



Iran plots an Eastern exit

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Iran's turn to the East is accelerating. As long-running talks with the United States over a revival of the 2015 nuclear deal falter, and amid worries in Tehran that an independent Israeli military option might indeed be on the table, the Islamic Republic is stepping up its strategic "Plan B" – and looking further eastward for both security and prosperity.

Earlier this month, at the annual summit of the Shanghai Cooperation Organization (SCO) in Samarkand, Uzbekistan, Iranian officials formally signed a "Memorandum of Obligations," kicking off a year long process for their country to become the strategic bloc's newest member. If all goes well, the Islamic Republic will be inducted into the SCO as a full-fledged member at next year's summit in New Delhi, India.

For Iran, the occasion marked the culmination of a long-running lobbying effort. Iran has sought to be a full member of the Beijing- and Moscow-dominated regional bloc for years, seeing it as a partial solution to its international isolation, as well as an antidote to pressure from the United States. Iran's Supreme Leader, Ali Khamenei, has weighed in publicly on multiple occasions about how "preferring the east to the West" has become a key tenet of the country's foreign policy. That effort accelerated against the backdrop of the Trump administration's "maximum pressure" policy and the specter of expanding U.S. sanctions.

Historically, though, Iran's ambitions have been held at bay. Wary of angering the West, and cautious of unnecessary entanglements in Iran's problems, SCO members have kept the Islamic Republic in the organization's "waiting room" ever since it gained observer status in 2006.

But times are changing. China and Iran, for instance, have grown considerably closer of late, inking a sweeping, 25-year economic and political accord in mid-2020 that positions Iran as a key node along China's Belt & Road. Beijing also serves as a major economic lifeline for the Islamic Republic, with its imports of Iranian oil totaling more than \$20 billion since the beginning of the Biden administration.

Ties between Moscow and Tehran are on the upswing, too. The longstanding strategic partnership between the two countries has assumed new significance against the backdrop of Russian President Vladimir Putin's disastrous Ukraine war. Iran, historically the junior partner in the tandem, is now more important to Russia than ever, providing it with key military materiel as well as offering the Kremlin a "master class" in evading the mounting sanctions being imposed by the West.

Now, both relationships are poised to take another leap forward, as Iran joins the SCO ranks. For the Iranian regime, meanwhile, membership in the bloc is vital on at least two fronts.

The first is economic. Officials in Tehran have come to see trade with Eurasia as an important hedge against the potential reimposition of sanctions by the U.S. and its international partners – something that might occur if the Biden administration can't convince Iran to enter a new nuclear deal, or if a Republican takes the White House as a result of the 2024 elections. Cultivating those trade ties is now well underway; according to recent estimates shared by regime officials, the country's non-oil exports to SCO member states has risen by 20% from a year earlier, while non-oil imports have jumped 41% during the same period.

Collective defense is an important consideration for Iran as well. Unlike NATO, the SCO doesn't contain pledges of collective defense and mutual security assistance in its founding charter, so membership wouldn't automatically confer enhanced protection to the Islamic Republic. Even so, officials in Tehran understand well that tighter ties to two of the world's nuclear armed powers, and closer military cooperation with both, carries a deterrent potential all its own. All of which, they hope, could serve to prevent any potential military action aimed at eliminating (or at least degrading) the Iranian nuclear program.

As a result, Iranian officials have pinned their hopes on the SCO as the solution for many of their strategic problems. And, in the wake of the bloc's latest summit in Samarkand, they have a great deal to be pleased about. For the same reason, U.S. officials concerned over Iran's international behavior now have yet another reason to worry.