Post-cold war realities

In June 1995, the Speaker of the Majlis (parliament) told the visiting Deputy Chairman of the Russian Duma, Alexander Vengerovsky, that the two strategic states of Iran and Russia should form an alliance to limit the expansion of U. S. hegemony in the region.[1] This proposal effectively sums up the entire history of the Russian-Islamic Republic ‘ strategic partnership’—anti-Americanism. During the final decade of the Cold War, mutual loathing for the United States held together a relationship of slightly less suspicion and disdain for each other. As the protracted conflict between Moscow and Washington began to thaw, so did relations with Tehran.

Subsequently, in the face of intruding U. S. presence in the greater Middle East, the benefits of cooperation in the obstruction of Western influence became increasingly evident and useful. Both share an aversion to a unipolar world in which the United States wields unchallenged primacy, controlling the United Nations, dictating supplier unions, and deciding who receives advanced arms, technology, and industry. As a result, they have found common ground to further their own political, economic, and hegemonic aspirations.

For Iran, Russia provides distinct opportunities to advance its goals of conventional and nuclear military buildup; extension of cultural and political influence in Central Asia, the Caucasus, and Caspian regions; economic oil interests in the Caspian Sea; and emergence from U. S. induced international isolation. For Russia, Iran presents similar prospects including a demand for its Soviet-era military hardware and technology; assistance in the re-imposition of control over its former sphere of influence; its own Caspian Sea

oil and gas interests; and insulation from Western political and economic pressure.

While both sides would prefer to dominate the regions on their own, their inability to individually block U. S. influence from making inroads has brought them together to present a stronger, more unified resistance. This paper will proceed to analyze how the theme of anti-Americanism is rooted in past and present Russian-Iranian relations and the implications that the current realities of this ‘ strategic partnership’ hold for United States policy. While not an argument for primacy, this paper will attempt to prove that engagement of both Russia and Iran is a necessary course action in order to serve vital U. S.

national interests and preserve stability and security in the greater Middle Eastern regions. RECENT HISTORY OF SOVIET/RUSSIAN-ISLAMIC REPUBLIC RELATIONSFrom the Iranian revolution in 1979 to the end of the Cold War, Soviet-Iranian relations could never be described as “ great.” The term “ reserved” might better describe it. Soviet-Iranian political discourse consistently brought to light the deep uncertainties about nature, motives, and intentions that each held for the other.

As Ayatollah Khomeini stated, “ Neither East nor West, but Islam.”[2]Tehran’s view stems from a number of Russian interventions or lack thereof, in the Islamic Republic’s affairs and interests. Firstly, Russia did little to aid the Islamic revolution in any of its stages. Explicit U. S. backing for the Shah, however, played a major role in influencing Russian non-intervention.

Neither side had the will to start a sanctuary war in Iran; but, more importantly, neither Washington nor Moscow realized that the revolutionary movement was genuine and not simply the product of some limited, anti-progressive group with little national support, until the last moment.[3] As this became apparent, Russia jumped on the opportunity to make sure the U. S. lost a valuable foothold in the Middle East, and accordingly applied pressure on the U.

S. for non-intervention as well. But overall, the general feeling in Iran was that the Soviets had cooperated with the Shah and provided little support for the revolution. Secondly, Iran repeatedly condemned the Soviet invasion of Afghanistan throughout the first decade of the Islamic Republic. They were seen as illegitimate, imperialistic oppressors of their Muslim neighbours and religious brothers. Finally, while Russia remained neutral in the early stages of the Iran-Iraq War, when it seemed as if Iran would triumph, the Soviet Union began supplying Iraq with military hardware and technological assistance.

The resulting defeat of Iran destroyed a great deal of its military capability and inflicted huge damages on Tehran (with Russian-made missiles) and other major cities. Such things are not easily forgotten, one would think. However, there remained one important area in which their interests converged—anti-Americanism. While America was the “ Great Satan,” Russia was only the “ lesser Satan,” a term that Israel now holds.

This small but crucial distinction underpins many aspects of the Russo-Iranian relationship to this day. Both parties viewed the other as a threat,

though Iran more so than Russia; however, they were mutually perceived as better than the alternative—America. As a result, throughout the 1980's there was a good deal of bickering and political posturing on both sides, but they tolerated their poor relationship nonetheless. However, as the Soviet Union began to unravel, Russia seemed less imposing and threatening to Iran and their pragmatic interests began to fall more in line. From Iran's viewpoint, a new, less powerful Russia would be able to solve many of its military, economic and industrial needs and cooperation in these areas could assist its aspiration to extend Iranian influence throughout the newly independent states.

From the other side, Iran held distinct opportunities for Russia's economic interests as well as support for the re-imposition of hegemony in its traditional sphere of influence. Both sides also realized that their cooperation could provide the mutual benefit of countering emerging Western influence. The next section will briefly examine the decisive effects of the end of the Cold War on the Russo-Iranian relationship. POST-COLD WAR REALITIESThe worldwide ripple effects of the end of the Cold War have produced unprecedented voids and power vacuums that someone was bound to fill. The greater Middle East region, including the Caspian, Caucasus and Central Asia, has undoubtedly demonstrated the extremes to which these areas were once dominated by foreign interests and the extent to which they are now vulnerable to emerging regional powers with hegemonic aspirations. The United States, left as the sole superpower in a unipolar world, has attempted in many ways to inhibit these aspirations and maintain its own primacy in the coveted oil-rich Gulf states.

However, regardless of its unmatched strength, there is only so much that one country can do to ‘ contain’ regional powers. This fact has not been lost on either Iran or Russia. Both seek to further the notion of a multipolar world and in doing so have found common interests. For Iran, the end of the Cold War has brought welcome opportunities and capabilities to change the power balance in the direction of its interests.

No longer does it have a menacing behemoth Soviet state to the north capable of intimidating and threatening its position. Iran is now stronger and more powerful than its new neighbours and no longer vulnerable to conventional intimidation or threats from that direction. A result of the fact that it is now an autonomous middle power, capable of permeating the power vacuum in predominantly Islamic central Asia and the Caucasus, has been a renewed nationalism contributing to the long held dream of a “ great Iran,” spreading into its former spheres of influence. However, this increased ability to establish itself as a regional hegemon and influence border-states and former Soviet republics has not come without a cost. The end of Soviet rule means that its border integrity might no longer be assured to the north. These new fragile and independent states along it 16, 000 mile frontier to the East and West of the Caspian, could pose a serious threat of conflict spillover, refugees and separatist influences.

Due to its domestic political problems, Iran would prefer not to be caught up in ethnic and religious conflicts unless a distinct national interest is at stake. The withdrawal of the Soviet power in the Middle East has also meant that the United States can firmly establish its hegemony in the region. Iran, with its reduced value of as a buffer state, can no longer play one superpower off

the other—a strategy that it learned well. Its crushing defeat in the 80's by an Iraqi force that was subsequently annihilated by the U.

S. military highlighted the superiority of the threat it was facing. Tehran's increased estrangement from Washington and the imposition of unilateral sanctions gave Iran a " sense of encirclement"[4] because it was pursuing an ' independent' path. As a result, Russia, who seemed to be a proponent of a multipolar world power balance, became an obvious and convenient country to turn to. For Russia, however, the end of the Cold War proved to be nothing short of disastrous on an economic, political and social level.

The long, hard, and painful economic transition to capitalist order has relegated Russia to the level of a Third World country on many levels. The poverty rate has reached almost 50%, wages have plummeted, life expectancy has declined, crime has skyrocketed, and industry has collapsed. On a political level, the practicing super-presidential nature of the system has produced a version of delegative democracy in which the institutions and rules of presidential democracy are followed; yet the elected president is able to rule in an authoritarian manner. This has contributed to the formation of a weak, fragmented and unstable party system and parliament. Most simply serve as fan clubs for leaders with limited membership and no clear prospects for long-term survival.

The Leninist legacy of forced de-participation has provided the basis for a society that is in no way prepared to understand, participate in, or associate with its political institutions.[5] They have little sense of individual freedom, rule of law, property rights, or their role in relation to their governing

institutions.[6] Russians are distrustful and cynical towards their politicians, in part because they believe democracy has somehow failed them, and accordingly, civil society is immensely underdeveloped and votes go to the anti-system Communists (who now hold a majority in the legislature). With the immense difficulties that now face Russia both internally and externally, it is not surprising that their foreign policy has been so erratic, inconsistent and often contradictory. It is now faced with a host of independent republics along the largest border in the world.

Unique to the Russian transition and those of the new republics is the aspect of state transition, not simply regime. They have been forced to redraw boundaries, alliances and security arrangements. Due to the collapse of the Soviet power hierarchy, most of Russia's former republics have erupted in ethnic, religious, and territorial conflict. Similar to Iran, Moscow also fears conflict spillover and aspires to retain some control over what was once its undisputed sphere of influence. In the face of encroaching Western and U. S.

influence in the region, Russia and Iran's mutual goals and priorities conveniently fall into line. Both seek to control ethnic disputes in the greater Middle East and prevent the emergence of Western influence, in such a way that it furthers their national interests. To Iran, Russia is still a nuclear power with considerable weight on the international geo-political scene, and can act as a counterweight to U. S. political and economic pressure.

[7] It remains the predominant power in Central Asia and the Caucasus—regions in which Iran has considerable economic and political interests at stake. It can also provide much needed military, technological, and industrial

expertise and assistance that Iran cannot get from the West. More importantly, it has shown unwillingness to give in to U. S. unilateral concessions.

To Russia, Iran has valued cultural, historical, and religious ties that could help it to control and influence the predominantly Islamic countries that now form along its borders. Also, Tehran's insatiable appetite for Russian military and nuclear energy goods can provide a much-needed source of capital to supplement its reduced national income. More indicative of Russia's viewpoint, however, is that from a purely character view, Iran has shown amazing ability to resist Western pressure and, at the same time, has managed to preserve the independence of its internal and foreign policy, control of its natural resources, and the viability of its national economy.[8] As Martha Olcott notes, " Russia and Iran gradually moved towards a closer relationship on the basis of pragmatic and strategic considerations."[9] Iran then looks like a trustworthy bilateral partner that is somewhat insulated from Western pressure, which is always a plus for Russia.

Thus, the end of the Cold War has produced a Russo-Iranian partnership out of convenience as well as necessity. This paper will now examine in more depth the three main issues in which Russian and Iranian interests converge. They are—1) Arms, technological, and industrial trade; 2) Ethnic, territorial, and religious turmoil in the Caspian, Caucasus, and Central Asia regions (Central Asia, for short); 3) Oil and pipelines in the Caspian Sea region. ARMS, TECHNOLOGICAL, AND INDUSTRIAL TRADEThe mutual economic interests that have defined the Russo-Iranian arms/technology trade relationship are fairly simple. Due to sanctions almost unilaterally imposed

by the United States, Iran is unable to gain military hardware, technology, and assistance from the West. While it would prefer to use the more advanced Western hardware, Russia has an abundant leftover supply that can still meet Iranian needs.

Russia, on the other hand, is in dire economic straits. During the Cold War, Russian arms went to predominantly socialist or at least anti-American countries. Unfortunately for Russia though, many of the former Warsaw Pact members, in a bid to distance themselves from Russia, are now purchasing superior Western arms and technology that they were previously denied. So, since the ideology of the recipient country no longer plays a role in Moscow's decision-making process concerning arms sales, the Third World is now about the only source of demand for Russian weapons.[10] Thus, a consistent demand for its military and industrial technology from Iran can provide a stable source of much needed cash and positive prospects for further trade and increased sales and revenue. Economic gains and common sense simply outweigh any risk of political pressure or possible loss of financial support from the U.

S. As Duma member Vladimir Averichev has remarked, " We are in so deep an economic crisis that I cannot imagine any serious Russian politician who would try to stop arms sales to a country for political reasons."[11]Since the collapse of the USSR, the predominance of economic as well as political motives has stimulated a very healthy and increasing flow of arms from Russia to Iran. In 1992, they signed an agreement totaling $1 billion in arms sales with the promise of a future $600 million exchange.

[12] By 1993, the tally had increased to $4. 3 billion worth of arms, compared to the next highest supplier, China, at $1. 1 billion.[13] Unlike U. S. practices, Russia is having such cash flow problems that it is selling its latest weaponry because the military can’t afford to pay for it themselves.

[14] On the receiving end, Iran gains sophisticated naval systems, including 3 Kilo class submarines; mines to block the Straits of Hormoz; and difficult to detect minisubs, among others. Also on this list are aircraft such as the Mig-29 and Su-24; sophisticated aircraft missiles; long-range surface to air ballistic missiles; and mobile air defense systems and SA-10 batteries.[15] However, due to U. S.

political pressure, in 1994, Yeltsin agreed to halt further arms sales despite pressure from arms manufacturers.[16] When it became evident that Russia was not honoring this agreement or simply looking the other way as privatized manufacturers did so themselves, Vice President Gore asked Prime Minister Chernomyrdin to honor their pledge and halt further sales, in 1997. This apparently didn’t work either and the futility of U. S. efforts became obvious when Iran test-fired an intermediate-range ballistic missile in 1998—confirming its missile technology and the ability to hit Israel and Europe as far away as Germany. In order to stop any future Russian missile technology from reaching Tehran, the U.

S. senate and House of Representatives approved a bill in 1998 aimed at forcing Russia to stop the flow by imposing sanctions on those Russian companies that illegally help Iran accelerate its missile development, only to have it shot down by President Clinton. As a result, in recent years, Russia

and Iran have reached an agreement for Russia's delivery to Iran of defense-related goods totaling $4 billion in 2000—or approximately 1% of Russia's GNP.[17]While Russia's main concern may be economic, weapons are very often used as an instrument of political influence; so, Iranian and Russian motives are wrapped in politics nonetheless. Due to sanctions, Iran has been fueled by a desire to gain self-sufficiency. While it would prefer conventional weaponry from the West, its lack of industry means that locally produced arms are of low quality.

Therefore, Russia is regarded as the major source of needed military hardware and simply its best option. At the same time, these new weapons are seen as a means to deter the aggressors that have " encircled" it. Compared to its well-armed neighbours, Iraq and Saudi Arabia, Iran is still woefully unprepared to confront them.[18] As of 1996, it maintained only half the conventional capability of the Shah's military almost two decades before.

Defeat in the Iran-Iraq war destroyed a good deal of its military and watching the U. S. destroy the same Iraqi force with only 56 casualties emphasized the new U. S.

threat that was emerging and its inability to match such a threat. Iran's goals for military buildup could then be summed up as follows—1) Replace damaged material during Iraq war, 2) gain capability to intimidate oil-rich Arab neighbours and influence oil decision-making, 3) as well as the ability to close down the Straits of Hormoz to seriously disrupt the oil trade, 4)

undermine U. S. regional hegemony, 5) deter Israel from attacking, 6) counter the overall military buildup of other Arab states and the U.

S. since 1991.[19]A main point of contention on the international scene however, has not been Iran's conventional buildup, but their ' alleged' search for weapons of mass destruction. Iran has always denied that it is trying to build a nuclear bomb as President Rafsanjani told 60 Minutes in 1997, " I hate this weapon."[20] However, due to Iran's relatively low military capability, a nuclear weapon could make any conventional disparity between its neighbours irrelevant. It would also help to increase prestige and the ability to influence and intimidate its neighbours as well deterring even the U.

S. More specifically though, Iran's nuclear intentions are directly influenced by how much they believe the West has control over Saddam Hussein and the Iraqi nuclear program.[21] Iraq, they say, has already developed significant advances that cannot be unlearned and therefore they have responded accordingly. Nevertheless, American and Israeli intelligence believe that Tehran is not so far from building a deliverable warhead—by 2005-2008.

It already has the missile technology and with Russian help, may be able to sidestep the painstaking process of producing weapons grade material by acquiring it on the black market. Intelligence officials believe that they now have underground clandestine nuclear research labs all around the country in an attempt to reduce the risk of " the Israeli version of counter proliferation—a preemptive air strike."[22]Once again, Russia has become

the culprit by purposely or inadvertently assisting in Iran's quest for the bomb. In January of 1995, Moscow agreed to the sale of two nuclear reactors at a site in Bushar for a contract price of $1 billion.

[23] The Bushar project began in 1975 by a German company, with American endorsement and no real concern for its weapon making potential. After it was badly damaged in the Iraq war, the German company refused to repair it, and so, naturally, Iran turned to Russia. Economic despair had also struck Russia's Ministry of Atomic Energy (Minatom), a huge enterprise that was responsible for maintaining and later dismantling Russia's arsenal of nuclear weapons. But by 1998, the government accounted for only 20% of Minatom's operating expenses, which meant that thousands of technicians were going unpaid for long periods of time.[24] Bushar then provides a lucrative means to keep Russian technology experts on the job—so much so that it outweighs the possible decline in Western economic aid.

Hundreds of Russian scientists are currently working in Bushar, teaching Iranian nuclear scientists, and have even floated the idea of building a research plant solely for this purpose. Iran argues that it is simply searching for a way to decrease its dependency upon petroleum, though few Western economists believe that they need it.[25] To Russia, it makes good economic sense regardless of political pressure and can indirectly increase influence and undermine U. S. hegemony in the Middle East region.

The U. S. and Israel, on the other hand, insist that the reactors and Russian nuclear technical help are assisting Iran's clandestine nuclear weapons program and increasing regional instability. They argue that for a country

with 5% of the world’s oil and 14% of the natural gas reserves, its combined oil and gas will last nearly 80 to 90 years even if it is extracted at the rate of 5 million barrels per day (mbd), although from 1998-1999 Iran extracted only 3.

5 million barrels per day (bpd).[26] Since it is not needed, its purpose must be to camouflage the presence of Russian nuclear weapons scientists at the site. Moscow counters back that the U. S. helped China in weapons development and that the Bushar reactor resembles the one that America arranged for North Korea.

They also site U. S. assistance to Pakistan and its diplomatic silence over the well-known Israeli nuclear capability, even though neither Pakistan nor Israel is a signatory of the Non-Nuclear Proliferation Treaty, as Iran is. [27]Unexpectedly though, recent developments since September 11 have made relations between Washington, Tehran and Moscow much more positive, to the immense displeasure of Israel. In an unbridled show of pragmatism, President Vladimir Putin has backed the American effort in Afghanistan by providing much needed political and infrastructural support through Uzbekistan, and even developed a surrealistic personal relationship with President Bush. Iran, realizing the benefit of an Afghanistan without the Taliban, mustered up as much support as was domestically possible—i.

e. halting the “ Down with America” chant for a week. Obviously realizing the immense transfer of political capital from Washington to Moscow, in early October, Russia signed a major arms deal with Tehran, including an SA-3000 air defense system that will be placed around the Bushar nuclear power

plant and announced their intention to sell another power plant as the second stage of the project.[28] For the time being, it seems Bush will probably have to give in, though not overtly, if he wants to hold together the loose coalition for further action in the War on Terrorism.

In sum, the Russian-Iranian relationship is very cozy, indeed, on the issue of arms and nuclear energy trade. Russia is strapped for cash, and Iran has stepped up to provide a consistent demand for its military and industrial products. At the same time, they both have more political capital to work with, giving them the opportunity to increase their own political influence and counter U. S. hegemony in the vital Middle East region. ETHNIC TURMOIL IN CENTRAL ASIAThanks to the Soviet legacy’s bastardization of the nation building process, most of this region is now engulfed in some sort of ethnic, religious, or territorial dispute (see appendix 1).

The new republics and independent states that it is now composed of were once fully dependent on Moscow for conflict resolution, mediation or lack thereof. Lenin created hamlets of differing ethnic or religious groups within a larger area to increase the amount of leverage and power wielded by the centralized Soviet command hierarchy. Since it only increased the amount of division and tension between differing groups rather than promote the development of the “ Soviet person,” once Moscow’s higher authority and control suddenly disappeared, these divisive cleavages were able to manifest themselves from the ground up. The collapse of the social safety net and resulting social and economic despair then served to aggravate an already volatile situation.

When it came time to point the finger at someone, most people immediately blamed those with whom they had always had some sort grievance—though previously kept under lock and key by Moscow.[29]Even so, Russia still considers the former Soviet republics that now make up the Commonwealth of Independent States (CIS) as its undisputed sphere of influence. However, it is not blind to the fact that it has, in many ways lost the ability to project control over the region. At least for economic reasons, " Russia's budget cannot sustain a further drain of resources in the direction of Central Asia."[30] After seventy years of forced subordination to the Kremlin, many of the former republics, despite their Communist remnant leaders, are relishing their newfound independence. As a result, any overt imperialistic action by Moscow is seen through the lens of the Soviet legacy by wary eyes.

Looking for help, Russia's increasingly friendly trade relations with Iran presented the opportunity to collaborate once again. Due to Persian culture's important ties with the predominantly Islamic majorities in many of these new states, Russia sees the opportunity to culturally contract Iran for its own influential benefit. Similar to Russia, Iran has nothing to gain from the re-emergence of a power struggle in the region. But by cooperating with Russia, it can also extend its own political and cultural influence, establishing economic ties in the process.

The distinct lack of cultural and national identities provides Tehran, with its historical ties, a singular ability to take advantage of the situation and possibly further its long held belief in a " great Iran" spreading into the larger Middle East. For many of these countries, Iran could represent a means to gaining alternatives to Moscow's control. At the same time, Russia believes

that it could use Iran as a conduit for indirectly influencing the region on uncooperative issues and as a means to strengthen ties with the Muslim populations.[31] As a result, “ with a ‘ Moscow-centric’ policy, Iran became more understanding of Russia’s interests in the region, and Russia in turn accepted a greater role for Iran in Central Asia.

”[32]Iran and Russia’s both have long borders along many of these disputed areas. The possibility of conflict spillover is then a mutual fear more easily mitigated by cooperation. Such conflicts can produce millions of refugees and possible separatist influences in there own countries. For example, the Chechen region has proved to be a recurring nightmare for Moscow’s politicians and Iran would like nothing less than to see its population of 20 million Azeri’s (more than twice that of Azerbaijan itself) pulled into the Armenia-Azerbaijan conflict over Nagorno-Karabagh. In the latter conflict, both Russia and Iran have backed Armenia by providing military and political support.

[33] However, economic interests have been the determining factor, exemplified by the fact that the Azeri’s are Shiite Muslims and roughly a quarter of Iran’s population hails from Baku. As I will explain later in more detail, both Russia and Iran are seeking to gain primacy for their own oil pipelines from the Caspian Sea over the Western-backed pipeline from Azerbaijan. In other areas of conflict, Iran has been markedly reserved and allowed Russia to settle disputes on its own, as was the case in Tajikistan. [34] Tehran realizes that it must advance its influence in ways that will not antagonize regional regimes, or Russia for that matter. For example, Moscow is likely to respond negatively to Iranian attempts to undercut it

economically or in the spread of Islamic fundamentalism to the detriment of ethnic Russians in the region. However, they have realized that the more successful they both are in consolidating relations with regional governments, the more likely economic cooperation becomes between one another.

So, Iran has unprovocatively begun to establish infrastructural ties with regional countries as a way to take advantage of the new markets. For example, it has set up rail lines from Mashad to Turkmenistan; air routes to Baku, Almty, Ashgabat, Tashkent and Dushanbe; Caspian ports to Baku and Turkmenistan; pursued efforts to build a gas pipeline from Turkmenistan; and been the driving force behind the expansion of regional organizations like CASCO and ECO to include the newly independent states. [35]Undoubtedly, both sides would like to have a cooperation from the other if ethnic tensions should arise in the former republics as well as for economic reasons, but the underpinning theme of anti-Westernism still plays an important role in their relationship. Central Asia has not only opened to the West politically and culturally, but also economically.

It’s vast oil reserves, untapped markets, and capitalist vacuums have attracted significant attention from Western business interests. Russia and Iran have realized the benefit of cooperation in an effort to hinder the development of Western influence. While they would both like a monopoly of the region’s economic resources, they still believe that a joint venture would be more beneficial and effective in the long run at thwarting the alternative —America and the West. CASPIAN OIL AND PIPELINESOver the past decade, the Caspian Sea (see appendix 2) has been found to contain between 70 to

200 billion barrels of oil, or roughly 10% percent of the world's reserves.[36] As a result, it has become the latest playing field for Russia, Iran and the West in the Great Game. Not only do they all dispute who has the legal drilling rights to its oil fields, but they are also entrenched in a nasty competition to gain primacy for their respective pipelines and transportation routes.

While Russia and Iran would certainly prefer to control all of the Caspian, they have once again seen the mutual benefit that cooperation provides. One would think that international law clearly dictates which part of the sea belongs to which country, however with such an immense economic windfall at stake, it is unsurprising that this has now become a major point of contention. On the one side is Western-backed Azerbaijan and Kazakhstan, where Western oil companies have invested heavily. They claim, quite sensibly really, that the Caspian Sea is, in fact, a sea.

As such, the maritime borders entitle them to their own respective territorial zones. Not surprisingly, this legal tack would place the huge southern Caspian Alov structure in Azeri waters and the northern Kashagan field (second largest find in 30 years) under Kazak control. Iran, Russia and Turkmenistan, on the other hand, claim that Soviet-era treaties make the Caspian a lake, which under international law would mean that most of it would be jointly owned and managed—effectively giving them more oil. Another point of contention has arisen concerning who will transport the oil to market, and gain a hefty transit fee in the process (see appendix 3).

In March of 2001, the governments of Azerbaijan, Georgia, Kazakhstan and Turkey signed a memorandum of understanding on a proposed 1, 075-mile pipeline, to run from the Azeri capital of Baku via Georgia's capital Tbilisi to Turkey's Mediterranean port of Ceyhan.[37] Although it is far from a final agreement and simply provides a framework for including the Kashagan, Tengiz and other Kazak fields, this American and British backed route is the leading alternative to those proposed by Iran and Russia. Iran, however, has not taken kindly to these proposals due to its much shorter and cheaper pipeline to the Persian Gulf. On the third side of the bargaining table in the north, Russia plans to build its own delivery route connecting the Tengiz field with the Russian Black Sea port of Novorossiisk. Led by British Petroleum and Chevron, the Baku-Ceyhan pipeline would, they argue, provide a safer and more stable route for Caspian oil. It is larger than the Russian proposal and so could accommodate the increasing Kazak production in the coming years; and thanks to some U.

S. political help, sanctions would not allow the American oil companies to use the Iranian pipeline—citing that Iran has done nothing to deserve it.[38] The West also emphasizes that their pipeline would give the former Soviet republics a means to insulate themselves from imperialistic aspirations from Moscow and Iranian internal instability presents a greater risk to their oil. Iran, however, from a purely economic viewpoint has a reason to be angry considering its pipeline would only cost $300 million as opposed to the Baku-Ceyhan pipeline's cost of $2. 5 billion. Rightly so, it believes that it provides the most efficient and cost effective way to deliver any oil in the Caspian and that the U.

S. is simply continuing its efforts to isolate them from the international market. Russia backs its own pipeline but is also publicly critical of the Baku-Ceyhan route even though Russian oil companies privately express no such hostility because, should they find more oil, they would need an extra pipeline too.[39]The Caspian's oil battle, however, has continued to demonstrate the theme buttressing much of the Russian-Iranian relationship —anti-Westernism.

While Iran and Russia both harbor some resentment for the others' efforts to dominate the transportation of oil and gas in the Caspian Sea, " they have come together hoping to resist American attempts to make sure it runs through neither [of them]."[40] It would be wise to note that Iran and Russia are the only two countries with a significant naval military deployment in the Caspian Sea and they have not been afraid to use it. In August of this year, Russia announced that three new powerful ships would be joining its fleet and has conducted live ammunition exercises close to Baku. Also in August, Iran used a naval warship and military aircraft to force two oil-exploration ships, owned by British Petroleum and jointly run with an Azeri company, away from the Alov structure.[41] In a bid to destabilize Azerbaijan and the pipeline, both have backed Armenia in the dispute over Nagorno-Karabagh— Iran by providing arms and gas, Russia by selling arms and maintaining its military bases.[42] A former Azeri ambassador to Tehran has even claimed to have evidence that " every year Iran allocates over $50 million for acts of sabotage in Azerbaijan.

"[43]To provide its actions some legitimacy, Russia has accused Azerbaijan of aiding the Chechen rebels through propaganda and threatened to impose

sanctions. Determined to keep Azerbaijan and Georgia from cementing ties with the West and Turkey, Russia has threatened counter-measures if they continued to “ flirt with NATO.”[44] One of the main reasons that Moscow has tried so hard to maintain control of Chechnya is its geographical location in relation the proposed Novorossiisk pipeline. Redirecting it around Chechnya inflicts a major cost increase and as long as the rebels persist, foreign investors will be too wary of inherent risks associated with it.

While Iran may feel some sympathy for its Muslim brethren in Chechnya, Tehran has obligingly kept its mouth shut on the issue.[45] As Mr. Pahlevan has noted, “ Islamic solidarity has been set aside in view of Iran’s immediate need to keep Russia disposed to fulfill its promises regarding projects in various fields.”[46]In the end, it seems as if all of the pipelines will be built, although the legality of the Caspian’s oil is still unsettled. Whatever may happen, Russia and Iran have continued to strengthen their ‘ strategic partnership’ and it is likely that they will continue to do so in the future.

In the battle of the Caspian, as in other parts of the Central Asian region, they have both shown an undeniably strong preference for each other rather than risk the Western alternative. CONCLUSIONS: IMPLICATIONS FOR U. S. POLICYThe emergence of closer ties between Russia and Iran is an unquestionable vital threat to the national security of the United States. The large majority of their mutual goals, priorities and motives run directly counter to those of the Western world as well as the newly independent states of Central Asia. In fact, their ‘ strategic partnership’ is rooted in anti-Americanism.

If allowed to further manifest itself, it will only serve to degrade the security and stability of the greater Middle Eastern region and reinforce their mutual hegemonic aspirations. As such, the United States has a singular ability to provide the necessary economic, political, and military pressure to counter their advances. In light of September 11th, our priorities should then be defined as follows—1) Support for and integration of the newly independent Central Asian states into the global free-market system; 2) Increased pressure and efforts to stem nuclear proliferation and ‘ leakage’; 3) Increased economic and political aid for the Russian transition; 4) Gradual reestablishment of working diplomatic and economic relations with Iran. If September 11 did anything to change the world, then one thing it changed is how the West, and in particular the United States, should think about energy and democratization in Central Asia and the Middle East. A fairly broad statement, yet it still emphasizes the stake that America has in the capitalist and democratic development of these regions. The immense oil and gas reserves found in the Caspian have the ability to serve as a cushion for Western energy needs at a time when the Persian Gulf is looking more and more unstable.

Dependence on Middle Eastern oil, or to be more specific, Saudi oil, is a fact that we will have to live with for a long time to come. However, I don’t know anyone who takes only their credit card on a trip to the Middle East. What would happen should a country like Saudi Arabia become controlled by an irrational regime not inclined to accommodate our “ addiction to oil?”[47] Furthering relationships with regional governments can also serve to limit opportunities for terrorist recruitment. The current situation of rampant

corruption and crime can only work to further the goals of anti-American Islamic fundamentalists by providing them with a breeding ground for uneducated, frustrated, and desperate souls. Insulation from the hegemonic impulses of countries such as Russia and Iran is a necessity if the region is to integrate into the Western and larger global market. As many democratization experts insist, the chances of survival for fledgling democracies is increased in a large part due to economic well-being.

While almost the entire region is far from the democratic finish line, increased western business influence and interest can go a long way at providing the bases for economic growth and national self-sufficiency. Hopefully, this will promote stability, the emergence of a middle class, and a respect for the rule of law. The United States should then focus on conflict resolution and increased regional involvement not only to maintain the security of the oil trade and counter Russian-Iranian efforts, but also to give people the chance to normalize their lives and begin to gain a sense of civic associationalism that is vital to the growth of civil society, a cornerstone of democracy. Since the Cold War, few Americans have lost sleep over the threat of a nuclear Armageddon. However, as September 11th and the arms trade between Russia and Iran have illustrated, the threat of mass destruction does not necessarily imply an apocalyptic exchange of nuclear bombs. “ There is less danger of complete annihilation, but more danger of mass destruction.

”[48] With enemies that willingly sacrifice their lives, the whole notion of deterrence seemingly falls apart. The clandestine and dispersed nature of modern terrorist groups begs the question: should they detonate a bomb on

American soil, where do you send a reply? If we are unable to respond in kind due to the consequences of collateral damage, will that not encourage others to doubt our resolve? Questions like these may not have to be answered if we take preventative measures to plug the leak before it becomes a flood. While that may seem obvious to some, if anything good should come from September 11th, it is to emphasize the urgency of the problem. The fact remains that Russia's aging arsenal of nuclear weapons has become the primary source for terrorist groups seeking to buy nuclear material. Realizing the increased security on Eastern European borders, Russian criminal organizations bent on selling this material have adapted by running a button hook route through the Caucasus, then to Turkey and into Europe.

Through increased economic and political involvement in these regions, the U. S. can apply pressure and promote the development of civil society to encourage respect for the rule of law and increase border security. While we have purchased a large amount of Russia's nuclear material, apparently it has not been enough. Russia continues to at least assist Iranian nuclear efforts, though it may not have explicitly provided pre-made weapons grade material.

Considering the Islamic Republic's history, there is no doubt that should Iran gain a nuclear capability, a pre-made bomb might at some point in the future fall into the hands of terrorist organization such as Hamas, eliminating the need for scientists, research, development, or resources other than U. S. dollars. Unfortunately, Iran's nuclear program may be well beyond the point of no return, so one course of action could be to convince them that they

don’t need it at all. Not a very easy task, nevertheless, it would mean eliminating the Iraqi nuclear threat. Saddam Hussein must then allow unconditional access to U.

N. weapons inspectors or the U. S. will force him to.

This can help decrease Iranian fears over Iraq, and possibly preserve the status quo for the time being. But non-proliferation efforts must extend throughout the former Soviet republics and into Russia by increasing security for the storage, transportation, legal purchase and sale of fissile material. However, Russia is in no position to accomplish any of this on its own. That is why we need to increase economic aid and involvement in the dismantling of Russia’s nuclear arsenal and to ensure the continuation of the democratization process. In order to counter the market forces at work in the Russian-Iranian arms trade relationship, the U.

S. can offer support to create alternatives to arms production or make it unprofitable to continue. The bill that Clinton vetoed in 1998 was a good idea, and we need more like it—to give Russian scientists jobs that pay on time; to convert arms factories into consumer production industries; and to stem corruption and organized crime. As in the former republics, economic growth can help to mitigate many of the problems associated with emerging democracies.

Increased GDP and economic aid produce a reliance on the formal democratic structures of government and in turn, respect for the rule of law. It may be generations until norms of informal trust that many stable democracies take for granted become commonplace in the Russian

Federation and its surrounding regions. No doubt, Russia will protest an increased U. S. presence in it traditional sphere of influence; but in time, Moscow will realize that cooperation with Washington is where their true interests lie.

Finally comes the difficult, but nonetheless necessary, reestablishment of working diplomatic and economic relations with the Islamic Republic of Iran. Historically, economic sanctions have worked only when they have been “ universal and comprehensive, consistent and credible—in short, leak proof.”[49] In this case, none of those conditions has held. Japan, Russia, China, Canada, France and others have largely ignored unilaterally imposed U.

S. trade sanctions to expand their own commercial interests in a lucrative market free from U. S. business interests or simply to assert their political independence from Washington. Whatever the reason may be, sanctions are not working. We have only shoved an irritated Tehran into the arms of Moscow.

In fact, Russia would like nothing less than an end to the sanctions because it would cease to be appealing to Iran for arms or consumer goods. Iran does not enjoy watching continuous disruptions in Russia’s heavy industrial sector or its administrative and labor chaos. The cost of incompatibility that comes with the purchase of military hardware from numerous unreliable suppliers is definitely a problem Tehran would like to do away with. By opening political and economic ties with Iran, any attraction that Russia previously held would

be significantly weakened, in turn drawing both Russia and Iran into stronger relations with the West than each other.

Increased relations with the U. S. can also help to stabilize an increasingly unstable internal situation. President Khatami is now hemmed in on all sides by the conservative clerics, however, any U. S.

proposal that would strengthen the economy and give the regime a better chance of survival is likely to be positively received by all factions. That can allow the U. S. to get their foot in the door, without ruffling too many feathers in the process. A real breakthrough in relations, which would be both a major symbolic event and a true strategic victory " demonstrating that Western and Islamic civilizations need not be hostile, tempering fears about terrorism and proliferation to hostile powers, and improving the security of the unstable but vital Persian Gulf."[50]The benefits of stability and security in the Middle East region are mutual to all parties involved; the problem seems to be forcing Russia and Iran to realize the baldness of this fact.

However, the U. S. must realize that increased isolation of Iran will force it to strengthen anti-American relationships, like the Russian partnership; while, at the same time presenting a more unified barrier to Western influence in the Central Asia, Caspian and greater Middle Eastern region. In order to weaken the Russo-Iranian ' strategic partnership' and further U. S.

national interests in the process, the United States should pursue an increased role in Russia, the CIS, Iran and the Persian Gulf. The ' disengagers' would argue that the assertion of American responsibility for

maintaining world order is directly linked to the aggressive nuclear aspirations and terrorist mentalities found in much of these regions. However, should we disappear from the Middle East, it would only encourage would-be regional hegemons, escalate the race for nuclear weapons, and diminish U. S.

influence and credibility on the international scene. The United States certainly does not lack the political, economic or military resources; however, a deficiency in political and national will is at times apparent. The longer the U. S. perseveres in these regions, the easier it will be for countries such as Iran and Russia to realize that the West and America is vital to their long-term benefits.

The sooner both sides come to a common ground, the better off Tehran, Moscow and Washington will all be.