within a global financial and business market that is dominated by the United States. There is only so far that China and India can pursue their own course from American norms and influence, even if Beijing in particular would like to establish itself as an equal to, and eventual replacement of, Washington.

9 Neo-mercantilism is the state-led attempt at using trade and commerce as a vehicle for securing strategic and/or political objectives. Q.v., Alex Capri, 'Techno-nationalism and corporate governance,' Hinrich Foundation, 15 December 2020: <https://www.hinrichfoundation.com/research/wp/tech/techno-nationalism-and-corporate-governance/> (accessed 20 April 2022).

10 Laruelle et al. 2010.

11 Ibid.: 5.

12 It has been a common, albeit misguided, practice among some analysts to discount, if not discredit, the notion that ideology plays a role in its foreign policy. Cited as evidence of *realpolitik* is Tehran's support of, and relationships with, non-Shia and non-Muslim causes, such as Christian Armenia against Shia Azerbaijan during the 1990s, Sunni groups in Palestine, the Sunni Taliban in Afghanistan, atheist Cuba, socialist Venezuela and so on. E.g., Nasser Saghafi-Ameri, 'Iranian Foreign Policy: Concurrence of Ideology and Pragmatism,' Middle East Institute, 29 January 2009: <https://www.mei.edu/publications/iranian-foreign-policy-concurrence-ideology-and-pragmatism> (accessed 23 March 2022); Hamoon Khelghatdoot, 'Iran's Foreign Policy: Balancing Ideology and Pragmatism,' Gulf International Forum, 12 June 2021: <https://gulffif.org/irans-foreign-policy-balancing-ideology-and-pragmatism/> (accessed 23 March 2022).

Tehran's anti-Americanism thus poses a 'bridge too far' situation for them: it is one thing to revise the American-led international order, another thing entirely to seek its overthrow.

Framework

The underlying assumption of this paper is that all states have geopolitical agency, such that weaker or smaller ones do not simply react to initiatives and/or policy proposals of their mightier counterparts. Rather, as a conscious attempt at securing their own national interests, they actively seek to influence and/or alter the policy proposals of those more than themselves. This is most clearly seen in Central Asian states' efforts at influencing Chinese initiatives so that the latter become more aligned with their own domestic goals¹³. Put differently, there is a push-pull dynamic at play: while China and India push themselves into CA/C to secure their own vital commercial and political interests, they are also being pulled by in-region states who see their growing strategic worth in the eyes of Indian and Chinese decision-makers as an opportunity for better advancing their own domestic and regional agendas.

Moreover, in practising their geopolitical agency or 'actor-ness', what matters most is not a state's geography but its conceptualisation by decision-makers, both domestic and foreign. Therefore, as advocates of critical geopolitics argue,¹⁴ one can arrive at a more comprehensive understanding of strategic deliberations of a given nation if the logic of inquiry is focused on how geographical claims and/or assumptions feature in political debates and policy deliberations, as opposed to traditional geopolitics, which peddles a kind of geographical determinism in which political and geographic terrain are the overriding factors in decision formation. Consequently, this paper assesses the strategic reasoning of Iranian officials with regard to CA/C, and their envisioning of Iran's own role in the region, within the broader context of Tehran's relations with both China and India. It does so by combining this insight from critical geopolitics with the methodology of discourse analysis.¹⁵

In addition to the foregoing, two of this paper's key analytical concepts are competitive connectivity and functional geography.¹⁶ In brief, to quote Parag Khanna, competitive connectivity is the 'arms race of 21st Century',¹⁷ driven by a given state's functional geography, viz., its physical and digital connectivity and the number of its well-functioning free trade and/or special economic zones (FT/SEZs), as opposed to the size of its military, location and natural resources. Functional geography, meanwhile, is a cumulative effect of a state's 'network of infrastructures including highways, energy grids, transportation routes, financial networks, and internet servers;

13 Dirk Van Der Kley and Niva Yau, 'How Central Asians Pushed Chinese Firms to Localize,' Carnegie Endowment for International Peace, 15 October 2021: <https://carnegieendowment.org/2021/10/15/how-central-asians-pushed-chinese-firms-to-localize-pub-85561> (accessed 20 April 2022).

14 Gearóid Ó. Tuathail, *Critical Geopolitics* (London: Routledge, 1997).

15 Please note that the preferred method of research for this paper was expert interviewing. Unfortunately, despite numerous attempts, no Iranian official or expert replied to requests for interviews. Additionally, no official strategy document in either Farsi or English could be found on the Iranian Foreign Ministry's website.

16 Parag Khanna, *Connectography: Mapping the Future of Global Civilisation* (New York: Random House, 2016).

17 Ibid.: 5.

pathways by which power is projected and leverage is exercised.¹⁸ Power and prestige in the contemporary world is thus largely derived from connectivity and control over supply chains, while a nation's degree of connectivity plays a profound role in determining other countries' stake in its uninterrupted stability. Hence, the more connected a country is, or the more trade routes pass through its territory, the more external actors become stakeholders in its continued stability.

Thinking in terms of competitive connectivity and functional geography facilitates a critically geopolitical approach. Concretely, it enables an evaluation of the suitability of ideological decision-making in the (ostensibly) post-ideological contemporary world, and a measuring of geo-strategic worth and influence based on a state's connectedness instead of its location or size, as in traditional geopolitics.

Whither Iran in Chinese and Indian Interests in CA/C?

Although their motivations differ, a glance through official strategy documents regarding CA/C of both Chinese and Indian governments, as well as through the vast literature about their respective policies toward these regions,¹⁹ immediately reveals that the two rivals are in pursuit of similar objectives. Indeed, as Zhao Huasheng explains, 'China and India are simultaneously cooperators and competitors but the competitive aspect of their relationship is frequently more apparent.'²⁰ In a sense, Beijing and New Delhi could even be said to be engaging in a grand geopolitical version of what Rene Girard calls the 'mirroring effect'.²¹

On the one hand, according to Daniel Markey,²² much of the vigour behind China's incursion into CA/C has to do with its concerns about the prospect of North Atlantic Treaty Organisation (NATO) and/or American presence in a resource-rich region close to its restive northwestern province of Xinjiang. Hence, where China and India both seek to diversify their trade routes and resource supply lines, China fears a (semi-)permanent Western presence in this geo-economically vital space. India, by contrast, is evidently not concerned with this possibility; what concerns India is, ironically, China's growing presence in CA/C,²³ not to mention its growing influence in the immediate neighbourhood, most notably in Pakistan and Afghanistan. Put simply, New Delhi officials worry about the prospect of a potential encirclement by Beijing.²⁴

18 Ibid.: 18.

19 Laruelle et al. 2010; Ajay Patnaik, *Central Asia: Geopolitics, security and stability* (London: Routledge, 2016).

20 Zhao Huasheng, 'Cooperation or Competition? China and India in Central Asia,' in Laruelle et al. 2010: 135.

21 Rene Girard, *Deceit, Desire and Novel: Self and Other in Literary Structure* (Baltimore: John Hopkins University, 1965).

22 Daniel S. Markey, *China's Western Horizon: Beijing and the New Geopolitics of Eurasia* (New York: Oxford University Press, 2020).

23 Lai-Ha Chan, 'Can China remake regional order? Contestation with India over the Belt and Road Initiative,' *Global Change, Peace and Security*, v. 32, is. 2 (2020): 199–217.

24 Ibid: 205. In addition to attempting to compete with China in CA/C, India has also sought to publicly delegitimise Chinese actions globally by casting doubt on the intentions of the latter's government, dismissing its economic proposals as veiled colonial efforts aimed at the creation of total dependency via debt trap. Q.v., Lai-Ha 2020.

On the other hand, both states tend to highlight their civilisational links with CA/C and depict these regions as part of their extended neighbourhoods, a narrative that justifies their endeavours. The duo also has vested interests in establishing secure access to CA/C's vast natural resources. This means Beijing and New Delhi envision themselves as stakeholders in the process of ensuring local states' socio-political stability and preventing the rise of Islamic fundamentalism, while simultaneously locking in their tacit cooperation on an array of policy issues, ranging from environmental protection to sustainable development, not to mention utilising CA/C's expanding consumer base as linchpins for internationalisation of Chinese and Indian commercial conglomerates.²⁵

All of these factors are in the background of both the BRI and the CCAI. What is more, the Chinese and Indian governments and businesses are not only financing major infrastructural projects, but they are also cooperating with CA/C governments' ambitions to (re-)industrialise²⁶ by building factories, developing processing facilities, and assisting with the modernisation of agricultural operations.²⁷ Gradually, Beijing and New Delhi are also emerging as reliable suppliers of armaments, telecommunication technology, cybersecurity, and pharmaceuticals.²⁸

Another point of convergence between China and India is their desire to boost none other than Iran's presence in CA/C, and in general to prevent its total economic marginalisation. This is the so-called 'Persian Corridor',²⁹ an idea that hides in the background of the Comprehensive Strategic Pact (CSP) signed between China and Iran,³⁰ and the agreements between India and Iran on the

25 Richard Pomfret, *The Central Asian Economies in the Twenty-First Century Paving a New Silk Road* (Princeton: Princeton University Press, 2019); Laruelle et al. 2010.

26 Note that industrialisation in CA/C has been a complicated phenomenon. Depending on how 'industrialisation' is defined and measured, these regions were semi-industrialised in the Soviet era, particularly in the agricultural sphere, then largely de-industrialised in the Nineties, only to then somewhat re-industrialise in the present century. There was also temporary industrialisation during the Second World War, as many industrial resources were physically evacuated from the European regions of the Soviet Union and relocated to CA/C. Please see: Isaac Scarborough, 'Central Asia in the Soviet Command Economy,' *Asian History*, 13 August 2021: <https://oxfordre.com/asianhistory/view/10.1093/acrefore/9780190277727.001.0001/acrefore-9780190277727-e-504> (accessed 20 April 2022); Ibrahim Niftiyev, 'The De-industrialization Process In Azerbaijan: Dutch Disease Syndrome Revisited,' in *Proceedings of the 4th Central European PhD Workshop on Technological Change and Development*, ed. Beáta Udvari, Faculty of Economics and Business Administration, Doctoral School in Economics, University of Szeged, Szeged (2020): 357-396; 'Urbanization and Industrialization in Central Asia: Looking for solutions to key development problems,' *Development Focus*, is. 4 (April 2013): https://unece.org/fileadmin/DAM/hlm/prgm/cph/experts/uzbekistan/03_land_admin_and_urban_dev/Urbanization_and_industrialization_in_central_asia__2013.4_.pdf (accessed 20 April 2022).

27 Van Der Kley and Yau 2021.

28 Sébastien Peyrouse, 'Comparing the Economic Involvement of China and India in Post-Soviet Central Asia,' in Laruelle et al. 2010: 167.

29 Robert W. Coakley, 'The Persian Corridor,' in *The United States Army in World War II: The Technical Services*, eds. Joseph Bykofsky and Harold Larson (Washington, DC: Center of Military History, 1957): <http://tothosewhoserved.org/usa/ts/usatst03/Chapter09.html> (accessed 20 April 2022).

30 'Iran and China sign 25-year cooperation agreement,' Reuters, 27 March 2021: <https://www.reuters.com/article/us-iran-china-idUSKBN2BJ0AD> (accessed 23 November 2021).

North-South Corridor (INSC),³¹ and the Chabahar International Transport and Transit Corridor (CITTC).³²

As the title of the deal indicates, the CSP is a wide-ranging agreement that would significantly enhance sociopolitical, commercial, cultural, security, and scientific collaborations between China and Iran. The significance of the deal for Beijing revolves around a number of both normative and structural factors, of which Iran's geographical location, its abundant natural resources, and crucially, its regime's anti-Americanism, all tend to stand out.³³ For its part, Iran values the deal because of its perceived utility in both enabling the regime to maintain its anti-American posture while providing it with an economic lifeline, as well as serving as a possible bargaining chip in its struggles over nuclear power/weaponisation with the West.³⁴

As for CITTC and INSC, these constitute an integral part of New Delhi's CCAI. Crucially, both projects pass through Iran. Once completed, they stand to place India in a strong position to not just consolidate its presence in the larger Eurasian market, but also to counter China's BRI.³⁵ The INSC in particular, which is a multinational 7,200 kilometre-long corridor that would ultimately connect Mumbai to St Petersburg, would reduce transit costs and transit times between 30 and 40 percent, compared to the well-established route via the Suez Canal.³⁶ The CITTC is intended to hedge this bet by facilitating trade between India and Afghanistan, while also providing an alternative to INSC for Indian goods to reach Eurasian markets utilising a Chabahar-Zahedan-Mashhad route.³⁷

What is behind these initiatives are calculations of Iran's strategic value. To India, Iran's strategic value is rather straightforward, for it provides New Delhi with its only route to CA/C; New Delhi also shares Tehran's nervousness about the future of Afghanistan under Taliban rule and the prospect of increased Pakistani influence in that country. Iran's strategic value to China lies in the former's potential to add depth and resiliency to the latter's neo-mercantilist agenda. A trade passage through Iran's northern provinces provides a critical alternative to the Russia-dominated

31 Nicola P. Contessi, 'In the Shadow of the Belt and Road,' Reconnecting Asia, Brzezinski Institute on Geostrategy, Center for Strategic and International Studies, 3 March 2020: <https://reconasia.csis.org/shadow-belt-and-road/> (accessed 16 August 2021).

32 'Agreement on the Establishment of an International Transport and Transit Corridor among the Governments of the Republic of India, the Islamic Republic of Afghanistan, and the Islamic Republic of Iran,' xerox copy published online by the Ministry of Economic Affairs of the Government of India, signed in Tehran, Iran, 23 May 2016: <http://mea.gov.in/Portal/LegalTreatiesDoc/016P2941.pdf> (accessed 23 November 2021).

33 Shannon Tiezzi, 'What's in the China-Iran Strategic Cooperation Agreement?' *The Diplomat*, 30 March 2021: <https://thediplomat.com/2021/03/whats-in-the-china-iran-strategic-cooperation-agreement/> (accessed 12 December 2021).

34 Nima Khorrami, 'The Pitfalls of the China-Iran Agreement,' *The Diplomat*, 15 July 2020: <https://thediplomat.com/2020/07/the-pitfalls-of-the-china-iran-agreement/> (accessed 12 December 2021).

35 Lai-Ha 2020; Contessi 2021.

36 Contessi 2021: §2 ¶2.

37 Rick Rowden, 'India's Strategic Interests in Central Asia and Afghanistan Go Through Iran,' Newlines Institute for Strategy and Policy, 18 December 2020, <https://newlinesinstitute.org/iran/indias-strategic-interests-in-central-asia-and-afghanistan-go-through-iran/> (accessed 10 Dec 2021).

northern route that passes through Tajikistan, while Iran's southern shores could also complement China's 'maritime Silk Road'³⁸ and offer it yet another, albeit longer, entry point to CA/C.

Iran's Interests and Patterns of Engagement in CA/C

Notwithstanding its centuries-long and multifaceted links, Iran has been surprisingly negligent of its Central Asian and, to a lower extent, Caucasian neighbours. At one level, this is because Tehran has been predominantly focused on the Arab world and determined on seeing through its ambition of becoming the global defender of Shias.³⁹ Yet, one cannot escape the impression that the strategic significance of CA/C seems to have been either largely lost on, or taken for granted by, Iranian decision-makers. Indeed, some scholars have highlighted a lack of 'specific ideas about what they might hope to achieve in the region'⁴⁰ on Tehran's part.

To be sure, there was a moment of hope at the turn of the century, beginning in the early 1990s when Tehran embarked on an economic reform programme aimed at catalysing a recovery following its catastrophic war with Iraq and countering American efforts at isolating the regime.⁴¹ To this end, the central government began encouraging regional authorities within Iran to develop commercial ties with the newly independent republics of Central Asia, an effort which saw the northern provinces of Golestan and Mazandaran establishing ties with Kazakhstan and Turkmenistan, respectively.⁴² This effort reached its climax in 2001 when then-Foreign Minister Sayyid Kamal Kharrazi officially identified Central Asia as a priority region for the country, a declaration that paved the way for President Mohammad Khatami's official tour of the region in 2002 during which a number of important agreements were signed with Kazakhstan, Kyrgyzstan, and Uzbekistan. Tehran also sought to add more depth to its already strong ties with Tajikistan in this period through, among other things, financing a number of important infrastructure projects, including the establishment of a 'persian-speaking union' with Afghanistan and Tajikistan that would serve as the framework for developing integrated energy and transport sites and systems.⁴³

This flurry of activity proved short-lived. Not only did Iran lack the financial resources necessary to kickstart its various projects, but CA/C capitals also proved unenthusiastic to cooperate with Tehran, as they were worried about a Western backlash, as well as the potentially polarising effects of increased Iranian presence on their pushes for a consolidation of secular politics at home. Iran's marginalisation from both Central Asian and Caucasian affairs thus continued unabated.

38 'The 21st Century Maritime Silk Road – Tourism Opportunities and Impacts,' Technical Cooperation and Silk Road Department of the United Nations World Tourism Organisation, February 2019: <https://www.e-unwto.org/doi/book/10.18111/9789284418749> (accessed 20 April 2022).

39 Ali Alfoneh, 'Tehran's Shia Foreign Legions,' Carnegie Endowment for International Peace, 30 January 2018: <https://carnegieendowment.org/2018/01/30/tehran-s-shia-foreign-legions-pub-75387> (accessed 20 April 2022); Saghafi-Ameri 2009.

40 Sébastien Peyrouse and Sadykzhan Ibraimov, 'Iran's Central Asia Temptations,' Hudson Institute, 17 April 2010: <https://www.hudson.org/research/9808-iran-s-central-asia-temptations> (accessed 20 April 2022).

41 Edward Wastnidge, 'Central Asia in the Iranian geopolitical imagination,' *Cambridge Journal of Eurasian Studies*, v. 1, is. 1 (2017): 1-13. (DOI:10.22261/1YRJ04).

42 Peyrouse and Ibraimov 2010.

43 Patnaik 2016: 132.

Tehran was stirred back into action following the 2020 war over Nagorno-Karabakh.⁴⁴ Realising that its influence had significantly diminished and concerned with the rising influence of other countries at what it perceives to be its expense, a clear uptick in Tehran's engagement with CA/C can be seen since 2020. Building on its 2014 Free Trade Agreement with the Russian-led Eurasian Economic Union, as well as the existing bilateral and multilateral arrangements like joint economic commissions with Tajikistan and Kyrgyzstan,⁴⁵ Tehran has become more active in establishing mechanisms for enhanced bilateral commercial relations with its northern neighbours. To this end, it has set up a joint economic commission with Uzbekistan aimed at fostering commercial, scientific, and cultural cooperation,⁴⁶ and resumed regular direct passenger flights between Tehran and Almaty, Tashkent, Dushanbe and Bishkek.⁴⁷

Two points can be inferred from this brief overview of Iran's engagements with CA/C. First, Tehran's interactions with these regions has been periodical, with ebbs and flows, which is indicative of a lack of coherent strategy. Second, whenever Tehran does engage CA/C, its actions reveal a wide array of intertwined commercial and strategic issues.

Another pattern to consider is that Iran's approach to CA/C is, like that of China and India, quite neo-mercantilist: Iran combines what is commonly referred to as 'growth pole strategy'⁴⁸ with an aggressive push to establish FT/SEZs scattered along and in proximity to its northern border regions, such as the Aras, Mako, and Anzali FTZs and the Sarakhs, Namin, and Noshahr SEZs.⁴⁹ To be sure, this is consistent with the development plans instituted by the Iranian government since the end of the war with Iraq in 1988, in which the creation of FT/SEZs have been seen as the fastest means of achieving industrialisation and economic growth, while also establishing the Islamic Republic as a major regional and global hub.⁵⁰ It is not for nothing that Tehran has been inspired

44 Joshua Kucera, 'Iran seeks new role in post-war Caucasus,' *EurasiaNet.org*, 28 January 2021: <https://eurasianet.org/iran-seeks-new-role-in-post-war-caucasus> (accessed 10 December).

45 Omid Rahimi and Ali Heydari, 'How Iran and Turkey Compete in Central Asian Trade,' *The Diplomat*, 25 February 2020: <https://thediplomat.com/2020/02/how-iran-and-turkey-complete-in-central-asian-trade/> (accessed 10 December 2021).

46 'Iran-Uzbekistan Joint Commission held focusing on comprehensive cooperation,' Iran Press Agency, 20 February 2022: <https://iranpress.com/content/55680/iran-uzbekistan-joint-commission-held-focusing-comprehensive-cooperation> (accessed 7 April 2022).

47 Rahimi and Heydari 2020. There is no clear explanation from either governmental or airline sources as to why air flights were permitted to diminish to begin with.

48 Fu Chen Lo and Kamal Salih, 'Introduction,' in *Growth Pole Strategy and Regional Development Policy: Asian Experience and Alternative Approaches*, eds. Fu Chen Lo and Kamal Salih (Oxford: Pergamon Press Ltd., 1978).

49 Hamidreza Sarmast, Ali Bijani and Mohammad Akhbari, [Presenting the model of regionalism in Iran and Central Asia], *SID.ir*, v. 12, is. 1 (Winter 2019): 311-324, <https://www.sid.ir/fa/journal/ViewPaper.aspx?ID=498804> (accessed 18 November 2021); 'فرصت ترانزیتی آسیای میانه برای ایران اهمیت بنادر ایران برای تجارت مرکز آسیا,' [Central Asian transit opportunity for Iran: Importance of Iranian ports for Central Asian trade], *Tahlil Bazaar*, 19 May 2021: <https://www.tahlilbazaar.com/news/87305/فرصت-ترانزیتی-آسیای-میانه-برای-ایران-اهمیت-بنادر-ایران-برای-تجارت-مرکز-آسیا> (accessed 18 November 2021).

50 Hassan Hakimian, 'Iran's Free Trade and Special Economic Zones: Challenges and Opportunities,' *Iranian Studies*, v. 44, is. 6 (2011): 851-874; Asghar Rashnoodi, Morteza Soltani, Asadollah Kordnaej, Ali Hamidzadeh, 'شناسایی و تبیین عوامل کلیدی موفقیت رقابت پذیری مناطق آزاد تجاری-صنعتی در سطح بین المللی بر اساس روش نظریه زمینه ای [Identifying and contextualising key factors for international competitiveness of free trade-industrial zones using Grounded Theory],'
(*Iranian Journal of Oceanography*, v. 10, is. 38 (2020): <http://joc.inio.ac.ir/article-1-1537-fa.pdf> (accessed 18 November 2021). Note that the aforementioned FT/SEZs are all positioned near major railways and ports.

by Beijing's own experiments with FT/SEZs as a way to balance state control over the market with economic growth.⁵¹ Additionally, Iran's FT/SEZs also serve the purpose of its growth pole strategy by facilitating the acquisition of foreign know-how and investment into key sectors and industries, including petrochemicals, renewables, automation, and pharmaceuticals.⁵²

What Could Iran Gain from Deeper Engagement with CA/C?

While this paper focuses on what Iran could gain from China and India by making itself a link in their emerging nexus in CA/C, it would be worthwhile to take a few moments to consider what Iran could also gain from deeper engagement with these regions via its participation in said nexus. Immediately, one thing stands out: CA/C may serve for Iran a similar function as that of the Iraqi and Georgian markets in the mid-2000s,⁵³ by providing Iranian producers with an attractive potential market, particularly with regard to consumer goods. Thanks to both low labour and production costs in Iran, Iranian food and personal care products have proven to be highly competitive in the country's neighbouring markets, wherein customer purchasing power is still low but demand for relatively high quality goods has risen.⁵⁴ For Iranian businesses contending with diminished Iranian consumers' purchasing power, a situation wrought by Western sanctions, access to such markets provide much needed foreign currency that they can use to finance their operations and recoup their loss of domestic market shares.⁵⁵ Indeed, expanded commercial links with CA/C could enable Tehran to diversify its commercial channels and thus sanction-proof itself, especially in light of stringent monitoring of its sanction-busting networks in Iraq and the Gulf Cooperation Council.⁵⁶

51 [Evaluating Iran China 25 Year-long Comprehensive Strategic Partnership], 'Institute for Promoting of Manufacturing Strategic Studies (IPMSS), 24 March 2021: <https://ipmss.ir/reports/reports-reviews/rep-s-revs-strategic-reports/iran-china-25-year-contract/> (accessed 18 November 2021).

52 IPMSS 2020; Rashnoodi et al. 2020. Again, CA/C potentially stands to benefit from engagement with Iran as the latter's FT/SEZs can act as an additional channel for critical goods and resources. In light of recent sanctions against Russia due to its military actions in Ukraine, such an additional channel may be very useful for CA/C, whose supply chains have heretofore heavily relied on Russia.

53 [Iranian Made Cellulose and Healthcare Adhesives Will be Launched Soon/Exporting Iranian Products to Iraq, Afghanistan, and Georgia], 'Nabzefanavari, 6 August 2021: <https://nabzefanavari.ir/fa/news/19898/چسب-های-صنایع-80%80%2E%چسب-> شود-صادرات-محصولات-به-عراق-افغانستان-و-گرجستان-80%80%2E%سلولزی-و-بهداشتی-ایران-ساخت-به-زودی-روانه-بازار-می (accessed 1 November 2021); 'Georgia, Iraq Ready to Cooperate with Iran Saipa,' *SHANA Petro Energy Information Network*, 9 February 2004: <https://en.shana.ir/news/14554/Georgia-Iraq-Ready-To-Cooperate-With-Iran-Saipa> (accessed 1 November 2021).

54 [Iran and Central Asia trade: the opportunity is very limited, but it is seized], 'Islamic Republic News Agency (IRNA), 9 December 2019: <https://www.irna.ir/news/83585505/> تجارت-ایران-و-آسیای-مرکزی-فرصت-های-محدود-اما-مغتنم (accessed 20 December 2021); Behzad Dolati and Bori Urkuvich Shokorof, 'بررسی فرصت های همگرایی تجاری ایران با کشورهای آسیای مرکزی,' *SID.ir*, v. 17, is. 53 (Winter 2012): 35-53: <https://www.sid.ir/fa/journal/ViewPaper.aspx?id=259801> (accessed 20 April 2022).

55 CA/C also would stand to benefit from access to Iran. In particular, CA/C engineering and construction firms could collaborate with Iranian counterparts in hydro-electric and tunnel construction, while Iran's growing arms industry offers a cost-effective source of weapons such as drones.

56 Whenever the opportunity arises, Tehran utilises its neighbours' banking systems to partially circumvent Western financial sanctions, as well as use their territories to import sanctioned goods. E.g., Ian Talley, 'U.S. Targets 'Vast

Although Iran is somewhat a competitor of Russia,⁵⁷ the two states do share concerns about potential American/NATO influence in their backyards. Iran feels this most keenly from NATO-member Turkey; it also has the nemesis of Israel. Indeed, both Tel Aviv and Ankara have been expanding their influence into CA/C.⁵⁸ In this respect, although CA/C states have friendly ties with both nations,⁵⁹ seeking strategic ties with them – and especially their security services – would nevertheless be prudent for Tehran.

Finally, and most importantly for the purposes of this paper, a renewed enthusiasm on the part of Iran to achieve an active presence in CA/C would all the more increase its value in the eyes of Chinese and Indian officials. In addition to the obvious economic benefits, such as improving its own infrastructural networks and potentially sidelining Russia from the BRI and taking in the lion's share of goods, there may be other knock-on benefits. For example, Iran and Russia have been at loggerheads about border demarcations and claims in the Caspian Sea, as well as the role of Islam in CA/C politics.⁶⁰ Tehran might be able to gain diplomatic support from Beijing and New Delhi to help it achieve at least part of its aims in these domains.

Stumbling over Ideological Anti-Americanism

On the one hand, Iran has sought to avoid over-reliance on either China or India, having expanded its commercial and security ties to the former since the mid-1990s while working with the latter since the early 2000s to develop the CITTC and INSC.⁶¹ This is in part rooted by a sense of history, as Iran sees in China and India two civilisational powers that have never sought to dominate or

Network' Evading Iran Sanctions,' *The Wall Street Journal*, 26 March 2019: <https://www.wsj.com/articles/u-s-targets-vast-network-evading-iran-sanctions-11553612592> (accessed 29 November 2021); David Trilling, 'Tajikistan: Where Iranian Money Takes a Bath?' *EurasiaNet.org*, 21 August 2013: <https://eurasianet.org/tajikistan-where-iranian-money-takes-a-bath> (accessed 5 December 2021); Emanuele Ottolenghi, 'Snap-Back: A Journey Through Iranian Sanctions Evasion in Georgia,' *Tablet*, 1 July 2015: <https://www.tabletmag.com/sections/israel-middle-east/articles/iranian-sanctions-evasion> (accessed 5 December 2021).

57 'Iran's Missed Opportunities in Central Asia,' Iranian Students' News Agency (ISNA), 5 April 2021: <https://www.isna.ir/news/1400011606689/> -ایران-در-فرصت-های-پیش-روی-ایران-در-آسیای-مرکزی-که-مورد-غفلت-قرار-گرفته-اند (accessed 27 November 2021).

58 Vladimir Isanchenkov, 'Russia Reaffirms Opposition to US Presence in Central Asia,' *Military.com*, 12 October 2021: <https://www.military.com/daily-news/2021/10/12/russia-reaffirms-opposition-us-presence-central-asia.html> (accessed 15 January 2022); Nima Khorrami, 'Iran and Russia: Hardly a Realignment,' RUSI, 10 February 2022: <https://rusi.org/explore-our-research/publications/commentary/iran-and-russia-hardly-realignment> (accessed 23 March 2022).

59 Ariel Ben Solomon, 'Israel ties warming with Central Asian countries,' *Jerusalem Post*, 15 October 2017: <https://www.jpost.com/opinion/israel-ties-warming-with-central-asian-countries-569399> (accessed 10 November 2021); Jasim Unis al-Hariri, 'Israeli penetration of Central Asian nations and repercussions for relations with the Arab world,' *Contemporary Arab Affairs*, v. 4, is. 3 (2011): 322-340.

60 Laruelle et al. 2010; Habib Zamani Mahjoob, 'نقش اسلام در همگرایی ایران و کشورهای آسیای مرکزی [Role of Islam as a Bonding Factor in Iran-Central Asia Relations],' *SID.ir*, v. 7, is. 22 (Spring 2016): 25-37 <https://www.sid.ir/fa/journal/ViewPaper.aspx?ID=312369> (accessed 20 April 2022).

61 IPMSS 2020; Dina Esfandiary and Ariana Tabatabai, *Triple Axis: Iran's Relations with Russia and China* (London, New York: I. B. Tauris, 2018).

even interfere in its internal affairs and with whom it shares important centuries-long commercial and cultural links.⁶² Naturally, Tehran would prefer that this dynamic continues.

On the other hand, Iran is currently quite constrained in its dynamic with China and India, such that unlike its Central Asian neighbours, who have been successful in influencing the scope and nature of Chinese and Indian investments in their economies,⁶³ Tehran must march to the beat set by Beijing and New Delhi or risk being left with nothing. What has been holding back Iran has been its inability to choose whether, as Henry Kissinger observed, it will be a country or a cause.⁶⁴ Specifically, contrary to popular belief and even the way that Iran presents itself globally, its cause is not radical Islamism, but actually radical anti-Americanism.

To be sure, Islamism is very much part of Iran's ideological makeup, as evidenced by its active support of extremist Islamist movements and its repeated calls to eliminate Israel. However, the suggestion here is that anti-Americanism is the more salient component of Tehran's sense of self as a state. This is evidenced in two ways. First, by the fact that Iran has active and positive relations with an assortment of non-Shia, non-Muslim and even anti-religious groups and regimes around the world.⁶⁵ Second, opposing the United States is central to the Iranian state's self-conception. Iranian Islamism is a fusion of Marxism with Islam, such that the United States's characterisation as the 'Great Satan' is actually a reformulation of the Marxist characterisation of it as the arch-capitalist imperialist power. Like the Marxist states of the last century, the Islamic Republic envisions itself as an *antithesis* to 'Americanism', and not as its own *thesis*: only once the Great Satan is overcome can an Islamic utopia truly come into being. Hence, Tehran's actions abroad are not really an expression of ideological pragmatism, much less *realpolitik*, but actually an expression of its identity as a government.⁶⁶

It has been Iran's anti-Americanism, from its seizing American diplomats as hostages in 1979 to its active sponsorship of extremists around the world to its controversial pursuit of nuclear power – which Washington has long suspected of being secretly a pursuit of nuclear weapons – that

62 Ibid.; Gholamreza Nasirpour, 'Iran-India Relations with Future Prospects,' *Geopolitics Quarterly*, v. 14, is. 4 (2019): 166-187.

63 Patnaik 2016; Van Der Kley and Yau 2021.

64 Henry Kissinger, 'The Next Steps With Iran,' *The Washington Post*, 31 July 2006: ¶15, <https://www.henrykissinger.com/articles/the-next-steps-with-iran/> (accessed 8 April 2022). Of course, policy making in all countries has an ideological element. What Kissinger is attempting to highlight is Iran's failure to prioritise pragmatism, i.e., Tehran is failing to change course even when its ideological decision making fails to yield results.

65 E.g., Marzia Giambertoni, 'The enemy of my enemy: The US and Cuba-Iran ties,' Middle East Institute, 17 December 2021: <https://www.mei.edu/publications/enemy-my-enemy-us-and-cuba-iran-ties> (accessed 11 April 2022); 'Iran Eager to Work with Cuba against Sanctions,' *Tasnim News Agency*, 12 January 2022: <https://www.tasnimnews.com/en/news/2022/01/12/2642968/iran-eager-to-work-with-cuba-against-sanctions>

(accessed 11 April 2022); Maziar Motamedi, 'Iran, Venezuela to sign 20-year cooperation accord,' *Al Jazeera*, 18 October 2021: <https://www.aljazeera.com/news/2021/10/18/leaders-of-iran-and-venezuela-to-sign-20-year-cooperation-accord> (accessed 11 April 2022); 'Iran-Venezuela relations must increase in the new era: The two sides emphasise new cooperation in economy, energy,' Office of the President of the Islamic Republic of Iran, 4 December 2021: <https://www.president.ir/EN/133095> (accessed 11 April 2022); Simon Tisdal, 'Afghanistan war logs: Iran's covert operations in Afghanistan,' *The Guardian*, 25 July 2010: <https://www.theguardian.com/world/2010/jul/25/iran-backing-taliban-alqaida-afghanistan> (accessed 11 April 2022); Adrian Levy, *The Exile: The Stunning Inside Story of Osama bin Laden and Al Qaeda in Flight* (New York: Bloomsbury Publishing Inc., 2017).

66 This is most evident in the political-philosophical works of Ali Shariati. Many thanks to Christopher Schwartz, Chief Research Editor of the OSCE Academy, for suggesting this helpful insight.

diminishes its attractiveness to China and India as a partner in CA/C. Indeed, Beijing and New Delhi face very real political, legal and reputational hazards if they cooperate too deeply with Tehran, vis-à-vis both the West and CA/C.

China and India have taken care not to openly flaunt the West's sanctions on Iran, and this has hampered their efforts to develop Iran's transport and energy infrastructure.⁶⁷ New Delhi has felt an acute need to tread gingerly because of its warming ties with Washington. The wariness is so great that even in spite of receiving sanction waivers from the United States, several Indian firms and banks still have chosen to opt out of the CITTC.⁶⁸ The calculation in Beijing, meanwhile, is somewhat more bold, but still not bold enough for Tehran's liking; it is also quite coldhearted. Karim Sadjadpour argues that China does find Iran's anti-Americanism advantageous, but only insofar that they benefit from the latter's isolation.⁶⁹ As a result, China seems to be pursuing a carefully crafted 'select and develop' strategy based on its own narrowly defined strategic priorities with little regard for Iranian interests – the traces of which can be seen by, among other things, Beijing's rapid penetration of Tehran's digital space and southern shores.⁷⁰

Beijing and New Delhi also need to take care not to be seen as helping Iran undermine the foreign policy interests of CA/C states, much less ideologically influence them. For example, Uzbekistan,

67 Contessi 2021.

68 Rowden 2018.

69 'Approaching Iran: Isolation or Normalisation,' *Global Demons Podcast* (Foreign Policy Research Institute), ep. 11, 26 November 2021: <https://www.fpri.org/multimedia/2021/11/episode-11-approaching-iran-isolation-or-normalization/> (accessed 20 April 2022).

70 Q.v., Nima Khorrami, 'The Great Power Race in GCC Cyberspace,' Carnegie Endowment for International Peace, 14 December 2020: <https://carnegie-mec.org/sada/83446> (accessed 12 April 2022); Thomas Blaubach, 'Chinese Technology in the Middle East: A Threat to Sovereignty to an Economic Opportunity?' Middle East Institute, March 2021: <https://mei.edu/sites/default/files/2021-03/Chinese-Tech.pdf> (accessed 12 April 2022); Przemyslaw Roguski, 'Iran Joins Discussions of Sovereignty and Non-Intervention in Cyberspace,' *Just Security*, 3 September 2020: <https://www.justsecurity.org/72181/iran-joins-discussions-of-sovereignty-and-non-intervention-in-cyberspace/> (accessed 12 April 2022); Golnaz Esfandiari, 'Iran To Work With China To Create National Internet System,' *Radio Free Europe/Radio Liberty (RFE/RL)*, 4 September 2020: <https://www.rferl.org/a/iran-china-national-internet-system-censorship/30820857.html> (accessed 12 April 2022); 'Iran's intranet: a master plan for internet censorship,' *Iran News Wire*, 30 October 2020: <https://irannewswire.org/irans-intranet-a-master-plan-for-internet-censorship/> (accessed 12 April 2022); Ghazal Veisi, 'ده دلیل که چرا رابطه جمهوری اسلامی ایران با چین به نفع ایران و ایرانی‌ها نیست,' *Independent Farsi*, 26 February: 2022: <https://www.independentpersian.com/node/218556/> (accessed 12 April 2022); 'محکم کردن جای پای چینی‌ها' [Ten reasons why the relationship of the Islamic Republic of Iran with China is not in the interest of Iran and the Iranians], *Independent Farsi*, 26 February: 2022: <https://www.independentpersian.com/node/218556/> (accessed 12 April 2022); 'محکم کردن جای پای چینی‌ها' [Strengthening the Chinese footprint in southern Iran], *Mardomsalari*, January 2022: <https://www.mardomsalari.ir/report/159626/> (accessed 12 April 2022); 'تأیید رسمی: ماهیگیری چینی‌ها در آب‌های عمیق ایران در دریای عمان' [Official confirmation of Chinese fishing in the deep waters of Iran in the Oman Sea], *Tasnim News Agency*, 18 August 2018, <https://www.tasnimnews.com/fa/news/1397/05/27/1805400/> (accessed 12 April 2022).

Kazakhstan and Azerbaijan find Iran's opposition to the existence of Israel problematic,⁷¹ and all of the CA/C states are at odds with Iran's advocacy of Islamism.⁷²

Iran's Attempts to Goad China and India

It bears repeating that Iran has little manoeuvrability or bargaining position with China and India, especially the former.⁷³ As the saying goes, beggars are not choosers. Yet, remarkably, Tehran has sought to play Beijing and New Delhi against each other in the hope of coaxing greater involvement from both powers.

Frustrated by India's fluctuating commitment to the CITTC project and the painfully slow progress on the INSC, Iran has terminated contracts on certain segments of the projects that were initially awarded to Indian firms, and then turned around and offered them to Chinese companies. It has behaved similarly with the contract for the prospective Chabahar-Zahedan railway, and it has also disqualified Indian firms from the bidding process for the development of Farzad B gas field, in spite of the fact that the field was discovered by Indian entities. Iranian officials have also been openly calling for a greater role for Chinese enterprises in executing the CITTC.⁷⁴ At the same time, Iran has offered India the exclusive right to develop the strategic southern port of Bandar-e Jask, which could be used as both a transit hub and a strategic oil reserve facility.⁷⁵ Noteworthy, the offer has been made on the back of Tehran signing a strategic pact with Beijing.

Is Iran's strategy of playing China and India against each other working? It is difficult to say with confidence whether it is or not, but so far Tehran's offer to India about the Bandar- Jask port has been met with silence from New Delhi, which could be a sign that the strategy is backfiring. If it does end up backfiring, Iran could find itself stuck with unreliable Chinese partners. China's track record on developing Iran's southern oil and gas fields have been abysmal at best, a reality that led the presidential administration of Hassan Rouhani to revoke the licence given to the China National Petroleum Corporation (CNPC) in 2014.

There is another troubling sign of potential backfire from Iranian public opinion. Long-term trade deals tend to be negatively received by the Iranian public, which has been vocal in rejecting these

71 Peyrouse and Ibraimov 2010; Sébastien Peyrouse, 'Iran's Growing Role in Central Asia? Geopolitical, Economic and Political Profit and Loss Account,' *Al Jazeera*, 1 April 2014: <https://studies.aljazeera.net/en/dossiers/2014/04/2014416940377354.html> (accessed 20 April 2022); 'Iranian Influence in the South Caucasus and the Surrounding Region,' Hearing before the Subcommittee on Europe and Eurasia of the Committee on Foreign Affairs of the House of Representatives of the 112th Congress of the United States of America, 5 December 2012: <https://www.govinfo.gov/content/pkg/CHRG-112hhrg77164/pdf/CHRG-112hhrg77164.pdf> (accessed 20 April 2022).

72 CA/C have frequently expressed concern over the activities of the Khorasan branch of Iran's Islamic Revolutionary Guard Corps (IRGC). The Khorasan branch is in charge of coordinating the Guard's commercial and covert activities in Central Asia and Afghanistan, as well as coordinating the heavily religious contents of its affiliated media agencies, such as Khorasan Radio. E.g., Mahjoob 2016; Peyrouse and Ibraimov 2010.

73 Esfandiary and Tabatabai 2018.

74 Rowden 2020.

75 Dipanjan Roy Chaudhury, 'Iran could offer India access to Jask port for strategic oil reserve facility,' *The Economic Times*, 12 June 2021: <https://economictimes.indiatimes.com/industry/energy/oil-gas/iran-could-offer-india-access-to-jask-port-for-strategic-oil-reserve-facility/articleshow/83477030.cms> (accessed 20 December 2021).

as an assault on Iran's sovereignty.⁷⁶ These deals, more often than not, are viewed as opportunistic attempts by foreign governments to bolster the Islamic regime's hold on power in return for securing their own strategic interests at a low cost. If this narrative gains further traction in Iranian public opinion, public perceptions of China and India will become negative. This ought to be particularly worrisome to India, whose government is actively attempting to differentiate its engagement with the outside world from that of China precisely by discrediting and/or delegitimising the BRI as a self-serving neo-colonialist endeavour.⁷⁷

Conclusion

Khanna argues that 'connectivity, and not geography, is destiny'.⁷⁸ Accordingly, while states still need to develop capabilities for defending their borders 'what matters is which lines or routes they control'.⁷⁹ However, as insightful as Khanna's observation may be, Iran poses something of a counter-case: is it even more so that ideology, and not connectivity, is destiny? This paper argues that, for better or for worse, the answer is yes.

The disintegration of the Soviet Union led to a unique opportunity for Tehran to expand its reach into CA/C, especially vis-à-vis what Abbas Maleki describes as 'the unstable and troublesome Arab-dominated West Asian subsystem'.⁸⁰ Yet, Tehran has so far failed to capitalise on this opportunity, even though it is ideally situated to do so, and even though it already has in place much of the necessary infrastructure and concepts, such as FT/SEZs.⁸¹ This failure extends not only to CA/C, but also to China and India, two enormous powers who very much could use Iran as a key triangulator for their own efforts to expand their reach into the former Soviet space.⁸²

The proposal here is a bold one: the Islamic Republic has been holding itself back by an over-commitment to anti-Americanism. This has caused it to make choices in both the foreign policy and military spheres that have earned it the ire of the West, and as a direct consequence have made the costs of cooperating with Tehran far greater than they logically would otherwise be given Iran's location on the map. Hence, as much as connectivity is destiny, insofar that ideology drives connectivity, it is Iran's self-conception as an anti-American state that prevents it from increasing its connectivity with China and India via CA/C as much as it can or should.

76 Yu Hong, 'China-Iran deal complements the BRI, but faces Iranian domestic opposition and US sanctions,' *ThinkChina*, 21 April 2021: <https://www.thinkchina.sg/china-iran-deal-complements-bri-faces-iranian-domestic-opposition-and-us-sanctions> (accessed 20 April 2022); Khorrami 2020.

77 Lai-Ha 2020.

78 Khanna 2016: 5.

79 Ibid.: 172.

80 Quoted in Patnaik 2016: 126.

81 Hakimian 2011; List of FT/SEZs in Iran from the British-Iranian Chamber of Commerce: <http://www.bicc.org.uk/in-trade-zones.html> (accessed 20 April 2022); '20 new free trade, special economic zones to be established in Iran,' *Tehran Times*, 7 May 2021: <https://www.tehrantimes.com/news/460633/20-new-free-trade-special-economic-zones-to-be-established-in> (accessed 25 December).

82 Laruelle et al. 2010.

Iran's attempts to goad China and India into a closer partnership do not yet seem to be yielding the hoped-for results; they may even backfire, not only with Beijing and New Delhi, but with its own people. Tehran thus faces a choice: revise the role of anti-Americanism in its identity as a state, or risk continuing marginalisation from a space that by any reasonable geopolitical calculation should be financially and politically profitable for it.

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‘Iran and China sign 25-year cooperation agreement,’ Reuters, 27 March 2021: <https://www.reuters.com/article/us-iran-china-idUSKBN2BJ0AD> (accessed 23 November 2021).

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