

Iran's foreign policy throughout time

From Balance of Power to Pivot to East



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OPINION

Since the late 18th century, Iranian foreign policy has gone through a series of evolutions, revolutions, and transformations. These changes were often dictated by historical circumstances, geopolitics, geography, and, perhaps most importantly, the pressure Iran faced from other powers.

During the Qajar era, from 1789 to 1925, the Iranian government found itself surrounded by major powers. Along its western border, Iran faced the Ottoman Empire. To the north, it confronted the Tsarist Russian Empire, while to the southeast it faced Britain and British India.

Iran faced growing pressure as Russia expanded southward into the Caucasus and Central Asia. Following a series of wars, Russia forced Iran to relinquish its claims to extensive territories in the South Caucasus, including areas that today form much of Azerbaijan, as well as territories connected to present-day Georgia. These losses were formalized through the treaties of Gulistan in 1813 and Turkmenchay in 1828. In response to these pressures, Iran adopted several different foreign-policy approaches in its effort to preserve its sovereignty and independence.

Balance-of-Power and Third-Power approaches

Iran initially adopted a "Balance-of-Power" approach. Iranian leaders sought British assistance in pushing back against Russian expansion. Britain viewed Iran mainly through the lens of protecting India and was unwilling to enter a major confrontation with Russia solely to defend Iranian interests. The problem, however, was that Iran did not possess sufficient strategic importance for Britain to risk war with Russia on its behalf. As a result, the support Iran hoped to receive never materialized, and the balance-of-power strategy failed to counter Russian pressure. Following this failure, Iran turned to a new foreign-policy approach: the "third power" policy. One of the earliest examples of the third-power policy was Iran's brief partnership with Napoleonic France. The Qajar government hoped that France would provide military support against Russia and help Iran recover its lost territories. In this context, the two countries signed the Treaty of Finckenstein in May 1807, formalizing the Franco-Persian alliance as a counterbalancing force primarily against Russia and Britain. However, this partnership did not last. When Napoleon reached an accommodation with Russia at Tilsit in July 1807, France effectively abandoned Iran. Following the failure of the third-power policy, Iran returned to the balance-of-power approach and turned toward Britain, hoping that British assistance would help contain Russian expansion. This effort, however, produced the same result as Britain remained unwilling to confront Russia on Iran's behalf. As Russia continued to expand

from the north, Britain increasingly sought to limit Iran's influence in the east, particularly in Afghanistan. British officials regarded Afghanistan, and Herat in particular, as a vital defensive buffer for British India. They therefore opposed Iranian attempts to bring Herat under their control, fearing that Iranian expansion might enable Russia to extend its influence closer to India.

These tensions eventually contributed to the Anglo-Persian War of 1856–1857. After Iranian forces captured Herat, Britain declared war and launched attacks against Iranian positions in the Persian Gulf. Under the Treaty of Paris of 1857, Iran was forced to withdraw from Herat and formally abandon its claims to the city. In response to the growing British threat, Iran turned to its former enemy, Russia, seeking to build a partnership that could serve as a counterbalance to Britain. This effort, however, produced few benefits and came at a considerable cost. Russia did little to help Iran restore its control over Herat, while exploiting Iran's dependence to extract extensive concessions.

One such concession came with the Treaty of Akhal in 1881. As Russia continued its expansion into Central Asia, it compelled Iran to accept a new frontier with the Russian Empire and relinquish its remaining claims to territories north of the border, particularly in areas located in what is now, Turkmenistan.

The Ottoman Empire also periodically competed with Iran over borderlands, tribal loyalties, religious influence, and the allegiance of Kurdish communities living along the frontier. Therefore, throughout much of the Qajar period, Iran faced pressure from several directions while lacking the military and economic capabilities required to resist these powers effectively.

To make the matters worse, by this stage, both Russia and Britain had established significant political and economic influence inside Iran. They sought commercial privileges, loans, monopolies, and concessions from the Qajar government. Iranian efforts to maneuver between Russia and Britain also created suspicion in both capitals. Rather than forming equal partnerships with Iran, Russia and Britain sought to extract concessions, expand their political and economic influence, and establish a stronger presence inside the country.

This process culminated in the Anglo-Russian Convention of 1907. Under the convention, Britain and Russia divided Iran into three spheres of influence: a Russian sphere in the north, a British sphere in the southeast, and a nominally neutral zone between them. Iran remained formally independent, but the agreement seriously undermined its sovereignty and was concluded without meaningful Iranian participation. As Iran faced simultaneous pressure from Russia and Britain, Iranian leaders experimented with alternative foreign-policy approaches. One of these was return to the "Third-Power" policy. The term "third power" did not refer to a minor or weak country. Rather, it meant an outside power other than Russia or Britain that



Iranians walk past a billboard depicting new Leader of the Islamic Revolution Ayatollah Seyyed Mojtaba Khamenei, as they gather to mark the 40th day since the martyrdom of his father, Ayatollah Seyyed Ali Khamenei, in Tehran on April 9, 2026.
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could help Iran reduce its dependence on both. By the late 19th and early 20th centuries, Germany had become a major European power, while the United States was emerging as an increasingly influential power. Unlike Russia and Britain, however, neither had the same history of territorial expansion or direct imperial competition inside Iran. Under this approach, Iran sought relations with Germany, the United States, and other European powers that could counterbalance Russian and British influence. However, Iran's fundamental problem remained unchanged. Iran did not possess sufficient geopolitical or strategic importance for any third power to be willing to risk conflict or escalation with other major powers, such as Russia or Britain, on its behalf.

Positive- and Negative-Balance approaches

Having failed to secure meaningful support from a third power or to counterbalance the growing pressure from Russia and Britain, Iranian politicians became divided between two major schools of foreign-policy thought: "Positive

Balance" and "Negative Balance". These two approaches remained central to debates over Iran's foreign-policy strategy for years.

Positive Balance generally involved granting concessions or opportunities to competing powers in an effort to maintain an equilibrium between them. The assumption was that Iran could prevent one foreign power from becoming dominant by offering comparable benefits to its rival. Some Iranian political figures instead favored closer alignment with one particular power. Vosough od-Dowleh, for example, selected Britain as Iran's prospective partner and concluded the Anglo-Persian Agreement of 1919. The agreement would have given Britain extensive influence over the reorganization of Iran's military, administration, finances, transportation system, and infrastructure. Although Iran would have remained formally independent, opponents argued that the agreement would have effectively turned the country into a British protectorate or semi-dependent state.

The agreement was signed in August 1919, but it never received the required approval of the Majlis (Iranian parliament). Once its terms became widely known, it generated intense opposition. Iranian nationalists objected to the secretive nature of the negotiations, the extent of British influence envisioned by the agreement, and allegations that Iranian officials had received payments in connection



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Other Iranian political figures advocated a policy of Negative Balance. This approach was associated with figures such as Hassan Modarres and later, most prominently, Mohammad Mosaddegh. Supporters of Negative Balance argued that Iran should refuse to grant major concessions to any foreign power. Rather than granting a concession to Russia to offset a British concession, or vice versa, Iran should reject comparable demands from both. Mosaddegh later made Negative Balance a central part of his political outlook, particularly in connection with the nationalization of the Iranian oil industry.

The difficulty with Negative Balance was not necessarily the principle itself, but Iran's weakness. This weakness was military, economic, and institutional. The Qajar state lacked the revenue and administrative capacity to maintain a modern army, while the central government often struggled to control provincial officials and tribal forces. Russia pursued territorial expansion, while Britain was less interested in annexing the remaining Iranian territories than in preventing Iran from regaining Herat. British officials feared that Russia could exploit its influence over a weak Iran, gain access to Herat, the gateway to Afghanistan, and threaten British India. Without sufficient domestic capabilities, Iran often struggled to enforce its independence even when its leaders refused foreign demands. Following the 1921 coup, Reza Khan gradually became the dominant political figure in Iran. He first served as minister of war and later as prime minister before becoming shah in December 1925 and ruled Iran until 1941.

Return of Third-Power approach

Reza Shah strongly pursued the third-power policy. Rather than relying exclusively on Britain or the Soviet Union, he sought to expand Iran's relations with powers such as Germany and the United States. His objective was to reduce Iran's dependence on its two traditional rivals and to obtain foreign expertise without allowing Britain or the Soviet Union to dominate the country.

Germany became particularly important to this strategy. German companies, engineers, technicians, and industrial experts played an important role in Iran's modernization projects. Germany was also attractive because it did not have the same history of territorial expansion and political interference in Iran as Britain and Russia.

However, Reza Shah's growing relationship with Germany created serious problems during the Second World War. Britain and the Soviet Union became increasingly concerned about the presence of German nationals and possible German influence inside Iran. Reza Shah declared neutrality, but he resisted Allied demands to expel German citizens.

In August 1941, Britain and the Soviet Union invaded Iran. The presence of Germans provided part of the political justification for the invasion, but it was not the only reason. The Allies, Britain

