



Exploring Opportunities for the Islamic Republic of Iran Post-Ukraine War

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Abstract

The Ukraine war, as one of the most significant recent geopolitical developments, has created new opportunities and challenges for the Islamic Republic of Iran. This article examines the impact of this war on Iran's economic, diplomatic, and geopolitical position and proposes strategies for leveraging these opportunities. The present study employs a descriptive-analytical method and utilizes secondary data, including international reports, scholarly articles, and economic data. The theoretical framework of this research is based on the theories of realism, neoliberalism, and international political economy. In the economic analysis section, the opportunities arising from energy market developments and regional transit are explored, while challenges related to sanctions and infrastructural weaknesses are discussed. From a diplomatic and geopolitical perspective, this article assesses Iran's relations with global powers, regional rivalries, and the prospects for international cooperation. Furthermore, potential future risks, including the intensification of sanctions, shifts in Chinese and Russian policies, and domestic economic fluctuations, are analyzed. The findings indicate that Iran must undertake economic reforms, enhance its diplomatic strategies, and develop its transit and energy infrastructure to capitalize on these opportunities. Finally, recommendations are provided to reduce dependency on a single trade partner, strengthen international cooperation, and enhance economic stability.

Keywords: *Ukraine War; Iran; Geopolitics; Energy Economy; Regional Diplomacy; Sanctions*

Introduction

Recent geopolitical developments, particularly the Ukraine war, have brought significant changes to the international system, economic relations, and regional dynamics. This war has not only affected global energy markets and international trade but has also influenced the regional policies of various countries, including the Islamic Republic of Iran.

As a key regional player, Iran faces opportunities such as an enhanced role in energy supply, expanded transit cooperation, and the development of diplomatic relations. However, economic sanctions, regional rivalries, and shifts in the policies of major powers pose challenges to capitalizing on these opportunities. While previous studies have primarily focused on the economic and security consequences of the Ukraine war, this research specifically examines its impact on Iran's foreign policy and multilateral diplomacy.

This study, adopting a descriptive-analytical approach and utilizing the theoretical frameworks of realism, neoliberalism, and international political economy, assesses the implications of the Ukraine war for Iran's economic, diplomatic, and geopolitical position. The findings indicate that through the adoption of flexible diplomatic policies, the strengthening of transit infrastructure, and the diversification of economic partnerships, Iran can leverage these geopolitical shifts to its advantage. Nevertheless, the lack of updated data, shifts in global policies, and the unpredictable effects of sanctions remain challenges in accurately assessing these opportunities.

While previous research has predominantly examined the broader implications of the Ukraine war on the global economy and international politics, this study focuses specifically on the opportunities and challenges facing the Islamic Republic of Iran in three key dimensions: economic, diplomatic, and geopolitical. By employing the theoretical perspectives of realism, neoliberalism, and international political economy, the study explores how Iran can utilize the geopolitical changes triggered by the Ukraine war to enhance its position in energy markets, transit corridors, and diplomatic engagements. Additionally, this research outlines future scenarios for Iran's policymaking in the post-Ukraine war era and offers strategies to reduce dependency on a single global power, strengthen regional cooperation, and mitigate the effects of sanctions. The study's emphasis on analyzing Iran's foreign policy and its impact on international interactions distinguishes it from previous research.

The structure of this article is as follows: first, the impact of the Ukraine war on Iran's economy and diplomacy will be examined. Subsequently, Iran's geopolitical opportunities and challenges will be analyzed, followed by recommendations for optimizing these developments to Iran's advantage.

Theoretical Framework and Key Concepts

A. Relevant Theories

1. Realism in International Relations

The theory of realism holds significant importance in analyzing Iran's position in the global system after the Ukraine war. According to realism, power and security are the primary determinants of international relations, and state behavior is generally driven by national interests and security concerns. In this framework, Iran, given its strategic position in the Middle East and Asia, seeks to ensure its security and enhance its regional power. Structural realism asserts that states strive to maximize their relative power, aiming ultimately for hegemony: "States seek to maximize their relative power as much as they can" (Mearsheimer, 2008: 427). In the current context, the end of the Ukraine war could create opportunities for Iran to strengthen its strategic relations with Russia and China, thereby advancing its security and economic interests.

2. Neoliberalism in International Relations

In contrast to realism, neoliberalism emphasizes the significance of international cooperation, arguing that states can benefit from mutual interests within the framework of international organizations and multilateral agreements (Keohane & Nye, 2001). In this context, Iran can leverage bilateral and multilateral relations with various countries, including members of the Shanghai Cooperation Organization (SCO) and BRICS. The post-Ukraine war period may provide Iran with an opportunity to use these organizations as instruments to mitigate sanctions and enhance its diplomatic role. Additionally, as global structures evolve, Iran can capitalize on emerging economic opportunities such as energy trade and expanded access to Central Asian and Caucasus markets.

3. Theory of Economic Interdependence

This theory emphasizes that the global economy is intricately interconnected, and developments in one country can have far-reaching effects on others (Rosenberg, 2000). In the post-Ukraine war era, economic interdependence is particularly crucial for Iran in the areas of energy and trade transit. Iran can take advantage of emerging opportunities to strengthen its economic position in global markets, particularly by deepening ties with Eastern countries and the Central Asian region. The global transformations resulting from the Ukraine war and subsequent economic reconstruction could offer Iran an opportunity to enhance its economic relations and reduce dependency on Western markets.

B. Key Concepts

1. The Concept of Energy Geopolitics

Energy geopolitics refers to the analysis and understanding of the influence of energy resources on international politics. With vast energy reserves, particularly in oil and gas, Iran plays a crucial role in global energy geopolitics. In the post-Ukraine war context, where energy crises in Europe have intensified due to Russian sanctions and the war's repercussions, Iran has the potential to emerge as a key global energy supplier. By expanding its energy relations with Asian countries, particularly China and India, Iran can effectively leverage its geopolitical position and play a significant role in ensuring global energy security (Yergin, 2011).

2. Iran's Position in Regional and Global Transit Corridors

Iran's strategic location within major regional and global transit corridors, particularly the North-South Transport Corridor (NSTC) and East-West trade routes, positions it as a critical facilitator of trade and goods transit. Following the Ukraine war and subsequent shifts in trade routes, Iran has an opportunity to enhance its transit infrastructure and strengthen its ties with Asian economies, particularly China and India. This would enable Iran to serve as a bridge connecting Europe, Central Asia, India, and China (Stimson Center, 2021, p. 15).

However, Iran faces several challenges. For instance, competition from emerging transit corridors such as the International North-South Transport Corridor (INSTC) and the Middle Corridor has hindered Iran's ability to fully consolidate its position. This is largely due to four decades of international isolation, Western sanctions, and inadequate transportation infrastructure. For example, Iran's railway systems do not fully align with international standards, which poses obstacles to the effective utilization of these corridors (Stimson Center, 2021, p. 15).

Despite these challenges, Iran is actively seeking to strengthen its role in global trade through the development of new corridors, such as the Persian Gulf-Black Sea Transport Corridor, which passes through Iran, Armenia, Georgia, and the Black Sea (Middle East Institute, 2022, p. 23). Overall, by capitalizing on its geographical location and investing in transit infrastructure, Iran can play a key role in facilitating trade and enhancing regional and global economic integration.

3. The Concept of Multilateralism in International Relations

Multilateralism refers to the cooperation and engagement of multiple countries within international organizations and institutions, where decisions are made through negotiation and collective agreements rather than unilateral confrontation. This concept gained prominence in international relations, particularly after World War II, with the establishment of global institutions such as the United Nations, the World Trade Organization, and other international bodies. Scholars of international relations

view multilateralism as an alternative approach to unilateral diplomacy, which is often driven by national interests and the dominance of great powers (Keohane, 1990, p. 731).

In the post-Ukraine war context, multilateralism can serve as a tool for reducing international tensions and improving diplomatic relations, particularly through global organizations such as the Shanghai Cooperation Organization (SCO), BRICS, and the European Union. As a key regional player, Iran can harness the opportunities presented by multilateralism to enhance its economic and diplomatic standing on the global stage. Such cooperation is particularly effective in strengthening economic ties, ensuring energy security, and countering international sanctions (Acharya, 2017, p. 130).

3. Iran's Economic Opportunities After the Ukraine War

3.1 Transit and Infrastructure

Iran's Role in the North-South Transport Corridor (NSTC) and Access to Central Asian and Caucasus Markets

Due to its unique geographical position, Iran can serve as a major transit hub for trade routes between Asia and Europe. The **North-South Transport Corridor (NSTC)**—a strategic transit route passing through India, Iran, Russia, and Central Asian countries—has gained increased attention following the expansion of sanctions against Russia. This corridor has the potential to position Iran as a key connectivity point between northern markets such as Russia and Europe (Ganguly, 2021, p. 45).

Comparison of Iran's Transit Strategies with Regional Countries After the Ukraine War

Country	Strategy in Response to Post-Ukraine War Developments	Opportunities & Successes	Challenges
Iran	Strengthening ties with Russia and China, leveraging transit corridors	Increased energy exports to the East, transit opportunities	Sanctions, weak infrastructure, regional competition
Turkey	Mediating between Russia and the West, developing the Middle Corridor	Success in attracting investment, expanding trade routes	Energy dependency, Western pressures
UAE	Investing in renewable energy, developing ports	Success in establishing new transportation routes	Competition with Iran and Saudi Arabia, global market volatility
Saudi Arabia	Increasing oil production to stabilize the market, closer ties with the West	Strengthened position in OPEC, attracting oil investment	Dependency on oil revenues, declining global demand

Compared to the above countries, Iran has significant opportunities in transit and transportation infrastructure development. However, substantial investment in modernizing its logistics and railway infrastructure is necessary.

3.2 Energy Markets

The Impact of the Ukraine War on Iran's Oil and Energy Exports

The Ukraine war has reshaped global energy supply chains. European countries have sought to reduce their dependence on Russian energy, creating new opportunities for Iran. The following table presents changes in Iran's energy exports before and after the war:

Indicator	Pre-Ukraine War (2021)	Post-Ukraine War (2023)	Percentage Change
Iranian oil price (USD/barrel)	65	85	+30%
Iran's oil exports (million barrels per day)	1.0	1.5	+50%
Transit volume through NSTC (million tons)	7.5	10.2	+36%

Despite ongoing sanctions, Iran has managed to capitalize on rising oil prices and global market demands. However, infrastructure limitations remain a barrier to fully exploiting these opportunities.

Potential for Re-entry into Global Energy Markets with Sanctions Relief

As one of the world's largest oil and gas producers, Iran could reclaim its position in global energy markets if sanctions are lifted. Following the Ukraine war and the decline in Russian oil and gas production, global demand for alternative suppliers has increased, positioning Iran as a potential replacement (Yergin, 2021, p. 112).

Investment Opportunities in Renewable Energy

With abundant solar and wind resources, Iran has significant potential for renewable energy investments. As global demand for reducing fossil fuel dependence rises, Iran can attract foreign investments and develop domestic technologies to emerge as a major player in the global renewable energy market (World Energy Council, 2020, p. 93).

In summary, Iran has the potential to replace Russian energy supplies in European markets, explore opportunities in renewable energy, and reduce its reliance on oil exports. However, infrastructure limitations and sanctions continue to pose challenges to fully leveraging these prospects.

3.3 Agricultural and Industrial Exports

Identifying New Markets for Iran's Agricultural and Industrial Products

Iran, with its vast agricultural resources and diverse industries, holds significant potential to expand exports in these sectors. Post-Ukraine war shifts in global economic policies have created opportunities for Iran to penetrate new markets (FAO, 2020, p. 27).

Iran's Advantages in This Sector:

- Production of **strategic agricultural products** such as grains, dates, and fruits.
- Development of **steel and cement industries**, which have high demand in neighboring countries.
- Potential for increasing exports to **Central Asia and the Caucasus** through improved trade relations.

By reducing trade barriers and enhancing export infrastructure, Iran can strengthen its position in agricultural and industrial markets.

Economic Analysis Summary

Iran's Key Opportunities:

1. **Transit and Transportation** – Leveraging its role in the **NSTC** and expanding its presence in global trade.
2. **Energy Exports** – Capitalizing on increased global demand for **oil and gas**, especially in Europe and Asia.
3. **Renewable Energy** – Investing in **solar and wind energy** to enter the global clean energy market.
4. **Agricultural and Industrial Exports** – Expanding trade with **Central Asia, the Caucasus, and neighboring countries**.

Key Challenges

- **Economic and financial sanctions** that restrict Iran's access to global markets.
- **Weak logistics and transit infrastructure**, making competition with Turkey and the UAE difficult.
- **Domestic economic instability**, including inflation and currency fluctuations, hindering foreign investment.

The Ukraine war has significantly altered global markets in **energy, food, and transit sectors**. As a key player in these areas, Iran has the potential to benefit from these shifts—provided that **critical investments in infrastructure and economic development** are prioritized.

4. Diplomatic and Geopolitical Analysis

Given the shifts in the international system, Iran can optimize its diplomatic strategies to enhance its regional and global influence. Iran's multilateral diplomacy is influenced by various factors, which will be analyzed in terms of both challenges and opportunities.

4.1 Diplomatic Challenges in Iran's Multilateral Diplomacy

1. Challenges in Relations with Russia and China

- **Iran-China Relations: Opportunities and Challenges**

China plays a crucial role in Iran's financial security by purchasing Iranian oil at discounted rates. However, this dependency weakens Iran's bargaining power (IEA, 2022). Additionally, China's investments in Iran have often faced delays and are highly dependent on Western sanctions (World Bank, 2022).

- **Iran-Russia Relations: Cooperation and Competition in Energy**

As two major energy producers, Iran and Russia sometimes find themselves in competition. Russia's strategic policies in the European energy market have occasionally undermined Iran's interests (OECD, 2022). Military cooperation between the two countries has also faced challenges despite their geopolitical alignment.

2. Challenges in De-escalating Tensions with Europe and the West

Western sanctions have intensified after the Ukraine war, complicating Iran's relations with the European Union. Allegations of Iran's military support for Russia have led to new sanctions targeting Iran's transport and energy sectors (IEA, 2022).

3. Limited Engagement with International Organizations

Iran needs to strengthen its multilateral diplomacy, increase transparency, and enhance its presence in international organizations to avoid diplomatic isolation (World Bank, 2022). Improved engagement with global institutions could help Iran reduce external pressures and improve its standing in global affairs.

4.2 Diplomatic Opportunities for Iran

1. Strengthening Relations with Russia and China

The **25-year cooperation agreement** between Iran and China and the expansion of economic, military, and technological collaborations could reduce Iran's dependency on the West (Ministry of Foreign Affairs of the Islamic Republic of Iran, 2020). Additionally, Iran can leverage its membership in organizations like the **Shanghai Cooperation Organization (SCO)** and the **Eurasian Economic Union (EAEU)** to enhance its strategic position.

2. Reducing Tensions with Europe and the West

Improving Iran's relations with Europe requires active diplomatic engagement, nuclear policy transparency, and the utilization of existing international mechanisms (IRDiplomacy.ir, 2023). A return to international agreements such as the **Joint Comprehensive Plan of Action (JCPOA)** could also facilitate the easing of sanctions.

5. Geopolitical Challenges and Opportunities

5.1 Geopolitical Challenges in Iran's Competition for Transit Routes

Turkey's Middle Corridor: A Geopolitical Challenge for Iran

Turkey is actively developing the **Middle Corridor**, connecting China to Europe via the Caucasus and the Black Sea. This route could bypass Iranian transit corridors and reduce Iran's transit revenues.

Competition from UAE and Saudi Ports

- **Jebel Ali Port: UAE's Trade Hub Competing with Iranian Ports**

Jebel Ali Port plays a crucial role in regional trade, diverting transit shipments that could have passed through Iran. Its extensive cooperation with Western countries has weakened Iran's position in regional logistics.

• Saudi Arabia's NEOM Project: A Threat to Iran's Economy

Saudi Arabia's investment in cutting-edge technologies and renewable energy through the **NEOM project** could establish it as a regional economic hub, making competition more challenging for Iran.

The Increasing Role of Central Asia in Regional Trade

Central Asian countries are working to diversify their trade routes and reduce dependence on Iran and Russia. The development of new transit routes through Turkey and Azerbaijan has weakened Iran's role in regional trade.

Comparative Analysis of Iran's Strategies vs. Regional Competitors

Country	Economic Strategy	Geopolitical Strategy	Iran's Challenges	Suggested Solutions
Iran	Developing transit corridors	Strengthening influence in Central Asia and the Middle East	Sanctions and weak infrastructure	Enhancing transport infrastructure
Turkey	Expanding the Middle Corridor	Active role in NATO	Transit competition with Iran	Economic cooperation with the EU
UAE	Expanding Jebel Ali Port	Logistics cooperation with the West	Port competition with Iran	Offering trade incentives

Conclusion

To maintain its position in regional transit and geopolitics, Iran must:

- **Increase investments in transport infrastructure** to remain competitive.
- **Strengthen economic and diplomatic ties with Central Asian countries and China** to secure strategic partnerships.
- **Participate more actively in multilateral transit projects** to avoid marginalization in global trade networks.

6. Emerging Challenges

In addition to domestic challenges and international sanctions, Iran faces diplomatic and geopolitical competition at the regional level. These challenges directly impact Iran's ability to capitalize on opportunities arising from the Ukraine war. This section examines Iran's key challenges in the areas of **international sanctions, infrastructural deficiencies, regional rivalries, and internal security**.

6.1 International Sanctions

International sanctions remain one of Iran's most significant economic obstacles, restricting its access to global markets. While the Ukraine war has created economic opportunities for Iran, it has also led to **increased Western sanctions** against Tehran. The **European Union and the United States** have imposed additional sanctions on Iran's **energy and financial sectors** in response to allegations of military support for Russia (IEA, 2023).

Economic Effects of Sanctions:

- **Reduction in oil and energy exports** to Western countries.
- **Increased trade costs** due to financial and banking restrictions.
- **Challenges in attracting foreign investment** for infrastructure and energy development.

To mitigate these effects, Iran has pursued policies such as **enhancing cooperation with Asian countries** and **expanding trade with Russia and China**. However, sanctions remain a **major obstacle** to fully leveraging new economic opportunities (World Bank, 2023).

6.2 Infrastructure Challenges

Despite its **strategic geographic position**, Iran continues to struggle with significant infrastructure deficits in **transportation, railways, roads, and energy networks**.

1. Lack of Investment in Transport and Transit Infrastructure

Iran faces challenges in developing its **transportation networks, modernizing ports, and upgrading railway routes**. Insufficient investment in these areas has weakened Iran's regional competitiveness, particularly **compared to Turkey's Middle Corridor and the UAE's Jebel Ali Port** (Karami, 2021).

2. The Need for Modernization in Energy Infrastructure

Iran's **oil and gas production and distribution networks** suffer from aging infrastructure, reducing efficiency in energy production and exports. **Upgrading refineries and expanding energy infrastructure** requires significant foreign investment, which has been constrained by sanctions (Bouzari & Safavi, 2020).

3. Weak Financial and Banking Networks

Iran's **limited access to global financial systems**, such as **SWIFT**, has created serious barriers to international trade. This financial isolation has weakened Iran's competitiveness in global markets and **increased transaction costs for businesses** (IMF, 2023).

6.3 Regional Rivalries and Internal Security

Iran faces intense regional competition from neighboring countries, including **Saudi Arabia, Turkey, and the UAE**, each of which is actively working to limit Iran's economic and geopolitical influence.

1. Economic and Transit Competitions

- **Saudi Arabia** is increasing **oil production** and investing in **renewable energy** to solidify its position in global energy markets, reducing the reliance of major economies on Iranian oil (Taghizadeh, 2023).
- **Turkey** is developing the **Middle Corridor** as an alternative trade route between China and Europe, reducing the strategic importance of Iranian transit routes (Tasnimnews, 2023).

- **The UAE** has expanded **Jebel Ali Port**, strengthening its position as an **international trade hub** and diverting trade flows away from Iran (IRDiplomacy, 2023).

2. Internal Security Challenges

- **Border instability in the east and west** (particularly in **Sistan-Baluchestan and Kurdistan**) remains a major security concern. Activities by **armed groups** and drug trafficking networks pose **significant threats** in these regions (MEI, 2023).
- **Economic instability, high inflation, and social dissatisfaction** continue to exert pressure on the Iranian government, potentially affecting the country's **economic and social stability** (IMF, 2023).

Conclusion

Iran's economic and geopolitical strategy must address several key challenges:

1. **Sanctions and Financial Barriers** – Iran must seek **alternative trade mechanisms** and **regional financial cooperation** to bypass economic restrictions.
2. **Infrastructure Modernization** – Increased investment in **transportation and energy networks** is essential to maintaining regional competitiveness.
3. **Geopolitical Adaptation** – Iran should engage in **multilateral diplomatic efforts** and strengthen its **economic ties with emerging markets** to counteract regional competition.
4. **Internal Stability** – Economic reforms and enhanced security measures are necessary to **reduce internal vulnerabilities** and maintain **national stability**.

Despite these challenges, Iran retains **significant economic and geopolitical potential** if **strategic investments and diplomatic engagements** are pursued effectively.

Conclusion and Recommendations

To address these challenges, Iran must:

1. **Increase investment in transportation and energy infrastructure** to strengthen its position in regional transit.
2. **Enhance diplomatic relations to reduce sanctions** and take advantage of multilateralism opportunities.
3. **Expand economic cooperation with regional countries** to improve its competitiveness against neighbors such as Turkey and the UAE.

Economic, diplomatic, and geopolitical analysis shows that Iran faces multiple opportunities, but the realization of these prospects depends on evolving international conditions and domestic policy decisions.

7. Future Scenarios and Proposed Actions for Iran

Considering international and regional developments, three possible scenarios for Iran's future in the post-Ukraine war period have been developed. These scenarios are evaluated based on Iran's level of cooperation with global powers, the status of sanctions, and regional geopolitical transformations. Each scenario presents different opportunities and challenges that require appropriate policymaking.

7.1 Optimistic Scenario: Sanctions Relief and Expansion of International Cooperation

In this scenario, Iran successfully reduces economic sanctions through nuclear negotiations and constructive engagement with the **European Union and the United States**. This leads to **increased foreign investment, development of transit infrastructure, and Iran's emergence as a regional trade hub**.

Proposed Actions

- Strengthening multilateral diplomacy to **reduce sanctions** through institutions such as the **United Nations and the European Union**.
- **Investing in transportation and energy infrastructure** to enhance competitiveness in global markets.
- **Diversifying trade partners** to reduce dependence on Russia and China by expanding cooperation with Europe and regional countries.

7.2 Realistic Scenario: Maintaining the Status Quo and a Balanced Foreign Policy

In this scenario, Iran continues **economic and political cooperation with China and Russia** while making efforts to ease sanctions through **diplomatic negotiations**. Sanctions are not fully lifted, but some restrictions are relaxed. Iran's role in regional transit increases, but competition with **Turkey and the UAE** presents challenges.

Proposed Actions

- Expanding **regional economic relations** to reduce over-reliance on China and Russia.
- Continuing **diplomatic negotiations with Europe** to ease economic restrictions through legal and political avenues.
- Investing in **domestic industries** to increase economic resilience against sanctions.

7.3 Pessimistic Scenario: Increased Sanctions and Intensified International Tensions

This scenario occurs if Iran's tensions with the West escalate, leading to **new sanctions**. As a result, Iran's trade relations with international partners decline, and **regional competition weakens Iran's position in transit and energy sectors**.

Proposed Actions

- **Strengthening a resistance economy** and reducing reliance on foreign trade by developing domestic production.

- Expanding **bilateral cooperation with neighboring countries** such as **Iraq, Turkey, and Central Asian nations** to counteract sanctions.
- **Establishing alternative trade routes** and focusing on the development of **indigenous technologies**.
- Implementing **domestic support policies** to mitigate the impact of sanctions on Iran's economy.

8. Legal and International Challenges of Sanctions

International sanctions against Iran are one of the most significant obstacles preventing the country from fully exploiting economic and diplomatic opportunities. These sanctions have been debated in terms of **international law**, raising questions about their legitimacy, possible reduction, or circumvention through legal mechanisms.

8.1 Legal Foundations of Sanctions in the International System

Iran's sanctions are primarily based on:

- **UN Security Council resolutions**
- **Unilateral decisions by the U.S. and the European Union**
- **Domestic laws of certain countries**

While some sanctions have a legal basis under **Article 41 of the UN Charter**, many others are unilateral and may **contradict principles of non-intervention and economic sovereignty**.

8.2 Possibilities for Reducing or Lifting Sanctions Under International Law

Legal Strategies for Iran

- **Filing complaints with the International Court of Justice (ICJ)**: Iran can challenge unlawful sanctions based on bilateral treaties such as the **1955 Treaty of Amity with the U.S.**
- **Pursuing cases through the World Trade Organization (WTO)**: Iran can negotiate and initiate legal challenges within the WTO framework to reduce economic restrictions.
- **Negotiating with the European Union**: As an independent global actor, the **EU can play a key role** in moderating sanctions.

8.3 Circumventing Sanctions and Legal Barriers

Alternative International Trade Mechanisms

- Utilizing **alternative financial systems**, such as **Russia and China's payment networks**, to counteract banking sanctions.
- Establishing **bilateral trade agreements** with countries that do not align with Western sanctions.

Legal Risks

- Engaging in intermediary trade can **trigger secondary U.S. sanctions**, increasing economic pressure.
- Some countries may **hesitate to trade with Iran** due to the risk of punitive actions from Western authorities.

8.4 The Role of Legal Diplomacy in Reducing Sanctions

Recommended Legal Actions

- **Forming legal coalitions** with other sanctioned countries to challenge unilateral sanctions.
- Strengthening engagement with organizations such as **BRICS and the Shanghai Cooperation Organization (SCO)** to create an **independent financial system**.
- **Filing international cases in institutions like the ICJ** to challenge the legality of sanctions.

Summary and Key Recommendations

The future success or failure of Iran in leveraging post-Ukraine war opportunities depends on **domestic policies and international engagements**. Based on the analysis, the following recommendations are proposed:

Active diplomacy to reduce sanctions through negotiations with **the European Union and international organizations**.
Investment in transportation and energy infrastructure to enhance Iran's **economic competitiveness**.
Utilization of international legal tools to challenge sanctions and pursue legal actions against unilateral economic restrictions.
Expansion of regional trade relations to **reduce dependence on major global powers**.

Overall Conclusion

The geopolitical consequences of the Ukraine war have profoundly impacted the global system, placing Iran at a crossroads of **new challenges and opportunities**. This research highlights that Iran can leverage economic, diplomatic, and geopolitical transformations—provided that it implements **appropriate policies and strategic actions**.

Economic Opportunities

- **Increased global demand for energy**, providing opportunities for Iran's **oil and gas exports**—particularly if Europe reduces its reliance on Russia.
- **Enhanced transit potential** through the **North-South Corridor** and trade routes with China and India.
- **Foreign investment potential** through cooperation with **Asian nations and the Eurasian Economic Union**.

Diplomatic Opportunities

- **Expanding multilateral cooperation** with organizations such as **BRICS, the SCO, and the Eurasian Economic Union.**
- **De-escalating tensions with Europe** to open new avenues for **energy and trade cooperation.**
- **Strengthening strategic ties** with **China and Russia** in the emerging global order.

Strategic Roadmap for Iran

Short-Term Priorities: Reducing sanctions pressure, expanding **regional trade**, and strengthening **economic diplomacy.**

Mid-Term Priorities: Investing in **transportation and energy infrastructure**, diversifying **trade partnerships**, and reducing reliance on **oil revenues.**

Long-Term Priorities: Securing Iran's position in the global system, minimizing the impact of sanctions through **economic reforms**, and **developing independent financial networks.**

By adopting the right policies, **Iran can strengthen its global standing**, overcome emerging challenges, and fully capitalize on post-Ukraine war opportunities.

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