

# **Rentier Economy and the Smart Sanctions System**

## **A Case Study of the Islamic Republic of Iran**

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### **Abstract**

Rentier economies, as a kind of economy which is highly dependent to foreign sources of income, have features that distinguish them from other economic structures and make them easier target for various sanction pressures. Iran's oil-rent-based economy has experienced many types of sanctions during four decades after Islamic Revolution for various reasons, including the conflicts with the United States and the nuclear dispute. The sanctions which have been trend to smart process in geographical, monitoring, regulatory, and thematic forms to be more effective. So what will be consider in this article is; "Does Iran's rentier economy has made smart sanctions more effective?" Based on this, it is assumed that the rent structure of Iran's economy has played an effective and key role in the intelligence and effectiveness of sanctions. To test this hypothesis, while examining the rent indicators of the country's economy and the smart sanctions proceeding, the effects and reactions of these two variables are evaluated by using a descriptive-analytical method.

**Keywords:** *Rentier Economy, Rentier State, Sanction, Smart Sanctions*