





Presenting Iran's new economic diplomacy model with an export approach for neighboring countries with an emphasis on cultural and media diplomacy capacities

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Abstract

The purpose of this research is to diagnose the trend of Iran's export to each of the neighbor countries and to provide a suitable model of Iran's new economic diplomacy to be used in improving Iran's commercial position. The current research is "applicable" in terms of purpose, and "descriptive-correlative" and "causal-communicative" in terms of method, and the structural equation modeling method was used in the analysis of the results. The population of this research consists of businessmen active in neighbor countries, producers, exporters, high-level managers, cultural and media expert activists; and according to multivariate regression analysis and the number of observable variables, 195 people were selected as a quantitative sample. The collection tool is a researcher-made questionnaire. SPSS software was used for data analysis and AMOS software was used to design the final model. Research findings based on the theory of neoliberal institutionalism and the obtained results of the variables "cultural exchange with cultural diplomacy components" and "peace-oriented communication with media diplomacy components" and "economic-oriented foreign policy with economic diplomacy components" with acceptable confidence has an effect on promoting Iran's position in the region and on the strengthening of Iran's commercial and economic relations, and the fit indices of the model showed acceptable values.

Keywords:

new economic diplomacy;
neighbori countries;
cultural and media diplomacy;
business relations

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Extended Abstract

Introduction

Iran's business situation with its neighbors shows that Iran does not have a comprehensive solution for success in exporting and developing commercial and economic relations; therefore, finding an optimal solution for Iran's economic and commercial growth, especially with neighbor countries, is the main concern of thinkers. Having numerous natural and human capitals and geographical and strategic advantages, Iran has the capacity to improve its position among 15 neighbor countries; relying on these advantages and using modern business models, it can promote its regional economic and commercial goals for finding new markets. The research background shows that the efforts of the Islamic Republic of Iran to improve its position in the region have not achieved the desired result. From 2013 to 2022, Iran's average exports to its neighbors have decreased. This situation indicates the existence of a serious problem in Iran's exploitation model and business system. Improving such a situation requires an export development strategy. The export development strategy is based on the premise that third world countries increase their export income using new methods in order to obtain capital (Atieh Kar et al, 2022). On the other hand, the sanctions issue is also an important matter in Iran's commercial relation. A research considers the response to sanctions as "the new positioning of Iran's economy in the international arena" (torabi fard et al, 2022). It seems that the time has come for the cultural and media tools of the country to play an effective role in strengthening the relations with the countries of the region in the structure of the country's diplomacy in accordance with the current conditions and global opinion. By adding two important tools of media and culture to economic diplomacy, a new concept called new economic diplomacy is formed. The main question of this research is: how cultural and media capacities as new forms of economic diplomacy can help the development of Iran's exports to neighbor countries?

Theoretical Foundations

Neoliberal institutionalism

The theory of neoliberal institutionalism has been used to examine and analyze the framework of this research. Economic diplomacy in the 21st century and theories of communication and media have also been studied and used in analyzing the results. Institutionalism emphasizes the role of institutions and the socio-cultural evolutionary process of societies in the formation of economic behavior. Neoliberal institutionalism was formed in the 1980s and is the theory of maintaining the international system. (Bliss, 2016) The main issue of neoliberal institutionalists is how to strengthen cooperation in an anarchic international system (Dehghani Firouzabadi, 1998).

Robert Cohen, one of the most important theorists of neoliberal institutionalism, states that international institutions make cooperation between countries easier by reducing the possibility of deception and facilitate cooperation through information, monitoring and reducing transaction costs (Keohane, 1993).

Economic diplomacy in the twenty-first century

Market activity methods in any society are limited by the values and beliefs in it (Gilpin, R, & Gilpin, J. 2013). Paul Samuels defines economics as "the study of how to choose under conditions of scarcity" (Paul Samuels, 1967). Thomas Carlyle called economics a depressing science. Theorists such as Adam Smith, Karl Marx, and Joseph Schumpeter have tried to present the economy as a complete, dynamic, and variable system of human interaction. But in the early 21st century, economics is defined as a set of formal models and analytical techniques.

Communication and media theories

In studying the theories related to the media and especially social networks, we come across three important theories; Giddens' construction theory believes: the actions of people affect structures (Giddens, 2005). The second important theory is Castells' network society theory, which believes that power is dependent on networks, and power in a network society ultimately falls to those who control the communication capacities between networks and groups within the network. He considers power as a relational capacity (Castells, 2007). The third important theory is Jürgen Habermas' theory of communicative action. He says with the discussion plan of discourse: Every proposition is formed in the body of speech. As soon as we enter into a conversation, we accept that there is a possibility of agreement (Holub, 1996).

Research methodology

The purpose of this research is to analyze the trend of Iran's exports to neighbor countries and to provide a suitable model for Iran's modern economic diplomacy to improve the country's commercial position. This research is "applicable" in terms of purpose, and "descriptive-correlative" and "causal-communicative" in terms of method. The structural equation modeling method has been used in the analysis of the results. The research community includes businessmen active in neighbor countries, producers, exporters, high-ranking managers, and cultural and media activists. According to the multivariate regression analysis and the number of observable variables, 195 people were selected as a quantitative sample. The data collection tool is a questionnaire with 86 items from the qualitative section. AMOS and SPSS software have been used to achieve the goals of research and statistical analysis.

Research findings

To present the research model, the variables were tested through a questionnaire, and its validity and reliability were confirmed. The data obtained from the questionnaire was analyzed using structural equation modeling analysis during five stages of formulation, diagnosis, estimation, testing, and modification of the model, until the final model was meaningful at the test coverage level. The estimated parameter, standard deviation, and critical ratio, as well as P value belonging to the regression coefficients corresponding to the variables showed that the research model is accepted with 95% confidence; therefore, the significant effect of cultural exchange with the components of cultural diplomacy, pacifist relations with the components of media diplomacy, and economy-oriented foreign policy with the components of economic diplomacy are confirmed with 95% confidence on the dependent variable of Iran's new economic diplomacy with the export development approach.

It was observed that the greatest impact is related to the independent variable of economy-oriented foreign policy with the components of economic diplomacy. To put it more clearly, for one unit of improvement in economy-oriented foreign policy with components of economic diplomacy, an increase of 90.6% will be observed in Iran's export development.

The summary of the research results from the results of the questionnaire and AMOS and SPSS software based on the modification indices and significant regression coefficients, the model of Iran's modern economic diplomacy has been presented. In this model, three hidden independent variables of cultural exchange with the components of cultural diplomacy, peace-oriented communication with the components of media diplomacy, and economy-oriented foreign policy with the components of economic diplomacy along with 18 obvious independent variables play role on the hidden dependent variable of Iran's modern economic diplomacy with the approach of developing exports to neighbor countries.

Conclusion and discussion

The purpose of this research is to diagnose Iran's export process to neighbor countries and to provide a suitable model for Iran's new economic diplomacy to improve the country's commercial position using the structural equation method. The results of this research are aligned with the results of Tabatabai (2009), Ministry of Foreign Policy and International Relations (2003), Arghavani PirSalami (2019), Arghavani PirSalami (2018), Mousavi Shafaei & Emani (2017), Damanpak Jami (2019), Bozorgi, (2017), Shafai et al, (2022), Whitlock (2003), Bayne & Woolcock (2016), and Hertzog (2004). In this research, the 10-year trend (2013-2023) of Iran's exports to 15 neighbor countries was diagnosed, and by identifying at least 25 challenges and obstacles; it shows that the role of political issues in commercial and economic relations and the existence of security problems and ideological conflicts created by the media in neighbor countries, as well as the low level of cultural relations and weakness in communication and advertising, and lack of sufficient awareness of businessmen about the tastes and customs of neighbor countries, along with other technical, qualitative, and infrastructure factors have made most of the neighbor countries to place their markets at the disposal of Iran's competitors, and Iran's effort to improve its commercial position in the region has not reached its desired point. For this reason, Iran's share in meeting the needs of its neighbors is only 1.76%. This share is not consistent with the principles of international trade by which countries do the most trade with their neighbors. In such conditions, the "new economic diplomacy" model can play an effective role in strengthening Iran's position in the region and promoting economic and commercial relations. This research concludes that economy-oriented foreign policy is one of the requirements for the development of exports to neighbor countries. It is suggested to all the decision makers not to neglect the economic and commercial connection in every international negotiation, and to use the diplomatic tools of media and culture in all economic and commercial relations with neighbor countries.