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RUSSIAN-IRANIAN RELATIONS UNDER KHATAMI

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For my family and Özlem who have showed infinite sincerity and tolerance to me all
along my university education



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AUTHOR DECLARATIONS

1. The material included in this thesis has not been submitted wholly or in part for any academic award or qualification other than that for which it is now submitted.
2. The program of advanced study of which this thesis is part has consisted of:
 - İ) Research Methods course during the undergraduate study
 - İİ) Examination of several thesis guides of particular universities both in Turkey and abroad as well as a professional book on this subject.

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ABSTRACT

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June 2004

IRANIAN-RUSSIAN RELATIONS UNDER KHATAMI

The main aim of this thesis is to examine Iranian-Russian relations under Muhammad Khatami. It consists of three parts after the introduction. The first part following it that is named “the reign of Muhammad Rıza Shah, his foreign policy in general and relations with the Soviet Union” identifies the relations between Iran and the Soviet Union throughout the Muhammad Rıza Shah period in Iran. It also examines the Iran’s foreign policy under the Shah. The second part is about the relations between the Islamic Republic of Iran and the Soviet Union and the foreign policy of the Islamic Republic. This part shows the change in Iranian foreign policy and Iranian-Russian relations after the Islamic Revolution in Iran. The thesis is finalized by the most important part on the Iranian-Russian relations under Khatami. The final chapter explains the new foreign policy orientation of Iran and the strategic partnership between Tehran and Moscow under the reign of Muhammad Khatami. In sum, all the work is to depict the strategic and very special ties between Iran and Russia under the presidency of Mr. Khatami.

Key Words:

Iran

Foreign policy

Khatami

Russia

the Shah

Iranian-Russian relations

KISA ÖZET

OĞUZ BAYKAL

Haziran 2004

HATEMİ DÖNEMİNDE İRAN-RUSYA İLİŞKİLERİ

Bu tezin esas amacı Hatemi döneminde İran-Rusya ilişkilerini incelemektir. Giriş kısmını takiben üç bölümden oluşmaktadır. Onu müteakip “Muhammet Rıza Şah dönemi, dış politikası ve Sovyetler Birliği ile ilişkileri” adlı bölüm Muhammet Rıza Şah dönemi boyunca İran-Sovyetler Birliği ilişkilerini anlatmaktadır. Bu bölüm ayrıca Şah dönemi İran dış politikasını da incelemektedir. İkinci kısım İran İslam Cumhuriyeti ile Sovyetler Birliği arasındaki ilişkiler ve İran İslam Cumhuriyeti dış politikası hakkındadır. Bu bölüm, İran’daki İslam Devrimi sonrasında İran dış politikasında ve İran-Rusya ilişkilerindeki değişikliği göstermektedir. Tez, en önemli bölüm olan Hatemi döneminde İran-Rusya ilişkileri ile sona ermektedir. Son kısım, İran’ın Hatemi dönemindeki yeni dış politika yönelimini ve İran-Rusya arasındaki stratejik ortaklığı anlatmaktadır.

Özetle, bütün bu çalışma Muhammet Hatemi’nin Cumhurbaşkanlığı döneminde İran ve Rusya arasındaki stratejik ve çok özel bağları ortaya sermek uğrunadır.

Anahtar Kelimeler

İran

Dış Politika

Hatemi

Rusya

Şah

İran-Rusya ilişkileri

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LIST OF ABBREVIATIONS

AP	Associated Press
CENTO	Central Treaty Organization
CIA	Central Intelligence Agency
CIS	Commonwealth of the Independent States
EU	European Union
GB	Great Britain
IAEA	International Atomic Energy Agency
IAEO	Iran Atomic Energy Organization
IRNA	Iranian News Agency
MOU	Memorandum of Understanding
NATO	North Atlantic Treaty Organization
NIOC	National Iranian Oil Company
OIC	Organization of Islamic Conference
OPEC	Organization of Petroleum Exporting Countries
PLO	Palestine Liberation Organization
USSR	Soviet Union
UN	United Nations
US	United States
WMD	Weapons of Mass Destruction

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INTRODUCTION

The Islamic Republic of Iran and the Russian Federation are neighboring states. The status of their bilateral relationship is a perpetually important facet of their respective foreign policies. In the post-Soviet era, Tehran and Moscow began to view and term their cooperation as “strategic”. Each side considers the other as integral to its own security, internal stability, and territorial integrity.

Presently, Tehran and Moscow also view their cooperative relationship as an important tool to reach three goals: preventing U.S. hegemony in the world affairs; maintaining “multi-polar” world; and undermining Washington’s efforts to boycott either of them. Indeed, since the dissolution of the Soviet Union, Tehran has viewed its relations with Moscow as a manifestation of its own independence from the Western World. Iran, despite the pressures of the U.S. on their relations with Russia, views the Russian Federation as a strategic partner, especially in the Central Asia and the Caucasus.

The main aim of this thesis is to examine the increasing degree of relations between Iran and Russia under the presidency of Muhammad Khatami. This thesis claims that Iran and Russia, during the reign of Muhammad Khatami, have become congenital allies for the first time in their history. They have had very special and strategic relations during this period. Their cooperation, began with the end of the Soviet Union, and continued and increased during the presidency of Hashemi Rafsanjani. Eventually, Tehran and Moscow became strategic allies under the presidency of Muhammad Khatami.

The first part of this thesis is complementary and historical chapter that facilitates understanding the development of the Iranian-Russian relations after the World War II. This part is mainly about the Iran's general foreign policy orientations and her relations with the USSR under the reign of Muhammad Rıza Shah. The first chapter also includes important domestic developments in Iran throughout the Shah period, and Iran's relations with the United States during the Cold War. This part came to an end with the fall of the Shah regime.

Second chapter is also complementary and historical. In addition, it includes foundations of the Iranian-Russian strategic partnership that began in the middle of the 1990s, too. Second part of this thesis is to examine the relations between the Islamic Republic of Iran and the USSR. Moreover, it explains the establishment of the Islamic Republic and the construction of her new foreign policy. This part ended with the election of Muhammad Khatami as the president of the Islamic Republic of Iran.

The final chapter is the most important part of this study because it is the reason d'état of this thesis. This part is to examine the Iranian-Russian relations under Khatami's presidency. It explains Khatami's new foreign policy orientations and the Islamic Republic's relations with Russia.

CHAPTER 1

THE REIGN OF MUHAMMAD REZA SHAH, HIS FOREIGN POLICY IN GENERAL, AND RELATIONS WITH THE SOVIET UNION

Iran's geopolitical position in the Middle East has always assured it of a central role in the international relations of the region and the world. Unfortunately, this has not always worked to its advantage. It has frequently been involved in the ambitious plans of stronger nations.¹

An important note before starting this chapter is that this part is not the main subject of this study but it is rather complementary for the thesis. In this part of the study, general characteristics of the Iranian foreign policy and Irano-Soviet relations in a period of thirty-eight years (1941-1979) will be examined shortly. During this period, Muhammad Reza Shah governed Iran. In this chapter, the Iranian foreign policy and Iran-the USSR relations until the establishment of Islamic Republic and the fall of Muhammad Reza Shah will be discussed.

First of all, Muhammad Reza Shah was the second Iranian monarch of the Pahlavi family and he governed the Iranian state for thirty-eight years (1941-1979). Muhammad Reza Shah's reign in Iran can be divided into four periods. The first period covers the years between 1941 and 1947, which included World War II, and the developments soon after it.

¹ Roy, R. Andersen, Robert F. Seibert and Jan G. Wagner; *Politics and Change in the Middle East: Sources of Conflict and Accommodation* (New Jersey: Prentice-Hall, 1990) p.252. For detailed information about Iran's geopolitical position, see; Donald N. Wilber, *Iran: Past and Present* (Princeton: Princeton University Press, 1950) pp.1-13.

The second period covers the years between 1947 and 1953, which included the starting of the Cold War. The third period covers the years between 1953 and 1963, which contained the development of Cold War. The last period of the reign of Muhammad Reza Shah covers the years between 1963 and 1979, which included absolute sovereignty of Muhammad Reza Shah in Iran.

1.1 The Birth of the Shah

In 1941, during the World War II, neutral Iran was occupied by the USSR and the UK to keep the Germans out, to ensure the flow of oil, and to assist the Soviets with war-materials transported across Iran's mountains and deserts by rail and road. Occupier countries overthrew Rıza Shah Pahlavi; the first monarch of Pahlavi Dynasty in Iran, his son Muhammad Reza Shah (1941) replaced him. The new Shah's personal position was initially very weak, and he did not dominate Iranian foreign policy. For this reason; occupier powers, the USSR and the UK, and another victorious state of the World War II, the US, easily kept the Iranian state under their control throughout the years of war.

However, the young Shah and his advisors managed to use the partially competitive situation between the USSR and the UK. They also used the goodwill of the US, which they tried in every way to involve in Iranian affairs. As a result, Iran, during the occupation years (1941-45), took the advantage of both the competitive

situation and the goodwill to maintain the appearance, if not the reality, of an independent state.²

When the World War II ended, the main task of Iranian foreign policy was to gain independence by ending the Soviet and British presence and domination. The UK, surprisingly, withdrew its troops from Iran after the end of the World War II. Nevertheless, the USSR, unsurprisingly, did not call back the Red Army from Iranian territories. The Soviets also created two autonomous puppet states in Iran, which were Azeris and Kurds in Northern Iran. The USSR supported these separatist regimes which were against the Tehran government. According to the Soviet plan, these two autonomous states could be Soviet satellites in the future. Moreover, the USSR, before the withdrawal of the Red Army, wanted oil concession from Tehran.

This was the first major crisis between Iran and the USSR during the Shah period. The Iranian people, the Shah and his advisors (except for some), in any case, did not like the USSR because of its occupation of Iranian lands during the World War II. The Soviet wishes and the continuation of occupation of the Red Army created a reaction against the Soviets in Iranian people and Majlis.³ Interestingly, the Shah achieved remarkable success, with the support of the UK and the US (some scholars claim that the famous Cold War between the USSR and the US began in Iran, with the Iranian "Oil-Azerbaijan crisis"), in restoring Iranian territorial integrity and sovereignty. The main objectives were fully achieved by late 1947: Firstly the Red Army withdrew from Iranian territories. Secondly, the Soviet-supported

² William E. Griffith, "Iran's Foreign Policy in the Pahlavi Era," *Iran Under the Pahlavis*, ed. George Lenczowski (California: Hoover Institution, 1978) pp.371-372.

³ Gavin R. G. Hambly, "The Pahlavi Autocracy: Muhammad Rıza Shah, 1941-1979," *The Cambridge History of Iran (From Nadir Shah to the Islamic Republic)*, ed. Peter Avery, Gavin Hambly and Charles Melville (Cambridge: Cambridge University Press, 1991) Vol.7, pp.244-250.

separatist regimes, Azeris and Kurds, collapsed. And finally, a treaty concerning a vast oil concession to the USSR was rejected by the Iranian parliament.⁴

1.2 Training Period

The second period of the reign of Muhammad Reza Shah covers the years between 1947 and 1953. In this period, the Shah's personal position was still weak and he was ineffective and inexperienced. He did not dominate the Iranian foreign policy; he reigned rather than governed the country. Instead of the Shah, his prime ministers governed the state affairs and Iranian foreign policy.

During the years between 1947 and 1953, the major objective of Iran's foreign policy was trying to eliminate the consequences of wartime occupation by the USSR and the UK. In this period, Iranian foreign policy was also affected very much by the domestic developments in Iran. The most important domestic development, at that time, in Iran, was the rise of nationalism with Prime Minister Mossaddegh who was more nationalistic, neutral and a leader of the National Front, and who persistently advocated a policy of resistance to both the UK and the USSR.

Mossaddegh, with the rise of nationalism in the country and the support of pro-Soviet Tudeh party, nationalized the Anglo-Iranian Oil Company. This meant the destruction of the British economy and British interests in the Persian Gulf. Mossaddegh nationalized the Anglo-Iranian Oil Company because of his wish to get rid of the British influence in Iran and to gain perfect sovereignty and independence

⁴ Amin Saikal, "Iranian Foreign Policy, 1921-1979," *The Cambridge History of Iran (From Nadir Shah to the Islamic Republic)*, ed. Peter Avery, Gavin Hambly and Charles Melville (Cambridge: Cambridge University Press, 1991) Vol.7, pp.437-441.

of Iran.⁵ The UK rapidly reacted to this important development. It took the issue to the International Court of Justice and to the UN. However, there was no positive development for the UK in legal way. Considering the Britain's weakening position, London concluded that the best solution to the crisis was the removal of the Mossadegh government. This seemed feasible because, while the Shah had initially supported Mossadegh's nationalization, he was subsequently unwilling to approve either Mossadegh's methods or his attempts to limit the powers of the monarchy. On the other hand, the US, in the Cold War circumstances, had to support the UK in this critical issue. As a result, the nationalization of the Anglo-Iranian Oil Company led to the collapse of the Mossadegh's regime.

The rebellion started against Mossadegh led by General Zahedi with the support of the US' Central Intelligence Agency. The result was the fall of the Mossadegh's government. Essentially, there were several important reasons for the collapse of the Mossadegh's nationalist government; First was the emergence of the US as a dominant power in the Middle East region and her vast support to her most important Cold War ally, the UK, and its interests in Iran. Second was that the Mossadegh's government started to become a serious danger to Iran's domestic security posed by social and economic chaos, and its exploitation by pro-Soviet Tudeh party. Finally, attempts to destroy the British influence entailed tremendous economic hardships that weakened the regime's ability to withstand the combined pressures from internal and external enemies.

In the second period of the reign of Muhammad Reza Shah (1947-1953), the actions of the USSR, the US and the UK were understandable in the "Cold War

⁵ Türkiye Diyanet Vakfı İslam Ansiklopedisi, "İran Maddesi" (İstanbul: Türkiye Diyanet Vakfı, 2000)

mind". The US' support to the UK during the oil crisis, the Soviet support to the Tudeh Party to use Mossadegh as a tool were all actions of these countries in the Cold War struggle. Neither the US nor the USSR wanted to lose Iran and its oil. However, Iran, despite Mossadegh's pro-Soviet actions, considered the USSR as a main threat to its territorial integrity and independence.⁶ Basically, Mossadegh applied a negative equilibrium policy which stressed the ending of Iran's suffering from the influence and domination of foreign powers by granting no concession to any foreign power and accepting no favor from any. Nevertheless, Mossadegh was driven to the Soviet side, because of his major struggle with the UK in the nationalization of Iranian oil. The USSR cleverly used the pro-Communist Tudeh party to influence the mind of Mossadegh.

1.3 Perfect Authority

The third period of the reign of Muhammad Reza Shah covers the years between 1953 and 1963. In this period, the Shah established his perfect authority and supreme rule on state affairs and foreign policy of Iran. However, during these years, the Shah's main aim was to consolidate his supreme rule in Iran, because in addition to the depressed Iranian economy and the weakness of the Shah's power base and armed-security forces, there was a wide opposition from neighboring states (the USSR, and Radical Arab National Forces), and internal enemies (anti-monarchists,

Vol.22, pp.402-403.

⁶ Shahram Chubin and Sepehr Zabih, *The Foreign Relations of Iran: A Developing State in a Zone of Great-Power Conflict* (California: University of California Press, 1974) pp.1-35.

pro-Soviet groups).⁷ Because of these threats to his regime, the Shah found it necessary to rely on the US. His doctrine can be formulized as “positive nationalism”, or “promoting Iran’s sovereignty” which means independence and development under his own absolute leadership, but in alliance with the West, and the US in particular.

Iran, with the decision of the Shah, participated in the Western Bloc throughout the years between 1953 and 1963. Iran, in this period, became one of the Northern Tiers of the US.⁸ Certainly the Iranian preference of the US was affected by several factors. The first factor was the Iranian perception of threat. Iran considered the USSR as the main threat to its sovereignty and independence since the end of the World War II. Thus, Iran did not prefer the Eastern Bloc. Secondly, the US was a distant power without a tradition of imperialistic goals towards Iran, and so alliance with it did not entail restoration of a dominant Western power in the country.⁹

After the change of the regime, with the American-supported intervention, Iranian oil crisis, of course, was solved in favor of the UK. This development and other actions of new pro-American Iranian regime deteriorated the relations between Iran and the USSR. There were three critical developments that caused vast Soviet protests against Iran. (1) The establishment of the Baghdad Pact. (2) Missile and aircraft bases of the US in Iran. (3) The bilateral agreement between Iran and the US on the defense of Iran.

⁷ Ervand Abrahamian, *Iran: Between Two Revolutions* (Princeton: Princeton University Press, 1982) pp.419-426.

⁸ For more information about “American Northern Tier Strategy”, see; Rouhollah K. Ramazani, *The Northern Tier: Afghanistan, Iran and Turkey* (New Jersey: D. Van Nostrand Company, 1966).

⁹ Griffith, *op.cit.*, pp.374-375.

The main aim of the establishment of the Baghdad Pact members of which were Iran, Iraq, Turkey, Pakistan and the Britain was to prevent the Soviet (communist) incursion into the Middle East. Therefore, this pact was unacceptable for the USSR. Washington's efforts, to establish missile and aircraft bases in Iran, were protested very seriously by the USSR who saw these efforts as a danger to its territory. Finally, Iran's lack of confidence to the US-sponsored regional defensive pacts and its non-membership to NATO forced Iran to sign bilateral defense agreements with the US.¹⁰ As a result, in 1959, despite the intensive protests of the USSR, the US and Iran signed a bilateral agreement on the defense of Iranian territory.

On the other hand, during the years between 1953 and 1963, the US perfectly involved in Iran either economically or militarily. The US's economic aids and military equipment supports to Iran reached its peak level in this period. As a result, throughout ten years, the main developments were the perfect Iranian participation in the Western bloc, its absolute dependence on the US and the Soviet efforts to dissuade Iran from its approach to the US.

1.4 The Final Phase

The final phase of the reign of Muhammad Reza Shah covers the years between 1963 and 1979. In this period, the Shah perfectly strengthened his rule in Iran. Thanks to economic growth with oil revenue, the rising power of the Iranian

¹⁰ David Fellman, *Political Systems of the Middle East in the 20th Century* (USA: Dodd, Mead&Company, 1970) pp.93-101.

army and security forces, and more American aid to the country, the Shah consolidated his regime in the country. This confident atmosphere and Shah's major economic and social revolutions (White Revolution) resulted in the establishment of the Shah's absolute authority in Iran until his death.¹¹

On the other hand, détente in the Cold War between the US and the USSR affected the Iranian foreign policy calculations in the final period of the reign of Muhammad Reza Shah.¹² He wanted to benefit from détente between the US and the USSR. According to the Shah, this was an opportunity to decrease American influence on his country. Moreover, the completion of the process of consolidation of Shah's regime helped him to do independent maneuvers in the foreign policy arena.¹³

Thanks to these opportunities, the Shah increased his efforts to improve relations with the USSR. This ensured two things. First, the dependence of Iran on the US, both in economic and military realms decreased. Second, the improved relations have both served as a deterrent upon Soviet attacks on the regime and undercut the resources of its domestic opponents. Since 1967, these relations have been an important consideration in neutralizing potential Soviet support to Iran's rivals in regional politics.¹⁴

Furthermore, in January 1966, Iran and the Soviet Union signed an agreement on supplying natural gas beginning in 1970. Moscow also offered Tehran to advance economic credits, build Iran's first steel mill complex in Isfahan, and provide other

¹¹ Saikal, *op.cit.*, pp.447-456.

¹² J. C. Hurewitz, "Iran in World and Regional Affairs," *Iran Faces the Seventies*, ed. Ehsan Yar-Shater (New York: Praeger, 1971) pp.117-142.

¹³ Fred Halliday, *Iran: Dictatorship and Development* (New York: Penguin Books, 1979) pp. 249-262.

¹⁴ Amir Taheri, "Policies of Iran in the Persian Gulf Region," *The Persian Gulf and Indian Ocean in International Politics*, ed. Abbas Amirie (Tehran: Institute for International Political and Economic Studies, 1975) pp.259-286.

developmental facilities, as well as construction equipment for a pipeline from the Northern part of Iran to the Caucasus. This agreement was a signal of growing economic and technical cooperation between the two states in later years. In 1976, Moscow and Tehran signed a protocol according to which the USSR would provide assistance for construction of an industrial park in Khorasan province. Moreover, Moscow promised to assist in the expansion of the Aryamehr steel mills in Isfahan.¹⁵

On the other hand, in the Persian Gulf, with the withdrawal of the UK, Iran became regional superpower. In the middle of 1960s, the US was the superpower there. The increasing oil revenue accompanied by investment on armed forces, developing potential of Iran and the withdrawal of the UK from the Persian Gulf created an opportunity to become a regional superpower. Iran, in the final period of Muhammad Reza Shah (1963-1979), was in the Western Camp and her relations with the US were good. Yet, her improved relations with the USSR placed Iran in a neutral position in the Cold War struggle.

In the opening months of 1977, on the eve of the Islamic revolution, there were some dramatic realities for Muhammad Reza Shah in Iran. First of all, his social and economic programs in domestic arena had failed to solve the problems of Iran and its people. On the other hand, especially in financial and military fields, the Shah's extreme dependence on the US and oil revenues of Iranian soil had affected the views of Iranian people towards their Shah. Iranian people began to see Iranian Shah as a puppet of the US. Moreover, according to the majority of the Iranian

¹⁵ Rinn-Sup Shinn, "Foreign Relations," Iran: A Country Study, ed. Richard F. Nyrop (Washington: The American University, 1978) p.232.

people, Iran under the Shah, could not survive without oil revenue and support of the US.

In regional politics, the Shah's aims had failed to make Iran's both foreign and domestic policy successful. The policy of co-operation with the regional states and policy of anti-subversion in Iran's region were undermined by Shah himself. His aim, to become a regional super power, conflicted his policies of co-operation and anti-subversion. The regional states also did not accept the Shah's ideas of a regional common market and collective security policies, because they considered the Shah's policies as efforts to influence other regional states. Moreover, Iran's efforts in economy, industry and military fields, under the Shah, were not found positive among regional states.¹⁶

As a result, in addition to Ayatollah Khomeini's efforts to spread his Islamic ideology in Iran, anti-American and anti-Shah reaction of the Iranian people and both Washington's and Moscow's lack of interests in Iran prepared Muhammad Reza Shah's end. Interestingly, Washington did not support Iranian Shah during his most critical times. Despite the improved relations with Tehran in the last decade, the fall of the Shah in Iran was considered as a positive development by Moscow.

After 14 years of exile, the Shah's opponent Ayatollah Khomeini returned Iran to put an end to the Iranian monarchy and establish the Islamic Republic of Iran.

The main characteristics of the Iranian Foreign Policy and the dimensions of the Iranian- the USSR relations during the Muhammad Reza Shah period were briefly mentioned above.

¹⁶ Saikal, op.cit., pp.455-456.

The reign of Muhammad Reza Shah was divided into four parts to show the rise and fall of the Shah easily. The US' effect and determiner role in the Iranian Foreign Policy Orientation and Iran's relations with Soviet Russia were also explained. Moreover, the importance of the Shah in the direction of Iranian Foreign Policy and determining of Iran's location in the Cold War was emphasized, too.

This part of the study is based on the historical realities of the international relations. This is also an essential complementary chapter for the main thesis. We must know the history of relations between Iran and Soviet Russia to understand the relations between the Islamic Republic of Iran under Muhammad Khatami and the Russian Federation easily. Moreover, this chapter is also to show us how the Iranian foreign policy and Irano-Soviets relations were like during the Cold War.

CHAPTER 2

ISLAMIC REPUBLIC OF IRAN, ITS FOREIGN POLICY AND RELATIONS WITH THE SOVIET UNION

The foreign policy of the Islamic Republic of Iran is based upon the rejection of all forms of domination, both the exertion of it and submission to it, the preservation of the independence of the country in all respects and its territorial integrity, the defense of the rights of all Muslims, non-alignment with respect to the hegemonist superpowers, and the maintenance of mutually peaceful relations with all non-belligerent States.¹

This is another complementary chapter for the main thesis. In this chapter, important characteristics of Islamic Republic of Iran's foreign policy and Revolutionary Iran's relations with the USSR will be briefly examined. This chapter will contain the periods of the establishment of Islamic Republic, the reign of Ayatollah Khomeini and the presidency of Hashemi Rafsanjani. This chapter has two main aims. The first is to show the changing and evolution of Iranian foreign policy after the establishment of Islamic Republic. And the second is to explain the basis and the birth of the Iranian-Russian rapprochement.

This chapter can be separated into three different parts. The first part contains the establishment and the first days of Islamic Republic. This part covers the years between 1979 and 1981. The second part includes the Ayatollah Khomeini's period, which

¹ The Constitution of the Islamic Republic of Iran, "Article 152," (Tehran: Islamic Propagation Organization, 1990) p.89.

covers the years between 1981 and 1989. The final part contains the presidency of Hashemi Rafsanjani, the end of the Cold war and the dissolution of the Soviet Union.

2.1 The Establishment of a New Regime

After the 1979 revolution, despite the strong religious character of Iranian revolution, Iran did not immediately undergo the domination of Islamic government and groups. Until 1981, there was a struggle of power to capture the government of Iran between the radical Islamic groups and moderate ones.² Immediately after the revolution, during the period of Mehdi Bazargan from February to November 1979, Soviet-Iranian relations did not change significantly. The two countries' geographical closeness and overwhelming military superiority of the USSR provided a unique character for the Soviet-Iranian relations. Because of these reasons, Iran did not antagonize the USSR or cut all ties with it.³

On the other hand, the Soviet attitude toward the Iranian Revolution was ambivalent. They liked its 'anti-imperialist', or particularly 'anti-American' character, but at the same time they were critical of its social character and much opposed to its crusading export of the Islamic revolution. On February 12, 1979, the day after the seizure of power by revolutionary armed groups, Moscow recognized the provisional

² Oya Akgönenç Mughisuddin, "Humeyni'den Sonra İran'ın Dış Politikasındaki Eğilimler," (Avrasya Dosyası: İlkbahar-1995, Vol.2-No.1) pp.158-159.

³ Shireen T. Hunter, "Soviet-Iranian Relations in the Post-Revolution Period," *Iran's Revolution: the Search for Consensus*; ed. R.K. Ramazani (Indianapolis: Indiana University Press, 1990) pp.85-86.

government of Mehdi Bazargan. Despite the ongoing chaos, the Soviets saw emerging stability in Iran's domestic and foreign policy, and on March 3, 1979 Leonid Brezhnev expressed his hope that 'good neighborly relations will develop fruitfully'.⁴

Mehdi Bazargan was committed to an essentially non-aligned foreign policy for Iran and the maintenance of friendly or at least reasonable ties with all states, particularly Iran's neighbors.⁵ Thus, he recognized the need for Iran to accommodate the USSR in its foreign policies. However, he also remained very suspicious of the Soviet plans. Soviet operations in Afghanistan, Soviet insistence on the validity of Articles V and VI of the 1921 Soviet-Iranian Treaty, and the Soviet plans on Iran's ethnic groups all intensified Iran's apprehensions and excluded a significant improvement in Soviet-Iranian ties.⁶

On the other hand, Iran's withdrawal from the CENTO, its ties with Israel and South Africa, and its establishment of good relations with Syria, Libya, and the PLO deeply pleased Moscow.⁷ The USSR considered the Iranian Revolution with a combination of suspicions and hopes. Moscow hoped that Iranian revolution would be transformed into a true socialist revolution with the aid of pro-Soviet Tudeh Party. There were mainly two suspicions in the Moscow's mind. First, they worried that the revolution would lead to turmoil in Iran, which could then be used by Washington to

⁴ R. K. Ramazani, "Soviet Foreign Policy and Revolutionary Iran: Continuity and Change," *Domestic Determinants of Soviet Foreign Policy towards South Asia and the Middle East*; ed. Hafeez Malik (New York: St. Martin's Press, 1990) p.233.

⁵ R. K. Ramazani, "Iran's Foreign Policy: Contending Orientations," Ramazani, *Iran's Revolution*. op.cit., pp.50-51.

⁶ Galia Golan, *Soviet Policies in the Middle East: From World War II to Gorbachev* (Cambridge: Cambridge University Press, 1991) pp.188-189.

⁷ *Ibid.*, pp.187-188.

justify military intervention and the establishment of pro-American regime. Second, Moscow suspected the first premiership of revolution, Mehdi Bazargan, and his team's pro-American sympathies. The Soviets found it hard to believe that Washington had "let the Shah go" without ensuring that the successor regime would be equally responsive to its interests.⁸

Moscow welcomed the fall of the Bazargan government following the seizure of the US embassy in Tehran on November 4, 1979.⁹ There is no hard evidence pointing to the Soviet involvement in the conception and implementation of the US Embassy takeover. It is interesting to note, however, that the mastermind of hostage operations, Hujjat al-Islam Khomeini, was widely known in Iran as "Moscow's man" and was an ardent and virulently anti-American advocate of close Soviet-Iranian relations. Prior to the revolution, he was known to have served as liaison between the Tudeh Party and the religious opposition.¹⁰

The seizure of the US embassy by radical university students and broken relations between U.S. and Iran pleased the Soviet government and gave it hope for an eventual transformation of the Iranian Revolution into a communist one.¹¹ No immediate and dramatic development in Iran's relations with Moscow followed the dissolution of the Bazargan government, because Abol Hasan Bani-Sadr, who became Iranian president in

⁸ Hunter, *op.cit.*, pp.86-87.

⁹ Tayyar Arı, *Basra Körfezi ve Ortadoğu'da Güç Dengesi: 1978-1996* (İstanbul: Alfa, 1996) pp.144-145.

¹⁰ Hunter, *op.cit.*, p.101.

¹¹ Aryeh Yodfat, *The Soviet Union and Revolutionary Iran* (New York: St. Martin's Press, 1989) pp. 65-66.

January 1980, and Sadegh Qotbzadeh, minister of foreign affairs, were essentially perfect Iranian nationalists and deeply suspicious of the Soviet plans.¹²

During the presidency of Bani Sadr, Iranian foreign policy makers developed a new approach which can be formulized as 'neither East nor West'. According to this foreign policy understanding, Iran depends on neither the USSR nor the US, she applies her independent foreign policy.¹³ As a matter of fact, during the Bani Sadr period, Iran did not develop good relations with both the USSR and the US. Because of the hostage crisis, Tehran-Washington relations were broken. During these events, Bani Sadr started to condemn the Soviet invasion in Afghanistan and he withdrew his country from the 1980 Moscow Olympics.

However, economic necessities of Iran (especially because of the Western embargo for the seizure of the American hostages) led to expanded Soviet-Iranian economic and trade relations. In April 1980, Iran's minister of economy and finance visited Moscow and signed a number of agreements on transit, trade, and other subjects.¹⁴ During the years between 1979 and 1981, Iran was in the transition period. After the Iranian revolution, two different groups started to struggle to capture Iranian government. The first group was radical Islamists who wanted a perfect Islamic government and perfect Islamic foreign policy. The second group was a representative of moderate and liberal Iranian people. The second group was also more nationalistic than the first group. Between 1979 and 1981, these groups were in a struggle of power.

¹² Ramazani, *Contending Orientations*, op.cit., pp.54-55.

¹³ *Ibid*, p.55

¹⁴ Hunter, op.cit., p.87.

Bazargan and Bani Sadr were partly members of the second group because they were more nationalistic, moderate and liberal, less Islamic than the first group and their leader Ayatollah Khomeini. Bazargan and Bani Sadr, for this reason, applied nationalist non-alignment foreign policy which can be defined as a “neither East nor West”. This Policy contains “independent foreign policy” from super powers. Thus, in the light of this, we can easily understand Iran’s foreign policy attitudes towards the USSR. In summary, during the years between 1979 and 1981, there were no very positive improvements in Irano-Soviet relations except for some economic relations. During this period while the US was “the Great Satan”, the USSR, on the other hand, was “the Little Satan.”¹⁵

2.2 Ayatollah Khomeini

In June 1981, with Bani Sadr’s leaving Iran and the execution of Foreign Minister Qotbzadeh, radical Islamic groups under the leadership of Ayatollah Khomeini, won the war to control the Iranian government. Thus, the transition period in Iran ended and the leader of Iranian revolution, Ayatollah Khomeini, established his absolute authority in Iran. Khomeini’s absolute authority in Iran continued until his death, in 1989. During the reign of Khomeini, Irano-Soviet relations were poor until his last years. There were three reasons for this. These three reasons were also Khomeini’s main foreign policy objectives. The first was Khomeini’s wish to export the Islamic Revolution to its neighbors and then to all Muslim countries. Moscow was deeply afraid of the

¹⁵ Mughisuddin, op.cit., pp.158-173.

Islamization of its back garden, the Central Asia and the Caucasus, and the revitalization of its Muslim population.

Second reason was Khomeini's words about the protection of all Muslims' rights in the World, including Soviet Muslims. Moscow was not pleased with the Iranians' claim to protect the rights of the Muslims in the USSR. According to the Soviets, this was Iranian interference in the USSR's internal affairs. The last reason was Khomeini's 'Isolation policy' from the rest of the world. Khomeini, first of all, wanted to consolidate his power and Islamic revolution in Iran's territory. When Khomeini reinforced his power and Islamic revolution, Iran's relations with foreign states reduced.¹⁶

The war between Iran and Iraq was another factor affecting the Soviet-Iran relations in the Khomeini period. In the early months of the Iran-Iraq war, between September 1980 and March 1982, the USSR sided with Iran. There were two factors for this. First, Iraq had been growing increasingly independent and was trying to distance itself from the Soviets to pursue its own regional ambitions. Second, the USSR favored neither drastic shifts in the regional balance of power nor territorial changes on its borders.¹⁷

Tehran-Moscow relations reached a turning point in the spring of 1982. Iran, at that time, started to attack towards Iraqi territory. The Soviet government considered that an Iranian military victory would pose the greatest threat to the region's territorial and power equation and therefore had to be prevented. Thus, Soviet-made arms started

¹⁶ Hunter, *op.cit.*, pp.85-95.

¹⁷ Ari, *op.cit.*, pp.182-187.

to arrive in Baghdad.¹⁸ Effects of Iraq war, American and Western Embargo and policy of isolation ensured Tehran-Moscow economic relations to survive in the Khomeini period. When political relations deteriorate between the two states, economic relations continued. Iran's economic necessities made the USSR an important partner in the region.

On the other hand, Gorbachev's taking the control of the Soviet government affected Tehran-Moscow relations positively. Especially Gorbachev's good neighbor policy towards Iran changed the character of relations between two states. In the last years of Khomeini period, many bureaucrats, from the two countries, visited each other's country.¹⁹ Tehran-Moscow relations, after Iran accepted the cease-fire with Iraq, gradually improved. Soon after the cease-fire, the USSR's conciliatory approach towards Iran, Moscow's decision to withdraw its forces from Afghanistan, positive media commentaries from both countries, Khomeini's letter to Gorbachev, and the impact of the Rushdie Affair made it easier to improve ties between the two countries.²⁰

2.3 First Signs of the Iranian-Russian Rapprochement

The Iranian-Russian rapprochement began in the latter part of the Khomeini era. However, the death of Ayatollah Khomeini and the election of Hashemi Rafsanjani as

¹⁸ *Ibid.*, pp.182-190.

¹⁹ Carol R. Savietz, "The Soviet Union and Iran: Changing Relations in the Gorbachev Era," *Iran At The Crossroads: Global Relations in a Turbulent Decade*; ed. Miron Rezun (San Francisco: Westview Press, 1990) pp.181-198.

²⁰ *Ibid.* pp.190-198.

Iran's president did not change this rapprochement. The two states strengthen their relations in June 1989 when Rafsanjani visited Moscow and signed a number of major agreements, including one on military cooperation. According to the military agreement, Iran would purchase highly sophisticated military aircraft from the USSR, including MIG-29s and SU-24s.²¹ Iran's military dependence on Moscow grew as a result of the second Gulf War, which took place between 1990 and 1991. Furthermore, the conflicts in Afghanistan, the collapsing of the Soviet Union and new emerging states of Central Asia were other factors which increased Iran's military dependence on the Russian Federation. Given Iran's need for sophisticated arms, Tehran was careful not to alienate Russia during the early 1990s. Thus, Iran did not immediately recognize the independence of Azerbaijan. Moreover, Iran's low-key reaction towards the first Muslim insurgency in Chechnya and towards Russia's pro-Serb and anti-Muslim policy in Bosnia in 1993-1995 contributed to the development of relations.²²

Despite the good relations between Tehran and Moscow, there were some obstacles that made the improvement of relations hard. First was the "pro-western phase" in Russian foreign policy between 1992 and 1993. Tehran's antagonistic relationship with the US presented an obstacle to good relations between Moscow and Teheran. Second obstacle was the Russian fear that Iran, as the leader of militant and

²¹ Konstantin Makienko, "The outlook for Russian-Iranian Arms Trade: Opportunities and Risks," *Ekspert Vooruzheniy Journal*, (March-April, 2001) p.2, <http://www.cast.ru/main/index.php?m=29&d=136&lang=1>

²² Robert O. Freedman, "Russian-Iranian Relations In The 1990s," *Middle East Review of International Affairs*, Vol.4, No.2 –June 2000, pp.5-6.

politically active Islam, was eager to spread its destabilizing influence throughout the former Soviet states and in Russia.²³

By the summer of 1995, Russia and Iran embarked on what the Russian ambassador there had begun to call 'a strategic relationship'. From Tehran's perspective, Russia was an important strategic and political ally because of the following reasons. First, Iran purchases sophisticated arms (submarines, aircrafts, tanks, and missiles), nuclear technology, and ballistic missile technology. Second, they were allies against the Taliban government in Afghanistan, as well as in countering Azerbaijan and Turkey. Third, both Russia and Iran do not want American hegemony in Persian Gulf and Caspian Region. Fourth, they cooperate in the issue of the Caspian Sea against other littoral states.²⁴

In March 1996, Iranian Foreign Minister Ali Akbar Velayati visited Moscow where he said that Iranian-Russian relations were 'at their highest level in contemporary history.' Moscow-Tehran economic and military relations continued to improve with the reports of Russian plans to sell Tehran 4 billion dollars of military and other equipment between 1997 and 2007 if Iran meets its financial obligations.²⁵

Interesting developments in Afghanistan and Tajikistan made it easier for both countries to develop their relations with each other. Military victories of Taliban forces in Afghanistan in September 1996 strengthen the Russian-Iranian cooperation in that

²³ Eugene Rumer, *Dangerous Drift: Russia's Middle East Policy* (Washington: The Washington Institute For the Near East Policy, 2000) pp.56-57.

²⁴ Freedman, *op.cit.*, pp.5-12; Chris Quillen, "Iranian Nuclear Weapons Policy: Past, Present, And Possible Future," *Middle East Review of International Affairs*, Vol.6, No.2 (June 2002)

²⁵ *Ibid.*, p.7

area. The Sunni Taliban were enemies of the Iranian-backed Shi'a forces in Afghanistan, for this reason, Iran sought to build a coalition against the Taliban. From Moscow's perspective, Russian government, which feared that the Taliban's influence could penetrate Central Asia or even Russia itself, had an equally strong interest in stopping the radical Islamic Taliban. Thus, the developments in Afghanistan were high on the agenda when Primakov visited Tehran in December 1996.²⁶ Tajikistan was, for Russia, the threat of Islamic radicalism after the Soviet collapse. During the civil war in Tajikistan, radical Islamic forces conflicted and killed some Russian soldiers guarding the Tajik border and drew Moscow into the fighting. Russia did not bring government side and opposition forces (radical Islamic forces) into same line. Russia needed Iran's aid in this issue. Russia and Iran continued to maintain close contact on Tajikistan.

Iranian-Russian strategic relationship, in the 1990s, continued with cooperation on Caspian Sea energy projects. The US' efforts to promote the Baku-Ceyhan oil pipeline and the Trans-Caspian gas pipeline brought Tehran and Moscow closer. Both Iran and Russia want transportation of the Caspian oil and gas through their territory. For this reason, they cooperated to prevent the realization Baku-Ceyhan project. Yet, while Tehran and Moscow acted in concert to stop both the Baku-Ceyhan and Trans-Caspian pipelines, their long-run interests in Caspian energy resources differed. Russian government wanted transport routes to pass through Russia to help it control the states of the Transcaucasia and the Central Asia. Iran, on the other hand, continued to profess that

²⁶ Rumer, *op.cit.*, pp.57-58.

it could provide the cheapest and safest route for the transportation of Caspian oil and gas.²⁷

As a result, in the 1990s, until the Khatami period, Russia, for Iran, was a secure source of sophisticated arms; a diplomatic ally at a time when the US has sought to isolate it; an ally in helping to curb Azerbaijan's possible threat; and an ally in helping stem the terrorist threat and drug flow from Taliban-controlled Afghanistan.²⁸

Iran's relations with the USSR in the post-revolution period have been affected by geopolitical and historical factors that have stemmed both from longstanding traditions and from the more recent effects of the revolution. However, some new factors emerged during 1980s and early 1990s: The dissolution of the USSR and changes in Russia's Third World policy under Gorbachev, Iran's problems with the West, regional conflicts such as Iran-Iraq war, the Soviet Occupation on Afghanistan, and the US' first military operation on Iraq had all played significant roles in Russian-Iranian relations. Moreover, the domestic developments in both countries during the last years of 1980s and early 1990s, affected their relations towards each other. The dissolution of Soviet regime and newly independent states affected the Russian foreign policy towards Iran much more than anything else. Also the changing character of Russian foreign policy with Gorbachev and Boris Yeltsin changed the Russia's view on the Islamic Republic of Iran.

²⁷ Guive Mirfendereski, *A Diplomatic History of the Caspian Sea: Treaties, Diaries, and Other Stories* (New York: Palgrave, 2001) pp.187-194.

²⁸ Naumkin, *op.cit.*, pp.1-9.

Domestic developments in Iran affected the Iranian foreign policy towards Russia. The death of Ayatollah Khomeini and the reducing power of revolutionists, the election of Hashemi Rafsanjani, changed the character of Iranian foreign policy in general and towards Russia. Tehran abandoned the revolutionary foreign policy approach since the last months of Khomeini government. After the election of Rafsanjani as a president of Islamic Republic, the moderate partially dominated Iranian foreign policy making. This caused the realist and pragmatist foreign policy applications. These developments affected the dimension of Iranian-Russian relations. In the last years of President Rafsanjani, the relations between Iran and Russia have already attained strategic level on the agenda. Muhammad Khatami had two options: Tehran would either increase the strategic relations between two states or approach the Western World and decrease the level of the relations with the Russian Federation.

CHAPTER 3

IRANIAN FOREIGN POLICY AND IRANIAN-RUSSIAN RELATIONS UNDER KHATAMI

This chapter contains the main subject and thesis which is the Iranian-Russian relations under Muhammad Khatami. In this thesis, the main aim is to examine how the Iranian-Russian relations have gained new dimensions under the presidency of Muhammad Khatami. Iran and Russia, with the Khatami's new foreign policy orientations have become strategic partners in the areas of economy, world politics, military, nuclear and missile technology. Their level of co-operation increased in many areas.

In this chapter, firstly, Iran's new foreign policy orientations under Muhammad Khatami will be explained. Iranian foreign policy under President Khatami can be separated into two periods. The first period contains the years between 1997 and 2001. The second period covers the years between 2001 and 2003. In 2001, Muhammad Khatami was re-elected by Iranian people as the president of Islamic Republic. Second period also includes September 11 terrorist attacks and its aftermath.

3.1 Iranian Foreign Policy Under Khatami

Iranian people replaced Muhammad Khatami with Rafsanjani as the president in May 1997 election. Khatami has a more moderate personality than radicals and has a

substantial philosophical potential, which affected Iranian foreign policy and Iranian political life profoundly.¹ According to Khatami's foreign policy understanding, Iran must cooperate with states both in its region and all over the world. Establishing good relations with other states, according to Khatami, will break the international isolation of Iran and ensure the re-entry of Iran in international system.²

Khatami's new foreign policy also depends on a detailed philosophy. For example in his famous the UN General Assembly speech he signaled his substantial philosophical substructure. According to Khatami;

... Humanity has suffered massively over these centuries from discrimination and anguish. Survivors are still among us who testify to the incalculable destruction caused by the two World Wars...and ...despite the birth of the United Nations - a positive achievement for mankind - true peace based on justice remains a scarcity.³

In this speech, Khatami also talked about liberty and freedom of humankind and criticized totalitarian regimes.

President Khatami also underlined the importance of struggle against common threats like terrorism. In the same UN speech he said; 'Honest and sincere efforts to combat terrorism in its all forms and manifestations, including state terrorism, constitutes another important priority for the Government of the Islamic Republic.'⁴

¹ Moustafa Torkzahrani, "Iran after Khatami: Civil Society and Foreign Policy," *The Iranian Journal of International Affairs*, Vol.9, No.4 (Winter 1997-98), pp.499-501.

² Gokhan Bacık and Bulent Aras, "Iran's Re-entry into the International System," *Alternatives: Turkish Journal Of International Relations*, Vol.2, No.2 (Summer 2003) pp.4-11.

³ Gökhan Bacık, "The Problem of Transformation in Iranian Politics from the Revolution to Khatami: a Historical Perspective," M.A. Thesis (Istanbul: Fatih University, 1999) p.85.

⁴ Bacık, op.cit., p.85.

On the above-mentioned basis, Khatami has constructed a new foreign policy orientation. According to this new orientation, firstly, Iran has no eternal enemy except for the Zionist Israel and the Great Satan United States. Secondly, Iran has totally changed some traditional perceptions against other countries. One of these changes was related with the concept of relation. Iranians have understood basic foreign policy rule that the core aim of foreign policy is establishing healthy relations with others.⁵ Ruhullah K. Ramazani, the famous Iranian expert, said that Khatami's endeavors to integrate Iran in the global system would decrease the tension between Iran and the foreign powers.⁶

This new foreign policy approach during the first period of Muhammad Khatami (1997-2001) ensured the development in Iran's relations with many countries, such as; European Countries, Persian Gulf Countries and Russia. It was mentioned above that even the development in Iranian-Russian relations started with the presidency of Rafsanjani. Iran's open door policy towards its neighbors, regional countries and European countries partially decreased the international isolation of Iran. The improvement in the relations between Iran and European countries and Russia brought the American embargo towards Islamic Republic.⁷ Even some American scholars claimed the failure of American policy towards Islamic Republic and they presented alternative policy options for the US.⁸

⁵ Ibid., p.86.

⁶ Ruhullah K. Ramazani, "Iran'in Tecriti Kıırma Girişimi," Zaman Strateji, 23 March 1999, p.8.

⁷ Bacık and Aras, op.cit., pp.5-11.

⁸ John Ballif, "Modulating U.S. Confrontation with Russia and Iran," The Course Text of National Defense University (Course 5604: The Geostrategic Context), February 26, 2001-pp.2-13.

On the other hand, American economists and many American firms (especially oil companies) criticized the policy of American governments towards Iran. Because the American embargo on Iran and the government's prevention the American investments in Iran damaged the interests of American companies in Iran. Thanks to the American embargo, European companies easily captured the Iranian market. They filled the vacuum in the Iranian trade market in the absence of American companies.⁹

Iranian conservatives criticized Khatami's reforms in the Iranian foreign policy. They usually kept Khatami under pressure in his actions in the foreign policy arena. Khatami's efforts to establish close relations with the US were prevented by radicals. Conservatives also criticized Khatami's open door policy towards European countries very extensively.

During first period of Mr.Khatami, between 1997 and 2000, Iran applied realist foreign policy which included a friendly undertone in bilateral relations, and the dialogue of civilizations in multilateral contexts. Iran, in the international arena, started to use interesting words; such as; respect of individual rights and freedoms, democracy, political and cultural pluralism. Iranian foreign policy entered a new period of détente with the European countries. Expansion of regional and supra-regional relations entered the Iranian foreign policy agenda.¹⁰

Iranian foreign policy in the last year of the first period of Khatami (2000-2001) entered under the control of idealism. There were three main reasons for this kind of

⁹ Ibid, pp.2-13.

¹⁰ Mohammad-Reza Dehshiri, "The Cycle of Idealism and Realism in the Foreign Policy of the Islamic Republic of Iran," *Asia Times*-June 2002 www.atimes.com p.6

political change. First was the Europe's position against the human rights situation in Iran. Second was the continuation of American sanctions by the Bush administration and third was the Gulf Cooperation Council's harsh-toned resolution against Tehran for not having surrendered the three Persian Gulf Islands to the United Arab Emirates in December 2000. With these developments, the idealists clearly ruled out the policy of conciliation as ineffective and detrimental to national security imperatives.¹¹

In June 2001, Iranian people elected Muhammad Khatami as the president of the Islamic Republic for the second time. The second election of Mr. Khatami was an important signal for Khatami to continue same domestic and foreign policies. Iranian people with their votes recognized Khatami's reforms in domestic and foreign policy arena.

Iranian foreign policy during the second period of Muhammad Khatami continued its positive development in the international arena. However, Iranian conservatives prevented some reforms and positive actions of Mr. Khatami in the foreign policy area. For this reason, Khatami had only a limited area when driving the foreign policy. In the second period of Khatami, Iranian foreign policy was sometimes given directions in terms of Iran's national interests. During this period, Iran preferred the realist approach of international relations. However, Iran, sometimes during the Khatami's second period, drove her foreign policy in terms of the rules of Islamic revolution. Thus, in these times Iran preferred the idealist approach of international relations.

¹¹ Ibid, pp.6-7.

Mohammed Khatami had designated the year 2001 as the year of 'national power' and 'productive employment.' With Khatami's reelection in June 2001, a new wave of realism seemed to be sweeping Iran's posture on economic, social, regional, and international fronts. Moreover, it seems that a more balanced realism is taking shape in the context of "idealist realism" that emphasizes both tangible and intangible aspects of national security, while striking the right balance between ideals and realities.¹² Against the above background, it was argued that the foreign policy of the Islamic Republic of Iran shifted incessantly between realism and idealism. However, over time, efforts were aimed at coalescing these two tendencies in what is known as "realist idealism," which in itself underscores the "unity of values and plurality of methods."¹³

Iranian foreign policy after September 11 did not change radically. Relations with the US and Israel remained at same level. Iran's relations with her neighbors, regional countries, Asian countries and European countries continued its development in terms of Khatami's efforts and domestication of Iranian foreign Policy. People, especially in the intellectual and academic communities and young generation, argue that Iran has not been dominated by the foreign powers and Iran must establish friendly relations with the whole world community including the US. However, Iranian public opinion in general does not want friendly relations with Israel because of Israel's hostile attitudes towards Iran and its oppressed Muslims in Palestine.¹⁴ In the future, Iran's geo-political position,

¹² Ibid, p.7

¹³ Ibid, p.7

¹⁴ Mahmood Sariolghalam, "Iranian Foreign Policy After September 11," *Missiles, Missile Defenses, Proliferation of WMD in the New International Scenario Proceedings of the IX Castiglione Conference (Italy), September 20th – 23rd 2001.*

her gas and oil reserves, wills of Iranian people and international developments will shape the foreign policy of Islamic Republic of Iran.

3.2 Iranian – Russian Relations Under Khatami

Iranian – Russian (the USSR) relations were mentioned in the first and second chapters. These chapters include first, the Tehran-Moscow relations in the Shah period, and second Iranian-Russian relations after the Islamic Revolution. The developments in the relations between Iran and Russia after the Khatami period were also mentioned before. Iranian – Russian relations, in the last years of President Rafsanjani, reached the level of strategic partnership.

In April 1997, the last month of the presidency of Rafsanjani, Iranian Majlis speaker Hojjatoleslam Ali Akbar Nateq-Nouri visited Russia. Nateq-Nouri delivered a speech to members of Russian state Duma, underlining those relations between Tehran and Moscow that are founded on a very solid basis with long-term objectives and lasting interests. Moreover, bilateral relations as well as regional developments were discussed in a meeting between the Iranian Majlis speaker Hojjatoleslam Ali Akbar Nateq-Nouri and the Russian foreign minister Y evgeny P rimakov in Moscow. At the meeting, the Russian foreign minister asked for the speedy expansion of bilateral relations between

the two nations, indicating that the two countries have closely cooperated to resolve the crises in Afghanistan and Tajikistan.¹⁵

This visit of Iranian Majlis speaker, meetings, and speeches were important proofs of the strategic relations between Iran and Russia. Just a week before the presidency election in Iran, Russia announced the completion of an important agreement with Iran. According to this, Russia would license Iran to build 60 passenger aircraft engines in a 145 million dollar deal. Thus, Rafsanjani transferred his very good relations with Russia to new president Khatami.¹⁶

3.2.1 First Period of Muhammad Khatami (1997-2001)

On May 25, 1997, sweeping more than 20 million of votes, Hojjatoleslam Seyyed Mohammad Khatami became the seventh president of the Islamic Republic of Iran. After four days from the presidency elections, Iranian foreign minister Ali Akbar Velayati said no change was predicted in the priorities of Iran's foreign policy during the term of presidency of Hojjatoleslam Seyyed Mohammad Khatami. This statement of Iranian foreign minister was first signal of no change in the relations between Iran and Russia during the Khatami period.¹⁷

On June 26, 1997, the new government realized its first visit to Moscow. Iranian foreign minister Ali Akbar Velayati met with Russian president Boris Yeltsin. During

¹⁵ The Iranian Journal of International Affairs, "Chronolgy", Vol. IX, No. 3 (Fall 1997), p.490.

¹⁶ Ibid., p.494.

¹⁷ Ibid., p.495.

the meeting, the two sides stressed the continuation and strengthening of multifaceted cooperation between Iran and Russia. Meanwhile, in a separate meeting with Russian foreign minister Yevgeny Primakov, Iranian foreign minister Ali Akbar Velayati exchanged views on further promotion of bilateral relations.¹⁸

After a week from the last meeting between Iranian foreign minister Ali Akbar Velayati and Russian president Boris Yeltsin and Russian foreign minister Yevgeny Primakov, the nuclear cooperation between two states restarted. The head of the supreme Government Atomic Supervision Organization of the Russian Federation arrived in Tehran because he had had an invitation from the IAEA. They discussed the mutual cooperation agreement between IAEA and the Russian organization. The agreement aimed at Power Plant. In January 1995, during the Rafsanjani period, Iran and Russia had signed a contract to construct the first unit at Bushehr to be opened by the end of 2002.¹⁹

On July 31, 1997, Iranian foreign minister received a message from his Russian counterpart Yevgeny Primakov. In his message, Primakov underlined the need for complete fulfillment of Tajik general peace agreement to restore peace and national reconciliation in 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

¹⁸ Ibid, p.498.

¹⁹ Chris Quillen, op.cit., pp.20-21.

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.²⁰

Since many Tajik Islamic opposition leaders had been taken refuge in Iran, it became necessary to bring Iran into the diplomatic process. With Iran's help, Russia brokered an agreement in February 1997 between the government and rebel Islamic forces. In September 1997, the Russian community residing in Tajikistan thanked the Islamic Republic of Iran for its help in releasing six Russian military men taken captive by the Tajik opposition. Iran and Russia continued to maintain close contacts on Tajikistan during the Khatami period.²¹

On the other hand, in October 1997, Iranian Majlis approved a very important bill on trade and economic cooperation between Iran and the Russian Federation. According to the approval, Iran and Russia have undertaken to provide all the necessary requirements within the framework of governing regulations in both countries for promotion and expansion of bilateral economic and technical cooperation. For Iran, this

²⁰ Interfax, November 19, 1993 (FBIS: FSU, November 22, 1993), p.8

²¹ Naumkin, op.cit., pp. 2-4.

close contact, this type of strategic relations was very important, because Russia was the only real technological and military supplier of Iran. Iran's nuclear cooperation, military cooperation and cooperation in the missile development technology with Russian federation were very significant issues for Iran's development after the cold war. Iran with her limited sources benefited from Russian technological realities. This high economic contact was also very important for Russia, because after the dissolution of Soviet empire, the Russian Federation seriously fell in economical crisis. Thus, Iran's critical demands in the realm technological development, from Russia, were very significant for Russian perspective.²²

These very special relations between Iran and Russia were criticized by Israel and the US. According to these countries, Russia was helping Iran with the development of the WMD. Russian foreign minister Yevgeny Primakov, on November 1, 1997, defended Russia's relations with Iran. He said the 'campaign against Russia' for its ties with Iran was motivated by 'political considerations'. He again denied Israeli and American charges that Russia was helping Iran to develop ballistic missiles.²³

Only five days after the critical announcements of Russian foreign minister Yevgeny Primakov, Iran has ratified the 1993 Chemical Weapons Convention. The convention bans development, production, stockpiling and use of chemical weapons.²⁴

²² The Iranian Journal of International Affairs, "Chronology", Vol. X, No. 1&2 (Spring/Summer 1998) p.166.

²³ Ibid., p.167.

²⁴ Tehran Times, November 7, 1997.

With the ratification of this convention, the Iranian Majlis gave a strategic response to criticisms of Israel and the US.

Iranian-Russian cooperation on gas and oil continued during the first months of the Muhammad Khatami's presidency. In November 1997, Iran's oil minister Bijan Namdar Zanganeh in Moscow inked a MOU between Russia and the Islamic Republic of Iran on Joint gas venture to be undertaken between Gasprom and the NIOC.²⁵ This cooperation was or in the development of the Southern Pars gas field, as well as in other projects whose value totals billions of dollars will make it possible for Russia and Iran to increase considerably the volume of their bilateral contacts.²⁶

Some ironical events were also experienced between Iran and Russia during the year of 1997. On November 18, the Iranian Foreign Ministry in Tehran disclaimed the rumored arrest in Moscow of an Iranian diplomat who, according to certain other news agency reports, faced the charge of an attempt for securing missile technology know-how.²⁷

Iran and Russia, because of their strategic relations, supported each other in the international arena and international problems during the Khatami period. For example, in February 1998, Iran's spokesman for Iran's permanent mission to the UN announced in New York that 'Iran is ready to offer its full support to Russia for sending humanitarian aid to Iraq within the framework of the United Nations' resolutions'.²⁸

²⁵ Tehran Times, November 18, 1997.

²⁶ Naumkin, *op.cit.*, p.7

²⁷ IRNA, November 18, 1997.

²⁸ IRNA, February 9, 1998.

As we know, nuclear cooperation between Iran and Russia gained speed in the 1990s. This raising cooperation on nuclear realm continued during the Khatami period. Iranian and Russian statesmen increased their close contacts for nuclear cooperation since May 1997 (the election of Khatami as a president). In March 1998, Russian deputy Prime Minister Veladimir Bulgak announced in Tehran that Russia has agreed in principle with Iran on the construction of two more reactors at the Bushehr nuclear power station.²⁹

From Iran's point of view, Iran found Moscow an important partner in the development of its nuclear energy program. From Russia's point of view, Russia's economic stakes in its nuclear cooperation program with Tehran, at roughly 800 million dollars for completing Bushehr, were significant. Important domestic constituencies in Russia supported the program. More generally, Moscow also saw its nuclear cooperation with Tehran as a demonstration of its continued technological progress and regional influence. Therefore, despite the extensive criticisms of International community under the leadership of the US, Russia did not cancel its cooperation with Tehran in the Bushehr project.³⁰ As a matter of fact, on May 16, 1998, Russian Atomic Energy Minister Yevgeny Adamov announced in Radio Moscow, 'there is no legal obstacle to the way of construction of Bushehr nuclear power plant.'³¹

²⁹ Ayelet Savyon, "Iran's Armament – A Central Element in Establishing Itself as a Regional Superpower," *The Middle East Media Research Institute* (26 March 2002), p.2.

³⁰ Joe Barnes, "Terror, Oil And Geopolitics: The Evolving U.S.-Russian-Iranian Triangle," *The James A. Baker III Institute for Public Policy Rice University* (September 2002), p.7

³¹ Radio Moscow, 16 May, 1998.

During the first period of President Muhammad Khatami, Iran and Russia also cooperated on Caspian Sea; their economic interests converged, most notably in the arena of oil exploration and transportation. Both opposed the efforts of the other littoral states (Azerbaijan, Kazakhstan, and Turkmenistan) to demarcate economic rights in the energy-rich Caspian; both opposed the so called “western route” for oil exports from the Caspian like the US-backed pipeline from Baku, Azerbaijan to the Turkish Mediterranean port of Ceyhan. They prefer northern and southern routes that went through their own countries.³²

Despite some cooperation between Iran and Russia on Caspian Sea, there were some problems. Russian and Iranian positions on pipelines – both gas and oil – were also at variance, and this has led to friction. Russia is not anxious to see outlets for Caspian energy resources run through Iran. Iran pushed ahead with its own natural gas pipeline to Armenia, which threatens the Russian monopoly. Russia and Iran were competitors as producers and shippers of gas to Turkey as well. TotalfinaElf was reportedly working with Kazakhstan on a study of a possible oil pipeline to Iran for that country’s oil. While the implications of this arrangement would be significant for the US and Turkish interests in the Baku-Tbilisi-Ceyhan pipeline, the Russians also would see this as a threat.³³ Iran also became anxious from Kazakh-Russian close contacts on Caspian Sea issue. On May 30, 1998, a statement released by Iranian Foreign Ministry in response to a statement by Kazakh Foreign Ministry on the Caspian Sea legal regime,

³² Joe Barnes, *op.cit.*, p.7.

³³ Richard D. Kauzlarich, “Time For Change? - U.S. Policy In The Transcaucasus,” A Century Foundation Report, *The Century Foundation*, www.centuryinstitute.org.

was published as a UN Security Council document. The Kazakh Foreign Ministry issued a statement on February 13, 1998 following the country's consultations with Russia. The statement referred to parts of the Caspian Sea as 'Kazakh Part' and 'Russian Part.' Iran's foreign Ministry statement stressed that using such expressions violates not only the current legal regime of the sea but also the agreement reached between the Caspian Sea littoral states on November 11, 1996 in Ashkhabad. In effect, commercial interests were working against the political alliance between these two regional powers, Russia and Iran, on the Transcaucasus.³⁴

Viktor Vishnyakov, chairman of the Russian State Duma's Subcommittee for Issues of International Law, in his article in the prestigious Russian foreign-policy journal, *International Affairs*, said that, Russia views Iran as a potential ally in many of the most important areas in Moscow's foreign policy. First of all, Vishnyakov says, Moscow sees Iran as a key player in the Central Asia and the Caucasus. It does not challenge Russia's role there, nor does it oppose any expansion of the Turkish influence in the region. Moreover, it generally shares Moscow's views on the status of the Caspian Sea and hence on possible pipeline routes to transport oil and gas from these regions to the West. Consequently, Iran helps Moscow to shore up its influence in Central Asia and the Caucasus by helping both to prevent the countries in those regions from gaining the wealth and independence that exports would give them and to block the introduction of Western influence into a region that Moscow continues to view as its proper sphere of

³⁴ Robert O. Freedman, "Russian Policy Toward the Middle East Under Putin: The Impact of 9/11 and The War in Iraq," *Alternatives: Turkish Journal of International Relations*, Vol.2, No.2 (Summer 2003) p.4.

influence until the end of 1998. Second, the Duma leader argues, Moscow views Iran as an aggrieved outsider state that will join with Russia in opposing the US power. Vishnyakov also says that such an alliance will allow Russia to revive its power on the international stage. Third, Russia values Iran both for cooperation in developing modern technologies and as a purchaser of Russian military equipment. The Iranian purchases of Russian military equipment and expertise in nuclear power can help Russia to reconstruct itself, providing Moscow with both the cash and cooperation it needs to overcome its current economic difficulties.³⁵

On the other hand, in 1998 Iran showed an interest in continuing and expanding military-technical ties with Russia. It announced plans to buy eight divisions of S-300PMU1 (SA-10) air defense missile systems, 1000 Igla (SA-18) portable anti-aircraft missile systems, 25 Mi-17-1V (Hip H) military transport helicopters, eight Su-25 (Frogfoot) jets, as well as S-300VM (SA-12) anti-aircraft missile systems, Gamma-De and Kasta-2E2 radars, and other military goods worth a total of about 2 billion dollars.³⁶ However, there are some limits to Russian-Iranian military-technical ties. First of all, American pressure on Russia to restrict or completely end military-technical ties with Iran; secondly, Iran's financial limitations can put an end to military-technical ties; thirdly, the possible negative reaction of the Arab monarchies in the Persian Gulf to Russian-Iranian military-technical ties and finally, the competition from other arms

³⁵ Paul Goble, "The Roots of Russian-Iranian rapprochement" *Asia Times*, www.atimes.com (March 27, 1999).

³⁶ Konstantin Makienko, op.cit., p.3

exporters on the Iranian market.³⁷ In July 1998, a successful Iranian test of its Shibab III intermediate range (1300km) missile strengthened American pressure on Russia. Many voices raised from American public opinion 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 Shibab III' and that nuclear-related goods from Russia would help Iran's nuclear weapons research and development.³⁸

During 1999, the second year of President Khatami, significant cooperation was continued between Russia and Iran in many different areas. In January, Russian Atomic Energy Minister Yevgeny Adamov said construction work on the first atomic reactor in Bushehr would start that year. It was mentioned above that Iran and Russia signed a contract on the construction of Bushehr nuclear reactor in the mid of 1990s.³⁹

After the announcement of Russian Atomic Energy Minister Yevgeny Adamov, the U.S. has imposed sanctions on Russian research institutes. National Security Adviser Sandy Berger announced at an arms proliferation conference in Washington on January 12 that the Clinton administration has decided to impose sanctions against three Russian scientific institutes which, they believe, are aiding Iran's missile and nuclear programs. The three institutes involved-the Scientific Research and Design Institute of Power Technology, the Mendeleev University of Chemical Technology and the Moscow

³⁷ Ibid., p.4-6.

³⁸ Cited in Bill Gertz, "CIA: Russia, China Key Arms Sellers," Washington Times, February 11, 1999.

³⁹ The Iranian Journal of International Affairs, "Chronology," Vol. XI, No. 1 (Spring 1999), p.115.

Aviation Institute-will be forbidden to import from or export to the US. Nor will the three be eligible for the US aid or procurement contracts.⁴⁰

On January 13, AP reported from Moscow on Russian reactions to this US step. Russian Ministry of Foreign Affairs said: 'any attempts to speak to us in the language of sanctions and pressure are absolutely unacceptable. The U.S. action can only complicate the Russian-American relations. Naturally, they will not go unanswered.'⁴¹

This *statement* was followed by Y. Primakov's harsh comment on the issue: 'Using force and exerting sanctions against our organizations is counterproductive for Russian-American relations, which we consider very important.'⁴² Russia, despite the extreme American pressure, did not give up from nuclear cooperation with Iran in the next months. On June 10, Russian deputy nuclear energy minister announced that his country is likely to sign new contract with Iran for the construction of nuclear power plants.⁴³

In 1999, Iranian-Russian cooperation on oil and gas exploration and development raised to the point of high level. On April 14, Russian Fuel and Energy Minister Sergei Generalov and his Iranian counterpart, Bijan Namdar Zanganeh, signed a MOU in Tehran on oil and gas exploration and development. The agreement covers the purchase of equipment and chemicals, cooperation in petrochemical joint ventures, and the

⁴⁰ Center for Russian Studies, "U.S. Imposes Sanctions on Russian Research Institutes, Russian Reactions," (12.01.1999), <http://www.nupi.no/cgi-win/Russland/krono.exe?3838>

⁴¹ Ibid.

⁴² Ibid.

⁴³ The Iranian Journal of International Affairs, "Chronology," Vol.XI, No.3 (Fall 1999), p.507.

construction of underground gas storage facilities. According to Generalov, the agreement is the first of its kind.⁴⁴

In the last year of 20th century, Iranian-Russian relations attained their highest level. Not only just Iranian and Russian state organs cooperated with each other, but Iranian and Russian cities also started to build contacts with each other. On May 3, Isfahan of Iran & St. Petersburg of Russia became sister cities under an agreement signed by officials of the two cities.⁴⁵ Another important development, between Iran and Russia, during 1999, was the growing drug problems in Afghanistan. Afghanistan, under the control of Taliban regime, became a center of the international drug traffics. To prevent this, both states signed an agreement to fight the narcotics trade in July 1999.⁴⁶ On the other hand, Russian deputy Prime Minister Nikolay Aksiyonenka, on July 28, announced the agreement of economic cooperation whose value was about 8 million dollars, between Iran and Russia. Aksiyonenka also met Ishak Cihangiri, Iranian minister of mine, and stressed their wishes to cooperate with Iran in many different areas.⁴⁷

The increasing development in Tehran-Moscow relations had been creating suspicions in the minds of some states. Israel, as an important enemy of Iran, was one of them. Israel was not pleased with the close Russian-Iranian partnership, especially in the development of missile and nuclear technology. During the meetings between Russian

⁴⁴ Center for Russian Studies, "*Russia, Iran Sign Oil, Gas Agreement*," (14.04.1999), <http://www.nupi.no/cgi-win/Russland/krono.exe?4121>

⁴⁵ The Iranian Journal of International Affairs, "*Chronology*", Vol.XI, No.3, p.502.

⁴⁶ Robert O. Freedman, op.cit., p.7

⁴⁷ Buket Ünalan, "*İran-Afganistan'da Son Üç Ay*" Avrasya Dosyası, p.407.

prime minister and Israeli prime minister, in August 1999, the Israeli side urged the Russians 'to end the cooperation with Iran'. Russian prime minister, at the end of the meeting, denied the Russian aid to Iran for the development of missile and nuclear weapons.⁴⁸

While Russia and Iran's interests coincided on the issues of nuclear cooperation, military 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 OIC in 1999 and purported to seek the welfare of Muslims everywhere. Thus, for example, Iran urged the US and the Britain to halt the bombing of Iraq before Ramadan began in late December 1998.⁴⁹

Despite the fact that they backed different sides during the Kosovo war, Iran and Russia maintained close 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 her to 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:

⁴⁸ Ibid.

⁴⁹ Cited in RFE/RL Iran Report, vol.2, no.41, October 18, 1999.

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 military operation by the Russian soldiers in the Northern Caucasus.⁵⁰

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.'⁵¹

The increasing Russian massacring in Chechnya in November 1999, increased the reactions in Iran against her closest post-Cold War allied, Russia. On November 6, a spokesman for the Iranian Foreign Ministry cautiously called for Moscow to resolve the Chechen conflict through negotiations. Speaking on behalf of the OIC, the spokesman also urged the two sides to avoid the violence that he said is primarily harming civilians and Chechnya's defenseless Muslim population.⁵²

Russia stepped up its criticism of Tehran in November, listing it, along with other states, as a country suspected of aiding the Chechens.⁵³ Indeed, Russia 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

⁵⁰ RFE/RL Iran Report, 1999.

⁵¹ Interfax, October 12, 1999.

⁵² Center for Russian Studies, "Rising Criticism of Russian Warfare in Chechnya," (09.11.1999) <http://www.nupi.no/cgi-win/Russland/krono.exe?4448>.

⁵³ Freedman, Russian-Iranian Relations In the 1990s, op.cit., p.10

will be viewed as rude interference in the internal affairs of the Russian Federation, with all the logical consequences.’⁵⁴ Nonetheless, as war intensified, Moscow allowed a visit of the 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.

When the fighting continued through Ramadan, Tehran’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.’⁵⁵ 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 humanitarian assistance it had delivered to Chechen refugees. He stated that Moscow would launch a political drive to resolve the Chechen crisis.⁵⁶ It is clear that Iranian-Russian relations have been damaged by the Chechen war, and the damage may grow worse if the war continues and Muslim casualties mount. Iran and Russia, however, were not breaking their ties in 2000s. Both states are even developing their relations in many areas, despite some obstacles. On January 11, 2000, top Iranian officials arrived in Moscow for an official four-day visit. Iranian Security Council Secretary Hassan Rohani met with his Russian counterpart, Sergei Ivanov, to talk on bilateral and international security issues. Ivanov commented after the meeting

⁵⁴ Cited in Reuters, “Moscow warns Islamic states,” August 15, 1999.

⁵⁵ Pravda, January 28, 2000.

⁵⁶ Ibid.

that Russian policies toward Iran would not change under acting President Putin's leadership. He also noted that Moscow and Tehran's positions on global issues are 'close or identical': 'neither state accepts the principle of a uni-polar world structure: they support, in principle, the non-proliferation regime of weapons of mass destruction and oppose a new arms race'. Also on the agenda of their talks were the legal status of the Caspian Sea and the conflict in Chechnya.⁵⁷

With the starting of new century, Russia, under the leadership of Vladimir Putin, increased its efforts to expand its influence in the Caspian basin. Iran was not pleased with these Russian efforts in the Caspian region. Therefore, Iranian Deputy Foreign Minister Sayed Sadek Kharrazi met with Russia's Deputy chairman of the Federation Council Vladimir Platonov on February 17 in Moscow. While discussing cooperation between Iran and Russia in the Caspian area, Kharrazi pointed out that some countries in the Caspian basin seek closer association with the West. Kharrazi's support for the countries' orientation toward the West implies that Iran would prefer Western influence on its northern border. His statement marks the first time in a long time that Iran has publicly stated its opposition to Russia asserting its control over the southern Caucasus. Iran is effectively telling Russia that it opposes Russia's reassertion of control over areas that Moscow considers to be in Russia's sphere of influence. Presumably, Iran's concerns extend to cover the Central Asian republics as well.

⁵⁷ Center for Russian Studies, "Top Iranian official in Moscow," (12.01.2000) <http://nupi.no/cgi-win/Russland/krono.exe?4603>

According to some scholars, Kharrazi's comments imply two possible motivations: either Iran prefers the West in the South Caucasus or it prefers Russia not to be there at all. Iranian reformist President Muhammad Khatami's desire to improve relations with the West explains Iran's desire for a Western presence in the region. However, a Russian presence does not hinder Iran from engaging the West, which highlights the second and more important reason for Iran's concern.

Iran does not want Russia to dominate the Southern Caucasus, because Russian influence on Iran's northern borders threatens its security. Granted, Moscow and Tehran currently have warm ties, however, Tehran would prefer the Central Asian and the Caucasian buffer zones to exist. Russia is significantly different from the one that existed under former President Boris Yeltsin. Russia's acting President Vladimir Putin has stirred up and capitalized upon Russian nationalism. The country has expanded its influence southward into the Caucasus. As a result, in the lights of Kharrazi's declarations, Iran so opposes Russian influence returning to the Caucasus that it actually prefers Western influence.⁵⁸

On the other hand, Iran and Russia continued their military cooperation during 2000 despite the problems in Caucasus between the two states. Colonel General Leonid Ivashov, who led the first high-level Russian military delegation to Tehran since 1991, said on 30 June that Russia and Iran plan to expand military cooperation. Meanwhile, a Russian Foreign Ministry officer said that work on a friendship treaty between the two

⁵⁸ Asia Times, "*Iran may challenge Russia's Caspian hegemony*," (18 February 2000) <http://www.atimes.com/c-asia/BB19Ag01.html>

countries was under way and that a summit might take place either that year or the next.⁵⁹

Increasing Iranian-Russian military cooperation during 2000 raised the US' fears about Russian aid to Iran for building ballistic missiles. In June 2000, Pentagon officials have expressed serious concerns that Russia was helping Iran in its development of longer range, ballistic missiles. Their reaction followed a successful test launch of the Shabab-3 missile by Iran. The Shabab-3 has a range of up to 900 miles, said Department of Defense spokesman Kenneth Bacon. 'We are very concerned about the help they (Iran) have been getting on a variety of programs, from Russia,' Bacon said. 'And we have voiced our concern to the government of Russia about this. And we will continue to voice our concern about efforts that aid the proliferation of missiles.' The missile 'puts Iran in a position to hit concentrations of our troops in the Middle East and also to strike other countries in the Middle East,' he added. 'It could also put Iran in a position to hit parts of Russia, depending on where the missile would be based,' Bacon warned.⁶⁰

Iran, after the explanations of Pentagon, said Shabab-3 missile test was only for defensive purposes. 'As it was announced before, the test was done to boost the country's defensive capability and as a deterring force,' said Iranian foreign minister Kamal Kharrazi. The Shabab-3 has been mainly modeled on North Korea's Nodong-1 and has been improved with Russian technology. The US also worries about intercontinental missile threat from Iran. Bacon said the US officials are not just worried

⁵⁹ Interfax, 30 June, 2000.

⁶⁰ Chris Plante, "Pentagon Fears Russia, China Helping Iran Build Ballistic Missile," CNN(Washington-July 19, 2000) <http://www.cnn.com/2000/US/07/19iran.missile.test/index.html>

about the Shabab-3. The Iranians are contemplating building longer-range missiles such as the Shabab-5 that could have an intercontinental range, he said. 'There is not any conceivable reason why Iran needs a missile of intercontinental range if it is worried about regional security issues,' Bacon said. He also stressed;

It already has, in the Shabab-3, a missile that should allow it to deter or intimidate, if that is its goal, its neighbors. So it is a little puzzling why they would want missiles of longer range, but apparently they are working on those.⁶¹

When Washington's criticisms continue on Russian-Iranian military cooperation, a new development emerged on 13 October 2000. White House officials revealed on 13 October that Moscow has missed a deadline for ending shipments of conventional weapons to Iran. However, according to Washington, Russia's weapon shipments to Iran are 'antiquated' and 'pose no threat to the U.S. and only to Saddam Hussein.' Under an unpublicized 1995 agreement negotiated by the US Vice President Al Gore and then-Prime Minister Viktor Chernomyrdin, Russia pledged not to enter into any new contracts with Iran to sell conventional weapons and to finish shipments of existing contracts by the end of 1999.⁶²

In October 2000, Iranian-Russian relations attained new points. Sergei Ivanov, Security Council Secretary of Moscow, visited Tehran for an official trip. Ivanov began the first day of his official trip to Tehran by giving Iranian President Mohammed Khatami a letter written by Putin and assuring him that Russia wants to deepen its

⁶¹ Plante, op.cit.

⁶² Reuters, 13 October, 2000.

cooperation with Iran. 'We regard the development of good neighborly relations with the Islamic Republic of Iran as one of our long-term foreign policy priorities,' he wrote. According to some Russian officials, during Ivanov's trip, Russian and Iranian officials would discuss 'bilateral and multilateral cooperation in providing security in Central Asia, which is endangered by international terrorism (emanating) from Afghan territory.' Ivanov recently linked the escalation of violence on the West Bank with the Taliban's increased activities in Afghanistan and Central Asia.⁶³

Security Council Secretary Sergei Ivanov has conducted a visit to Tehran devoted largely to preparations for Iranian President Muhammad Khatami's planned trip to Moscow. Ivanov said he had 'intensive' talks with almost the entire Iranian leadership, including Khatami, Vice President for Executive Affairs Muhammad Hashemi, and Ivanov's counterpart, Hassan Rohani. Besides the preparations of Khatami's visit to the Russian capital, Ivanov discussed security issues and the development of bilateral relations.⁶⁴

During the same month, after Sergei Ivanov's official trip to Tehran, Igor Sergeev met in Dushanbe on 26 October on the sidelines of the CIS Defense Ministers' meeting with Iranian Foreign Minister Kamal Kharrazi. Kharrazi told journalists after that meeting that Russia and Iran played 'the decisive role' in ending the civil war in Tajikistan and could promote a similar negotiated settlement to the civil war in Afghanistan. Sergeev also met in Dushanbe the same day with Afghan Tajik

⁶³ Center for Russian Studies, "*Secretary of the Security Council in Iran*" (16-10-2000) <http://www.nupi.no/cgi-win/russland/krono.exe?5214>

⁶⁴ Pravda, 16 October, 2000.

commander Ahmed Shah Massoud of the anti-Taliban Northern Alliance, the two discussed the course of the civil war. Sergeev's talks may have touched on the possibility of Russian military aid to Massoud, which would be channeled via Iran.⁶⁵

On the other hand, in November 2000, there emerged some developments on Russian-Iranian military relations. While Moscow plans to resume weapon sales to Iran, the Defense Ministry said that it would not supply any weapons or hardware capable of mass destruction.

'We fully abide by all international demands on nonproliferation of the weapons of mass destruction,' said Defense Minister Igor Sergeev. The Clinton administration was trying to get Russia to change its mind, warning that if it sold weapons to Iran, the US would impose sanctions. That threat received a frosty response from Foreign Minister Ivan Ivanov. 'You cannot speak to Russia in the language of ultimatums,' he said. 'The language of sanctions is not the kind of language you can use with Russia.' As we know, the US has repeatedly accused Russian scientific institutes of selling missile technology to Iran or helping Iran to develop weapons by teaching Iranian students, and imposed sanctions against several institutes. In Iran, news of Moscow's decision was applauded. It will 'help strengthen Russia's relations with independent countries, including Iran, and turn them into long-term and durable relationship,' state-run Tehran Radio said in a commentary.⁶⁶

⁶⁵ ITAR-TASS, 26 October, 2000.

⁶⁶ RFE/RL Iran Report, Vol.3, No.46, 4 December 2000 (<http://www.fas.org/news/iran/2000/iran-001204-russia.htm>)

Besides the important developments in Iranian-Russian military cooperation during 2000, the Iranian-Russian nuclear cooperation increased its point of level. In the November of 2000, Moscow has been awarded a contract-worth about a billion dollar – to build the second unit of the nuclear reactor in Bushehr. Two days earlier, however, Duma deputy Kurban-Ali Amirov, who had visited Iran, said the Iranians were unhappy that construction of the first unit has dragged on for ten years. His Iranian hosts pointed out that Western firms provided much more specific deadlines.⁶⁷

In addition to the military and nuclear cooperation between Iran and Russia, important talks to resolve Caspian legal status between Tehran and Moscow were hold during 2000. In December, Russian President Vladimir Putin’s representative for the Caspian Sea Viktor Kalyuzhny told visiting Iranian Deputy Foreign Minister Ali Ahani that Iran-Russia relations could contribute to Caspian Sea security. He stressed that Russia considers Iran to be leading side in negotiations for the legal regime of the Caspian Sea. ‘Russia remains committed to the 1921 and 1940-treaties with Iran which say the Caspian Sea is jointly shared by Iran and the republics of the former Soviet Union,’ he was quoted. He added that any decision on the legal status of the Caspian Sea would have to be upheld by all of the five littoral states of the Caspian Sea.⁶⁸

According to IRNA, Kalyuzhny and Ahani had amicable and constructive talks during their meeting. The talks between the two men focused on five-nation Caspian meeting of deputy foreign ministers from Azerbaijan, Iran, Kazakhstan, Russia and

⁶⁷ Ibid.

⁶⁸ IRNA, December 14, 2000.

Turkmenistan to be held in Tehran in 2001. Kalyuzhny also said that Tehran had supported Moscow's proposal to tie regulation of the Caspian Sea to shipping and preserving bio-resources. In the meantime, Ahani met with the head of the Russian parliamentary defense committee, Andrei Nikolayev, who said that Iran-Russia cooperation would pose no threat to other states. As we know, Iran would agree with an equitable sharing of the oil-rich Caspian that would put its share at 20 percent. President Muhammad Khatami said in June that Iran was ready to share the sea's resources 'equitably.' Iranian Foreign Minister Kamal Kharrazi and his Russian counterpart Igor Ivanov have on several occasions discussed the urgent need for settling the issue. It was mentioned earlier that the Caspian is estimated to contain the world's third largest reserves of oil and gas after the Persian Gulf and Siberia, which has prompted a bitter rivalry among the coastal nations since the collapse of the USSR.⁶⁹

Moreover, during the meeting of Nikolayev and Ahani in Moscow, Russia explained that it wanted to include Iran in a new alliance for security in an area from the Middle East to the Far East. The alliance would include other friends of Moscow such as China and India and develop a security regime that would extend from Europe through the Middle East until the Sea of Japan. As we know, Iran and Russia already cooperate in Central Asia and in Afghanistan. The goal for this type of alliance, officials said, would be to counter NATO's growing influence. The expanded alliance has been promoted in Russia's parliament, where members are pressing for increasing defense

⁶⁹ Ibid.

relations with Iran. State Duma Defense Committee chairman Andrei Nikolayev called for a meeting to be attended by Russia, China, India and Iran.⁷⁰

Furthermore, during the December of 2000, Iran's side made important declarations on Iranian-Russian cooperation after Russia's very positive efforts to develop cooperations between the two states. On December 26, Iran's defense minister said that Iran and Russia intended to expand cooperation in the military and security fields. 'The geographic position of the two countries in this sensitive region necessitates close cooperation,' Rear-Admiral Ali Shamkhani was quoted as saying. 'In accordance with Iran's foreign policy, development of military ties with Russia is high on the agenda.' Shamkhani's spoke before an official visit by Russian Defense Minister Igor Sergeyev.⁷¹

The increasing potential in the level of Iranian-Russian relations, especially during the last months of 2000, led to Iranian-Russian long-term military cooperation agreement. Iran and Russia declared on December 28, they had agreed on broad military cooperation and declared that a 1995 Russia - the US deal that prevented Moscow from selling conventional arms to Iran was effectively dead. 'It was agreed that a new phase of military and technical cooperation would begin between the two sides,' Russian Defense Minister Igor Sergeyev told journalists. Russian defense Minister Igor Sergeyev and his Iranian counterpart Ali Shamkhani said that the deal made in 1995 between Russia and the US, in which Russia had agreed not to sell conventional arms to

⁷⁰ Middle East Newslines, "Russia Wants to Include Iran In New Alliance," http://www.menewslines.com/stories/2000/december/headline12_17_10..html

⁷¹ Pravda, December 26, 2000.

Iran, was no longer a factor. 'The 1995 agreement has been buried by history. It has been proven today that independent countries will choose their partners without taking into account extraneous issues.'⁷²

Shamkhani also said Iran and Russia shared a common security viewpoint because of NATO expansion, the ongoing crisis in Afghanistan and increased Western influence in the Caucasus and the Central Asia. He said those issues had caused the two sides to 'develop and deepen long-term security and defense cooperation', including the training of Iranian military officers in the Russian federation. Shamkhani also made important declarations about Iran's missile capabilities. 'Our domestic potential and capabilities are strong compared to the technology of Eastern Europe,' he said. 'We do not need foreign assistance in developing missile technology.' Shamkhani said it was Iran's natural right to enter space and Iran was developing a non-military missile, the Shabab-4, to carry satellites into orbit.⁷³

In 2001, Iran and Russia constructed very strong basis for their strategic relationship in many areas. Iran and Russia as regional powers organized important meetings for the resolution of Caspian Sea problem. Thanks to their leading role in the Caucasus, other littoral states to Caspian Sea accepted Iran and Russia's leading role, and they organized around Iran and Russia. Both states sometimes found common points in their Caspian politics against other littorals, but sometimes they differentiated in some points in their Caspian Sea politics. On January 13, Iran and Russia unilaterally agreed

⁷² Reuters, December 29, 2000.

⁷³ Ibid.

on a Caspian meeting among littoral states of Caspian Sea. Russian Deputy Foreign Minister and special envoy for the Caspian Viktor Kalyuzhnyi met Iranian Deputy Foreign Minister Ali Ahani in Tehran. Kalyuzhnyi, for his part, characterized his talks with Ahani as 'difficult but constructive,' adding that there have been unspecified 'positive changes' in Iran's position on the sea.⁷⁴

When Iranian-Russian cooperation continue in the Caspian basin, Russian Atomic Power Minister Yevgenii Adamov said on 16 January that Russia has begun work on building a second reactor for Iran's nuclear power station at Bushehr. He also said that Russia's actions in no way threaten the anti-proliferation regime: 'There is not a single fact to indicate that by building nuclear power plants we could facilitate the development of the nuclear weapons sector abroad, much less in Iran.'⁷⁵

In March 2001, there emerged historical development in Iranian-Russian relations. On 12 March, Iranian President Muhammad Khatami arrived in Moscow for official three-day visit. This is the first attendance on this level in the history of the Russian-Iranian relations. Russian President Vladimir Putin held talks on March 13 with the Iranian leader Muhammad Khatami in the first visit to Moscow by an Iranian leader in 27 years. Khatami is the first Iranian head of state to visit Moscow since 1974 when then Iranian Shah Mohammed Reza Pahlavi visited at the USSR's invitation. The two met a number of issues that could boost Russian-Iranian relations after nearly three

⁷⁴ Center for Russian Studies, "*Russia and Iran agrees on Caspian meeting.*" (13-01-2001)
<http://www.nupi.no/cgi-win/Russland/krono.exe?5277>

⁷⁵ Center for Russian Studies, "*Russia builds second nuclear reactor in Iran.*" (16.01.2001)
<http://www.nupi.no/cgi-win/Russland/krono.exe?5287>

decades of warm contacts. Two presidents discussed many issues that included economic cooperation, military cooperation, and legal status of the Caspian Sea, international terrorism and strategic stability. Military cooperation was on the agenda, with Putin reiterating Moscow's willingness to sell Iran conventional arms. Vladimir Putin underlined that Iran was interested in buying only defensive weapons such as tanks, air defense systems and other battlefield military equipment. 'Those applications that the Iranian partners have filled with the Russian arms producers focus completely on defensive weapons,' said Putin, dismissing allegations that Iran was trying to buy banned technology and equipment to develop nuclear arms from Russia.⁷⁶

As the talks opened, Putin took the opportunity to present Khatami with a copy of the Russian translation of the Iranian leader's book, titled "Islam, Dialogue and Civil Society." After the talks, Putin and Khatami signed a broad cooperation agreement pledging to build bilateral relations and promote joint projects in such fields as trade, industry, transportation, agriculture, science and health care. Moscow and Tehran also agreed to respect each other's sovereignty and territorial integrity and vowed not to support or assist potential aggressors if they attacked any of the two countries. The agreement will remain valid over a 10-year period, with subsequent automatic five-year extensions with the parties' mutual consent.⁷⁷ Putin said that 'The Russian-Iranian cooperation has become a conspicuous factor in strengthening regional and global stability'. Khatami said that as a response to Putin 'Both our countries are located in a

⁷⁶ <http://www.newsmax.com> (March 13, 2001) "*Russia, Iran Renew Ties*"

⁷⁷ *Ibid.*

sensitive region that needs security, stability and development, our close ties correspond with our bilateral interests, as well as with the interests of the region as a whole.’⁷⁸

The two presidents also signed a joint statement on the Caspian Sea whose legal status, they said, should be solved by the five nations that border it. Iranian and Russian Presidents also discussed the presence of the non-Caspian states’ military on the sea coast and protested the building of oil pipelines on the Caspian seabed, saying it posed an ecological threat. The parties also agreed that a plan to regulate the legal status of the Caspian Sea could be adopted only if endorsed by all five Caspian nations. Observers note that such a stance is directed against the US, which has tried to broker a deal to transport oil from Kazakhstan under the Caspian Sea.⁷⁹

A new spring in the relations between Iran and Russia worried the US, which fears a Russian intrusion in the Middle East and a dangerous arms build-up in the region. Russian Security Council Secretary Sergei Ivanov insisted in Washington on 15 March that his talks with the US Secretary of State Colin Powell show that “we are definitely not enemies, despite American criticism of Russian arms and nuclear sales to Iran.” After the talks with the US National Security Adviser Condoleezza Rice, Ivanov said Moscow does not view its relations with Washington as pivotal, but rather as part of its overall foreign policy effort. In response, the US Secretary of State Colin Powell warned

⁷⁸ Center for Russian Studies, “*Putin meets Iranian President Khatami*” (12-03-2001)
<http://www.nupi.no/cgi-win/Russland/krono.exe?5468>

⁷⁹ Ibid.

that both Russia and Iran are jeopardizing their relations with the US by adding to the volatility of the Middle East.⁸⁰

Khatami's meaningful visit to Moscow after 27 years, and Russia's very positive attitude to President Khatami were important developments in Iranian-Russian relations in 2001. Many developments in the relations between Iran and Russia throughout 2001 were planned and organized during the Putin-Khatami meeting in March 2001. One of them is the military cooperation between Iran and Russia. Iran, which has already purchased 17 Mi-171SH helicopters and is scheduled to take delivery of 20 more before the end of 2001, may purchase still more of the Russian craft in 2002. Mikhail Dmitriev, the chairman of Russia's foreign arms trade agency, told Interfax on 24 August that Russia will soon be ready to sign a framework weapons trade accord with Iran. He said that 'Iran is a traditional partner of Russia in all spheres, including in military technology' and noted that Iran had a large amount of aging weaponry that needed updating. As we know, Iran bought many military systems from Russia since the early years of 1990s.⁸¹

Iran and Russia also cooperated in the realm of transportation. Russian and Iranian transportation officials met in Moscow on 18 September 2001 to continue their discussions about the development of the North-South transportation and trade corridor being pushed by President Putin. The two sides agreed to develop both land and sea transport in this corridor. North Ossetian President Aleksandr Dzasokhov has also been

⁸⁰ Center for Russian Studies, "*Russia's good relationship with Iran troubles Washington*" (15-03-2001) <http://www.nupi.no/cgi-win/Russland/krono.exe?5481>

⁸¹ Interfax, 24 August 2001.

lobbying for that project, because this transportation and trade corridor passes in his country's lands.⁸²

3.2.2 After September 11

As we know, Khatami and Putin had discussed the cooperation in fighting against terrorism during their March 2001 meeting. These cooperation efforts continued throughout 2001. Especially, after the September 11 terrorist attacks against the US, the issue of international terrorism started to take an important part on the agenda between Iran and Russia. Russian President Vladimir Putin vowed joint efforts with Iran in fighting against terrorism during his September 25 telephone conversation with Iranian President Muhammad Khatami. Putin and Khatami 'stressed their readiness to continue close cooperation in the fight against international terrorism,' particularly in connection with the latest developments in Afghanistan, where Russia and Iran have repeatedly shown their effective cooperation in protecting regional peace and stability, presidential spokesman Alexei Gromov said. Iranian President Muhammad Khatami also re-clarified Iran's condemnation and rejection of all types of terrorism, said Gromov. Moreover, Gromov said the presidents also discussed Russian-Iranian relations.⁸³

September 11 terrorist attacks created two good results from Iran's perspective. First is the American intervention to Afghanistan and the fall down of the Taliban

⁸² Interfax, 18 September, 2001.

⁸³ People's Daily Online, "Russian, Iranian Presidents Discuss Anti-terrorist Fight," <http://english.peopledaily.com.cn/>

regime. Iran has already struggled against Taliban regime since the establishment of Taliban's control in Afghanistan. Iran and Russia even cooperated against the Taliban in Afghanistan. They supported militarily and economically the anti-Taliban groups, such as Northern Alliance, because the Taliban regime controlled the drug traffics and supported Islamic radicalism in the Central Asia. These activities and others were creating unstable environment in Central Asia. Iran and of course Russia, for these reasons, had been fought against the Taliban regime. The American intervention against the Taliban regime and the fall down of Taliban in Afghanistan were positive developments from Iranian side. The US destroyed the Iran's enemy. However, the American intervention in Afghanistan after September 11 attacks emerged a bad result from the Iranian perspective. This is the Americans' settlement in Afghanistan and the Central Asia. The Islamic Republic of Iran, of course, did not like this type of development.

Second positive result, of September 11 terrorist attacks from Iran's perspective, is the American war with Iraq. As we know, Iraq with Saddam Hussein was a very important threat to Iran's territorial integrity in the Middle East. For this reason, the American victory in Iraq and the fall of Saddam regime were positive developments from Iranian side. The US, the Great Satan, for the second time, destroyed an important enemy of Iran. However, the American victory in Iraq and the fall of Bass regime brought a negative result for the Iranian side. This is the American expansion in Middle East and Persian Gulf. The US became the neighbor of Iran with her entrance in Iraq. For this reason, Iran worries about American actions in Middle East and Central Asia.

Iran's fears of the US and Israel resulted in the military cooperation with Russia. Iranian Defense Minister Ali Shamkhani arrived in Moscow on October 1, 2001 for talks on military cooperation with his Russian counterpart Sergei Ivanov and also to discuss the purchase of additional Russian weapon systems. Pravda reported the same day that total Russian arms sales to Iran could reach up to 2 billion dollar. It added that Russia's willingness to sell Tehran its Yakhont naval surface-to-air missile has irritated Washington and Jerusalem, especially because Shamkhani said before his departure from Tehran that Iran is ready to use force to prevent the US from overflying Iran during any planned actions against the Taliban in Afghanistan. The Iranian defense minister on 2 October met with Sergei Ivanov in Moscow, and the two signed a new military-technical cooperation agreement. They agreed that both countries have long experience in fighting with terrorism, and suggested that they would expand cooperation between their respective country's security agencies. Shamkhani thanked Russia for canceling the Chernomyrdin-Gore memorandum that restricted Russian sales of advanced arms to Tehran. Shamkhani noted that the agreement was not directed against third countries and would 'promote the strengthening of peace, strategic stability in the region, as well as cooperation in other areas.' According to Ivanov, this agreement 'is not secret, complies with all stipulations of international law, all standards and is practically identical with the agreements that Russia has with other countries.' The Russian minister added that the deal was agreed in principle in March during Iranian President Muhammad Khatami's visit to Moscow.

Moreover, Tehran seeks to buy air-defense systems, Su-30 fighters, K-50 and K-52 helicopters, and T-90 tanks. During Shamkhani's visit, Moscow also agreed to help Tehran to fortify its eastern border with Afghanistan. Russian defense contractors on 4 October finalized contracts with the visiting Iranian defense minister for Tehran to purchase Russian Iskander and Yakhont missile systems. These missiles have advanced avionics packages that allow them to exchange information with each other during any flight. With these weapons in its arsenal, Tehran will have effective control over the oil transportation routes of the Persian Gulf.⁸⁴

On the other hand, the American attack on Afghanistan and its international developments were continuously discussed between Iranian-Russian officials. Iranian Foreign Ministry reported on 24 October that Iranian foreign minister Dr. Kamal Kharrazi in a phone contact with his Russian counterpart Igor Ivanov discussed the latest international developments as well as the situation in Afghanistan and stressed the importance of establishing a peace in Afghanistan that could help bring security and stability to the region. Dr. Kharrazi underlined coordinated efforts to form the future government of Afghanistan, comprising all Afghan factions and ethnic groups, based on the Afghan people's will under the UN supervision.⁸⁵

After Iranian-Russian military deal in October 2001, Russian State Property Minister Farit Gazizullin, who arrived in Tehran on 26 November at the head of a large Russian trade and economic delegation, stated that Russia is looking forward to rapidly

⁸⁴ <http://www.newsmax.com> "*Russia, Iran Sign Military Deal*" (October 2, 2001)

⁸⁵ Iranian Foreign Ministry. <http://www.mfa.gov.ir/mfa/English/documents/doc1570.htm>

expanding joint economic and energy projects with Iran and arm sales (Rosoboroneksport has signed a contract to supply 30 MI-8 military transport helicopters to Iran on November 1, the total value of the deal was estimated at 150 million dollar.) and to promote Russian investment in Iranian industries. Meanwhile, Deputy Foreign Affairs Minister Aleksandr Losyukov said in Moscow that following consultations with his Iranian counterpart Mohsen Aminzadeh, both countries have 'consolidated their positions' on the creation in Afghanistan of a broad-based multiethnic government and will cooperate with the world community in fighting terrorism and drug trafficking. Losyukov also said that Aminzadeh discussed the global efforts in the anti-terror campaign with Russian First Deputy Foreign Minister Vyacheslav Trubnikov.⁸⁶

Dense international developments during the last months of 2001 did not prevent Iranian-Russian Caspian Sea meetings. Russian deputy foreign minister and special envoy on Caspian Sea affairs Viktor Kalyuzhny held talks with foreign minister Dr. Kamal Kharrazi in Tehran on 23 December on issues relating to the Caspian Sea. Dr. Kharrazi referred to the Caspian Sea as an area for regional solidarity and said that all the littoral states should take part in decision making on matters related to the Caspian Sea. He said that Iran would take part in the sixth meeting of the five Caspian Sea littoral states adding that the Islamic Republic of Iran regards joint exploitation of the Caspian Sea resources as the best provision to be included in the legal regime of the

⁸⁶ Pravda, 26 November, 2001.

Caspian Sea. 'We should consider the interests of all littoral states to serve the long-term goals of the Caspian region,' Dr. Kharrazi said.⁸⁷

Moscow and Tehran continued cooperation in many important areas in 2002, which included nuclear realm, missile and other military technology, transportation and Caspian Sea. The US increased its criticisms on Iranian-Russian nuclear and missile technology cooperation. On the other hand, the US put Iran in the statue of axis of evil after September 11 terrorist attacks. Russia deepened its relations with the US after September 11 terrorist attacks and it became the US' ally in the war against terrorism. However, Putin continued pragmatist and rational Russian foreign policy that ensured the continuation of strategic relations between Iran and Russia.

The first significant development, of 2002 in the relations between Iran and Russia, was the postponed Moscow visit of Iranian Foreign Minister Kamal Kharrazi because of the US' definition of Iran as one of the "axis of evil" states. Iranian Foreign Minister Kamal Kharrazi was to arrive in Moscow on 18 February for talks with his Russian counterpart Igor Ivanov that were to focus on nuclear energy and military-technical cooperation and problems of the Caspian, but his visit was unexpectedly postponed, Russian news agencies reported on 19 February. By receiving Kharrazi in Moscow, Russia would demonstratively ignore the US definition of Iran as one of the "axis of evil" states, as well as the warning issued by CIA Director George Tenet during his 7 February testimony to the US Congress concerning Russia's transfers of nuclear technology to Iran. Meanwhile, the Russian Atomic Energy Ministry announced that it

⁸⁷ Iranian Foreign Ministry. <http://www.mfa.gov.ir/mfa/English/documents/doc1552.htm>

has prepared technical documentation for construction of a second nuclear reactor in Iran in addition to that in Bushehr Interfax reported on 15 February. The new reactor, the location of which has not yet been decided, will cost 800 million dollar. The ministry is also ready to train Iranian nuclear specialists. Foreign Ministry spokesman Aleksandr Yakovenko announced that Kharrazi's mission was cancelled due to 'the need to work out certain questions of bilateral cooperation.' Many observers commented the same day that the visit was likely postponed by Kremlin because it did not want to irritate the US by highlighting Russia's good relations with Iran.⁸⁸

Brenda Shaffer, research director at the Caspian studies program at Harvard University, explained the reasons for the US-Russia rapprochement after the September 11 terrorist attacks. Shaffer said 'The U.S. needs Russia to help contain Iran,' and 'Russia needs the U.S. to help repair Russian economy'. According to Brenda Shaffer, one of the ways for the US to prevent Tehran from developing these weapons is for Washington to address one of the sources of Iran's proliferation advances: Russia. Shaffer reported that Washington is beginning to forge a new strategic framework for its relations with Moscow. This new deal should require that Russia curtail its cooperation with Iran in areas that could enhance Tehran's ability to acquire weapons of mass destruction. For the US to succeed on this front, it must understand the importance that Russia attaches to its relations with Iran and offer significant trade-offs that will help Moscow. However, it is now time for a new and mutually beneficial strategic deal

⁸⁸ Interfax, 18-19 February, 2002.

between Russia and the US. An important component would be the issue of proliferation in Iran.⁸⁹

Moreover, according to Shaffer, during the last years, Russia has shown signs that it recognizes that it has some common interests with the US on energy and security issues. For instance, Russia supports America in its war against terrorism and it showed signs of lifting its active opposition to the building of the Baku-Ceyhan pipeline for transport of Caspian oil. Russia, however, has not been willing to compromise its cooperation with Iran. Moscow views its neighbor as an important partner in maintaining stability in the Caucasus and the Central Asia, and Tehran plays the leading role in minimizing Muslim backlash against Moscow for its military operations in Chechnya. Iran and Moscow also see each other as important "poles" in maintaining a multi-polar international system and preventing the US hegemony. Thus, Moscow will be reluctant to endanger its relations with Iran, especially if it appears that Russia is reacting to the US pressure. Brenda Shaffer lastly explained a new deal between the US and Russia that the US should focus on preventing the transfer of a limited number of sensitive items that could contribute most seriously to the advancement of Iran's nuclear weapons programs. The US should not oppose all military cooperation between Russia and Iran, such as pacts on conventional weapons.⁹⁰

When the nuclear technology and armament crisis continue among the US, Russia and Iran, there was another problem that was also very important. The Caspian Sea

⁸⁹ http://bcsia.ksg.harvard.edu/publication.cfm?ctype=article&item_id=310

⁹⁰ Ibid.

dispute continued to place Russia, Iran, and the US against each other in 2002. In the last days of February 2002, the littoral states of Caspian Sea and the US regulated conference on the resolution of Caspian dispute. These forces met face to face at a conference in Moscow, poring over maps, trading barbs, and - according to the optimists- inching closer to an agreement over how to divide the sea, which holds coveted riches in oil, gas, and fish. Russia, insisted the conference had produced progress. 'We have reason for hope,' Russia's envoy to the region, Deputy Foreign Minister Viktor Kalyuzhny, said in closing the conference. Russia, Iran, and the US are vying for a pivotal role in bringing the Caspian's resources to market. But the efforts have snagged amid conflict over who owns what part of the sea. Some analysts say Moscow is championing a deal because it feels threatened by the US military presence in the former Soviet Central Asia and wants to flex its muscles elsewhere. Others maintain Russia wants more sway over the Caspian at the US expense as political payback for its support for the US-led antiterrorist campaign.⁹¹

The US has been eyeing the Caspian as a key source of oil outside the Persian Gulf. Several US envoys have visited the region, which Moscow considers its zone of influence, since the Sept. 11 terror attacks. Washington is also increasingly eager to limit the energy influence of Iran, which the US officials say sponsors terrorists. The US envoy for Caspian energy issues, Steven Mann, insisted at the conference that the US wasn't at odds with Russia over the sea. Russia's response came from Kalyuzhny: 'If

⁹¹ Angela Charlton, "*Caspian Sea dispute pits Russia, Iran, U.S. against each other*" Associated Press, February 28, 2002.

the Americans have interests in the Caspian problem, God bless them.' He added 'this is a question for the five Caspian states to decide.'⁹²

Prospects for a legal agreement on the Caspian remain uncertain, though Kalyuzhny expressed hope that something could be worked out before a summit expected 2001's fall in Turkmenistan's capital Ashgabat. But that summit hinges on Turkmenistan, which has thwarted talks before and which abruptly refused to take part in the Moscow conference, leaving its unaccompanied flag looming awkwardly over the podium. Turkmenistan has wavered on how to split up the Caspian. Russia, Kazakhstan, and Azerbaijan want to divide the seabed into national sectors, leaving Iran with the smallest zone and leaving the water for common use. Iran wants to divide the sea equally. The firmest result of the conference was a Russian offer to set up an international environmental monitoring body for the sea, which has suffered from industrial pollution, oil spills, and rampant poaching of its caviar-bearing sturgeon.⁹³

On the other hand, the postponed February meeting between Iranian Foreign Minister and Russian President was carried out in April 2002. In his meeting with Russian President Vladimir Putin, Iranian Foreign Minister Dr. Kamal Kharrazi conveyed President Khatami's warmest greetings to him. Tehran attaches great importance to ties with Moscow on the basis of mutual interests and promoting peace and security in the region, Dr. Kharrazi added.

⁹² Ibid.

⁹³ Ibid.

'Joint cooperation between Iran and Russia, having proved effective on Tajikistan and Afghanistan, could guarantee peace and security in the entire region.' While in Moscow, Dr. Kharrazi also held talks with Russian Foreign Minister Igor Ivanov. In the meeting, Dr. Kharrazi stressed the Islamic Republic's interest in expanding trade and economic cooperation with Russia. He expressed hope that in addition to issues related to bilateral ties and cooperation, the two sides would discuss regional and international topics. Dr. Kharrazi also exchanged views with the heads of Russia's federation council and state Duma on bilateral and international cooperation.⁹⁴

After exchanging Iran-Russia cooperation documents in Moscow, Iranian foreign minister Dr. Kamal Kharrazi and his Russian counterpart Igor Ivanov attended a joint press conference. Condemning American double standard policy and the racist Israeli regime, Dr. Kharrazi said, 'All the countries have condemned the Zionist regime's state terrorism against the Palestinians and only America supports it'. He also said, 'Bilateral cooperation between Iran and Russia in nuclear and military fields is in the framework of international law'. Dr. Kharrazi assessed the results of his talks with senior Russian officials including the president as 'highly positive'. He reiterated that the two countries would take effective steps to expand their trade and economic cooperation in the future.⁹⁵ Commenting on the issues related to the Caspian Sea, he said that Iran and Russia regard the Caspian Sea as the sea of peace and friendship and believe that all Caspian littoral states should take advantage of its resources.⁹⁶

⁹⁴ Iranian Foreign Ministry. <http://www.mfa.gov.ir/mfa/English/documents/doc902.htm>

⁹⁵ Iranian Foreign Ministry. <http://www.mfa.gov.ir/mfa/English/documents/doc895.htm>

⁹⁶ Ibid.

Moreover, upon his return from Moscow, Iranian Foreign Minister Dr. Kamal Kharrazi said that Iran and Russia, as neighboring states, share regional and international interests. In Mehrabad international airport, Dr. Kharrazi told reporters International developments and regional security were among the major items discussed by the Iranian and Russian officials during his visit to Moscow. On the Palestinian crisis and Moscow's stance on the issue, Dr. Kharrazi said Russia supports the Palestinian people in their struggle, adding, because of being partial, America can not make decision on Palestine by itself, and thus Russia is doing what it can along with the EU and the UN, to solve the problem in recognition of their legitimate rights. Furthermore, commenting on the countries of axis of evil, as called by the US, Dr. Kharrazi said, 'Russian president and foreign minister have rejected the US unprincipled stand and Russian media too have dismissed it as illogical.'⁹⁷

In May 2002, Iran and Russia fell in dispute on Russia-Kazakhstan bilateral Caspian agreement. Russian President Vladimir Putin and his Kazakh counterpart Nursultan Nazarbayev were reported to have signed an agreement on May 14, in Kremlin to share oil and gas fields in the northern part of the Caspian Sea. According to this agreement, Russia and Kazakhstan would share the northern section of the Caspian Sea bed. This development created an important chaos in the relations of Iran and Russia. Tehran, as a response, on May 15, opposed the agreement between Russia and Kazakhstan, saying bilateral divisions will not help with the establishment of the inland sea's legal regime and will further complicate it. 'The conclusion of agreements of this

⁹⁷ Iranain Foreign Ministry. <http://www.mfa.gov.ir/mfa/English/documents/doc901.htm>

kind will delay the pace of five-side negotiations among the littoral states in order to reach a collective agreement on the legal regime of the Caspian Sea,' Foreign Ministry spokesman Hamidreza Asefi said. 'The Islamic Republic of Iran has always announced that reaching a permanent solution on issues relating to the Caspian Sea requires the consensus of all coastal countries,' he added. Iran, the official added, believes the agreements of 1921 and 1940 between Moscow and Tehran are still valid until a new legal regime of the Caspian Sea will be drawn up.⁹⁸

Moreover, Secretary of the Iranian Supreme National Security Council Hassan Rowhani criticized the bilateral agreement of Russia and Kazakhstan on Caspian Sea, however he pointed out the importance of Iranian-Russian cooperation in some areas. Rowhani, after the Russian-Kazakh agreement, stressed that any foreign interference or presence in the Caspian Sea would jeopardize stability of the Caspian States. In a meeting with Russian Ambassador to Tehran Alexander Maryasov, Rowhani said the Caspian states need to make decisions based on the common understanding to exploit the sea resources. He dismissed any bilateral or trilateral agreement on using the resources of the Caspian Sea as lacking legal validity. He also called for cooperation between Iran and Russia on regional issues and reconstruction of Afghanistan. Rowhani underscored significance of anti-narcotics campaign for the two countries and emphasized urgency of putting into practice plans to uproot poppy cultivation and replace it with other crops in Afghanistan.⁹⁹

⁹⁸ <http://www.payvand.com/news/02/may/1068.html>

⁹⁹ Ibid.

On the other hand, Maryasov, for his part, said that Russia is committed to honor its accords with Iran on transfer of nuclear technology for civilian application although the US had mounted pressure on Russia in this respect. He expressed hope that Iran and Russia would continue cooperation in rebuilding the war-shattered Afghanistan. Maryasov also said that Russia has reservations about the US unilateral actions in the international campaign terrorism and is also opposing any US military attack against Iraq. Rowhani stressed that Iran too is opposing any US attack against Iraq.¹⁰⁰

Iran and Russia, despite the dispute on Caspian Sea, signed an important agreement on transportation. On May 21, Iran and Russia signed an agreement on North-South transport corridor in Saint Petersburg. Iranian Minister of Roads and Transport Ahmad Khorram and his Russian and Indian counterparts signed the accord. Russian Transportation Minister said the transport corridor can be compared with the Suez Canal and will lead to major developments in transportation and international relations. Also the Russian Ambassador in Tehran Alexander Maryasov said Iran plays an important role in transport and transit of goods from Asia to Europe. He added that Iran has also the potential to be major route in the transit of goods from Persian Gulf nations to the Central Asia, the Caucasus and Russia.¹⁰¹

Despite the extreme US criticisms on Russia, the increasing volume of Iranian-Russian relations created discussions in the US especially after the September 11 terrorist attacks.

¹⁰⁰ Ibid.

¹⁰¹ <http://payvand.com/news/02/may/1101.html>

As we know, Russia, after the September 11 terrorist attacks, declared Moscow's joining to war in the side of the US on international terrorism. Many observers explained this, as "Russia became an American ally." However, in the middle of 2002, many people in the US asked this question to each other "Has Russia really become our new ally?" or "Has Russia become Iran's supplier?" The CIA official Robert Walpole said that the Iranian missile program might as well be stamped with 'From Russia, with love.' A week after Walpole's declaration, the CIA director George Tenet told congress that Russia was the 'first choice' of rogue states 'seeking the most advanced technology and training'. According to Tenet, 'Russia continues to supply significant assistance on nearly all aspects of Tehran's nuclear program. It is also providing Iran assistance on long-range ballistic-missile programs'. As a result, Putin's pragmatist and realist foreign policy includes the continuation of strategic relations with Iran and the establishing of good relations with the US. Russia is the most important supplier of Iran and also an American ally in the war against international terrorism.¹⁰²

When these discussions continue in the US, Iranian Foreign Minister Dr. Kamal Kharrazi on May 26 welcomed Russian president Vladimir Putin's position in defending nuclear cooperation between Tehran and Moscow during the meeting between the US president George W. Bush and Russian president Vladimir Putin. 'President Putin's recent stance on Iran is compatible with the national interests of that country during the Bush's visit to Moscow,' Dr. Kharrazi said. Kharrazi also added nuclear cooperation between the two countries is 'legitimate and transparent'. He said that

¹⁰² National Review Online. <http://www.nationalreview.com>

'Cooperation between Iran and Russia in the field of nuclear technology is clear and it is a natural right of the Russian president to defend this cooperation'. Dr. Kharrazi told reporters that 'Nuclear cooperation between Iran and Russia are transparent and under the supervision of the IAEA and there is nothing to conceal to be used as a pretext by others'. Dr. Kharrazi also rejected the US accusations against Iran as 'baseless', saying they were intended to exert pressure on the Islamic Republic of Iran invoked by the racist Israeli regime's provocations.¹⁰³

In July 2002, it was rumored that Russia was going to wrap up its program of cooperation with Iran, right before the G-8 summit in Kananaskis. A lot of things were said about the fact that Russia was going to stop its participation in the project due to insuperable contradictions between Moscow and Tehran. They forgot about this issue soon after. However, the Saudi newspaper Al-Watan reported with reference to American sources that Russia agreed to the US' offer to stop cooperating with Iran in the field of the construction of the nuclear reactor in Buser. This decision was taken during the G-8 summit, which took place in Canada. Russia will receive 20 billion dollar for showing its "good sense" to the US; the money will be paid within the next ten years. Saudi journalists might misinterpret the messages from those sources. Russia was supposed to get the 20 billion dollar indeed, but it would not be only the US to allot the money, but also other G-8 countries. The money will be used to dismantle old nuclear subs, weapons of mass destruction, biological, and chemical weapon. As far as cooperation with Iran is concerned, the Russian minister for Nuclear Power, Alexander

¹⁰³ Iranian Foreign Ministry. <http://www.mfa.gov.ir/mfa/English/documents/doc912.htm>

Rumyantsev, declared that the Russian leadership made the decision to complete the works in Buser despite the criticism from the Americans.¹⁰⁴

Moreover, Russia's First Deputy Foreign Minister Vyacheslav Trubnikov said on July 21 that his country is ready to receive and accept new proposals to build new nuclear power plants in Iran. Trubnikov told reporters after talks with Deputy Iranian Foreign Minister Mohsen Aminzadeh that Russia was always ready to continue peaceful cooperation with Iran. He stressed that cooperation between Iran and Russia in the construction of Bushehr Atomic Power Plant did not violate international accords and is not against the interests of other countries.

When asked on Moscow's agreement with the US for monitoring Tehran-Moscow nuclear cooperation, the Russian official said any supervision on atomic cooperation between Iran and Russia would be possible within the framework of the international regulations.¹⁰⁵

The rising level of Russian-Iranian nuclear ties and declarations of Russian officials about Moscow's pleasure with nuclear cooperation with Tehran angered the US. On August 1, the US called Russia to cease its nuclear cooperation with Iran. After meeting with Russian officials in Moscow on August 1, the US Energy Secretary Spencer Abraham said that Washington was deeply concerned that Russia was helping to build nuclear reactors in Iran. He said:

Iran is aggressively pursuing nuclear weapons as well as other weapons of mass destruction and long-range missiles. For that reason we have consistently urged Russia to cease

¹⁰⁴ Pravda, July 09, 2002.

¹⁰⁵ Tehran Times, July 21, 2002.

all nuclear co-operation with Iran, including its assistance to the reactor in Bushehr.¹⁰⁶

Abraham warned that the technology and know-how Russia is providing to Iran could be used for destructive purposes. Abraham also told reporters that ‘clearly the extension of Russian nuclear cooperation with Iran remains an issue of utmost concern to us.’¹⁰⁷

Iran’s response to Spencer Abraham’s words came from Dr. Asefi, Iranian Foreign Ministry Spokesman, in the weekly press conference on September 2. He said that the Islamic Republic of Iran has given priority to develop relations with the neighboring states and Russia is the largest of Iranian neighbors in the Caspian Sea. Thus, Iran attaches importance to relations with its great northern neighbor. Dr. Asefi stressed that economic and industrial cooperation between Iran and Russia has gained momentum following President Muhammad Khatami’s visit to Moscow last June. Answering a question on Bushehr power plant Dr. Asefi said ‘Construction of a nuclear power plant in Bushehr, southern Iran, goes on strictly as scheduled and the facility will be commissioned on time’. He said that construction of Bushehr power plant is underway as both Iran and Russia stand by their commitments in this respect. He told reporters that assembly works are now underway in the reactor building of the Bushehr plant. The reactor has been delivered from Saint Petersburg by sea under an agreement between the Russian company Atomstroikoexport and the Iranian organization for Atomic Energy.¹⁰⁸

¹⁰⁶ CNN, August 1, 2002.

¹⁰⁷ CNN, August 1, 2002.

¹⁰⁸ Iranian Foreign Ministry. <http://www.mfa.gov.ir/mfa/English/documents/doc1120.htm>

Iran and Russia, apart from nuclear cooperation, also started cooperation efforts on natural gas in 2002. On September 19, Genadi Zodanov, leader of the Russian Communist Party and member of its parliamentary faction, described Iran as Russia's strategic ally and stated that Russia's parliament, the Duma, would oppose any effort to end Russia's nuclear cooperation with Iran. In tune with his vision for a strategic alliance, Zodanov called on Russia and Iran to create a natural gas version of the OPEC, with the cooperation of the Persian Gulf gas producers to control international gas prices. The proposal reflected a growing interest among Russian political and business leaders in further ties with Iran for strategic reasons as American political and military pressure on Russia is increasing.¹⁰⁹

Zodanov's statements were not surprising. Since the USSR's fall in 1991, various political, economic and security needs and realities have compelled Russia to forge a friendship with its large neighbor Iran, which has its own compelling reasons for amicable ties with Russia. Energy cooperation has been one of the major areas of Russian-Iranian relations.

A well-known example was Russia's joining France and Malaysia in 1997 to develop Iran's South Pars offshore natural gas field in the Persian Gulf, despite the Americans' threat of imposing economic sanctions on the three countries for violating the D'Amato Act. This American congressional act aims to prevent the development of the Iranian and Libyan energy industries by banning American firms from investments in and

¹⁰⁹ Hooman Peimani, "Russia, Iran: Stepping on the gas," Asia Times. http://www.atimes.com/atimes/Central_Asia/DI27Ag01.html

punishing non-American companies investing more than 20 million dollar in those countries.¹¹⁰

As Russia and Iran respectively own the world's first and second largest natural gas reserves, it simply makes sense for them to form an organization of gas exporting countries with the Persian Gulf countries possessing significant gas reserves. Qatar, especially, with the world's third largest gas reserves, is a natural membership candidate. Those three countries – Russia, Iran and Qatar – possess about half the proven global natural gas reserves. By coordinating their strategies within a gas-exporting organization, they could surely have a major impact on international gas markets. Among other things, they could easily impose rules and regulations on gas production, export and prices to end or, at least, minimize the current fierce rivalry among a growing number of gas exporters. Zordanov's hope for a Russian-Iranian-led natural gas equivalent of OPEC may well come true in the near future, for its tempting merits. Apart from its economic benefits, such an organization will certainly increase the regional and international status of the two dissatisfied regional powers as many parameters, including low cost and environmental considerations, are contributing to a growing global demand for natural gas.¹¹¹

When two countries' officials make gas cooperation plans between Tehran and Moscow, Russia on September 21, admitted problems with Iran deal.

¹¹⁰ *Ibid.*

¹¹¹ *Ibid.*

Russia has admitted for the first time that Iran has stalled the return of nuclear waste for Russian processing – after Moscow informed the US that all was in order. An official at Russia’s atomic energy ministry told a Russian news agency that Iran had not yet signed an agreement outlining the transfer of nuclear fuel waste from the Bushehr nuclear power plant. The unidentified official told the Interfax news agency that Moscow had asked Tehran to promptly sign the agreement on spent, low-grade radioactive material and had presented Iranians with a document as part of a clause of the Bushehr construction contract. The ministry official said Russia ‘will not supply nuclear fuel to the Bushehr nuclear power plant until an agreement on its return to Russia is signed.’¹¹²

After a month from the Russia’s admitting problems of Tehran-Moscow nuclear cooperation, Iranian Oil Minister Bijan Namdar Zangeneh and Russian Minister of State Property Farit Rafikovich Gazizullin, who co-chair the Iran-Russia Joint Economic Commission, discussed the ways of boosting nuclear cooperation and bilateral ties in the economic sphere. They also exchanged views on the long-term programs to broaden economic and trade relations.

Zangeneh commented on his positive talks with Russian Energy Minister and said practical steps have been taken to boost mutual economic ties. He said a meeting with Iranian and Russian representatives should be held on how to best accelerate functioning of the joint economic commission. Gazizullin was pleased with the good bilateral ties between the two countries and expressed the hope they would improve further in future.

¹¹² <http://www.newsmax.com> “Russia Admits Problems With Iran Deal,” September 21, 2002.

He said it is essential for both countries to embark on joint activities relating to the export of gas while giving high attention to the North-South corridor project.¹¹³

Moreover, Iran and Russia have discussed the draft of a long-term bilateral economic agreement. After talking to Zangeneh, Russian Deputy Prime Minister Victor Khristenko stressed the potential for further cooperation in the energy sector. The 10-year agreement will pave the way for wide-ranging economic cooperation between the two countries, including energy sector. The two sides also discussed possible ways for expanding non-OPEC Russia's contacts with OPEC in order to establish a stable oil market. Zangeneh held further talks with Energy Minister Igor Yusufov, in which they discussed Russian investments in Iran's South Pars, which is said to be the world's biggest independent gas field. Yusufov intimated his country's interest in gas cooperation with Iran, saying he hoped Russian companies would actively participate in the South Pars gas development projects. Another issue raised during Zangeneh's talks with Russian officials was the Caspian Sea. Zangeneh said Tehran and Moscow had so far not discussed cooperation on this subject and must improve their coordination to this effect. Yusufov hoped that the two countries would have 'constructive cooperation' over the Caspian Sea.¹¹⁴

After the positive meeting between Zangeneh and Gazizullin, in December 23, Hashemi Rafsanjani, chairman of Iran's Expediency Council, has expressed gratitude to Russia for its intention to carry on cooperation with Iran in the utilization of the peaceful

¹¹³ Tehran Times, October 26, 2002.

¹¹⁴ *Ibid.*

atom and in the construction of the Bushehr nuclear power plant. As it was mentioned before, on September 21, Russia had admitted problems about nuclear cooperation with Iran. "Iran is an independent state and finds its cooperation with Russia effective in the construction of that nuclear power station, which began as a west-assisted project," Rafsanjani said at a meeting with Russia's Nuclear Power Minister Alexander Rumyantsev. The Russian minister, for his part, confirmed that Russian-Iranian cooperation in nuclear power is peaceful in character, built on international treaties and will be based on agreements and projects attained by the sides. Moreover, Rumyantsev added that 'despite all accusations against us on the part of some states, we consider ourselves obliged to complete the Bushehr station.'¹¹⁵

On December 25, Iran and Russia had concluded talks concerning cooperation in nuclear industry. The Vice-President and Head of the IAEO, Gholamreza Aghazadeh positively evaluated the outcome of the first round of his talks with Russia's Minister of Nuclear Energy, Aleksander Rumyantsev. After the Russian Minister visited the Bushehr power plant, Mr. Aghazadeh said, 'we will continue our dialogue concerning the situation around the work done by Russian professionals.'¹¹⁶ During the Rumyantsev-Aghazadeh meeting, Russia has agreed to speed up construction of a nuclear reactor in Iran and consider building another. Moscow also has agreed to provide fuel for the Bushehr plant for 10 years in southern Iran.¹¹⁷

¹¹⁵ Pravda, December 23, 2002.

¹¹⁶ <http://www.rosbaltnews.com/print/print?cn=60858>

¹¹⁷ IRNA, December 26, 2002.

Iranian-Russian nuclear cooperation and American reactions to it were important issues in these countries' relations in 2003. Other important developments, in the relations between Iran and Russia throughout 2003, were the US' war in Iraq and its Greater Middle East Project, Russian assistance to Iran in the realm of ballistic missile, security issues in the Caucasus, the increasing level of trade relations between Tehran and Moscow. The US' international actions against terrorism and its reactions to Iranian-Russian strategic relations became a basic factor to determine the level of relations between Iran and Russia. Russian President Vladimir Putin continued, his policy of close relations with the Bush Government and the US support to the US in the war against terrorism.

The first meeting of 2003 was realized between Russian Deputy Foreign Minister Yuri Fedotov and Iranian Foreign Minister Dr. Kamal Kharrazi on February 3. They exchanged views on bilateral ties as well as regional and international issues. At the meeting, Dr. Kharrazi referred to ample capacities of the two countries for cooperation and stressed the need for giving due attention to the issues and concerns affecting the stability and security in the region.

He also called for developing further cooperation and reacting against the foreign powers' policies of unilateralism in the Central Asia, Caucasus and Persian Gulf. Kharrazi here signs and criticizes the US' unilateral policies in the Middle East and the Central Asia. Especially the Bush Government's decision of war against Iraq and its unilateral attitudes in the Caspian Basin worried the Islamic Republic of Iran and of course Russia. Dr. Kharrazi added;

The Islamic Republic of Iran's logic and strategic policy towards regional crises, especially the Iraqi issue, is based on multilateralism, compliance with the UN resolutions and avoiding belligerent policies and unilateralism.¹¹⁸

After a month from the Kharrazi-Fedotov meeting, Russian Foreign Minister Igor Ivanov visited Iran for official talks with Iranian Foreign Minister. One day before the official visit of Igor Ivanov, the official spokesman of the Russian Foreign Ministry, Alexander Yakovenko made very significant declarations about Russian-Iranian relations. First of all, he said that Russia highly values the established level of good-neighborly partnership with Iran and views it as an important factor in the consolidation of stability and security in the Near and Middle East. The foreign Ministry spokesman also noted,

'At the foundation of Russian-Iranian cooperation on the international stage on topical issues of global and regional politics lies mutual commitment of the two countries to the ideas of a multipolar world order'. The two nations, Yakovenko said believe the UN has a central role to play in international affairs. The supremacy of international law must form the basis of crisis management. Moscow and Tehran furthermore advocate consolidation of the nuclear weapons nonproliferation regime and the IAEA safeguards, other regimes for nonproliferation of weapons of mass destruction, and prevention of an arms race in space, Yakovenko added.¹¹⁹

¹¹⁸ Iranian Foreign Ministry, "Russian Deputy Foreign Minister Meets Dr. Kharrazi," February 3, 2003. <http://www.mfa.gov.ir>

¹¹⁹ Pravda, March 10, 2003.

Russia and Iran, throughout 2003, declared the importance of the UN and resolution of international problems under the UN. They also continuously criticized the unilateralism in international issues and unipolar world order, because Russia and Iran cooperated against the US' unilateral attitudes and its efforts to establish unipolar world order.¹²⁰ Furthermore, Yakovenko also said, 'Russia and Iran are united in their view of the importance of mobilizing the efforts of the international community in the fight against terrorism as a crucial component of the global system for countering new challenges and threats'. The spokesman continued, 'the ministers will discuss measures for the consolidation of bilateral and international cooperation in the anti-terrorist and anti-drug directions and in the creation of a strong international legal basis for cooperation of this kind'.¹²¹

Finally, Yakovenko mentioned trade and economic cooperation between Iran and Russia. 'One of the main components of the Russia-Iran relationship is trade and economic cooperation.

In 2002 trade between the two countries was on a level of 801 million dollar and there are reserves for continued growth'. In fact, the total trade turnover between Russia and Iran has increased by 50% over the past five years. The total trade turnover between the two countries was approximately USD 801 million in 2002 and more than USD 1 billion for the first nine months of 2003. Iran is Russia's largest trading partner in the Middle East. Russian imports include automobiles, equipment, transportation and metal

¹²⁰ *ibid.*

¹²¹ *ibid.*

products. Moreover, Russian imports of Iranian goods are worth approximately USD 77-78 million per year which is explained, by the especially narrow export base and uncompetitive character of several Iranian trade goods on the Russian market.¹²²

3.2.3 Iraqi Crisis and Greater Middle East Plan

Iranian Foreign Minister Dr. Kamal Kharrazi and visiting Russian Foreign Minister Igor Ivanov held talks on March 11 on bilateral ties, Tehran-Moscow cooperation at the regional and international levels as well as the Iraqi crisis. At the meeting, the two sides stressed the need for the two countries to promote all-out-ties and to continue high level contacts and regular consultations between the Iranian and Russian officials on the current developments in the world. Iranian and Russian foreign ministers referred to the agreement signed on cooperation between the heads of the two countries as a valuable step in the history of Iran-Russia relations and underlined the role of the two nations in creating a multi-polar world, dialog of civilizations and strengthening the status of the UN for furthering international peace and security. The two ministers described holding of the fourth joint economic commission between the two countries as a good opportunity to promote and accelerate all-out economic cooperation. Underscoring common interests, Dr. Kharrazi and Ivanov assessed joint cooperation of the two countries in oil and gas fields as positive and welcomed

¹²² http://eng.globalisation.ru/live/news.asp?id=483®ion_id=1611

enhancement of cooperation in this regard. They also said there was a good understanding between the two countries in regard to peaceful application of nuclear energy. At the meeting, Dr. Kharrazi reiterated that nuclear cooperation between the two countries was transparent and under the safety regulations of the IAEA, adding that in accordance with its economic development plans Iran would take into consideration different ways to meet its needs in the field of energy.¹²³

During Kharrazi-Ivanov meeting, the Iraqi crisis and the US war against Iraq were discussed as an important international development. As for the Iraqi crisis, Dr. Kharrazi and Ivanov said it was important and necessary to make every effort to avert the probable US war against Iraq. Stressing continued cooperation and consultation between Tehran and Moscow to settle the Iraqi crisis through peaceful means, they underlined the UN's effective role in this regard. Dr. Kharrazi also said, 'The Islamic Republic of Iran can not remain indifferent to the ongoing developments in Iraq,' adding, 'the US military action against Baghdad will have serious repercussions on the countries neighboring Iraq as well as the international community.'¹²⁴ As we know, Iran has suffered much from the Iraqi regime and the issues between the two countries have not yet been resolved. However, Tehran regime sees the US much more serious threat than Iraq for whole region and its independence.

At the end of their first round of talks in Tehran on March 11, Iranian foreign minister Dr. Kamal Kharrazi and his Russian counterpart Igor Ivanov attended a joint

¹²³ Iranian Foreign Ministry. "Iranian, Russian Foreign Ministers Hold Talks," March 11, 2003.

<http://www.mfa.gov.ir>

¹²⁴ Ibid.

press conference. The Iraqi crisis, the US' unilateral actions in the Iraqi issue and the Iranian-Russian nuclear cooperation were issues discussed during the conference.¹²⁵ Politically, Iran and Russia as two regional powers cannot remain indifferent towards the issues in the region. They, until the Iraqi operation of the US, continuously discussed how to prevent the probable US attack against Iraq, the US motives for the war in Iraq, the repercussions of the US unilateral policy on that country and whole region.

At the end of the Russian Foreign Minister's visit to Tehran, Iranian Foreign Minister Dr. Kamal Kharrazi and his Russian counterpart issued a joint statement on March 12. According to this, the two ministers called for the settlement of the Iraqi crisis through diplomatic means. The two ministers also pledged their countries would follow attempts to find a peaceful solution to the Iraq crisis with respect to the 1441 resolution and based on the UN charter.¹²⁶ The completion of the Gasprom works which is operating in Iran within the framework of an international consortium, the development of the phases 2 and 3 of the South Pars field of Iran and the completion of the Bushehr nuclear power plant according to the agreed schedule of the project as well as the measures for development of the international North-South transport corridor and implementation of the project for creating Iran's national satellite communications system (Zohreh) for civilian application based on geostationary satellite were also among the major issues mentioned by the ministers.¹²⁷

¹²⁵ Iranian Foreign Ministry. "Iranian, Russian Foreign Ministers hold a Joint Press Conference," March 11, 2003. <http://www.mfa.gov.ir>

¹²⁶ Iranian Foreign Ministry. "Iran, Russia Issue Joint Statement," March 12, 2003. <http://www.mfa.gov.ir>

¹²⁷ Ibid.

Another important cooperation area for Iran and Russia is the ensuring of stability and strengthening the security in the Caucasus. Iranian and Russian foreign ministry officials, throughout 2003, jointly discussed this issue. There are two critical and problematic areas in the Caucasus. First one is Chechnya. Russia, since the dissolution of the Soviet Empire, has struggled with radical Chechen groups. These Chechen groups are fighting with Russia to gain their independence from the Russian Federation. However, Moscow regards them as radical Islamic terrorists and struggle with them to control all Chechnya. For Iran, Chechnya is a Muslim region and must be protected by Islamic Republic of Iran as a leader of Islamic World. However, Iran's realist foreign policy, based on interests of Iranian state, under Muhammad Khatami is contradicting to its role in the Islamic world. From one side, Iran needs Russia in many areas, from another side, Islamic Republic's mission in the Muslim World is to protect and help all World Muslims. For these reasons, Iran is reacting to humanitarian tragedy in Chechnya, however Iran continues its cooperation with Russia in many areas. Throughout 2003, conflicts continued in Chechnya between Russian military forces and so-called radical Islamic groups. Tehran gave only small reactions and showed a low profile to these hard conflicts in Chechnya.¹²⁸

Another problematic area in the Caucasus is Nagorno-Karabakh. Mountainous Karabakh is a predominantly Armenian-populated region in the west of Azerbaijan. The conflict over the area, dating back to the first period of independence of Armenia and

¹²⁸ United Nations Association of Georgia. March 14, 2003.
<http://www.reliefweb.int/w/rwb.nsf/0/b1fcd49ceb8183bec1256cec003baa8e?OpenDocument>

Azerbaijan in 1918-20, re-emerged during the Soviet period at various times of central government's weakness, most markedly in the late 1980's during Glastnost's as Armenians demanded the annexation of the region to Armenia. Beginning in late 1987 with the forced expulsion of ethnic Azerbaijanis from Armenia followed by demonstrations in Mountainous Karabakh and Armenia for the transfer of the region to Armenian jurisdiction, the conflict was driven to escalation in 1988 and 1989 with anti-Armenian riots in Sumgait, Baku and Ganja and a two-way ethnic cleansing campaign in the two republics, with over 300,000 Armenians leaving Azerbaijan and 200,000 Azeris leaving Armenia. The Soviet government failed to stop these riots or contain the conflict, and with the unexpected independence of Armenia and Azerbaijan in late 1991, the conflict rapidly escalated to a full-scale war between the two countries. In spring 1992, Armenia and the "self-defense forces" of Mountainous Karabakh achieved control over the entire Province and created a corridor to Armenia. In 1993, Armenian forces occupied six additional Azerbaijani-populated districts outside Mountainous Karabakh, which remain under Armenian occupation.¹²⁹

Iran has played a responsible role in trying to mediate the Nagorno-Karabakh conflict. When the conflict erupted into a large-scale war, Iran's fear of an ethnic Azeri uprising at home in solidarity with Azerbaijan prompted it to contain Azerbaijan in support of the Armenians. However, when Armenian military advances threatened to spill the fighting over into Iranian territory, Tehran voiced its criticism of the Armenians. This duality suggests that Iran is in favor of neither a strong Azerbaijan, nor

¹²⁹ The South Caucasus: A Regional Overview and Conflict Assessment. <http://www.cornellasipian.com>

a strong Armenia. Rather, Iran is interested in keeping both nations in equilibrium by means of occasional pressure on the stronger side.¹³⁰

On the other hand, the nuclear cooperation between Iran and Russia continued throughout 2003 under the intensive criticisms of the US. In December 2002 it was revealed in a series of satellite photographs that, in addition to Bushehr, Iran was building two new nuclear facilities, one a centrifuge plant near the city of Natanz and the other a heavy water plant near the city of Arak. Initially Russia downplayed the development, with the Director of Minatom, Alexander Rumantsev, stating that the photos taken of the plants were not sufficient to determine their nature, and, in any case, and Russia had nothing to do with the two plants. Other representatives of Minatom said Russia was ready to supply the long-awaited nuclear fuel to Tehran – but only if the Iranians guaranteed return of the spent fuel to Moscow.¹³¹ Rumantsev, however, said Russia was ready without conditions to supply nuclear fuel to Iran.¹³² By February 2003 Rumantsev was hedging his position, noting ‘at his moment in time’ Iran did not have the capability to build nuclear weapons.¹³³ By March 2003 however, with an IAEA team visiting the two plants, Rumantsev had further changed his position and asserted that Russia could not tell whether Iran was secretly developing nuclear weapons, stating

¹³⁰ *Ibid.*

¹³¹ Victor Mizin, “*The Russia-Iran Nuclear Connection And U.S. Policy Options*,” *Middle East Review of International Affairs*, (Vol.8, No.1 –March 2004) pp.8-9.

¹³² *Ibid.*

¹³³ Guy Dinmore, “*U.S. raises fears over Iran’s nuclear policy*,” *Financial Times*, February 24, 2003.

‘While Russia is helping Iran build its nuclear plant (at Bushehr) it is not being informed by Iran on all the other projects currently underway.’¹³⁴

Following its success in the Iraq war, the US stepped up its pressure on Russia to halt the Iranian nuclear weapons program. In response, Russian FM Igor Ivanov noted in an Interfax interview at the end of May 2003 that Russia wanted all Iranian nuclear programs to be under the supervision of the IAEA.¹³⁵ Then, following the Bush-Putin talks in St. Petersburg in early June, Putin asserted that the positions of Russia and the US on Iran were closer than people thought. However, he added that ‘the pretext of an Iranian nuclear weapons program could be used as an instrument of unfair competition’ against Russian companies.¹³⁶

By early June 2003 it appeared that the U.S. was making two demands on Russia, vis-a-vis the Bushehr reactor, first, Moscow should not supply any nuclear fuel to the Bushehr reactor unless Iran agreed to send all used fuel back to Moscow. Second demand was that Russia should also withhold the nuclear fuel until Iran signed an additional protocol with the IAEA permitting that agency unannounced visits to all Iranian nuclear facilities.

On the latter issue, both the G-8 and the EU have been pressuring Iran. Indeed, the G-8 statement issued in early June noted: ‘we urge Iran to sign and implement the

¹³⁴ Vladimir A. Orlov, “*Iran and Russia – U.S. Non-Proliferation Dialogue*” Center for Policy Studies in Russia, (November 2003)

¹³⁵ *Ibid.*

¹³⁶ Simon Saradzhyan, “*Russia needs Iran proof or incentives,*” Moscow Times, June 3, 2003.

IAEA Additional Protocol without delay or conditions. We offer our strongest support to comprehensive IAEA examination of this country's nuclear program.'¹³⁷

The question, of course, was not only how far Iran would go to comply, but also how far Russia would go to pressure Iran. In this there appeared to be some initial confusion in Moscow. While British Prime Minister Tony Blair asserted that Russia had agreed not to deliver nuclear fuel until Iran signed the IAEA protocol, Russian Foreign Ministry Spokesman, Alexander Yakovenko, stated that Moscow would only freeze construction on the Bushehr plant if Iran refused to agree to return all spent nuclear fuel to Russia, and that Iran was not required to sign the protocol, because 'the protocol is an agreement that is signed on a voluntary basis.'¹³⁸ Meanwhile, perhaps to deflect some of the U.S. pressure, Minatom Minister, Alexander Rumanstev announced on June 3, 2003 that the Bushehr reactor would be completed in 2005, not 2004 as originally planned. While he blamed the delay on the need to replace the reactor's original German parts, it could well be that this was an important gesture to the US.¹³⁹

There are several reasons why Moscow proved willing for such an extended time: not only to forego substantial US economic aid but also arouse the ire of the US because of its supplies of nuclear equipment and technology to Iran,. First, Moscow is keen to develop its nuclear reactor industry, which employs thousands of top-grade Russian scientists, and Iran pays hard currency for the reactors. Second, the sale of such sophisticated equipment fits right into Putin's plans to rebuild the Russian economy.

¹³⁷ Cited in New York Times, January 3, 2003, "*Primary points from the statements of the Group of 8.*"

¹³⁸ Andrei Shoumikhin, Russia and Iran, *National Institute For Public Policy*, November 2003.

¹³⁹ *Ibid.*

Third, aid from the Washington is problematic, because whatever the executive branch of the US may decide, American Congress could cut the appropriation. In addition, by earning its own hard currency, rather than depending on hand-outs from the US, Putin can demonstrate Russian pride in its own scientific achievements. Finally, by standing up to the US on the issue of nuclear assistance to Iran, Putin demonstrates that despite September 11, Russia is still following an independent policy line. Many Russian people like this policy character of Putin.¹⁴⁰

Russia's nuclear assistance to Iran, coupled with its anti-American position during the war, not only caused a deterioration in the US-Russian relations, but also it posed a serious risk for Russia. The US, having conquered Iraq, one member of the "axis of evil", might move against the axis of evil nation right next door-Iran. To be sure, unlike Iraq, the Iranian government was split, with the reformers pitted against the ultra-conservatives.

However, from the US perspective, the reformers who appeared to want improved ties to the US were losing out in the power struggle, and in 2003 the US began hardening its position against Iran. Thus the US pressured Halliburton and ThyssenKrupp to curtail their operations in Iran and was preparing a blacklist of foreign companies investing in Iran's energy industry, as it appeared the Iran-Libya sanctions act was being reinvigorated.¹⁴¹

¹⁴⁰ Mizin, op.cit., p.5-9.

¹⁴¹ Guy Dinmore, "Pentagon to blacklist companies investing in Iran," Financial Times, March 29/30, 2003.

Under the circumstances it may have appeared, at least to the Iranians, to be a possibility, as the Kommersant correspondent had noted, that after Iraq, the US might come after Iran. However, the US hard position in Iraq, especially series of American soldiers were killed by Iraqi patriots, will affect the US' operations in the Middle East. Probable US attack on Iran posed a very big problem for Putin; From one side, there is Moscow's very strategic regional ally Iran, from another side, there is Moscow's war on terrorism ally and the superpower of World, the US.

On the other hand, the US, after the victory of Iraq, announced a new project for the whole Middle East Region and it has captured the international spotlight. It is called the Greater Middle East Project. Although the geographical borders of the "Greater Middle East" have not been clarified yet, some statements of the US officials provide clues. According to them, it covers an area that stretches from the eastern Mediterranean all the way to Afghanistan, and probably to Pakistan as well. The Greater Middle East Project proposes a wide range of transformation for the region, including long-term political, legal, information/education, economic, social and security changes, in the countries in the above mentioned area. The US's intent is to augment this project, which could take a half-century to implement, with various programs as well as establish a policy. The project stems from the need for reforms to redress shortcomings in the areas of freedom, democracy, information and women's status and position in the countries in question. Through these reforms, the project also aims to counter the trends of international terrorism and the proliferation of weapons of mass destruction.¹⁴²

¹⁴² Gilbert Achcar, "Greater MiddleEast: The US Plan," *Le Monde Diplomatique*, April 2004.

How do Iran and Russia, as regional powers consider the Greater Middle East Project of the US? Iran, from its own side, does not like the US plan of the Greater Middle East. There are two main reasons for this. First, Tehran is afraid of the collapse of the Islamic Republic directly or indirectly by the United States. The US can destroy the Islamic Regime in Iran either directly with a military operation or indirectly with the spreading of the project's ideas, such as freedom, democracy, woman's status. Second, Iran is afraid of the US' settling in the Middle East, Persian Gulf and Central Asia. If the US completely settles down in these areas, Iran will be completely contained by the US and pro-US states. This development can put an end to Islamic regime in Tehran.

CONCLUSION

Realist approach of foreign policy says that states' main aim in the international relations is to maximize their unique interests. Realism also emphasizes that national interests of states determine the foreign policies of states and the relations between states of international system. According to this understanding, if two states need each other, they can establish relations with each other.

Iran and Russia, as neighboring countries, need each other. Their cooperation in many areas began in the early 1990s and have attained until today. Their national interests has converged on many areas, which I mentioned in my study, ensured the high level cooperation between these states. I believe that Iran and Russia cooperate with each other until the end of the converging of their national interests.

Today Khatami's Iran and Russia are cooperating with each other in many areas which includes nuclear and missile technology, military and arms sales, transportation, trading cooperation; to prevent, the US' efforts to create unipolar world system, the US' unilateral activities in the Middle East and Central Asia... In the foreseeable future, I believe that Tehran and Moscow will continue their high level cooperation because Iran needs Russia and Russia needs Iran.

However, in the long time, some developments in the Greater Middle East will threat the cooperation between Tehran and Moscow. The US, as a superpower of the world, is a key factor in the future relations of Iran and Russia. The successful American military operation on Iraq, despite the increasing number of deads in the last months, emboldened the Bush government for other probable military operations in the Middle East. Many experts, after the quick American victory in Iraq, claimed

that the US, after Iraq, hit the Islamic Republic, and change the regime in Tehran. A probable American military attack on Iran creates an important question in the Iranian-Russian relations. From one side, Moscow's strategic regional partner Iran, from another side the most warm relations which established between Russia and the US after the Cold War. That probably create very serious question in Moscow's foreign policy.

On the other hand, the US' Greater Middle East project, was announced by the Bush Government after the American military operation on Iraq, is another development to threat the cooperation in the long time between Iran and Russian Federation. According to this project, the US aims a wide range of transformation for the Middle East, which stretches from the eastern Mediterranean all the way to Afghanistan, and probably to Pakistan as well, including long-term political, legal, information/education, economic, social and security changes, in the countries in above area. Freedom, democracy, women's status and position are important concepts also in the US' Greater Middle East Project. The changing of regime in Tehran directly or indirectly by the US and the acceptance of values, democracy-freedom-equality between women and men, probably create pro-American regime in Tehran. This development can put an end to relations between Iran and Russia.

Finally, I claim that, in the foreseeable future, the Islamic Republic of Iran and Russian Federation will continue the strategic partnership, because the need is a key factor in their relations.

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