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Investigation the impact of economic sanctions on exports of agricultural and industrial products in Iran (2006- 2012)

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ABSTRACT

The aim of this study was to evaluate the effect of economic sanctions on the country's agricultural and industrial exports. (The years 2006-2012). The present study based on objective is applied and based on the type of research is descriptive-documents. The research population is include 420 statistical sample of 60 types of industrial and agricultural products thatfor collect the data was used the data of customs documents presented on the site Chamber of Commerce-Industry, Mines and Agriculture of Tehran and to analyze the data was used of Excel software and SPSS 21software. Results showed that process of mean changes of exports gross income, over time, has been significant and the average of exports gross income (agricultural and industrial) during the years of sanctions from 2006 to 2012 have a difference together. The average of exports gross income of all products at the beginning of sanctions with the strongest growth in over a year, but then dropped as much and during the years later was associated with low growth, but relatively stable. Howeverthat the average of export gross income of agricultural products has been associated with a relatively mild growth during the years of the sanctions, and finally the average of exports gross income of industrial products dropped in 2007, but had upward until 2009, and then along with the downward trend.

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INTRODUCTION

Sanctions are intended as an instrument of pressure and coercion in advancing foreign policy goals and one of the ways compels countries to undertake political behavior. Sanctions that sometimesis as set of a deliberate campaign to boycott the country's government, to enter economic deprivation on government or community sanction is often considered as a substitute, rather than military force. (Ajili and Mobini, 2013). Since, in the Iranian economy, a major part of its exports (80%) is based on oil and gas exports of a major share of GDP is provided by this source that through the exchange enteredin country and in foreign exchange reserves is the backbone of the national economy. However, some countries influential in the international arena to achieve its national interests, the use of all tools including restrictions on free trade, namely economic sanctions to its strengthen and undermine other country. (Khorami, 2012, 1). Sanctions, imposes heavy costs on the country under sanctions, economic pressure converts the effectively political pressure and created the desired changes in behavior or the nature of the sanctions regime and cost that imposes on the economy of the country under sanctions, by far, is higher than its cost to the economy of sanctions; and finally, in comparison with other instruments and policies

have from most favorable. About sanctions, this problem is to have a significant economic impact and establish political credibility together. (Oderat, 2000). At the same time, countries with non-diversified export structure, similarly, faced with the problem of dependence on export of primary commodities, which is facing them with a high risk. These countries are experiencing low economic growth and reduce the exchange rate, when, commodity adverse shocks increase global prices. Countries with a high concentration in exports, generally, have less private investment in the economy. Diversification of export structure is a way to reduce restrictions on developing countries with expertise in export to achieve allocative efficiency and stable foreign exchange earnings. (Nematollahi, 2011). According Gholami and Aminzadeh (2013), economic sanctions depending on their function are under constraints that can make it difficult, implementation of commitments in contracts trade (export and import). (Gholami and Aminzadeh, 2013). This study was designed to assess the impact of sanctions on Iranian non-oil exports to be studied and explored, the rate of effectiveness of agricultural and industrial exports rather than sanctions to finally be able to contribute through the results as responsible people in making strategic decisions and better manage. The research questions are: