



RUSSIAN-IRANIAN RELATIONS IN THE 1990s

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Iran is Russia's most important ally in the Middle East. Moscow supplies Tehran with arms and nuclear reactors. They are allies against the Taliban government in Afghanistan, as well as in countering Azerbaijan and Turkey. Russia has also helped Iran's efforts to evade and eliminate the U.S.-led efforts to isolate that country. Yet the election of Iranian president Muhammad Khatami in May 1997 and his subsequent efforts at rapprochement with the United States, as well as the second Russian invasion of Chechnya, have begun to threaten Russian-Iranian relations.

One of the most striking changes in Russia's foreign policy, as compared to that of the former Soviet Union, has been a revision of its regional priorities. With the Soviet breakup, the newly independent states of Central Asia and Transcaucasia have become a central focus of Russian policymakers trying to regain control of that area. Given these states' importance and their ties to Turkey and Iran, Russia has tended to view the Middle East through the lens of its policy toward Central Asia and Transcaucasia.

Of all the states in the Middle East, perhaps none is more important to Russia than Iran. Iran's strategic location on the Persian Gulf, its importance as a trading partner, and its ties and interests in the former Soviet republics in Central Asia and Transcaucasia have all drawn Moscow's close attention.

There were some differences between the two states, for example Russian misgivings over some Iranian circles' call for spreading Islamic radicalism, and Iran's offer to transport

energy resources from the Central Asia and the trans-Caucasus as an alternative to Russia. Nevertheless, the regime of Russian President Boris Yeltsin valued Iran as an important market for Russian arms and nuclear reactors, and as a way to demonstrate independence from the United States. The two countries also shared an interest in checking Turkey's influence in Central Asia and Transcaucasia, in opposing Taliban forces in Afghanistan, and in containing Azerbaijani irredentism and independence. In addition, Iran needed Russia's diplomatic aid in the face of U.S. isolation.

Yet following the election of Mohammad Khatami as Iran's president in May 1997, Russia had to confront the possibility of a rapprochement between Iran and the United States, a process that began in late 1997. Although the thaw in relations was aborted in the summer of 1998 by open conflict between the reform-minded Khatami and Iranian conservatives, the continued possibility of rapprochement presented a problem

for Russian policymakers who feared a diminution of their influence in Iran, particularly as the war in Chechnya began to erode the Russian-Iranian relationship.

RUSSIA'S FOREIGN POLICY: PROCESSES AND PRIORITIES

The impact of domestic politics on Russia's policy toward the Middle East was clearly illustrated by the shift from an initially strong pro-Western tilt in 1992 to a highly nationalist thrust by the end of 1999. In part, this was a reactive change to challenges from the Russian Parliament, where three main groups of legislator vied for power.

One group supported Yeltsin's pro-Western foreign policy, which included good ties with Israel, sanctions against Iraq, and cooperative relations with the countries in the "near abroad"—the former Soviet republics where 25 million Russian still live—along with his efforts to reform and privatize the Russian economy.

A second group advocated a "Eurasian" emphasis in foreign policy, which would not focus exclusively on the United States and Western Europe, but rather on good ties with the Middle East (including both Israel and Iran), China, as well as other areas of the world. This group also promoted closer ties with the "near abroad." On domestic policy, the Eurasianists, while still in favor of reform, advocated a far slower process of privatization.

The third group comprised a combination of old-line Communists and ultra-nationalists. Though differing on economic policy, the two groups wanted a powerful, highly centralized Russia.

They wanted this state to act like a major world power and adopt a confrontational approach toward the United States, which they saw as Russia's main enemy, as well as toward Israel. In this context, they proposed renewing close ties with Moscow's former Middle East allies such as Iraq, and reinforce ties with Iran. Finally, this third group also advocated re-establishing Moscow's dominance over the "near abroad." (1) Yeltsin's had to fight a steady movement toward a more nationalist and anti-American position in the Duma until his resignation as president on January 1, 2000.

DISCORDANT VOICES IN RUSSIAN FOREIGN POLICYMAKING

While Yeltsin set the overall tone for Russian policy toward Iran and other Middle Eastern countries, several other autonomous and semi-autonomous actors were also assertive in charting Russia's course. This pluralism tended to complicate Russian foreign policymaking, particularly when a direct clash occurs between the independent actor and the Russian Foreign Ministry.

The eight key actors in Russian foreign policy were:

- a) Yeltsin himself and the presidential office staff;
- b) The Foreign Ministry;
- c) Energy conglomerates such as Lukoil, Gasprom, and Transneft which had close ties to Russia's business and banking communities;
- d) The Defense Ministry;
- e) The atomic energy ministry;
- f) The ministry of foreign economic relations;

- g) The Rosvooruzheniye state-owned arms exporting company, and;
- h) The oligarchs who, from time to time, had close ties to reformist elements in the Duma. (2)

In commenting rather caustically on the lack of order in Russian foreign policymaking, the Russian periodical *Kommersant* noted:

“It is impossible to pursue an integrated foreign and foreign economic policy today [in part] because Russia’s political and economic elite, including its ruling elite, not only is not consolidated, but has split into competing, hostile factions, groups and groupings that are openly battling each other. It would be simply foolish for our foreign partners not to take advantage of this circumstance at any talks with Moscow.” (3)

Perhaps Lukoil is the leading example of independent foreign policymaking in Russia. Owned in part (8 percent) by the American oil company ARCO, Lukoil came into direct conflict with the Russian Foreign Ministry in 1994, when the latter claimed that none of the five Caspian Sea littoral states (Russia, Azerbaijan, Iran, Kazakhstan, and Turkmenistan) could act independently in developing Caspian oil. When Lukoil signed an agreement with the Azerbaijan International Operating Company to develop oil resources in the Caspian, it explicitly recognized Azerbaijan’s right to extract oil in its

sector of the sea. Problems arose again in March 1996 when Lukoil joined Chevron and Mobil in a consortium to build an oil pipeline from the Tenghis oilfield in Kazakhstan to the Russian port of Novorossisk. Kazakhstan, like Azerbaijan, claims the right to independently extract oil from its sector of the Caspian, and its previous efforts to market its oil had been stymied by Russia’s control of transport pipelines.

Another example of independent foreign policymaking is the Russian Defense Ministry, which during both Chechen wars and also in Tajikistan, formulated its own policy, often at cross purposes with that of the Foreign Ministry and the president.

The Russian atomic energy ministry, led by Viktor Mikhailov until 1997 and then by Yevgeny Adamov, has also been a maverick. Mikhailov, who was elevated to the Russian Security Council, wanted to go considerably farther than Yeltsin in selling nuclear reactors to Iran including a gas centrifuge system that could clearly enable Iran to produce nuclear weapons. On Iranian policy, however, it was not only Yeltsin and Mikhailov who appeared to differ. (4) In December 1996, just as Foreign Minister Yevgeny Primakov was on a very successful visit to Iran, hailing Russian-Iranian cooperation, Russia’s then defense minister, Igor Radionov, warned that Iran was a potential military threat to Russia. (5)

In sum, these discordant voices and actions of quasi-independent Russian policymakers have seriously complicated Russian policy in the Middle East, and may have raised

questions in Tehran as well as to who was running Russian foreign policy.

PRIORITIES IN THE MIDDLE EAST

Russian relations with Turkey and Iran are of prime importance for Moscow, particularly in view of these countries' influence in Central Asia and Transcaucasia and the potential threat they pose to Russia's influence in those regions.

The oil-rich and strategically important Persian Gulf is also high on Russia's list of priority regions. Moscow has sought, though not always successfully, to balance its policy among Iran, Iraq, and the Gulf Cooperation Council (GCC) states, whose inter-relations have usually been marked by deep hostility.

The third priority, now of far less importance, is the central Arab-Israeli zone composed of Israel, Egypt, Syria, Jordan, Lebanon, and the Palestinian entity. During most of the Soviet period, Moscow focused on this region in seeking to construct an alliance based on Arab hostility to what the USSR called the "linchpin" of Western imperialism—Israel. Although relations have been strained over Russian supply of nuclear reactors and missile technology to Iran, Moscow sees Israel as its closest friend in this sub-region. Israel is Russia's major trading partner among these states, there has been military production cooperation, and the more than 900,000 Israeli citizens who emigrated from the Soviet Union create a major cultural bond between Russia and Israel. In addition, close Russian-Israeli ties enable Russia to play at least a symbolic,

if not substantive, role in the Arab-Israeli peace process. (6)

Finally, Turkey plays a special role for Russian policy in the Middle East. Not only is it Russia's main economic partner in the area and an increasingly important actor in regional politics, it is also a rival to Russia's position in Transcaucasia and Central Asia.

THE DEVELOPMENT OF RUSSIAN-IRANIAN RELATIONS

The Russian-Iranian rapprochement began in the latter part of the Gorbachev era. After alternatively supporting first Iran and then Iraq during the Iran-Iraq War, Gorbachev had clearly tilted toward Iran by July 1987. The two states solidified their ties in June 1989 when Iran's president, Hashemi Rafsanjani, visited Moscow and concluded a number of major agreements, including one on military cooperation. The military agreement permitted Iran to purchase highly sophisticated military aircraft from Moscow, including MIG-29s and SU-24s. At the time, Iran desperately needed Soviet military equipment as its air fleet had been badly eroded by the eight-year war with Iraq and it could not request spare parts, let alone new planes, from the United States. (7)

Iran's military dependence on Moscow grew as a result of the 1990-1991 Gulf War. The United States, Iran's main enemy, became the primary military power in the Gulf, obtaining defensive agreements with several GCC states that included pre-positioning arrangements for U.S. military equipment. Saudi Arabia, Iran's most

important Islamic challenger, also acquired massive amounts of U.S. weaponry. In addition, while the war left Iraq badly damaged, its oil wealth could provide a quick military recovery if sanctions were lifted.

The war in Afghanistan, to Iran's northeast, continued despite the Soviet withdrawal, with Shi'a forces backed by Iran taking heavy losses. To the north, the USSR's collapse presented both opportunity and danger for Iran. On one hand, for example, Iran had the chance to export its influence to six new Muslim states (Azerbaijan, Uzbekistan, Kyrgyzstan, Tajikistan, Turkmenistan, and Kazakhstan). But Iran was also challenged by some factors. In Azerbaijan, the Popular Front, which ruled in 1992-1993, urged the unification of that country with Iran's Azerbaijan area. Iran faces a similar, if far less serious problem, with Turkmenistan, whose natural gas resources might make it an irredentist attraction for Turkmens living in northeastern Iran.)

Given Iran's need for sophisticated arms, Rafsanjani was careful not to alienate either the Soviet Union or Russia during his term as president. Thus, when Azerbaijan declared its independence from the Soviet Union in November 1991, Iran--unlike Turkey--did not recognize its independence until after the USSR collapsed. Similarly, despite occasional rhetoric from Iranian officials, Rafsanjani ensured that Iran kept a relatively low Islamic profile in Azerbaijan and Central Asia, emphasizing cultural and economic ties rather than Islam as the centerpiece of relations. This was due in part to the fact

that after more than 70 years of Soviet rule, Islam was weak in those places; leaders of the new states were all secular, and chances for an Iranian-style Islamic revolution were very low. Indeed, some skeptics argued that Iran was simply waiting for mosques to be built and Islam to mature before trying to bring about Islamic revolutions. (8)

Nonetheless, the Russian leadership believed that Iran was basically acting very responsibly in Central Asia and Transcaucasia and was thus ready to continue supplying Tehran with modern weaponry—including submarines—despite strong protests from the United States. Iran's low-key reaction toward the first Muslim insurgency in Chechnya (1994-1996) and toward Russia's pro-Serb and anti-Muslim policy in Bosnia in 1993-1995 helped cement relations further.

During 1992, Yeltsin's honeymoon year with the United States--when he and Washington agreed on virtually all Middle East issues aside from Iran--the two countries clashed over Russian arms shipments to Iran. Iraq and Libya were under UN sanctions, while Syria lacked the hard currency to pay for weapons and already owed Russia some \$10 billion. In contrast, Iran could supply Russia with badly needed hard currency.

In addition, despite Yeltsin's cultivation of the United States, there were a number of influential Moscow figures such as Yevgeny Primakov, then chief of one of Russia's intelligence branches, advocating a more independent Russian policy in the Middle East. Given that the United States did not have relations with Iran or

Iraq, Russia could fill the diplomatic vacuum in both states. Furthermore, unlike Iraq or Libya, America's allies in the North Atlantic Treaty Organization (NATO) maintained extensive economic ties with Iran, though the Salmon Rushdie affair and the murder of Iranian exiles in Western Europe somewhat damaged political relations.

Thus, Russia had a certain amount of diplomatic cover for its dealings with Iran. Consequently, as Yeltsin came under fire from increasingly vocal members of parliament in 1993 and 1994 for being too subservient to the United States, he could point to American criticism of his policy toward Iran—which by 1993 included a promise to sell nuclear reactors—to demonstrate his independence. Indeed, one of the central issues of contention in the May 1995 Moscow summit between Clinton and Yeltsin was Russia's January 1995 decision to sell nuclear reactors that Washington claimed would speed Iran's acquisition of nuclear weapons. Yeltsin refused to back down in the face of U.S. pressure. But he did agree to cancel a proposed gas centrifuge sale to Iran—initially approved by Russia's atomic energy ministry—which might have aided Iran's nuclear proliferation, something very few Russians, including Yeltsin, wanted. Nonetheless, the Russians regularly asserted that U.S. opposition to the sale of nuclear reactors was due to commercial jealousy, not to any genuine fear of Iran acquiring nuclear weapons.

A STRATEGIC RELATIONSHIP

By the summer of 1995, Russia and Iran embarked on what the Russian ambassador there had begun to call a strategic relationship. With the first Chechen war raging and Washington now calling for NATO expansion, Russian nationalists looked to a closer relationship with Iran as a counterbalance. As an article in the newspaper *Segodnia* in May 1995 noted:

“Cooperation with Iran is more than just a question of money and orders for the Russian atomic industry. Today a hostile Tehran could cause a great deal of unpleasantness for Russia in the North Caucasus and in Tajikistan if it were to really set its mind to supporting the Muslim insurgents with weapons, money and volunteers. On the other hand, a friendly Iran could become an important strategic ally in the future.

"NATO's expansion eastward is making Russia look around hurriedly for at least some kind of strategic allies. In this situation, the anti-Western and anti-American regime in Iran would be a natural and very important partner. Armed with Russian weapons, including the latest types of sea mines, torpedoes and anti-ship missiles, Iran could, if necessary, completely halt the passage of tankers through the Strait of Hormuz, thereby dealing a serious blow to the haughty West in a very sensitive spot. If, in

such a crisis, Russian fighter planes and anti-aircraft missile complexes were to shield Iran from retaliatory strikes by American carrier-based aircraft and cruise missiles, it would be extremely difficult to 'open' the Gulf without getting into a large-scale and very costly ground war." (9)

Iranian Foreign Minister Ali Akbar Velayati visited Moscow in March 1996 where he stated that Iranian-Russian relations were "at their highest level in contemporary history." (10) While in Moscow, he joined Primakov in opposing NATO's eastward expansion, while also emphasizing that Iran was interested in prolonging the recently concluded truce in Tajikistan and developing cooperation in the Caspian oil shelf zone.

Russian-Iranian economic and military relations continued to develop with reports of Russian plans to sell Iran \$4 billion of military and other equipment between 1997 and 2007 if Iran met its financial obligations—a provision that may have been inserted because of low oil prices and Iran's weak economy. (11)

AFGHANISTAN AND TAJIKISTAN

The surprisingly swift military victories of Taliban forces in Afghanistan in September 1996 spurred even closer Russian-Iranian cooperation. Given that the Sunni Taliban were enemies of the Iranian-backed Shi'a forces in Afghanistan, and that the obscurantist nature of Taliban Islam embarrassed even the Iranian leadership,

Iran sought to build a coalition to stop the Taliban offensive. It organized a regional conference in Tehran, which Russia attended, to address the situation. Russia's leadership, which feared that the Taliban's influence could penetrate Central Asia or even Russia itself (20 percent of whose population is Muslim), had an equally strong interest in blocking the Taliban. Consequently, the situation in Afghanistan was high on the agenda when Primakov visited Tehran in December 1996. In addition, the fact that Afghanistan, under the Taliban, soon became a haven for purveyors of opium concerned both Iran and Russia, which faced growing drug problems, and the two countries signed an agreement to fight the narcotics trade in 1999. (12)

Concerns about Afghanistan also influenced discussions on Tajikistan. Tajikistan exemplified for Russia the threat of Islamic radicalism, particularly immediately after the Soviet collapse. Ironically, the civil war in Tajikistan did not begin with a radical Islamic attempt to seize power, but rather with a loose alignment of Western-style democrats and moderate Islamists, primarily from the eastern provinces of Garm and Pamir, ousting an old-line Communist leader. When the Communists came back into power with the help of Uzbek and Soviet military forces, many Islamists fled across the border into Afghanistan, where they became radicalized, and then mounted attacks back across the border into Tajikistan. In the process they killed some Russian soldiers guarding the Tajik border and drew Moscow into the fighting, posing a serious problem for Russian leaders who had no desire to get too deeply involved

in another Afghanistan-type war in Central Asia. Under these circumstances, a diplomatic settlement of the war in Tajikistan became an important objective for Yeltsin, though some elements in the Russian Defense Ministry appeared to prefer fighting there to revenge Russia's defeat by Islamists in Afghanistan. (13)

Since many Islamic opposition leaders, including Akbar Turajanzode, had taken refuge in Iran, it became necessary to bring Iran into the diplomatic process. By spring 1994, with Iran's aid, Russia managed to get talks started between the opposing sides, though Russian troops continued to suffer casualties in the fighting along the Tajik-Afghan border. With Iran's help, Russia brokered an agreement in February 1997 between the government and rebel Islamic forces. Thus, for the time being at least, the Russian-Iranian relationship had been reinforced, though distrust remained high between the Tajik government and opposition forces and the agreement suffered a number of breakdowns. Russia and Iran continued to maintain close contact on Tajikistan. (14)

THE U.S. FACTOR

The election of Muhammad Khatami as Iran's President in May 1997 led to a shift in the Russian-Iranian relationship. President Khatami began to promote a policy of domestic reform and liberalization, and rapprochement with the Arab world, Europe, and the United States. While conservative forces in Iran did not strongly oppose improving relations with the Arab world and Europe, they opposed domestic

liberalization and a rapprochement with the United States.

The rapprochement began in December 1997 with Khatami's speech on CNN offering improved relations to the American people. A subsequent speech by President Bill Clinton the next month reciprocated Khatami's offer. Gestures followed: a visit by a U.S. wrestling team to Tehran; the waiving of U.S. sanctions against French, Russian, and Malaysian companies planning to develop Iran's South Pars gas field; and a major speech by U.S. Secretary of State Madeline Albright offering Iran a path of reconciliation. (15) Khatami, however, did not respond to the offer because of a summer 1998 conservative attack in the Majlis, which continued until the February 2000 Majlis elections.

Meanwhile, in July 1998, a successful Iranian test of its Shihab III intermediate range (1300 km) missile strengthened the position of those in the United States who called for sanctions against Russian companies that provided Iran with missile help. In December 1998, a CIA report asserted that Russian assistance had "accelerated Iranian development of the Shihab III" and that nuclear-related goods from Russia would help Iran's nuclear weapons research and development. (16) Following that report, the United States imposed sanctions in January 1999 against two major Russian institutions—the Scientific Research & Design Institute for Power Technology (Nikiet) and the Mendeleyev University of Chemical Technology—along with eight other Russian organizations. (17) Despite initial denials, Russia's minister for atomic energy, Yevgeny Adamov, told

the New York Times in March that Russia would curtail nuclear cooperation with Iran if sanctions against Nikiet and Mendeleyev University were dropped. (18) Earlier in January, Yeltsin promised to stop selling “dual-use” technology to Iran. (19)

Russia’s August 1998 financial collapse made caving it difficult to sacrifice lucrative contracts with Iran, but Moscow also recognized its need for American economic assistance. At the same time, it was concerned that the aborted rapprochement between Iran and the United States might restart and erode Russia’s position in Iran, especially if Washington agreed to building oil and gas pipelines through Iran (rather than the previously U.S.-favored route through Azerbaijan, Georgia, and Turkey.)

Russia’s concern was also heightened by lagging progress on the Bushehr nuclear reactor project, the centerpiece of the Russian-Iranian relationship. In late November 1998, Atomic Energy Minister Adamov paid a major visit to Iran and made an agreement transforming Bushehr into a “turn-key” project in which Russian and not Iranian technicians, would build the reactor whose target date for completion was May 2003. (20) Moscow would not back off from its promises on the Bushehr project. As Sergei Karaganov, a top Russian scholar and government political advisor, frankly noted, even if Russia were to be offered alternative U.S. financial assistance, Russian-Iranian nuclear cooperation would continue because the energy and nuclear field had a “very strong lobby” in Moscow. (21)

Thus, complications in U.S.-Russian relations led Russia in 1998-1999 to follow what might be termed a “minimax” policy toward Iran, trying to maintain maximum influence in Iran and at the same time minimize damage to U.S.-Russian relations.

PIPELINE POLITICS

While Russia continued its nuclear cooperation with Iran, despite its assertions otherwise, it also stepped up cooperation on Caspian Sea energy projects. Iran, whose own Caspian coastal shelf has little oil, had opposed the Russian-Kazakh agreement of July 1998 partly dividing the Caspian Sea. (22) U.S. efforts to promote the Baku-Ceyhan oil pipeline and the Trans-Caspian gas pipeline, however, brought Iran and Russia closer together as both became increasingly concerned about Azerbaijan’s and Georgia’s willingness to cooperate closely with NATO, (23) a development that was reinforced by the decision at the meeting of the Organization for Security and Cooperation (OSCE) in Europe in Istanbul on November 18, 1999 to move forward with the construction of the Baku-Ceyhan pipeline.

Perhaps even more disconcerting to both Russia and Iran was a second action at the OSCE meeting, an “intergovernmental declaration of intent” to construct a Trans-Caspian gas pipeline from Turkmenistan to Baku to transport gas to Turkey. (24) Moscow had hoped to become Turkey’s main natural gas supplier through the “Blue Stream” gas pipeline, while Iran had hoped to supply Turkey with Turkmen gas through its own pipelines. Iran not

only wanted Caspian oil and natural gas to pass through its territory to foreign markets--rather than through Azerbaijan, Georgia, and Turkey--but it also feared that the two projects would strengthen Azerbaijan.

Consequently, soon after the OSCE agreements were signed, Russia and Iran sought to undermine the economic rationale for the projects. The Russian gas company, Gazprom, suddenly—perhaps at the urging of the Russian government—reached an agreement with Turkmenistan in December 1999, after two years of haggling, to buy Turkmen natural gas at \$36 per 1,000 cubic meters, and to purchase a large share of Turkmenistan's gas in the year 2000. The aim was to deter Turkmenistan from moving ahead rapidly with the Trans-Caspian gas pipeline. (25) In an effort to persuade major oil companies not to proceed with Baku-Ceyhan, Iran cut the cost of its oil swaps with Turkmenistan, Kazakhstan, and Azerbaijan by 30 percent, beginning in the year 2000. As Iran's deputy oil minister for international affairs, Mehdi Hosseini, frankly stated, "The reduction would give Iran the upper hand in competing with 'political alternatives' for the export of Caspian crude." (26)

Yet, while Iran and Russia were acting in concert to stop both the Baku-Ceyhan and Trans-Caspian pipelines, their long-run interests in Caspian energy resources differed. Moscow wanted transport routes to pass through Russia to help it control the states of Transcaucasia and Central Asia. Iran, on the other hand, continued to profess—with support from a number of foreign oil and gas companies—that it could

provide the cheapest and safest route for the shipment of Caspian oil and natural gas. As Iranian Foreign Minister Kamal Kharrazi stated: "We believe in diversity of routes for the transfer of energy, but consider Iran as the best route to the south, east and west." (27) Still, in the short run at least, Moscow and Tehran cooperated on the Caspian issue and both benefited from the sharp rise in oil prices that took place in 1999 that was made possible by increased cooperation among Iran, Saudi Arabia, and Venezuela.

KOSOVO AND CHECHNYA

While Russia and Iran's interests coincided on the issues of nuclear cooperation and obstructing the Baku-Ceyhan and Trans-Caspian pipelines, they clashed over the second Chechen war, which began in August 1999. Unlike the situation during the first Chechen war (1994-1996), Iran headed the Organization of the Islamic Conference (OIC) in 1999 and purported to seek the welfare of Muslims everywhere. Thus, for example, Iran urged the United States and Britain to halt the bombing of Iraq before Ramadan began in late December 1998.

Despite the fact that they backed different sides during the Kosovo fighting, Russia and Iran maintained good relations. But, as reports of Russian soldiers massacring Chechen civilians began to leak out, Iran found itself in a dilemma, having to weight its financial and military interests in Russia against its position in the OIC, which demanded that it speak out against the killing of Chechen Muslims. Consequently, while emphasizing that Chechnya was an

internal Russian affair, Iran gradually increased its criticism of Moscow's behavior. Moscow, in turn, became increasingly critical of Iran, though both sides sought to play down their conflict. Thus, as fighting intensified in September 1999, Iranian foreign ministry spokesman, Hamid Rega Assefi, stated: "The Islamic Republic of Iran, while honoring Russia's territorial integrity, does not regard violent and hostile acts as a suitable way of dealing with recent incidents in Chechnya and Daghestan. The government and people of Iran cannot but deplore the continued armed operation by the Russian troops in the Northern Caucasus." (28) When Iran offered its help to settle the crisis peacefully, Russian foreign minister Igor Ivanov replied on October 12: "We are concerned over the attitude of Islamic countries to the events in Chechnya. However, it is a domestic Russian problem, and we intend to settle it independently, without any aid or interference." (29)

Moscow stepped up its criticism of Iran in November, listing it, along with other states, as a country suspected of aiding the Chechens. (30) Indeed, Moscow was already on record as warning the OIC not to help the Chechen rebels. As Foreign Minister Igor Ivanov had pointedly noted: "It is clear that any form of support for the terrorists' actions will be viewed as rude interference in the internal affairs of the Russian Federation, with all the logical consequences. (31) Nonetheless, as the war intensified, Moscow allowed a visit of OIC representatives, led by Iran, to Russia and the North Caucasus in December, and also permitted Muslim

states to send humanitarian aid to the Chechen refugees. While the OIC delegation kept its criticism of Moscow relatively low-key, it noted that the military operations were "disproportionate" to the acts of violence that provoked them. The delegation also bemoaned the massive loss of life that had taken place. (32)

When the fighting continued through Ramadan, Iran's criticism increased, and Iranian foreign minister Kamal Kharrazi, after leading another OIC mission to Moscow, told visiting Russian deputy foreign minister Grigory Karasin in January 2000 that the continued catastrophe in Chechnya was "unacceptable to the Muslim world and that it would bring an unpleasant picture from Russia to the region and the Muslim world." (33) He called upon Russia to stop the military operation in Chechnya and solve the crisis solely through political means. Karasin, in response, thanked Iran for its efforts to bring an end to the Chechen crisis and for the humanitarian assistance it had delivered to Chechen refugees. He stated that Russia would launch a political drive to resolve the Chechen crisis. (34) In some Muslims' view, Iran's criticism of Moscow was not strong enough. A January 27, 2000 editorial in the Saudi-owned London daily *al-Sharq al-Awsat* stated that Kharrazi was guilty of "stabbing the Chechen Republic in the back" by continuing to insist that the Chechen war was an internal Russian affair. (35)

It is clear that Russian-Iranian relations have been damaged by the Chechen war, and the damage may grow worse if the war continues and Muslim

casualties mount. Russia, however, was pleased that U.S.-Iranian relations did not improve during this period, despite U.S. criticism of Russian behavior in Chechnya, the lifting of U.S. sanctions on food and medicine sales to Iran, and the U.S. labeling the Iraq-based anti-Iranian National Council of Resistance (that launched a mortar attack against the presidential palace in Tehran in February 2000) a terrorist organization. (36) Khatami was not in a position to begin the political dialogue that Washington sought, or even to allow U.S. diplomats to conduct consular visits as the United States had requested.

Compounding the problems was a statement by U.S. officials indicating that Iran might have been behind the 1996 bombing of the U.S. air force barracks, Khobar Towers, in Saudi Arabia, as well as the condemnation by Secretary of State Madeline Albright of the arrest of 13 Iranian Jews on charges of spying for Israel. (37) Indeed, Iran's conservative forces, if not behind the arrests, quickly sought to exploit the resulting negative effect that threatened to further weaken U.S.-Iranian relations. A June 1999 editorial in the anti-Khatami newspaper *Jomhuri Islami* stated: "Washington's support of the spies shows that the United States is still the enemy of the Iranian people and this should be a lesson for all those in Iran who support a normalization of relations with the United States." (38)

As the internal struggle in Iran continued, the conservative side tried to use the July 1999 student riots in Tehran to pressure Khatami to take a tougher stand. Khatami was compelled to condemn the rioters, calling them

"counter-revolutionaries supported from abroad." (39) Conservative forces also used the trial of former interior minister Abdullah Nouri to attack advocates of rapprochement with the United States by noting that an article in Nouri's newspaper had recommended re-establishing relations with the United States. (40)

On November 3, 1999, Ayatollah Ali Khamenei, Iran's supreme religious leader, at a rally commemorating the twentieth anniversary of the seizure of the U.S. embassy, claimed there was in Iran, "a small but active minority [for whom] the dictates of Islam are not important" and who worked for the United States against Iran's interests. Khamenei added that "the problem [in U.S.-Iranian relations] was that Iran is the biggest and most important center of confrontation with Israel." (41) Despite this rebuff, and new charges that Iran was increasing aid to terrorist groups, (42) President Clinton permitted Boeing to provide kits to Iran to prevent engines from falling off Boeing 747s in flight, (43) Still, Iran's foreign minister Kharrazi, in early January 2000, stated: "We don't find it serious or acceptable to engage in dialogue with the United States." (44)

Since the Majlis elections resulted in a big victory for Khatami's supporters, U.S.-Iran détente efforts could restart, potentially undermining Russia's positions there. Still, the once very close Russian-Iranian relationship had already begun to erode because of the Chechen war.

CONCLUSION

Despite some areas of friction, the Russian-Iranian relationship proved beneficial to both countries during the 1991-2000 period, though the future of relations is an open question. From Russia's standpoint, Iran (despite occasional problems paying its debts) is an excellent arms client and market for nuclear reactors. It has also been an ally against what Moscow has called "U.S. hegemony" as Russian-American relations deteriorated; in helping to bring at least a limited peace in Tajikistan; in confronting the Taliban regime in Afghanistan; and in containing Azerbaijan. At a time when Russia has not fully recovered from the August 1998 economic crisis, with its armed forces (especially its navy) very weak, having Iran as an ally makes excellent diplomatic sense, since an independent Iran helps prevent the United States from fully dominating the Persian Gulf, where Moscow has important interests.

From Iran's point of view, Russia is a secure source of sophisticated arms; a diplomatic ally at a time when the United States has sought to isolate it; an ally in helping to curb Azerbaijan's possible irridentist threat; and an ally in helping stem the terrorist threat and drug flow from Taliban-controlled Afghanistan.

Yet, as good as relations were until the very end of the Yeltsin regime, the relationship may weaken. First, Russia's crackdown on Chechnya has become a serious irritant in the relationship. Second, Iran continues to position itself as a rival for transporting Caspian oil and natural gas, which may develop into serious conflict, particularly in the case of a U.S.-Iranian

rapprochement. Finally, should the West help Iran's economy recover while Russia's economy continues to stagnate, Iran may find its Russian connection less attractive. Indeed, Iran's brisk trade with some of Russia's southern provinces may exacerbate the centrifugal tendencies already present in the Russian Federation. The result could be that Russia may see not only Central Asia and Transcaucasia gravitating toward Iran, but perhaps some of its own provinces as well.

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NOTES

1) For a description of these groupings and their impact on Russian policy in the Middle East in the 1991-1997 period, see Robert O. Freedman, "Russia and the Middle East Under Yeltsin," *The Middle East and the Peace Process* (ed. Robert O. Freedman) (Gainesville, Florida: University Press of Florida, 1998), pp. 365-412.

2) These forces are described in *ibid.* See also Yuri Fedorov, "Interest groups and Russia's foreign policy," *International Affairs* (Moscow), vol. 44 no. 6, 1998, pp. 173-183.

3) "The Caspian oil situation: even a bird in a bush must be pursued in an organized fashion," translated in *Current Digest of the Post Soviet Press* (hereafter *CDPSP*), vol. 47, no. 34, September 20, 1995, p. 25.

- 4) At the May 1995 summit with U.S. President Clinton, Yeltsin backed away from this offer.
- 5) "Igor Radionov advocates creation of defense," *CDPSP*, vol. 48, no. 52, January 21, 1997), p. 16.
- 6) See Robert O. Freedman, "Russia and Israel Under Yeltsin," *Israel Studies*, vol. 3, no. 1 (Spring 1998), pp. 140-169.
- 7) For a description of this period of Soviet-Iranian relations, see Robert O. Freedman, *Moscow and the Middle East: Soviet Policy Since the Invasion of Afghanistan* (Cambridge: Cambridge University Press, 1991).
- 8) *Islamic Affairs Analyst* (London), November 1992, p. 3.
- 9) Pavel Felgengauer, "Russian society is arriving at a consensus on the question of national interests," translated in *CDPSP*, vol. 47, no. 21 (June 21, 1995), p. 3.
- 10) Teheran *IRNA*, March 7, 1996 (*FBIS*: FSU, March 8, 1996), p. 7.
- 11) Iran, in the face of Russian opposition, was also advocating barter deals between the two countries. For a Russian view of the Russian-Iranian relationship that advocates a more flexible Russian position on economic questions, see Viktor Vishniakov, "Russian-Iranian Relations and Regional stability," *International Affairs* (Moscow), vol. 45, no. 1, 1999, pp. 143-153. For a view of how Iran's economic problems weaken the regime, see Shahram Chubin, "Iran's Strategic Predicament," *Middle East Journal*, vol. 54, no. 1 (Winter 2000), pp. 10-24.
- 12) *Ettela'at* (Teheran), July 1, 1999. According to Iranian Interior Minister Abdolvahed Mousavi-Lari, Iran had deployed more than 30,000 troops along the Afghan border to prevent the smuggling of narcotics. Afghans also murdered a number of Iranian diplomats in 1998, and this further embittered Iranian-Afghan relations. Moscow's brief flirtation with the Taliban in 1997 was not greeted warmly by Teheran.
- 13) *Interfax*, November 19, 1993 (*FBIS*: FSU, November 22, 1993), p. 8.
- 14) When Primakov, now the ex-Prime Minister, visited Teheran in January 2000, he emphasized Iranian-Russian cooperation over Tajikistan as "valuable proof" of the bilateral cooperation between the two countries (*Ettela'at*, January 17, 2000).
- 15) For a study of U.S.-Iranian relations during this period, see Robert O. Freedman, "American Policy Toward the Middle East in Clinton's Second Term," *Mediterranean Security in Coming Millennium* (ed. Stephen J. Blank) (Carlisle, Pennsylvania: The Strategic Studies Institute of the U.S. Army War College, 1999), pp. 371-416.
- 16) Cited in Bill Gertz, "CIA: Russia, China key arms sellers," *Washington Times*, February 11, 1999.
- 17) Michael K. Gordon, "Russia to offer U.S. deal to end Iran nuclear aid," *New York Times*, March 17, 1999.

- 18) Ibid.
- 19) Michael Gordon, "Russians order expulsion of Iranian diplomat as missile spy," *New York Times*, November 18, 1997 and Marina Kalashnikova, "Iran is our friend, but U.S. is valued more," *Kommersant Daily*, January 27, 1998 (CDPSP, vol. 50, no. 4, p. 22).
- 20) Vishniakov, *loc.cit.*, p. 152.
- 21) Ora Koren, "For economic reasons, Russia will gladly cooperate with Israel in nuclear energy development," *Israel's Business Arena*, January 31, 1999.
- 22) See Yuri Merzliakov, "Legal status of the Caspian Sea," *International Affairs* (Moscow), vol. 45, no. 1, 1999, p. 37. *Ettela'at*, April 6, 1999.
- 23) See M. A. Guseinova, "Politika Ssha B Zakavkoz'e i Inreressi Rossii (The Policy of the U.S. in Transcaucasia and Russian interests) (Moscow Institute of the U.S. and Canada, 1999), pp. 14-18 and "Military Presence in Caspian Sea endangers regional peace," *Ettela'at*, February 15, 1999.
- 24) Stephen Kinzer, "Caspian lands back a pipeline pushed by the West," *New York Times*, November 19, 1999.
- 25) For a Russian view of these events, see Semyon Novoprudsky, "Patriotic feat: Russia buys Turkmen gas out from under Turkey and Ukraine," *Izvestia*, December 21, 1999 (CDPSP, vol. 51, no. 51 (January 19, 2000), p. 12 and Arkady Dubnov, "The big Transcaspian pipeline project flops," *Moscow News*, January 26 - February 1, 2000.
- 26) Cited in "Iran to slash Caspian oil swap fees," *Ettela'at*, November 23, 1999.
- 27) Cited in "Iran best route for transfer of Caspian Sea energy," *Ettela'at*, June 24, 1999.
- 28) Cited in RFE/RL Iran Report, vol. 2, no. 41, October 18, 1999.
- 29) Ibid.
- 30) Natalya Kalashnikova, "Putin closes Caucasus", *Segodnia*, November 10, 1999 (CDPSP, vol. 51, no. 45, December 8, 1999), p. 7.
- 31) Cited in Reuters, "Moscow warns Islamic states," August 15, 1999.
- 32) "Islamic world concerned about Chechnya," *Ettela'at*, December 10, 1999.
- 33) Cited in "OIC calls for end to Chechen fighting: Muslim world concerned about loss of life in Chechnya," *Ettela'at*, January 28, 2000.
- 34) Ibid.
- 35) Cited in RFE/RL Iran Report, vol. 3, no. 6, February 7, 2000.
- 36) "Iran hails U.S. easing of trade sanctions," *Washington Post*, April 30, 1999 and Roula Khalaf, "Iran sees signs of a change in U.S. attitude," *Financial Times*, October 30-31, 1999.
- 37) "Albright Rebukes Iran," *New York Times*, June 10, 1999.

38) Cited in Douglas Johl, "Arrest of 13 Iranian Jews as spies divides factions in Teheran," *New York Times*, June 18, 1999.

39) Cited in Yelena Suponina, "Clerics revanche: Iran's liberal President falls into a trap," *Vremya*, July 15, 1999 (*CDPSP*, vol. 51, no. 28, August 11, 1999, p. 17).

40) John F. Burns, "Cleric's trial becomes flash point of Iran's political fate," *New York Times*, October 31, 1999.

41) Cited in John F. Burns, "Iranian evokes mood of '79, rebuking U.S. and liberals," *New York Times*, November 4, 1999. See also Khamenei's speech "People must be vigilant against enemy threats," *Ettela'at*, December 30, 1999.

42) John Lancaster, "Iran gives terrorists more aid, U.S. says: Assistance seen as effort to derail Mideast peace bid," *Washington Post*, December 4, 1999.

43) John Lancaster, "Boeing can provide parts to Iran airline," *Washington Post*, December 4, 1999.

44) Cited in Maureen Johnson, "Iran's dialogue with U.S. not 'acceptable'," AP report, *Washington Post*, January 12, 2000. For a review of U.S. efforts to improve ties with Iran, see Jane Perlez and James Risen, "Clinton seeks an opening to Iran, but efforts have been rebuffed," *New York Times*, December 3, 1999. On October 14, 1999 U.S. Assistant Secretary of State Martin Indyk had given a speech to the Asia Society once again calling for an

improvement in U.S.-Iranian relations, but also noting the areas in which Iran had to improve its behavior in order to have the sanctions lifted. Khamenei's November 3, 1999 speech may have been a response to Indyk. For the text of Indyk's speech as well as a list of the U.S. sanctions against Iran, see Kenneth Katzman, "U.S.-Iranian relations: an analytic compendium of U.S. policies, laws and regulations," (Washington: Atlantic Council of the United States)