

## IRAN-TAJIKISTAN'S ECONOMIC RELATIONS AFTER THE INDEPENDENCE FROM SOVIET UNION

Mahdi HAFTEH KAZAZI

Assistant Professor. Department of political science 'Payame Noor University (PNU), P.O. Box, 19395-3697, Tehran, Iran.

Email: Mahdy4747@gmail.com

### ABSTRACT

*With the collapse of the Soviet Union and the emergence of new countries in Central Asia, a new chapter was opened in Iran's relations with these countries and they tried to get out of their closed political geography while approaching Iran. On the other hand, Iran regarded these countries as its operating platform in the region. In spite of this mutual need of the parties, due to many problems such as different political systems - the low level of economic exchanges etc., the process of relations' development has not been very intense. This article attempted to examine Iran's relationship with one of these countries, like Tajikistan, from an economic standpoint and that whether the level of economic exchanges was consistent with the historical linguistic cultural similarities. Solutions can help improve this path.*

**Keywords:** Investment, Balance of trade, Toudesh rock, Anzab tunnel, Geo-economic.

### INTRODUCTION

In principle, nowadays, the countries strive to achieve their national interests in every possible way (Akhavan Kazemi, 2011) They make every effort to attain it, and therefore enter into regional military alliances. However, nowadays, as the countries move toward public and soft diplomacy, the economic and welfare issues have been prioritized; thereby they are better able to meet the demands of their people, while the economic issues across countries last longer and are not easily replaced by changing rulers.

### RESEARCH HYPOTHESIS AND METHODOLOGY

The basic assumption of this research was that according to D. Mitrani's theory of solidarity, the technical cooperation in one area spreads to other fields in the international system, and today there are issues that require expert cooperation, not political elites. The countries' Loyalty and Expectations should focus on a New (Not National) Center. According to Karl Deutsch, the people are learning to regard themselves as members of a single community due to the human relations. Given the above interpretations, between countries such as Iran and Tajikistan, as the different technical, economic, sociocultural domains expand, their political convergence is realized; as a result, they can better develop the relations in the regional equations.

The data of this research was collected mainly based on documents and library. It was attempted to examine a historical cut of approximately 25 years.

## LITERATURE REVIEW

Although this is a new design in itself, in recent years, Iranian and even foreign scholars have studied the subject; for example, Mohsen Malekian has studied the social and cultural relations of these two countries in his doctoral dissertation or, for example, Homa Abbasian has investigated the whole relations of Iran and Tajikistan in his dissertation by 2006. This article sought to cover this by the end of 2016, hoping that its results could be used by the experts of ministry of foreign affairs - Ministry of Economy - Friendship Association of the two countries – members of parliaments.

### *Statement of the problem*

- *The emergence and development of Iran-Tajikistan relations*

The dynamics of the two countries' relations is based on the historical cultural and linguistic unity which was limited to the exhibitions - mutual visits of artists and intellectuals in Soviet times. In 1988, a delegation from Iran was sent to the Soviet Union to find ways of cooperation and determination of the priorities. Soviet Tajik leaders offer direct relations with Iran, opening Tajikistan's consulate in Tehran and Iran's consulate in Dushanbe in consultation with Moscow.

The next step was the development of relations on November 21, 1990, and after the agreement of January 1991, the authorities of the two countries began their visits, and Tajikistan gradually entered the international community; it was an independent country with a market economy and inexperienced government with the increased inflation, unemployment and lower living standards (Sanaei, 2011).

One of Tajikistan's top foreign policy priorities was relations with its Persian-speaking neighbors, so Tajikistan's first foreign relations with Iran began and in 1991 a joint statement was issued during the travel of Velayati to Dushanbe. He said that Iran and Tajikistan had deep Historical linguistic cultural roots ... and in the interest of their governments and national sovereignty, he expressed their determination to develop bilateral relations in the social, political and cultural fields; after that the high officials of the two countries met repeatedly (Nabiyev 1992 -Emamali Rahman 2000 2005 2007 2012 - Rafsanjani 1997 - Khatami 2007 - Ahmadinejad 2008 2009 2011). The result of these trips was about 150 cooperation agreements in a variety of areas whose economic part has been explained in the current research.

### Iran-Tajikistan Economic Trade Relations

Since the beginning of relations between the two countries almost coincided with the Tajik Civil War, Iran, in addition to mediating between the parties, involved in the crisis, and with humanitarian aids, was also involved in the economic relations. In 1992, three major Iranian relief aircrafts arrived in Kulab and even it gave medical aid of 275,000 rubles.

In addition, Iran urged emergency assistance to Tajikistan for peace and rehabilitation in the international institutions and organizations, such as the United Nations General Assembly. At this time, the relations between Iran and Tajikistan were political and economic, and several rounds of the negotiations of the groups involved in the Tajik Civil War were held in Tehran and Mashhad.



With the expansion of international flights between the two countries, the scope of relations got spread to the agriculture, transport, education - tourism development - exhibitions etc., but again due to the differences in economic and technological levels between the two countries, the unstable situation and the civil, the slow growth of Tourist and student trips, the lack of communication between the two countries, the relations between the two countries have not developed very seriously. Iran has a good strategic position and can, despite its economic and infrastructure capacity and geographical proximity to the Central Asian region, be a factor of their bonding with free waters; this needs to connect Iran's iron line northeasterly. Interestingly most of these have come together in an economic organization called Echo. On the other hand, Iran-US confrontation and Iran's proximity to Russia and China have led Iran toward the Shanghai organization. Tajikistan was a key member of the organization, and has supported Iran's being a permanent member, which helped to boost Iran's regional and international credibility, and perhaps this convergence could reduce the pressure on Iran's sanctions.

United Nations Organization has named 1998 to 2007 as the decade of transport and communications. Tajikistan has expanded its communications' infrastructure with its neighbors. On the other hand, Iran benefited from the iron line of Mashhad-Sarakhs at the same time. However, it can be said that the cost of land transport and, moreover, the inconvenience of some countries, would make exporting Iranian goods to Tajikistan more expensive; it may be better suited for Iran to invest in the industrial and manufacturing services and engineering (Tunnel, Power Plant, Road, Dam). (Mahmoudi, The Long-standing Culture and Civilization of Iran and Tajikistan and Its Role in Deepening Relations between the Two Countries)

Iran's exports to Tajikistan include all kinds of dyes - cement - building materials - metal sheets - medicines - fibers - textiles - petroleum products - nuts - fruits - detergents- etc. Also Tajikistan exports aluminum, cotton, fibers and sesame to Iran. Tajikistan's total foreign trade with Iran is about \$ 200 million, annually. Almost after China, Russia and Kazakhstan, we are the fourth side in Tajikistan's foreign economy. Tajikistan has extensive hydroelectric power (a comparative advantage) and recently a cooperation agreement on the water power plant by 130 MW has been signed between the two countries. Talks are underway to build a strong transmission line from Tajikistan-Afghanistan to Iran, as it can be said that the transfer of energy from Iran to Tajikistan and the transfer of electricity from Tajikistan to Iran can be seen in the prospect of developing economic relations between the two countries.

### *Several examples of Iranian economic cooperation projects in Tajikistan*

#### **1. Toudesh rock power plant 2**

This power plant was built on the Vakhsh River in southern Tajikistan in 2006 and is expected to generate 220 MW under contract. Its Iranian capital will be \$ 180 million and the Tajik side's share will be \$ 40 million. In this project, Russia-America-China were Iran's competitors, which was ultimately handed over to Iran; the Iranian president, given Iran's greater share, said it was a gift from the Iranian people to Tajikistan. Meanwhile, Russia has been working on the River in the Toudesh rock.

#### **2. Independence tunnel**



The contract for the tunnel was closed in 2003 between the Tajik Ministry of Transport and Sabir Company in Iran. Its cost was about \$ 40 million. This tunnel is 2800 meters above sea level and has 5200 meters long and has shortened the route Dushanbe to Khudzhand about 60 kilometers. This tunnel was exploited by the Iranian experts in 2006; but due to the change in the dollar exchange rate and the rise in the price of cement, we finally encountered problems with the Tajik side; for example, one of the problems was the tunnel floor lighting or refurbishment that was heavily flooded, which has been removed with recent consultations and talks.

### **3. Tractor co-production factory**

This factory started operating in 2006. 51% of its shares were Iranian and 49% were for Tajik. According to the original contract, the plant had to produce 2000 units annually and some of it, was exported to other countries such as Uzbekistan and Kazakhstan; but only there were 500 tractors of this type manufactured there, each about \$ 3,000 cheaper than the market price.

In addition, Ibn Sina hospital was built and opened with \$ 12 billion Iranian capital in the center of Dushanbe, which now serves Tajik citizens. Its physicians are generally Iranian. In some cases, Tajik patients are transferred to Iran and treated in Iran where services are not available. (Shadman, 1994)

Shops such as Etko, Palood and Pegah have also opened in Dushanbe, offering a variety of general necessities, including food, sanitation, cleaners, and almost all Iranians living in the area have their needs met from these shops.

Another economic item in the two countries is the high presence of Iranian students (approximately 1500) in Tajikistan, who are generally associated with this country with the personal expense in doctoral level for a period of approximately 5 years; or Tajik students residing in Iran generally at the Islamic Center of Qom Al-Mustafa, they are studying religious sciences or at other Iranian universities (Vaezi, 2008). The long-term presence of these students in another country will help, in addition to the economic aspects, the Cultural exchange and customs, as well.

## **CONCLUSION**

In the end of the 20th century, the importance of economics has increased globally, and the countries have prioritized the pursuit of their national interests through economics and subsequently other socio-cultural, political and sporting issues. Formation of Small and large organizations at the regional and global levels is a testament to this, so it is necessary for Iran, along with its neighbors, with a higher priority in the Persian-speaking countries (Tajikistan), to deepen its commercial-economic technical cooperation. As a result, it can express itself as a powerful block and even have tangible effects, especially given that Iran and Tajikistan share cultural and historical linguistic links. These links could be even stronger. For example, the zero-zero political license plates in Tajikistan are owned by diplomatic staff of the Iranian Embassy there. The next numbers like zero-zero-two and zero-zero-three belong to those of Russia, America, Turkey, etc., or seeing the yellow cars of the Peugeot and Samand taxi across the city gives a good feeling to an Iranian citizen, there. So these two countries can play an important role in the economic and political affairs by consulting and sharing with each other.



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