Iran and Russia
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• 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 is worried about Iran’s nuclear program, but it is more concerned about maintaining and building lucrative economic ties with Tehran. Trade between the two countries has increased steadily since the Soviet Union’s collapse.

• Moscow’s willingness to cooperate with Washington in imposing sanctions on Iran over the nuclear controversy is limited.

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 delayed delivering weapons, notably the S-300 air defense system. The two countries differ on rights to the Caspian Sea, which affects dividing up everything from its petroleum resources to its caviar. Iran has been angered by Moscow’s improved ties with both Israel and the United States. And while it has acted to weaken them, Russia has ultimately gone along with the West in imposing some U.N. sanctions on Iran.

Three phases of relations
Moscow’s relations with the Islamic Republic can be divided into three distinct periods:

**Phase one: 1979 and 1989**

The first phase, which coincided with the rule of revolutionary leader Ayatollah Ruhollah Khomeini, was especially hostile. 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 and 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.
- 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.

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 know-
how it provided Iran. The agreement did not seriously impinge on Russian-Iranian relations, as it reportedly did not cover agreements “in progress” – even though 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-

The third phase has 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 British Petroleum (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 views 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, instead heightening international tensions over Iran’s program.

Since 2006, Russia has repeatedly pushed to dilute or defer a series of U.N. sanctions resolutions against Iran. Its diplomacy appears designed to convey to Tehran that Moscow can protect Iran from the West if Tehran cooperates with Russia—but also that Russia can side with the West against Iran, if Tehran does not cooperate with it.

Factoids

- Russian exports to Iran have grown steadily, according to the Russian Federal State Statistics Service:
  - $249 million in 1995
  - $633 million in 2000
  - $1.9 billion in 2005
$3.3 billion in 2008

- Iran’s exports to Russian also grew steadily, the Russian Federal State Statistics Service reported:
  - $27 million in 1995
  - $57.6 million in 2000
  - $125 million in 2005
  - $401 million in 2008

- In November 2009, the Russian news service RIA Novosti published the results of a poll showing that 93.5 percent of Iranians have a negative opinion of Russia.

- Russia was the first country to formally recognize Ahmadinejad’s re-election as president in the disputed 2009 vote.

- In December 2009, Ahmadinejad began calling on Moscow to pay compensation for the Soviet occupation of northern Iran during World War II, which produced a backlash from the Russian press.

- In early March 2010, Tehran ordered all Russian commercial pilots working in Iran to leave within 60 days. Iranian sources blamed Russian pilots for Iran’s numerous plane crashes.

Interested parties

The two most important players in Russian foreign policy on Iran are President Dmitry Medvedev and Prime Minister Putin. Medvedev appears inclined to seek good relations with America and the West, and to see Iran as a problem. Prime Minister Putin, in contrast, appears to see America as an adversary and Iran as a highly lucrative potential partner for Russia. The two men, however, work closely together. Some differences may be more reflective of a policy debate than a power struggle.

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 keep doing business. It is an influential organization committed to good Russian-Iranian relations.

**Atomstroyexport**, the Russian atomic energy power equipment exporter that is working on the Bushehr nuclear reactor, also has a vested interest in Russian-Iranian relations. Atomstroyexport wants to obtain other contracts 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. Gazprom in particular has strong political influence in Moscow.
Flashpoints

But Moscow also wants to improve diplomatic and military ties with some of Iran’s 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. It has already begun buying unmanned aerial vehicles from Israel, and has signed a contract to buy two Mistral class warships from France.

Defense officials do not want Moscow to get too friendly with Tehran as this could damage relations with Israel and France, which have both led the international campaign to prevent Iran from acquiring a nuclear capability. The Ministry of Defense also wants Moscow to exercise restraint in selling arms to Tehran so that Israel will not sell arms to Georgia, which it had begun doing but then stopped at Moscow’s request after the outbreak of the 2008 Russia-Georgia conflict.

The future

• Moscow does not want Tehran to acquire nuclear weapons, but it is not as concerned as is Washington. Moscow is far more concerned about maintaining and building Russia’s economic relationship with Tehran, especially in the area of petroleum, atomic energy and weaponry.

• Russia has cooperated with the United States on the Iranian nuclear issue for two reasons: First, to placate Washington, with which it wants good relations. And second, to create enough incentive for Washington to continue pursuing a multilateral diplomatic approach.

• Moscow understands that it cannot prevent the United States or Israel from taking military action against Iran. Moscow wants to position itself so that Tehran won’t blame Russia or harm Russian interests if either the United States or Israel strikes Iran.

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