

Iran and Russia

Mark N. Katz

- Despite their shared suspicions of the United States, Russia and Iran have long had a contentious relationship and do not cooperate well with each other.
- Moscow does not want Iran to acquire nuclear weapons, but also fears that a nuclear agreement will lead to improved ties between Iran and the United States.
- Russia and Iran both support Bashar al Assad's regime in Syria and oppose Sunni jihadist movements such as ISIS, also known as ISIL, Daesh, or the Islamic State. Moscow does not want to be seen in the mainly Sunni Arab world as firmly linked to Iran in the escalating Sunni-Shiite conflict.

Overview

Relations between Russia and Iran have long been difficult – and appear likely to remain so. Tensions date back to the early 19th century, when Iran lost territory to the Russian Empire. Tsarist Russia intervened militarily against Iran's 1905-1911 Constitutional Revolution. The Soviet Union supported the secession of the "Gilan Soviet" in northwestern Iran at the end of World War I, and of Iranian Azerbaijan and Kurdistan at the end of World War II. The Soviet Union (and Britain) occupied Iran during World War II. And Joseph Stalin's subsequent refusal to withdraw Soviet troops led to one of the first crises of the Cold War. Soviet support for the Tudeh, Iran's Communist Party, angered both the monarchy and theocracy. And the Soviet Union armed and aided Iraq during its 1980-1988 war with Iran. Even now, the Iranian press routinely refers to these events as reasons why Tehran should not trust Moscow.

Since 1989, however, cooperation has increased between Moscow and Tehran. Russia agreed to complete the nuclear reactor at Bushehr, which was started by the German firm Siemens during the monarchy, but stopped after the 1979 revolution. Russia also began selling weapons, including missiles, to Iran. Both countries supported the opposition Northern Alliance against the Taliban in the 1990s. And along with China, Russia tried to weaken and delay U.S. and European efforts to impose U.N. sanctions on Iran over its nuclear program.

Yet, several issues continue to trouble relations. Russia's completion of the Bushehr reactor lagged years behind schedule. Moscow agreed to sell the S-300 air defense system to Iran, but then canceled the deal in 2010. Although Moscow reversed this decision in 2015, it is not at all clear when – or even whether – Tehran will actually receive these Russian weapons. In addition, the two countries have been unable to resolve their differences over how to delimit the Caspian Sea, which affects dividing up everything from its petroleum resources to its caviar. Iran has also been wary of Moscow's strong ties with Israel and its continued efforts to court anti-Iranian Arab states. And while it has acted to weaken them, Russia has frequently gone along with the West in imposing some U.N. sanctions on Iran.

Four phases of relations

Moscow's relations with the Islamic Republic can be divided into four distinct periods:

Phase one: 1979-1989

The first phase, which coincided with the rule of revolutionary leader Ayatollah Ruhollah Khomeini, was especially difficult. Tehran viewed Moscow as hostile for reasons both past and present. The ayatollah, who called the United States "the Great Satan," dubbed the Soviet Union "the Lesser Satan." As an atheist ideology, communism was also anathema to the Islamic revolutionaries. Khomeini often said Iran should be aligned with "neither East nor West."

The fragile new regime was also angered by Soviet support for its opponents both at home and in the region. During the power struggle that erupted after the revolution, the Soviets backed Iran's Tudeh Communist Party and other leftists against the radical Islamists. Iran also paid a heavy price during the decade-long Soviet occupation of Afghanistan, when it absorbed some 2 million refugees who fled the conflict. And Soviet weaponry was pivotal to Iraqi President Saddam Hussein's eight-year military campaign against Iran. Moscow, in turn, feared Tehran's Islamic ideology might spread to its own Muslim republics, including some that bordered Iran. The Soviet Union had one of the world's largest Muslim populations.

Phase two: 1989-1999

The second phase was a relatively friendly period as Presidents Mikhail Gorbachev and Boris Yeltsin pursued rapprochement with Tehran. Tensions eased after four turning points in the late 1980s:

- The Iran-Iraq War ended in 1988.
- Khomeini died in mid-1989.
- The Soviet Union withdrew from Afghanistan in early 1989.
- And communism collapsed in Eastern Europe later that year.

The shifts ushered in the friendliest decade ever in Russian-Iranian relations. Moscow began selling weapons to Tehran and promised to complete the unfinished Bushehr nuclear reactor. After years of trying to export its Islamic ideology, Tehran opted not to side with fellow Muslims during Moscow's first war with Chechen rebels between 1994 and 1996. Iran pointedly expressed support for Russia's territorial integrity in the face of secessionist movements – a problem the theocracy also faced. In the mid-1990s, Russia and Iran also worked together to end the 1992-1997 civil war in Tajikistan between Moscow's former communist allies and a democratic-Islamist alliance. Iran supported a truce that favored Moscow's allies. Moscow and Tehran also both supported Afghan forces opposing the Taliban.

But important differences still remained. Tehran was not pleased with the 1995 Gore-Chernomyrdin agreement – named for the U.S. vice president and Russian prime

minister – in which Russia agreed to limit the amount of weaponry and nuclear knowhow it provided Iran. The agreement did not seriously impinge on Russian-Iranian relations, as it reportedly did not cover agreements “in progress” – and Washington and Moscow disagreed about what was “in progress.” With the Soviet Union’s demise, the Caspian acquired three new littoral states: Kazakhstan, Turkmenistan and Azerbaijan. The five countries bordering the resource-rich sea were (and remain) unable to agree on how to divide its petroleum riches.

Phase three: 1999-2013

The third phase fluctuated between antagonism and friendship. It began shortly after Vladimir Putin assumed office in 1999 and initially looked like it might lead to a formal or informal Russian-Iranian alliance. Putin publicly repudiated the Gore-Chernomyrdin agreement in October 2000. Moscow then announced new arms sales to Tehran, as well as a renewed Russian commitment to completing the Bushehr reactor. And in March 2001, Mohammad Khatami became the first Iranian president to visit Russia since the 1979 Islamic Revolution.

In July 2001, however, Iranian gunboat diplomacy halted an effort by BP to explore for oil off Azerbaijan’s Caspian coast, in an area that Tehran also claimed. The incident did not directly threaten Russia, but it undermined Russian interests by leading Azerbaijan to turn to the United States and Turkey for support. Moscow also feared that Khatami’s call for a “dialogue of civilizations” might lead to rapprochement with the United States – and limit Russian influence in Tehran.

In 2005, Moscow welcomed the election of Mahmoud Ahmadinejad as Iran’s new president, expecting that his hardline anti-American views would prevent rapprochement with Washington. But the new president’s outlook did not translate into greater cooperation with Moscow. Putin apparently believed his various offers to have Russia enrich uranium to commercial grade for Tehran would resolve the nuclear crisis. Iran could acquire uranium for its nuclear reactor. Western concerns about Iran subverting enriched uranium for a weapons program would be assuaged. And both sides would value Russia for brokering a resolution. But Tehran insisted on enriching its own uranium. This not only heightened international tensions over Iran’s program, but spoiled Putin’s diplomatic ambitions.

Even so, Russia repeatedly pushed to dilute or defer a series of U.N. sanctions resolutions against Iran since 2006. But Tehran was angry that Moscow voted to approve any sanctions against Iran when it could have vetoed them. Russian diplomacy appeared designed to convey to Tehran that Moscow could protect Iran from the West if Tehran cooperated with Russia – but also that Russia could side with the West against Iran, if Tehran did not. Tehran was especially upset when in 2010 then President Medvedev canceled the agreement to sell S-300 air defense missile systems to Iran.

Phase four: 2013 –

The fourth phase began with the 2013 election of President Hassan Rouhani and the onset of a much more serious negotiation effort between Iran and the world's six major powers over the nuclear issue. The fourth phase has also been marked by the sharp deterioration in Russian relations with the West, beginning with Moscow's annexation of Crimea in early 2014. This tension has led Moscow to worry about the possibility of an Iranian-Western rapprochement at a time of increasing confrontation between Russia and the West.

This shift could have negative implications for Russia. Iran could decrease its trade with Russia and increase its trade with the West. The Islamic Republic could serve as an alternative to Russia as a source of natural gas for Europe, though Iran's ability to do so would take several years to develop. And friendlier relations between Iran and the West could allow former Soviet states in the Caucasus and Central Asia to export petroleum to and through Iran, lessening their economic dependence on Russia.

Moscow's 2015 announcement that it would permit the sale of S-300 air defense missiles to Iran may have been made in the hope that Tehran would continue to look to Moscow as an arms supplier even if Iranian-Western relations improve.

Factoids

Russian exports to Iran, according to the Russian Federal State Statistics Service, steadily grew from the 1990s until 2011, but have stagnated since then:

- \$249 million in 1995
- \$633 million in 2000
- \$1.9 billion in 2005
- \$3.4 billion in 2010
- \$3.4 billion in 2011
- \$1.9 billion in 2012
- \$1.2 billion in 2013

Iran's exports to Russia have grown, but remain limited:

- \$27 million in 1995
- \$57.6 million in 2000
- \$125 million in 2005
- \$272 million in 2010
- \$351 million in 2011
- \$428 million in 2012
- \$433 million in 2013

- In 2014, the Pew Research Center published the results of a poll showing that 44 percent of Russians had a favorable view of Iran, and 35 percent had an unfavorable view.
- Russian arms exports to Iran were only worth \$22 million in 2013 and \$4 million in 2014, according to the Stockholm International Peace Research Institute. By contrast, Russian arms exports to Iraq were valued at \$51 million in 2013 and \$317 million in 2014.
- Russian Defense Minister Sergei Shoigu visited Tehran in January 2015 and signed an agreement on military cooperation with his Iranian counterpart, Hossein Dehghan. According to a report on the visit by the Russian newspaper *Vedemosti*, however, “large-scale arms contracts should not be expected.”
- Longtime Russian Middle East expert Georgy Mirsky told *The Washington Post* in April 2015, “A few years back, I heard one of our diplomats say: ‘A pro-American Iran is more dangerous for us than a nuclear Iran.’”

Interested parties

The most important player in Russian foreign policy toward Iran (and everywhere else) is President Vladimir Putin. Especially since the onset of the crisis over Ukraine, Putin has seen America as an adversary. Even if an Iranian nuclear agreement is reached and implemented, Putin wants Russian-Iranian relations to remain strong enough to prevent Iran cooperating with America against Russia.

Important organizations that seek to shape Russian policy on Iran include:

Rosoboronexport, the Russian arms export agency, which sells weapons to Iran and wants to revive this business. It is an influential organization committed to good Russian-Iranian relations.

Atomstroyexport, the Russian atomic energy power equipment exporter that finally completed the Bushehr nuclear reactor, has a vested interest in good Russian-Iranian relations. Atomstroyexport wants to build additional nuclear reactors in Iran. Tehran periodically dangles the prospect of contracts for five or even ten more reactors.

Gazprom, and the Russian petroleum industry in general, wants to invest in Iranian oil and gas projects but also fears that Iran will compete with Russia in exporting gas to the West. Gazprom in particular has strong political influence in Moscow.

Flashpoints

The Kremlin wants to build up Russian-Iranian relations, preferably on the basis of common antipathy toward United States and the West. But Moscow also wants to improve diplomatic and military ties with some of Iran’s regional rivals. The Russian

Ministry of Defense is interested in purchasing sophisticated weapons from abroad that its arms industry either does not produce or produces poorly. Israel is an especially important source of such goods; Moscow has already begun buying unarmed aerial vehicles from it.

Russian defense officials, then, do not want Moscow to get so friendly with Tehran that it damages relations with Israel, which has been outspoken in the international campaign to prevent Iran from acquiring a nuclear capability. The Russian Defense Ministry also wants Moscow to exercise restraint in selling arms to Tehran so that Israel will not sell arms to Ukraine, or to Georgia - which it had begun doing, but then stopped at Moscow's request after the outbreak of the 2008 Russia-Georgia conflict.

Trendlines

- Moscow does not want Tehran to acquire nuclear weapons, but it is fearful that an Iranian nuclear agreement will lead to an Iranian-American rapprochement that Moscow sees as harmful to Russian interests.
- If Iran and the West improve ties, there is little Moscow can do to prevent it. Tehran would be furious with Russia if it tried to do so. But there are many differences between Iran and the West that could thwart an Iranian-Western rapprochement from developing or surviving. Moscow can be expected to seize the opportunity presented by any renewal of Iranian-American hostility to side with Iran against the United States and the West.
- Even if a common antipathy toward the West leads to improved Russian-Iranian relations, Moscow will continue efforts to improve its relationship with Iran's rivals in the Middle East: Turkey, the Sunni Arab states, and Israel. These ties will limit how close Russia and Iran can become, even if Iranian-American ties deteriorate.

Mark N. Katz is a professor of government and politics at George Mason University.

This chapter was originally published in 2010, and is updated as of August 2015.