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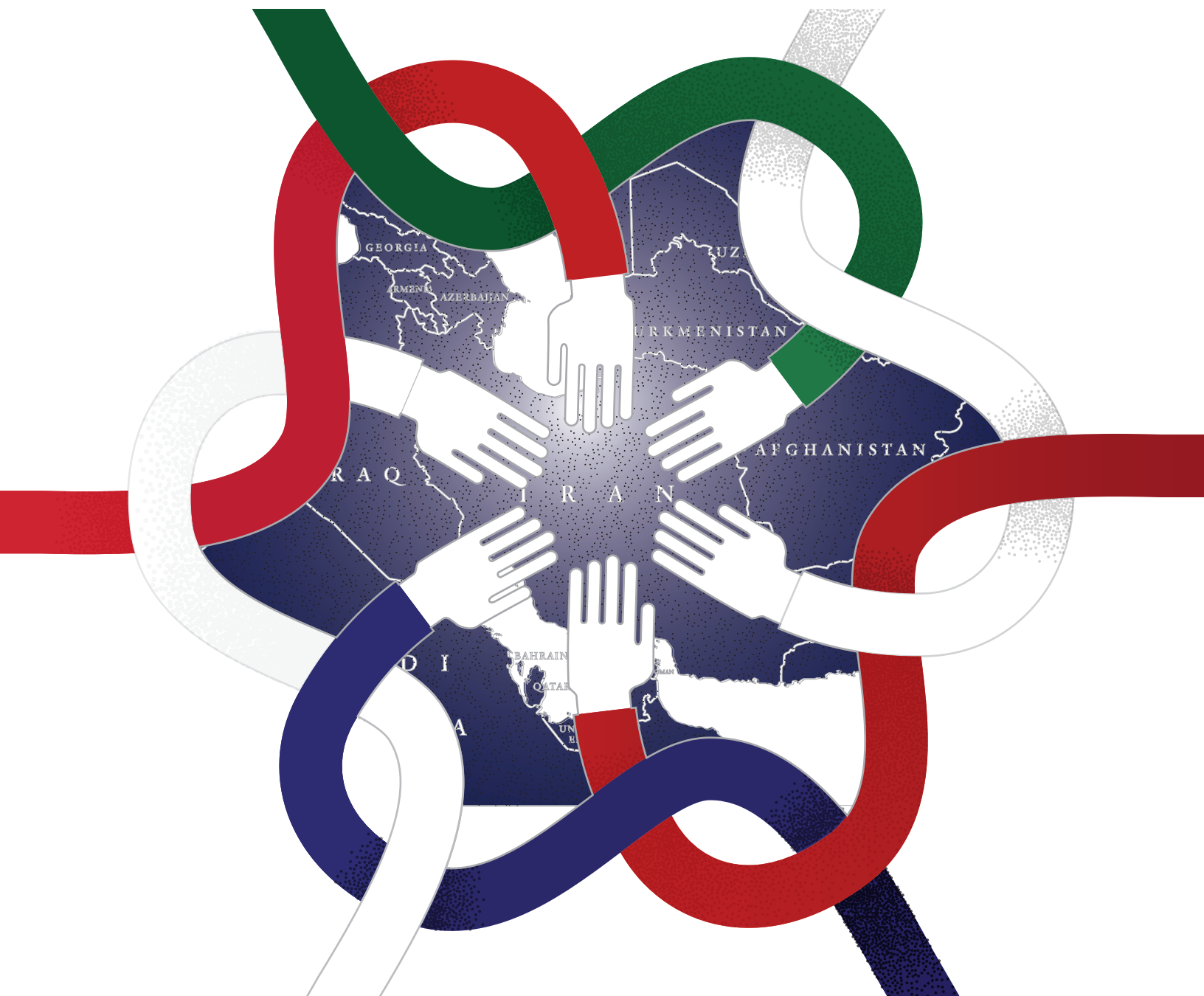


RUSSIA FOREIGN POLICY PAPERS

FRIENDS OR FRENEMIES?

HOW RUSSIA AND IRAN COMPETE AND COOPERATE

Nicole Grajewski



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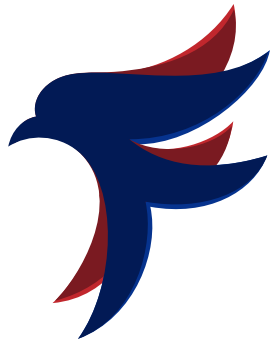
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FRIENDS OR FRENEMIES HOW RUSSIA AND IRAN COMPETE AND COOPERATE



About the Author

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Executive Summary

Relations between the Russian Federation and the Islamic Republic of Iran relations are best understood as a tenuous partnership that oscillates between “strategic” and “tactical” cooperation on common security issues despite long-lasting mistrust, unmet expectations, and weak economic ties. Overlapping security interests and concerns about instability have constituted a stable basis for Russia-Iran cooperation across the Middle East, South Caucasus, Central Asia, and Afghanistan. Russia has viewed Iran as part of its international strategy to contest U.S. primacy while bolstering Russia’s regional standing and recognition as a great power. The onset of the Syrian Civil War broadened the scope of interaction and intensified diplomatic and military exchanges between Russia and Iran. However, differences have materialized over Syrian military reform and competition for economic influence in the country.

A USEFUL RELATIONSHIP

In January 2020, the U.S. assassination of Major General Qasem Soleimani, commander of the Islamic Revolutionary Guard Corps' (IRGC) Quds Force, triggered a maelstrom enveloping the Islamic Republic of Iran and its neighbors. The reverberations of escalating tensions extended to the Syrian Arab Republic, where the Russian Federation's so-called "return" to the Middle East through its intervention has been predicated on the use of Iranian-backed ground forces under Soleimani's command.¹ Soleimani played an important role—which was and is often overstated—in the formation of Russia and Iran's tenuous partnership in Syria and in tempering traditionally anti-Russian elements within the Iranian elite. The strengthening of Russian and Iranian military cooperation was clear in the Russian Ministry of Defense's uncharacteristically emotive statement that described the Quds commander as "a competent military leader, [with] well-deserved authority and significant influence in the entire Middle East region."² This sentiment was echoed by Ali Akbar Velayati, advisor to Supreme Leader Ali Khamenei and former foreign minister, who attributed to Soleimani the formation of the Russia-Iran partnership and the development of a close relationship with Russian President Vladimir Putin.³ Notwithstanding Russia's strongly worded condemnation of U.S. actions, Moscow's cautious diplomatic maneuvers in the aftermath of Soleimani's death illustrated Russian recognition of the potential detriment incurred from a U.S.-Iran military escalation to its burgeoning regional influence.

Beyond the Middle East, Russian foreign policy towards Iran has focused on sustaining ties with its influential neighbor, which is located on the southern borders of the Commonwealth of Independent States (CIS), where Moscow has asserted its special interests, and engaging in a dialogue on regional issues ranging from the Caspian Sea to Afghanistan. Though Iran has been a profitable destination for Russia's military and civilian nuclear industries, Moscow's foreign policy towards Tehran has demonstrated Russia's independence and flexibility in foreign affairs. In contrast to the U.S. characterization of Iran as aggressive and expansionist, Russia views Iranian foreign policy as defensive and, at times, a reaction to its international isolation. In this sense, Moscow distinguished its engagement with Tehran from Washington, often critiquing the double standards in U.S. policy towards "rogue states." Since Putin's return to the presidency in 2012, Russia has viewed Iran as part of its international strategy to contest U.S. primacy while bolstering Russia's regional standing and recognition as a great power.⁴

Russia's relationship with Iran illustrates Moscow's ability to compartmentalize its foreign policy and to concentrate on areas of cooperation as a means of mitigating tensions elsewhere. Russia-Iran relations are best understood as a tenuous partnership that oscillates between "strategic" and "tactical" cooperation on common security issues despite long-lasting mistrust, unmet expectations, and weak economic ties. This complexity suggests that the nature of the bilateral

1 Anton Mardasov, "Soleimani's killing strengthens Putin's hand in Syria and Iraq," *Al Jazeera*, January 15, 2020, <https://www.aljazeera.com/indepth/opinion/soleimani-killing-strengthens-putin-hand-syria-iraq-200115080353213.html>; and Hamid Reza Azizi, "How Soleimani's assassination could affect Iran's Syria strategy," *Al-Monitor*, January 7, 2020, <https://www.al-monitor.com/pulse/originals/2020/01/soleimani-assassination-impact-iran-strategy-syria.html>.

2 "Shoigu provel peregovory s glavoi Genshtaba Irana v svyazi s ubiystvom Suleimani [Shoigu held talks with the head of the General Staff of Iran in connection with the assassination of Soleimani]," *Interfax*, January 6, 2020, <https://www.interfax.ru/russia/690327>.

3 "Vilāyati: 'Āmil aṣlī Ittīhād-i Īrān va Rūsīyah, Sardār Sulaymānī būd [The main factor of the alliance of Iran and Russia was Sardar Soleimani]," *ISNA*, January 5, 2020, <https://www.isna.ir/news/98101511709/>.

4 For more on this argument and the changes in Russian foreign policy towards Iran following Vladimir Putin's return to the presidency, see, Nikolai Kozhanov, "Understanding the Revitalization of Russian-Iranian Relations," Carnegie Endowment for International Peace, 2015, https://carnegieendowment.org/files/CP_Kozhanov_web_Eng.pdf."



“Since Putin’s return to the presidency in 2012, Russia has viewed Iran as part of its international strategy to contest U.S. primacy while bolstering Russia’s regional standing and recognition as a great power.”

relationship is irreducible to a single factor, such as transactional issues or the influence of other countries.

The Russia-Iran relationship has expanded through arms sales, military-technical exchanges, and civilian nuclear cooperation. However, salient disagreements over the moratorium on arms sales to Iran under the 1995 Gore-Chernomyrdin agreement, delays in the construction of Iran's Bushehr Nuclear Power Plant, and Dmitry Medvedev's 2010 cancellation of the sale of the S-300 missile defense system to Iran have concurrently fueled distrust.⁵ With the exception of civilian nuclear energy, the economic dimension has been marred by negligible trade relations and the lack of overlap between Russia and Iran's respective imports and exports.

Over the past three decades, Russia's relationship with the United States has been an important, though often overstated, factor in the relationship. Though both Moscow and Tehran oppose U.S. unilateralism and desire a multipolar world, Russia's perception of itself as a responsible great power has often made it reluctant to antagonize Western and regional partners through closer cooperation with Iran. Even so, Russia has remained a crucial partner for Iran's international policy due to its status as a permanent member of the United Nations Security Council and as a guarantor of the 2015 Joint Comprehensive Plan of Action (JCPOA) on Iran's nuclear program.

Russian and Iranian interaction extends across the Middle East, South Caucasus, Central Asia, and Afghanistan. In general, overlapping security interests and concerns about instability have constituted a stable basis for Russian and Iranian cooperation. Russian and Iranian interests are intertwined though seldom fully coincide, especially when it comes to the Caspian Sea or Middle East. In Central Asia and the South Caucasus, resistance to the presence of American and North Atlantic Treaty Organization (NATO) forces has resulted in Iranian acquiescence to Russia's assertion of its "sphere of influence"

as a challenge to U.S. encroachment. Moreover, Russian and Iranian goals have coincided on maintaining stability and preventing regional spillover from Afghanistan. Although Moscow and Tehran oppose the construction of the Trans-Caspian pipeline and the presence of non-Caspian military forces, disagreements over the delimitation of the Caspian have been exacerbated by Iranian historical grievances towards Russia in the region. The onset of the Syrian Civil War broadened the scope of interaction and intensified diplomatic and military exchanges between Russia and Iran; however, differences have materialized over Syrian military reform and competition for economic influence in the country. Even in light of divergences, Russia's balancing act in the Middle East remains contingent on the maintenance of close relations with Iran while concomitantly expanding its ties with Iran's adversaries including Israel, United Arab Emirates (UAE), and Saudi Arabia.

⁵ Mark N. Katz, "Russian-Iranian Relations in the Obama Era," *Middle East Policy* vol. 17, no. 2 (2010): pp. 62–69.

ARMS AND MILITARY COOPERATION

Due to its vulnerability to U.S. pressure and international sanctions, Russian arms sales to Iran have had a variable effect on the bilateral relationship. The growth of military-technical contacts between the Soviet Union and Iran in the late 1980s culminated in several inter-governmental agreements and lucrative arms contracts between 1989 and 1991.⁶ Under these agreements, Moscow supplied Tehran with MiG-29 fighter jets, Su-24 combat aircraft, SSK Kilo-class 877EKM diesel-electric submarines, armored personnel carriers, tanks, and S-200 surface-to-air missile systems.⁷⁸ Throughout the 1990s, the Boris Yeltsin administration's relationship with the United States often impeded Moscow's desire to assert an independent foreign policy and to stimulate economic growth through military exports to Iran. Under U.S. pressure, the 1995 Gore-Chernomyrdin agreement prohibited further arms agreements and stipulated that Russia complete its existing contracts to Iran by 2000. Whereas the Gore-Chernomyrdin agreement generated distrust among the Iranian elite, Moscow's failure to fulfil its obligations under the contracts signed with Tehran and the moratorium on further arms sales resulted in an estimated loss of 4 billion USD for Russia.⁹ Notwithstanding the financial burden incurred from Gore-Chernomyrdin, the decision to abrogate the agreement was linked to the shifts in foreign policy following NATO's intervention in

Yugoslavia and the rise of Vladimir Putin.

In November 2000, Putin's public repudiation of the Gore-Chernomyrdin agreement resulted in a new agreement on military-technical cooperation and arms contracts.¹⁰ From 2002 to 2007, arms sales to Iran amounted to approximately 2 billion USD as Iran became the third largest recipient of Russian arms behind the People's Republic of China and the Republic of India. Under these agreements, Iran received Mi-171 and Mi-17V-5 helicopters, Su-25 close-combat aircraft, and Tor-M1 short-range surface-to-air missile systems.¹¹ At the time, defense analysts speculated that military sales to Iran—one of the few markets where the Russian defense industry faced no competition from the U.S.—could amount to 7 billion USD.¹² Arms sales to Iran faced increasing scrutiny following the December 2006 UN arms embargo on Tehran and a series of U.S. sanctions in 2006, 2007, and 2008 on Rosoboroneksport, Russia's state-owned arms exporter. Although Russia voted in favor of United Nations Security Council Resolution (UNSCR) 1737, which prohibited the supply of technology related to nuclear weapon delivery, the imposition of U.S. sanctions on Rosoboroneksport inflamed anti-American sentiment by members of the Russian political establishment who viewed it as an affront to Moscow's independence. Against the backdrop of Russian discontent surrounding the

6 On the development of Soviet-Iran relations under Gorbachev, see, John W. Parker, *Persian Dreams: Moscow and Tehran since the Fall of the Shah* (Washington, D.C.: Potomac Books, Inc. 2009).

7 For an overview of Russian contribution to the Iranian armed forces, see, Vladimir Sazhin and Yurii Bondar, *Voennaya moshch' Islamskoi Respubliki Iran [The military power of the Islamic Republic of Iran]* (Moscow: Izdatel'stvo Moskovskogo universiteta, 2014), pp. 95–108.

8 During the 1990s, Iran paid only \$1 billion in cash for the arms and military technology it purchased. The rest was settled in write-offs of outstanding Soviet debts to Iran and in various barter deals, mostly Iranian oil handed over to Russia for resale.

9 Dmitrii Gornostaev and Igor Korotchenko, "Sdelka Gor-Chernomyrdin: Ushcherb Rossii - Chetyre Milliarda? [Gore-Chernomyrdin Deal: Russia's Damage - Four Billion?]," *Nezavisimaya Gazeta*, October 19, 2000, http://www.ng.ru/world/2000-10-19/1_deal.html.

10 The agreement for the Tor-M1 occurred during then-Secretary of the Supreme National Security Council Hassan Rouhani's meeting with President Putin in 2004.

11 "Voенно-tekhnicheskoe sotrudnichestvo Irana i Rossii [Military-technical cooperation between Iran and Russia]," *TASS*, January 15, 2015, <https://tass.ru/info/1707163>.

12 Vadim Kozyulin, "Voенно-Tekhnicheskoe Sotrudnichestvo Rossii s Problemnymi Stranami [Russia's Military-Technological Cooperation With Problematic Countries]," *Voprosy Bezopasnosti - PIR-Tsentr* vol. 5, no. 19 (109) (October 2001), <http://www.pircenter.org/articles/1457-voennotekhnicheskoe-sotrudnichestvo-rossii-s-problemnymi-stranami>.

color revolutions and European missile defense, Moscow's decision to provide Iran with the short-range Tor-M1 missile defense system in 2005 and the more sophisticated, long-range S-300 in 2007 was both a political statement and a profitable economic venture. For Iran, the 800 million USD deal with Rosoboroneksport for at least five S-300 missile defense systems was crucial for the modernization of its defensive air capabilities and the protection of its nuclear, chemical, and energy facilities from high-precision attacks.¹³ International concern over Iran's potential use of the S-300 to protect nuclear facilities provided the Russians with a bargaining chip vis-à-vis the international community, particularly the United States.

Russia's desire to improve relations with the United States after the 2008 Russo-Georgian War and Iranian President Mahmoud Ahmadinejad's embattlement with the international community over Iran's nuclear program impacted the decision to delay the sale of the S-300. In September 2010, President Dmitry Medvedev banned the transfer of the S-300 systems to Iran, citing UNSCR 1929's prohibition on the sale of major conventional weapons.¹⁴ Medvedev's decision to cancel the delivery of the S-300 was viewed as a betrayal in Iran since UNSCR 1929's embargo exempted defensive surface-to-air missiles. As a result, Iran filed a 4 billion USD lawsuit against Rosoboroneksport for its refusal to deliver S-300 at the International Court of Arbitration.¹⁵ Prior to Putin's return to office in 2012, the Russia-Iran relationship experienced its lowest point in recent history as a result of Moscow's support for UN sanctions against Iran in 2010, Russia's subsequent cancellation of the S-300, and Iran's lawsuit against Rosoboroneksport. The

replacement of Medvedev, who was associated with a pro-Western policy in Iran, created the conditions for the improvement of military-technical relations with Tehran. Naval exchanges between Russian and Iranian vessels in the Caspian Sea resumed in 2013, while the rise of the Islamic State strengthened bilateral exchanges on anti-terrorism.¹⁶

In January 2015, Defense Minister Sergei Shoigu's visit to Tehran resulted in a new intergovernmental agreement on military-technical cooperation. Three months later, Moscow lifted the 2010 ban on supplying Iran with the S-300 surface-to-air missile system. With the impending removal of the UN arms embargo on conventional arms in 2020 under the JCPOA, Iran has expressed its intention to buy at least 8 billion USD of Russian arms and military hardware to modernize its air and naval forces.¹⁷ In late December 2019, Russia, Iran, and China conducted long-anticipated naval exercises in the Indian Ocean and the Gulf of Oman.¹⁸ Because it was the first exercise between Russian and Iranian navies outside of the Caspian Sea, the trilateral exercise was symbolically important for projecting Moscow's status and for contesting Washington's policy towards Tehran in the Persian Gulf. Moreover, for the Russia-Iran relationship, the trilateral naval exercise signified the dramatic improvement in military-technical cooperation since Putin's return to the presidency in 2012.

13 For more on the S-300 and the connection to the Iranian nuclear program, see, John W. Parker, "Russia and the Iranian Nuclear Program: Replay or Breakthrough?," Institute for National Strategic Studies Strategic Perspectives (Washington, D.C., March 2012).

14 Henry Rome, "Explainer: Arms embargoes against Iran," *Iran Matters*, July 11, 2015, <https://www.belfercenter.org/publication/explainer-arms-embargoes-against-iran>.

15 Aleksandr Gabuev, Ivan Safronov, and Elena Chernenko, "Isk Za S-300 Razvorachivayut Protiv Irana [S-300 Lawsuit Deployed against Iran]," *Kommersant*, August 10, 2012, <https://www.kommersant.ru/doc/1998722>.

16 The first naval exchange between the Caspian Flotilla was in 2007; however, this stopped after 2009.

17 Ivan Safronov and Elena Chernenko, "Iran Pritsenivaetsya k Rossiiskomu Voenpromu [Iran Is Checking out the Russian Defence Industry]," *Kommersant*, February 15, 2016, <https://www.kommersant.ru/doc/2917271>.

18 "Rossiya, Iran i Kitai Provodyat Uchenie v Indiskom Okeane [Russia, Iran and China Conduct Exercises in the Indian Ocean]," *Interfax AVN*, December 27, 2019, <https://www.militarynews.ru/story.asp?rid=0&nid=524425&lang=RU>.

ECONOMICS AND ENERGY

Outside civilian nuclear energy, the economic relationship between Russia and Iran has been weak. Whereas U.S. sanctions have affected banking and business ties, the nature of Russian and Iranian import-export demands as major hydrocarbon exporters with the need for Western industrial technologies has limited trade relations. In addition to modest efforts at de-dollarization through the pursuit of trade in national currencies and alternatives to SWIFT, Russia has seen Iran as a transit hub in its plans to expand non-hydrocarbon exports.

In the 1990s, Russia viewed the construction of the Bushehr Nuclear Power Plant with Iran as a means of reviving its nuclear industry. Numerous financial and technical setbacks on the completion of Bushehr complicated relations because Iran considered the delays political. In reality, the majority of the delays at Bushehr was due to complexity in integrating Russian-made technology with old German equipment that remained after Siemens abandoned the project during the Iran-Iraq War. For Russia, the completion of Bushehr was necessary for maintaining its business reputation in the broader civilian nuclear sector and for demonstrating that Russians could complete a technologically complex project.¹⁹ Though Russia has defended Iran's right to the peaceful use of nuclear energy, Moscow considered the 2002 revelations of Iran's covert nuclear program, including uranium enrichment facilities in Natanz and weapon-grade plutonium production facilities in Arak, as a breach of trust. To protect business interests and to quell U.S. concerns, Russia reached an agreement with Iran to return spent fuel from Bushehr to Russia, which prevented the conversion of spent fuel into nuclear-grade plutonium.²⁰ Likewise, Russia lobbied for the exemption of civilian nuclear energy and existing cooperation in light-



Iranian President Hassan Rouhani and Head of the Atomic Energy Organization of Iran (AEOI) Ali Akbar Salehi in Bushehr Nuclear Plant. (Tasim News Agency)

water reactor technology, such as Bushehr, in UN sanctions resolutions. With the completion of Bushehr in May 2011, Russia and Iran negotiated additional contracts for the construction of Units 2 and 3 of Bushehr II, which has been exempted from U.S. secondary sanctions on Iran due to sanctions waivers.

Russia has been concerned that an increase in oil production under a stable, post-sanctions Iranian regime could depress global oil prices and compete with Russian gas for export markets. In March 2018, Zarubezhneft signed a 742 million USD agreement to develop the Aban and West Paydar oilfields—a modest contract compared to those secured by French and Chinese companies in a post-sanctions Iran. Following the Trump administration's sanctions on Iran, Lukoil, Rosneft, and Gazprom effectively withdrew

¹⁹ Interview with a former Rosatom deputy director, Moscow, October 2019.

²⁰ Anton Khlopkov and Anna Lutkova, "Pochemu tak dolgo stroilas' Busherskaya AES? [Why did the Bushehr nuclear power plant take so long to build?]," *Tsentri energetiki i bezopasnosti* [Center for Energy and Security], September 8, 2011, 14, <http://ceness-russia.org/data/doc/10-08-21%20Bushehr.pdf>.

from discussions with Iran, while Zarubezhneft's transferred its contract to Promsyrioimport, a subsidiary of the Russian Energy Ministry, to avoid sanctions.²¹ Transferring the contract to Promsyrioimport was predictable since Russia has used the former Soviet trade organization as a vehicle to avoid sanctions risks under the "oil-for-goods" deal between Moscow and Tehran, whereby Iran exports 500,000 tons of oil to Russia and receives 50% of the payments in cash and 50% in goods and services.²²

The absence of reliable banking channels has limited trade between Russia and Iran. Due to U.S. sanctions and the difficulty of conducting trade in dollars, Iran and Russia have been attempting to trade in their national currencies and to integrate their financial messaging services for banking transactions.²³ In September 2019, Russian Presidential Aide Yuri Ushakov noted that Moscow and Tehran "are taking measures to expand direct settlements, use national currencies, and establish interaction between the Russian financial messaging system and Iran's SEPAM, as an alternative to making

payments through SWIFT."²⁴ In 2019, Iran and Russia conducted more than 50% of trade in rials and rubles; however, the actual impact on trade turnover has been rather opaque.²⁵ The overall trade turnover between Russia and Iran in the first nine months of 2019 amounted to approximately 1.6 billion USD, an 26% increase from 2018 though still significantly less than Russian economic relations with Turkey, Israel, or Egypt.²⁶

Over the past five years, Russia has increased its investment in Iranian infrastructure and transportation projects.²⁷ The North-South Transport Corridor (NSTC) and Russia's 2017 Caspian Development Strategy rely on Iranian port infrastructure and overland trade routes to expand Russian exports into the Persian Gulf and South Asian markets.²⁸ In 2015, Russia agreed to provide a 5 billion USD state export loan to finance joint projects, including the electrification of the Garmsar-Inche Burun railway line and a thermal powerplant in Bandar Abbas.²⁹ However, in late February 2019, Russian Railways pulled out of the Garmsar-Inche Burun project due to U.S.

21 "Zarubezhneft" ushla iz Irana v preddverii sanktsii [Zarubezhneft left Iran ahead of sanctions], *Vedomosti*, October 31, 2018, <https://www.vedomosti.ru/business/news/2018/10/31/785262-iz-v>.

22 Yuri Barsukov, "Pravila Igr [Rules of the Game]," *Kommersant*, February 28, 2017, <https://www.kommersant.ru/doc/3228188>; and "Rossiya prodolzhit programmu 'neft' v obmen na tovary" s Iranom, zayavil Novak [Novak said that Russia will continue the oil-for-goods program with Iran], *RIA Novosti*, October 3, 2018, <https://ria.ru/20181003/1529923791.html>.

23 Iman Samadi, "Tijarat-i Iran va Rusiyah Az Mavani' Ta Furshat'ha [Iran-Russia Trade: From Barriers to Opportunities]," *Daftar-i Mu'ala'at-i Diplomas-i Iqtisadi-i [Institute for Economic Diplomacy Studies]*, November 30, 2019, <https://bit.ly/2NZdwng>.

24 "Rossiya i Iran naladyat vzaimodeistvie svoikh sistem kak al'ternativu SWIFT [Russia and Iran facilitate cooperation with their systems as an alternative to SWIFT]," *RIA Novosti*, September 13, 2019, <https://ria.ru/20190913/1558669383.html>.

25 "Iran-Russia trade through national currencies exceeds 50%," *Tehran Times*, December 17, 2019, <https://www.tehrantimes.com/news/443442/Iran-Russia-trade-through-national-currencies-exceeds-50>.

26 "Vneshnyaya torgovlya Rossii s Iranom za 9 mesyatsev 2019 g. [Russian foreign trade with Iran for 9 months of 2019]," *Vneshnyaya Torgovlya Rossii [Foreign Trade of Russia]*, November 14, 2019, <https://russian-trade.com/reports-and-reviews/2019-11/vneshnyaya-torgovlya-rossii-s-iranom-za-9-mesyatsev-2019-g/>.

27 "Zhigashin, Rayzin-i Iqtisadi Sifarat-i Rusiyah Dar Guft va Gu Ba 'Sharq' [Zhigashin, Economic Adviser to the Russian Embassy, in Conversation with 'Sharq'], *Sharq*, August 4, 2019, p. 5.

28 "Strategiya Razvitiya Rossiiskikh Morskikh Portov v Kaspiiskom Basseine, Zheleznodorozhnykh i Avtomobil'nykh Podkhodov k Nim v Period Do 2030 Goda [Strategy for the Development of Sea Ports in the Caspian Sea and Rail and Road Links to Them until 2030]," *Pravitel'stvo Rossiiskoi Federatsii [Government of the Russian Federation]*, 2017, <http://static.government.ru/media/files/zACqKSgh6AdU2bWZahEb92qpLifBzJlr.pdf>.

29 Novak elucidated the amount of the agreement in late 2019, noting that Russia intends to provide Iran with an addition 2 billion USD, which collectively amounts to 5 billion USD when taking into account previous agreements. "Tekhnopromeksport zaplatit do 1,7 mlrd rub za proektirovanie teplovoi elektrostantsii v Irane [Technopromexport will pay up to 1.7 billion rubles for the design of a thermal power plant in Iran]," *Neftegaz.ru*, August 18, 2016, <https://neftegaz.ru/news/energy/217575-tekhnopromeksport-zaplatit-do-1-7-mlrd-rub-za-proektirovanie-teplovoy-elektrostantsii-v-irane/>; and "Iran napravit rossiiskii kredit v razmere \$5 mlrd na shest' energeticheskikh i transportnykh proektov [Iran will direct a \$ 5 billion Russian loan to six energy and transport projects]," *vestifinance.ru*, December 12, 2019, <https://www.vestifinance.ru/articles/129432>.



БЕСІНШІ КАСПІЙ САММІТІ
2018 жылғы 12 тамыз, Ақтау



Participants of the Fifth Caspian Summit. From left to right: President of Azerbaijan Ilham Aliyev, President of Iran Hassan Rouhani, President of Kazakhstan Nursultan Nazarbaev, President of Russia Vladimir Putin, and President of Turkmenistan Gurbanguly Berdimukhammedov. (Kremlin.ru)

sanctions.³⁰ In addition to NSTC, Iran's interim trade agreement with the Eurasian Economic Union (EAEU) has factored into Russia's wider strategy to use Iran as a transit hub for its non-hydrocarbon exports.³¹ One of the results of the preferential trade agreement was the February 2019 trilateral memorandum of understanding on wheat, under which Russia and Kazakhstan can import wheat to Iran for processing and export to

third countries without any customs or duties.³² Iran had expressed interest in developing ties with the EAEU as early as 2015. However, the re-imposition of sanctions has prompted Tehran to portray the agreement as an opportunity that could mitigate Iran's isolation.³³

30 "RZhD vyidut iz proekta na €1,2 mlrd v Irane iz-za sanktsii SShA [Russian Railways to leave a €1.2 billion project in Iran due to US sanctions]," *RBC*, February 25, 2019, <https://www.rbc.ru/business/25/02/2020/5e55495e9a794730172b5ad9>.

31 Nadezhda Tolstoukhova, "Vostochnyi bazar [Eastern Bazar]," *Rossiiskaya gazeta*, April 25, 2019, <https://rg.ru/2019/04/25/dogovor-s-iranom-o-zone-svobodnoj-torgovli-vstupit-v-silu-do-konca-goda.html>.

32 "Rossiya, Kazakhstan i Iran podpisali memorandum po voprosu sotrudnichestva v torgovle pshenitsej [Russia, Kazakhstan and Iran Sign Memorandum on Cooperation in Wheat Trade]," *Ministerstvo sel'skogo khozyaistva Rossiiskoi Federatsii* [Ministry of Agriculture of the Russian Federation], February 12, 2019, <http://mcx.ru/press-service/news/rossiya-kazakhstan-i-iran-podpisali-memorandum-po-voprosu-sotrudnichestva-v-torgovle-pshenitsej/>.

33 For example, the director of the export development office in Iran's Trade Promotion Organization has even projected that Iran has the capacity to export 20 billion USD despite the fact that its current annual exports to the EAEU amount 600 million USD. "Iran's preferential trade with Eurasian Economic Union hits \$430m in first month," *Iran Chamber of Commerce, Industries, Mines and Agriculture*, December 30, 2018, <http://en.otaghiranonline.ir/news/22251>.

RUSSIA, IRAN, AND THE UNITED STATES

Although Moscow has used its relationship with Tehran as a “bargaining chip” and an expression of discontent with the West, Russian foreign policy towards Iran has seldom been an outgrowth of its relationship with the United States. Even at the peak of Russia’s pro-Western foreign policy under Foreign Minister Andrei Kozyrev (1991-1996), Moscow maintained a constructive relationship with Tehran through diplomatic mediation in the Tajik Civil War (1992-1997) and support for the Northern Alliance in Afghanistan. The color revolutions across the post-Soviet space and the 2009 Green Movement in Iran solidified an aversion to the West’s democratization agenda, yet neither Russia nor Iran managed to transform anti-Americanism into a durable basis for the relationship.³⁴ At times, opposition to U.S. actions has provided Russia and Iran with a sense of commonality even where their interests diverge. Rather than serving as the foundation for bilateral ties, mutual opposition to the United States has been one of many variables influencing the state of relations.

The Iranian nuclear program plays a prominent role in Russia’s foreign policy towards the United States, oscillating between a demonstration of defiance and an impetus for great power engagement. Following the International Atomic Energy Agency’s (IAEA) decision to refer the Iranian nuclear program to the UN Security Council, Russia supported a two-track approach by providing Tehran with incentives to negotiate while increasing pressure on the Iranian

leadership through sanctions. During the brief period of improved U.S.-Russia relations during the “reset” in 2009 under then-President Barack Obama, Russian cooperation with the United States on the Iranian nuclear program elicited U.S. reciprocity on the removal of Rosoboroneksport sanctions and the ratification of the 1-2-3 Nuclear Cooperation Agreement for closer cooperation between Moscow and Washington in the nuclear sphere. Following the JCPOA, Moscow worried that Iran’s rapprochement with the United States and Europe could come at the expense of Russian interests. With the election of Donald Trump as president in 2016, Moscow’s anxieties about U.S.-Iran ties dissipated as Tehran’s fears of a grand bargain between Putin and Trump increased.³⁵

The imposition of U.S. sanctions on Iran, the U.S. abrogation of the JCPOA, and Washington’s “maximum pressure” campaign elevated the importance of Russia in Iranian foreign policy. Meanwhile, the impasse in U.S.-Russia relations and successive sanctions on Russia provided grounds for Moscow and Tehran to coalesce around opposition to Washington’s unbridled unilateralism. In February 2018, Russia vetoed a U.S.-backed, “anti-Iranian” Security Council resolution that called for “additional measures” against Iran over its alleged violation of an arms embargo on Houthi insurgents in Yemen. Iran described it as Russia’s first veto against an anti-Iranian resolution since the Soviet Union vetoed a 1980 resolution on the hostage crisis.³⁶ Ali Akbar Velayati hailed the Russian veto as

34 Shahram Fattahi, “Āmrīkā va Inqilāb’hā-Yi Rangī Dar Urāsiyā [America and the Colour Revolutions in Eurasia],” *Dū Faṣḥnāmāh-i IRAS [IRAS Journal]* vol. 4, no. 4 (Spring and Summer 1388): pp. 75–96; Shu’ayb Bahman, *Inqilābha-Yi Rangī va Inqilāb-i Islāmī-Yi Irān [Colour Revolutions and the Islamic Revolution of Iran]* (Tehran: Markaz-i Asnād-i Inqilāb-i Islāmī, 2010); and Mohammad Ali Khosravi and Davoud Bayat, “Qālbud Shikāfi Inqilābha-Yi Rangī va Ta’seerī Ān Dar Irān [Anatomy of Colored Revolutions and Its Effect in Iran],” *Muṭāla’āt Ravābiṭ-i Bayn al-Milālī [Studies of International Relations]* vol. 3, no. 13 (2011).

35 Ghasem Ghafouri, “Andīshah’hā-Yi Pūtīn [Putin’s Reflections],” *Siyāsāt-i Rūz*, January 4, 2017, <http://siasatrooz.ir/images/magazine/0003/files/atf00001559-0008.pdf>; and Abdollah Motavalian, “Tahdīd’hā va Furṣat’hā-Yi Intikhāb-i Trāmp Barā-Yi Irān [Threats and Opportunities of Trump’s Election for Iran],” *Javān*, January 27, 2017, <https://www.javann.ir/003VFJ>.

36 “Vītū-Yi Rūsīyah Bih Naf’-i Irān [Russia’s Veto in Favour of Iran],” *Dunyā-Yi Iqtisād [The World of Economics]*, February 28, 2018, <https://www.donya-e-egtesad.com/fa/tiny/news-3359811>; “Avvalīn Vītū-Yi Rūsīyah Bih Naf’-i Irān Dar Shūrā-Yi Amnīyat [Russia’s First Veto in Favor of Iran on the Security Council],” *Hamshahri*, March 3, 2018, and “Rūsīyah Qaṭ’nāmāh-i ḥiddīrānī-i Shūrā-yi Amnīyat rā Vītū kārd [Russia vetoed the Security Council’s anti-Iranian resolution],” *YJC*, <https://www.yjc.ir/00R4rW>.



Russian Foreign Minister Sergey Lavrov and Minister of Foreign Affairs of Iran Mohammad Javad Zarif, Moscow, December 30, 2019. (mid.ru)

an “indication of the two sides’ growing and strategic ties.”³⁷ Russia’s support for Iran has shifted Iranian domestic and elite discourse, a stark contrast to Tehran’s criticism of Russian acquiescence to punitive measures under UN sanctions that negatively affected relations. Lacking China’s largesse to help Iran weather the impact of U.S. sanctions, Russia has increased its diplomatic efforts to salvage the JCPOA. With Iran’s phased reduction of its JCPOA obligations, Russia continues to denounce “the illegitimate unilateral sanctions and the wider US-led anti-Iran campaign” while pressuring Tehran to return to the JCPOA enrichment limits and to remain in the Nuclear Non-Proliferation Treaty.³⁸

37 “Vilāyati; Vītū-yi qat’-nāmāh-i ziddīrānī-i tavassuṭ-i Rūsīyah Nishānah Rushd-i Istirātizhīk-i Ravābiṭ dar dū kishvar āst [Velayati: Russia’s veto of the anti-Iranian resolution is a sign of the growing strategic ties between the two countries],” *Tasnim*, February 28, 2018, <https://tn.ai/1669017>.

38 In January 2020, Iran announced the fifth and final reduction of its commitments under the JCPOA, under which Tehran will continue to abide by IAEA inspections but will no longer accept any operational restrictions on its civilian nuclear program, such as enrichment limits. France, the United Kingdom, and Germany responded to Iran’s announcement by triggering the dispute resolution mechanism under article 36 of the JCPOA. “Foreign Minister Sergey Lavrov’s statement and answers to media questions at a joint news conference following talks with Minister of Foreign Affairs of Iran Mohammad Javad Zarif,” *Russian Ministry of Foreign Affairs*, December 30, 2019, https://www.mid.ru/en/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/3988439.

CENTRAL ASIA, SOUTH CAUCASUS, AND AFGHANISTAN

Iran and Russia have shared the security imperatives of maintaining stability and limiting the presence of NATO forces in Central Asia and the South Caucasus. In the early 1990s, Russia considered Iran as a potential source of instability due to skepticism over Islamic proselytization in the “near abroad” (*blizhnee zarubezh’e*). Instead, Iran has prioritized stability along its borders and its relations with Russia over the “export of the revolution” (*ṣudūr-i Inqilāb*) in Central Asia and the Caucasus.³⁹ Iran’s implicit recognition of Russian claims to special interests in its “near abroad” manifests its cautious pragmatism in the CIS, where Tehran has ceded to Russia’s interests in the conflicts in Nagorno-Karabakh, Chechnya, Georgia, and Ukraine.⁴⁰ Meanwhile, Russia has considered Iran as a stabilizing force and a bulwark against U.S. influence along the periphery of the CIS.

For Russia and Iran, cooperation in the Tajik Civil War (1992-1997) was a formative experience, establishing the parameters for appropriate state conduct in the years following the collapse of the Soviet Union. Early discomfort over Iran’s

alleged support for the Islamic Renaissance Party of Tajikistan faded around 1993 with Tehran’s acceptance of Moscow’s proposal for joint-mediation.⁴¹ Russian and Iranian diplomatic efforts to resolve the conflict resulted in UN-sponsored talks in 1994 that led to the Tajik Peace Accord in 1997.⁴² Throughout the Tajik Civil War, Russia and Iran shared concerns about potential spillover from Afghanistan, especially after the Taliban’s capture of Kabul in 1996. In Afghanistan, Moscow and Tehran engaged in ad-hoc intelligence sharing in support of the Northern Alliance against the Taliban and participated in the 6+2 talks on the Afghan civil war with Uzbekistan, Turkmenistan, Tajikistan, China, Pakistan, and the United States in the 1990s.⁴³ After the September 11, 2001, attacks, Russia and Iran welcomed the removal of the Taliban as Russia allowed NATO forces to establish bases in Central Asia, while Iran helped form the post-Taliban government at Bonn in December 2001. By 2003, Russian and Iranian growing malaise towards NATO’s presence in the region prompted closer bilateral and multilateral efforts against common threats emanating from Afghanistan.⁴⁴ In Afghanistan

39 Elahch Koolae and Afifeh Abedi, “Farāz va Furūd-i Ravābiṭ-i Irān va Rūsiyah [Ups and Downs of Iran-Russia Relations, 1992-2016],” *Faṣlnāmah-i Muṭāla’āt-i Bayn al-Milālī* [International Studies Journal], vol. 10, no. 40 (February 20, 2018): pp. 142–43, http://prb.iauctb.ac.ir/article_538609_acd0860bd8432df7f9dd1fab032a5e56.pdf.

40 “Iran Kategoricheskii Protiv Vmeshatel’sstva NATO i SSHA v Uregulirovanie Situatsii Na Severnom Kavkaze [Iran Is Categorically against NATO and US Intervention in the Settlement of the Situation in the North Caucasus],” *RIA Novosti*, February 2, 2000; Niloofar Mansourian, “Bāzī-i Irān va Rūsiyah Ijlās-i Shānghāy [Iran and Russia’s Game at the Shanghai Summit],” *Etemad*, August 30, 2008; and Sa’dollah Zar’ei, “Āūkrāin Dar Marz-i Sharq va Gharb [Ukraine on East-West Border],” *Kayhan*, March 11, 2014, <http://kayhan.ir/fa/news/7225>.

41 Yevgeny Primakov, *Gody v Bolshoi Politike* [Years in Big Politics] (Moscow: Sovershenno Sekretno, 1999), p. 185; and Anatolii Adamshin, *V Raznye Gody. Vneshnepoliticheskie Ocherki* [Different Times: Essays on Foreign Policy] (Moscow: Ves’ Mir, 2016), pp. 250–87.

42 Seyyed Rasoul Mousavi, “Naqsh-i Jumhūrī-i Islāmī-i Irān Dar Pīsh’bar-i Mozāke-Rāt Shulḥ Tājikistan [The Role of the Islamic Republic of Iran in the Tajik Peace Mediation],” *Faṣlnāmah-i Muṭāla’āt-i Āsiyā-Yi Markazī va Qafqāz* [Journal of Central Asia and Caucasus Studies], no. 39 (2004): pp. 7–27, <http://ensani.ir/file/download/article/20101227124431-86.pdf>.

43 The Soviet Invasion of Afghanistan was a major factor in the downturn of Soviet-Iranian relations after the Islamic Revolution as Iran, Pakistan, and China supported the insurgency against the Soviet-backed government.

44 “RF i Iran Obespokoeny Ugrozami Terrorizma i Narkotrafika Iz Afganistan [Russia and Iran Are Concerned about the Threats of Terrorism and Drug Trafficking from Afghanistan],” *RIA Novosti*, February 20, 2009, http://aafnet.integrum.ru/artefact3/ia/ia5.aspx/JDteBGKO2E/10376/rianpol_D20090220_T0918_G162683726_L2009022009301150_A000.htm.

and the CIS, Russia has viewed Iran as a stabilizing force against common challenges and threats, such as drug trafficking, terrorism, and transnational crime. Iran has held observer status in the Shanghai Cooperation Organization since 2005 and participated as an observer in the “Kanal” joint anti-narcotics operations in the Russian-led Collective Security Treaty Organization since 2004.⁴⁵ More recently, Russia and Iran have agreed that inclusion of the Taliban as a stakeholder in the government and the withdrawal of foreign forces are preconditions for peace in Afghanistan. In late 2016, Russia and Iran began hosting parallel talks with the Taliban, while Russian Foreign Minister Sergei Lavrov announced Moscow’s desire to include Iran in the Pakistan, China, United States, and Russia talks on Afghanistan in late 2019.

The collapse of the Soviet Union ignited a nearly two-decade dispute over the legal status of the Caspian Sea due to Iran’s insistence on its entitlement to either half or at least 20% of it.⁴⁶ Russia shifted from its initial position of a “mixed” legal regime that shared surface water amongst the Caspian littoral states but divided the seabed and subsoil along a sectoral line to accepting Kazakhstan, Turkmenistan, and Azerbaijan’s position on the division of the Caspian based on a proportionate share of each state’s coastline under which Iran would receive 11-13%.⁴⁷ The anticipated economic consequences of U.S. sanctions, ambitions for regional integration, and weak legal basis of Iranian claims precipitated a shift in Iran’s position to potentially receiving a smaller share of its national sector at the 2018

Caspian Summit.⁴⁸ Despite disagreements over the division of the Caspian, Russia and Iran have opposed the presence of non-Caspian military forces and the construction of the Trans-Caspian Pipeline (TCP).⁴⁹ Since the mid-2000s, Iran has embraced Russia’s proposals on the formation of a common regional security alliance among littoral states, including a Caspian rapid reaction force. Major achievements for Russia and Iran were the Caspian Convention’s inclusion of an ecological provision to prevent pipeline construction and the prohibition of military forces of non-littoral powers, which diminishes the possibility for the construction of the TCP and for the United States or NATO to establish a presence in the region.

Russia and Iran have coalesced around common security objectives and concerns in Central Asia, the South Caucasus, and Afghanistan. In the Caspian Sea, Russian and Iranian interests have converged on preventing extra-regional forces from establishing a presence in the region and on opposing the construction of the TCP; however, the delimitation of the seabed and subsoil has periodically posed challenges for the bilateral relationship. Iran’s Russia-centric policy in the post-Soviet space has contributed to Moscow’s view of Tehran as a stabilizing force in the region.

45 “Nachalsya II Etap Operatsii «Kanal-2004» [The Second Phase of Operation Kanal 2004 Has Started],” *Tsentr Obshchestvennykh Svyazey FSKN Rossii* [Center for Public Relations of the Federal Drug Control Service of Russia], November 16, 2004.

46 Elena Dunaeva, “IRI i Kaspiiskaya Problema [Iran and the Caspian Problem],” in *Rol’ i mesto Irana v regione* [Role and Place in the Region], ed. Nina Mamedova and Mahdi Imanipur (Moscow: Institut Vostokovedeniia RAN, 2007), pp. 89–98.

47 Russia proposed a “mixed” legal regime for the Caspian Sea. Under this equation, there would be a condominium for the surface, which would include shared fishing and navigation rights outside of each state’s respective exclusive zone. Although the surface would be shared amongst the Caspian states, the seabed and subsoil would be divided based off of sectoral lines.

48 The 2018 Caspian Convention represented a noteworthy development in the resolution of legal status of issues relating to navigation rights, environmental protection, pipeline construction, and the presence of military forces, while the delimitation of the seabed and subsoil were postponed for future deliberation. Hamidreza Azizi, “Caspian Sea Convention Moves Iran Closer to Northern Neighbors,” *Al-Monitor*, August 22, 2018, <https://www.al-monitor.com/pulse/originals/2018/08/caspian-sea-convention-iran-russia-us-sanctions-pipeline.html>.

49 This was apparent at First Caspian Economic Forum in 2019, where both Russia and Iran invoked ecological concerns to prevent the construction of the TCP. Bruce Pannier, “Russia, Iran Cite ‘Ecological Concerns’ In Opposing Trans-Caspian Pipeline,” *Radio Free Europe/Radio Liberty*, August 15, 2019, <https://www.rferl.org/a/russia-iran-trans-caspian-pipeline-turkmenistan/30111805.html>.

THE MIDDLE EAST

The Syrian Civil War provided the impetus for Russia and Iran to deepen cooperation in the form of a tenuous alliance to support Bashar al-Assad's regime. Throughout the Syrian Civil War, military and political exchanges contributed to greater understanding of the limits of cooperation in Russian recognition of Iranian regional ambitions, as well as the Kremlin's simultaneous refusal to become entrenched in Tehran's regional rivalries. This explains the fluctuations between Russia's relations with Iran in Syria, especially in terms of varying responses to Israeli airstrikes and the conduct of Iran's main proxy militia groups. Moreover, despite the shared goal of preventing regime change in Syria, Moscow and Tehran have different approaches to post-war Syria.

The Russian intervention in September 2015 provided decisive air power to Syrian- and Iranian-backed ground forces, which proceeded to strengthen Assad's territorial control.⁵⁰ Starting in early 2015, a series of meetings in Moscow and Tehran laid the groundwork for intervention, including Soleimani's alleged meeting with Putin and Shoigu in July.⁵¹ After the establishment of the Russia-Iran-Iraq-Syria joint intelligence center in Baghdad, Moscow announced its acceptance of Damascus' request to deploy armed forces to

"exclusively" target the Islamic State in Syria.⁵² The challenges associated with coordination and integration of Iranian-backed ground forces with the Russian air force was evident in the early stages of the military campaign. In May 2016, the Southern Aleppo Campaign—led by al-Nusra and a loose coalition of Islamist rebels—resulted in significant Iranian casualties during the siege of Khan Tuman. The campaign coincided with Russia's massive media spectacle in Palmyra, prompting many in Iran to attribute the loss of life to the lack of Russian air support for IRGC and Iranian-backed forces in Khan Tuman.⁵³ Hardline and pro-IRGC media attacked Russia's "indifference" to Iranian losses, arguing that Russia "should play a greater role in sharing of military tasks with Syria and its allies," instead of holding a "leisurely" symphony in the ruins of Palmyra.⁵⁴ In the aftermath of Khan Tuman, Russia increased its air support for IRGC forces during the Aleppo campaign, while Iran appointed former Defense Minister and current Secretary of the Supreme National Security Council Ali Shamkhani to a newly created position specifically to coordinate with Russia on the military campaign in Syria.⁵⁵ To save fuel and to reduce time for airstrikes, Iran granted Russia permission to use its Nojeh Air Base to target the Islamic State and Jabhat

50 Prior to the Russian intervention, a rebel resurgence in northwest and southern Syria combined with the Islamic State's offensive in the northeast contributed to a rapid reduction of the territory controlled by the Syrian government. For a comprehensive overview of the role of international actors and the developments in Syria, see, Christopher Phillips, *The Battle for Syria: International Rivalry in the New Middle East* (New Haven: Yale University Press, 2016).

51 Soleimani was also reported to visit Moscow in winter 2015 and in 2016. Elena Chernenko, Ivan Safronov, and Olga Kuznetsov, "General-Maiora Suleimani Uglyadeli v Rossii [Major General Soleimani Was Spotted in Russia]," *Kommersant*, August 14, 2015, https://www.kommersant.ru/doc/2787855?from=doc_vrez; and Olga Kuznetsova, "Iranskii General Poteryalsya Mezhdur Tegeranom i Moskvoy [Iranian General Lost between Tehran and Moscow]," *Kommersant*, August 14, 2015, <https://www.kommersant.ru/doc/2789564>.

52 Both Russia and Iran have invoked the invitation or "consent" of the Syrian government as the legal basis of their military activities in Syria—an argument which has been used to contrast the legitimacy of the U.S.-led airstrikes against the Islamic State "without the consent of the Syrian government." S/PV.7527, "United Nations Security Council Meeting Record: Maintenance of International Peace and Security," September 30, 2015, sec. Settlement of conflicts in the Middle East and North Africa and countering the terrorist threat in the region.

53 The siege was conducted under the auspices of Jaysh al-Fateh, a loose alliance of Islamist rebels and al-Nusra, which is al-Qaeda's branch in Syria.

54 "Guzārish-hāyī Zid va Naqīz āz «Khān Tūmān» dar Miyan-i Bītafāvuṭī-i Rūsīyāh [Conflicting reports of Khan Tuman and amidst the indifference of Russia]," *Tabnak*, May 7, 2016; and Sa'dollah Zar'ei, "Raft va Bāzgasht «Khān Tūmān» [Leaving and Returning in 'Khan Tuman']," *Kayhan*, May 10, 2016.

55 Ellie Geranmayeh and Kadri Liik, "The New Power Couple: Russia and Iran in the Middle East," *European Council on Foreign Relations*, September 13, 2016, p. 8, https://www.ecfr.eu/publications/summary/iran_and_russia_middle_east_power_couple_7113.

al-Nusra around Aleppo, Deir ez Zor, and Idlib. The public announcement of Moscow's aviation campaign by the Russian Ministry of Defense provoked backlash in Iran over the Russian military's potential violation of Article 146 of Iran's Constitution, leading to the withdrawal of Russian forces within a week.⁵⁶ The Iranian elite and societal response to Russia's use of Nojeh airbase invoked a litany of historical grievances against Russia, illustrating the negative sentiment harbored towards Moscow in the modern Iranian consciousness.⁵⁷ In 2018, leaks began to surface on Iran's acceptance of Russia's request to give long-range bombers overflight rights and permission to land at Nojeh Airbase for refueling though neither Iran nor Russia has confirmed this.⁵⁸

Russia's balance between Israel and Iran in Syria illustrates the challenges of managing deepened bilateral ties with two adversaries.⁵⁹ Rather than assuaging Tehran and Tel Aviv's concerns, Moscow's efforts to restrain Iran-Israel tensions have frequently provoked displeasure on both sides. Starting in early 2017, Russia's condemnation of U.S. strikes in Syria contrasted with its muted criticism of Israeli air strikes on military facilities with IRGC and Hezbollah forces in southern Syria.⁶⁰ Russia's agreement to prevent Iranian proxies and forces from

operating within at least 50 miles from the Israeli border in exchange for halting Israeli airstrikes has been recurrently violated by Iran and Israel. Due to the institutionalized structure of the IRGC, Soleimani's death matters less for the maintenance of stable ties between Iran and its proxies than for the potential retaliation against Israel and the escalation of tensions in southern Syria. Furthermore, Moscow cannot satisfy Israeli demands to limit Iran's military presence in Syria, nor can it thwart Iran's transit of weaponry to Hezbollah and support for Shi'ia militias in Iraq. In September 2018, Russia blamed Israel for the downing of a Russian Il-20M plane over Latakia, which appeared to incite greater criticism of Israeli policy among pro-Iranian factions in the Russian elite. In response to Israeli and U.S. criticism of Russian support for Iran, head of Russia's National Security Council Nikolai Patrushev later condemned attempts to "represent Tehran as the main threat to regional security" and emphasized that "Iran was and remains an ally and partner."⁶¹ While balancing between Iran and Israel, Russia also faces an internal balance between proponents of engagement with Iran among the anti-Western elements of the security services with the more reticent factions across the Russian government.⁶² Moscow must also reconcile differing levels of commitment to Iran in the government and to channel this into a

56 Defense Minister Dehghan criticized Russia's "grandstanding and incivility" and its efforts to prove its status as a "superpower" though negated the constitution violation of Russia's use of the base. "Vākunish'hā bih tistifādih-i Rūsiyah āz Pāyghāh-i Nūzhah [Reactions to Russia's use of Nojeh base]," *Dunyā-yi Iqtisād [The World of Economics]*, August 20, 2016, <https://www.donya-e-eqtasad.com/fa/tiny/news-1065040>.

57 This includes, though is not limited to, Iranian territorial concessions to Tsarist Russia in the Treaty of Gulistan (1813) and the Treaty of Turkmenchay (1828), Tsarist Russia's inordinate levies and duties on Qajar Iran, interference in the Iranian Constitutional Revolution, the 1946 invasion of Northern Iran, the Soviet Union's support for Iraq in the Iran-Iraq War, the Soviet invasion of Afghanistan, delays of the S-300, and support for sanctions against Iran.

58 Vladimir Mukhin, "Rossiya gotovitsya razvernut' v Irane aviabazu [Russia is preparing to deploy an air base in Iran]," *Nezavisimaya gazeta*, September 23, 2018, http://www.ng.ru/politics/2018-09-23/1_2_7316_iran.html.

59 For example, in May 2018, Russia was forced to clarify its statements on the removal of all foreign forces from Syria, which was interpreted as targeted against Iran. "Statements Following Russian-Syrian Talks," President of Russia, May 17, 2018, <http://en.kremlin.ru/events/president/news/57488>.

60 "Jābirī Anṣārī: qadrat va nufūz dar manṭaqah hazīnah dārd [Jaberi Ansari: Power and influence in the region are costly]," *Fars News*, March 6, 2019, <https://bit.ly/2GoquXE>.

61 Marianna Belen'kaya, "Rossiya Davala Uroki Iranskogo [Russia Was Giving Iranian Lessons]," *Kommersant*, June 26, 2019, <https://www.kommersant.ru/doc/4012107>.

62 Russian elite perception of Iran is far from monolithic. Though Iran skeptics can be found across Russia's institutional structure, the military-defense establishment and the security services tend to be more willing to seek closer cooperation with Iran. However, there are also elements who view Iran's support of non-state actors as inherently destabilizing as well as those who seek to pursue closer cooperation with Israel and the Gulf while maintaining working relations with the West.



cohesive Middle Eastern policy.

Neither Russia nor Iran holds any illusions about the rising tensions surrounding Syrian reconstruction, military reform, and economic investment. Iranian dominance in Syrian institutions poses a challenge to Russia's future Syria strategy for "political transition, reforms and reconciliation with the regional powers and the West."⁶³ Turkish attempts to carve out a sphere of influence in northern Syria have mitigated Russian and Iranian disagreements over the structure of government institutions as Russia has been willing to compromise over its endorsement of a secular federal structure with ethno-religious autonomy in favor of Tehran's position for a unitary Arab state. Additionally, Turkey's expanded military involvement and its counter-offensive in Idlib has triggered alarm in

Russia and Iran. The two countries have attempted to delegitimize Turkey's conduct by alleging that Ankara has enabled the interests of terrorist groups. Moreover, Turkey's criticisms of Russia and Iran's implementation of the Astana process has pushed Moscow and Tehran together against Ankara's ambitions in Northern Syria.

Russia has remained circumspect over the influence of Iranian-backed militias and non-state actors in a post-war Syria. Unlike Tehran's strategy of entrenching pro-Iranian local groups and militias, Moscow's plans for Syrian military reforms have broadly focused on building a unified, professionalized Syrian army.⁶⁴ Russia and Iran seek to reap economic benefits from Syria, which has induced a struggle over contracts for oil and gas, phosphates, agriculture, ports, and

63 Alexey Khlebnikov, "Evolution of the Syrian Military: Main Trends and Challenges," *Russian International Affairs Council*, November 19, 2018, <https://russiancouncil.ru/en/analytics-and-comments/analytics/evolution-of-the-syrian-military-main-trends-and-challenges/>.

64 Russia's strategy has relied on General Suheil al-Hassan's Tiger Forces and Zayd Salih's 5th Volunteer Assault Corps as well as integrating elements of the opposition. See, Kirill Semenov, "Russia, Iran in tug of war over Syria military reform," *Al-Monitor*, June 10, 2019, <https://www.al-monitor.com/pulse/originals/2019/06/russia-iran-syria-military-reform.html#ixzz6CLysqA1U>; and Anton Mardasov and Kirill Semenov, "Assad's Army and Intelligence Services: Feudalization or Structurization?," *Russian International Affairs Council*, March 13, 2018, <https://russiancouncil.ru/en/analytics-and-comments/analytics/assad-s-army-and-intelligence-services-feudalization-or-structurization/>.

real estate.⁶⁵ Rather than a breakdown of the relationship, Moscow and Tehran will reach a tacit agreement that delegates their respective spheres of influence to avoid a struggle over military reform and economic influence in Syria. As China tentatively explores investments in Syria's reconstruction, Moscow and Tehran view Beijing as a potential third power in Syria's post-war future. Yet, it remains to be seen whether Russia and, to a lesser extent, Iran consider China as a strategic competitor or as a reinforcement to their own investments in Syria.

Amid rising tensions in the Persian Gulf, Russia announced its "Collective Security Concept for the Persian Gulf," which was followed by Iran's parallel intra-regional proposal, "Hormuz Peace Endeavor." Moscow and Tehran have long championed the idea of a collective security framework for the Persian Gulf, dating back to Leonid Brezhnev and Reza Shah Pahlavi's competing regional security proposals and periodically resurfacing as a point of convergence during escalations in the region. In the Middle East, Russia has positioned itself as an impartial mediator through diplomatic engagement with an array of countries, including Iran's greatest regional adversaries. At the same time, the synergy in Russian and Iranian views of the Middle East regional order suggests that Moscow will continue to use Iran to support its diplomatic initiatives and to contest U.S. action in the region.

Russia-Iran relations have been driven by overlapping and diverging interests, which have manifested in compartmentalized areas of cooperation ranging from the Syrian Civil War to contesting U.S. unilateral sanctions policy. The tendency to emphasize the tensions in Russia-Iran relations obscures the extent to which Russia and Iran have strengthened ties, overcoming historical mistrust and traditional geopolitical tensions. Russia's balancing act in the Middle East will seek to ensure that its relationship with Iran does not antagonize Tehran's chief geostrategic rivals, such as Israel, UAE, and Saudi Arabia. Although Moscow covets the diplomatic gains and prestige accrued from its role as a constructive regional arbitrator, Russia holds a vested interest in preventing any military action or externally imposed regime change against Iran. In Syria, Russia and Iran will be forced to integrate their plans for military reform under an umbrella structure based on regional and functional divisions.

Iranian discontent over Russia's predatory business behavior in Syria could emerge as a salient flashpoint. Due to Iran's domestic situation, Tehran will continue to see the economic and political gains from Syrian reconstruction as existential to regime survival. Though Iran and Russia may compete in Syria, Tehran will continue to be dependent on Moscow to contest external pressures emanating from the West, in particular Washington. The January 2020 appointment of Tehran's former Ambassador to Moscow and Iran's leading Russianist Mehdi Sanaei as Foreign Minister Javad Zarif's foreign policy advisor suggests that Russia will occupy an important role in Iran's foreign policy as Tehran seeks closer integration in Eurasian economic and security structures. Russian commitment to the JCPOA and to Iran's right to peaceful nuclear energy suggests that Moscow will remain Tehran's main source

⁶⁵ Iran's economic contribution to the Assad regime far surpasses that of Russia, which has manifested Tehran's assertion of its entitlement to lucrative contracts. Tehran's networks with local actors has allowed it to secure real estate and construction projects through local business partners, whereas Russian businesses have been more adept at securing contracts in the phosphate, oil, and gas sectors to the detriment of Iranian business. For an overview of Russian and Iranian economic investment, see, Sinan Hatahet, "Russia and Iran: Economic Influence in Syria," Middle East and North Africa Programme (Chatham House, March 2019), <https://www.chathamhouse.org/sites/default/files/publications/research/2019-03-08RussiaAndIranEconomicInfluenceInSyria.pdf>.

OUTLOOK



Patrol in Aleppo, Syria (mil.ru)

of international support over its nuclear program. The complexity and contradictions in Russia-Iran relations suggests that Moscow and Tehran will continue to be sometimes “friends,” sometimes “frenemies.”

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