
IMPACT ON FOREIGN POLICY

Iran's foreign policy is too complex for simple description and prediction. However, the fundamental sources and security institutions described earlier shape both its direction and its application. The direction of Iran's foreign policy is hardly consistent: At times, the revolutionary imperative dominates; at other times, concerns over ethnic fragmentation or economic relations predominate. Nevertheless, patterns do emerge that can be described in some detail.

The armed forces and intelligence services will play an essential role in many of these decisions, particularly with regard to how Iran can best meet its security challenges. Although these institutions often play, at most, a limited role in formulating Iran's objectives, their decisions shape the means used to pursue these ends.

This chapter first notes the issues over which the security institutions have the most influence. It then describes the factors that shape Iran's relations with its neighbors, key regional countries, and the United States. It concludes by assessing factors that shape Iran's decisionmaking for other vital security concerns, such as support for insurgents abroad and Iran's military posture.

For these various objectives, this chapter notes both Iran's overall behavior and the specific agendas of its security institutions. The discussion emphasizes the perspectives of the IRGC and the *Artesh*, though other institutions and organizations are also often important.

WHERE THE SECURITY INSTITUTIONS MATTER MOST

The *Artesh* has a wide remit in terms of assessing and advising on national security issues, so in this sense its influence is far more functional and institutional than geographic. The *Artesh*'s influence is most directly felt in weapons acquisition, training and military exercises, and the annual round of budget negotiations. It cannot, however, choose its military suppliers and is guided in this regard by Tehran's political calculations and budgetary constraints.

The IRGC, largely due to its revolutionary origins and ties to the Supreme Leader's office, is influential in the broad area of Islamic revolution abroad. According to the IRGC's commander, Yahya Rahim Safavi, "The IRGC has no geographical border. The Islamic revolution is the border of the IRGC."¹ It has an extensive network of contacts across the Muslim world, with a particular emphasis on Lebanon, Iraq, the Gulf region, and the wider Arab world in general. Thus, geographically speaking, the IRGC's realm is the Middle East and North Africa, including the two Muslim countries to Iran's east, Afghanistan and Pakistan. The IRGC is far weaker with regard to Europe and to the West in general.

The IRGC's influence over foreign affairs is declining. It is good at being reactive, and sometimes even good at being proactive, but it is less of a player in the patient game of statecraft, foreign policy building, and conducting Iran's external affairs. The regime's confidence in the IRGC to conduct a long war has declined.²

In general, hard-and-fast rules as to which institutions govern which policy offer little insight. The large number of actors important to Iranian decisionmaking and the conflicting forces that push Iran in different ways lead to policies that often vary by country, by issue, and by the issues of the day in Tehran. Key individuals often change institutions, and their responsibilities and networks go with them. Perhaps most important, different regime priorities lead to the rise and fall of different institutional agendas.

¹*Salam*, June 3, 1998.

²Buchta, *Who Rules Iran?* p. 147.

RELATIONS WITH REGIONAL STATES AND OTHER IMPORTANT POWERS

As the discussion above indicates, Iran's foreign policy varies considerably. The factors noted in Chapter Two—Islam, nationalism, geopolitics, ethnicity, and economics—all play roles in shaping policy. So too do the particular agendas and concerns of Iran's security institutions. Thus, to gain a full understanding of Iran's security policy, it is necessary to assess Iran's behavior on a country-by-country basis.

Iraq

Although Iraq remains Iran's gravest security concern and most bitter foe, Tehran is cautious with regard to encouraging unrest in Iraq. Iran favors the containment of Iraq in general, but it opposes any action that might fragment its neighbor.

Both in and out of Iran's security establishment, Iraq is viewed as the greatest threat to Iran's security.³ The eight-year war with Iraq haunts Iran today. Iraq remains hostile, and discoveries about its extensive WMD programs have alarmed Tehran. Iraq's regime is viewed as highly revisionist, with designs on controlling the Shatt al-Arab and Arab-populated parts of Iran. The immediacy of concerns has abated somewhat in the last decade, however, as the U.S.-led containment of Iraq has sapped Baghdad's military and economic strength. Nevertheless, Iraq is Iran's leading short-term as well as long-term security threat.

Both Iran and Iraq also harbor each other's political opponents. Iran supports a Shi'a opposition force in Iraq (the Supreme Council of the Islamic Revolution in Iraq, or SCIRI) to gain leverage over Baghdad. Iraq does the same with Iran by supporting the *Mujahedin-e Khalq* Organization (MKO), a Marxist and nominally Islamist movement. Policies toward these groups can be seen as barometers of relations: Assassinations and unrest are actively encouraged when relations between the two countries are poor, and the groups are reined in when relations are improving.

³Private discussions with Iranian officials.

Iran also seeks to exploit Kurdish hostility toward Baghdad while preventing that hostility from becoming a strong force that could spill over into Iran itself. This tactic began well before the Islamic revolution, when Iran used Iraq's Kurdish opposition under Mustafa Barzani to pressure Iraq, dropping support for the Kurds in 1975 after Iraq agreed to Iran's terms on their disputed border. Today, Iran encourages the reconciliation of the Mas'ud Barzani-led Kurdish Democratic Party (KDP) with the Talibani-led Patriotic Union of Kurdistan (PUK) in the hopes of keeping the forces viable as a major irritant to Saddam's regime.⁴

Iran's policy toward Iraq and the Kurds is indicative of its concern for regional stability. Despite Iran's hostility toward Saddam's government and repeated backing of the Kurds, Iran opposes any arrangement that might embolden the Iraqi Kurds to set up their own government or state. Iran has supported measures to reconcile the various Kurdish factions in Iraq.⁵

Concerns over restive minorities and regional instability have even led Iran to limit its support for Iraqi Shi'as in recent years—a dramatic change from the early days of the revolution, when Ayatollah Khomeini and other regime leaders called on Iraqi Shi'as to revolt. Iran has not extended large-scale support for the Shi'as in Iraq, even when Baghdad engaged in massive repression, as in 1991. Baghdad's violence against the Shi'a leadership evokes criticisms, and Iraqi Shi'as are permitted to demonstrate in Tehran, but more concrete

⁴James Blitz, "D'Alema Seeks Positive Solution to Ocalan Dilemma," *Financial Times*, November 18, 1998.

⁵On the fighting between the Kurds and the Turkish government, former president Hashemi Rafsanjani's comments are indicative: "The fighting in northern Iraq gives Iran a headache and causes many problems. Large groups that flee the fighting are taking refuge in Iran, bringing scores of problems with them. These groups smuggle weapons into Iran. The animals they bring with them sometimes cause epidemics. Naturally, in order to avoid such problems we want peace to reign in Iraq. We expect Turkey to understand our problems." *Canal-7* (Istanbul, in Turkish), June 16, 1997, BBC ME/2949 MED/11-12, June 19, 1997. See also Alan Phillips, "Iranians Watch and Wait as Shi'ite Cousins Suffer," *Sunday Telegraph*, February 28, 1999, p. 21, and Saideh Lotfian, "Iran's Middle East Policies Under President Khatami," *The Iranian Journal of International Affairs*, vol. X, no. 4, Winter 1998-1999, p. 431.

measures are lacking.⁶ Iran has initiated a limited dialog with Iraq that is intended to facilitate pilgrimages by Iranian Shi'as to holy places in Iraq.

A minority view in Iran calls for a reconciliation with Iraq. Some leaders argue that it is in Iran's long-term interest to improve Iran-Iraq relations, particularly while Baghdad remains vulnerable and under international sanctions. Such a relationship, they argue, would give Iran a bigger say in Iraq's future, provide it with leverage over the current regime, and weaken the U.S. presence in the area. But the proponents of the pro-Iraq policy are still a small minority in Iran. Most Iranians, including large segments of the IRGC and the *Basij*, abhor President Saddam Hussein's regime and feel that they owe it to the martyrs of the war to help bring about the regime's end. Indeed, the martyrs factor is the most effective barrier against a new opening toward Iraq, despite Baghdad's repeated offers.

Despite the emotion and bitterness that characterize Iranians' sentiments toward the Baath regime, Tehran is willing to act pragmatically to advance its interests. Iran and Iraq have fitful diplomatic contact. Tehran has, for a price, helped Iraq smuggle oil and otherwise evade international restrictions, even as Iran's leaders have kept a wary eye on Iraq's military and WMD capabilities.

Iraq's position in the Iranian consciousness is also unique for historical and religious reasons. Iraq is, in essence, a second Shi'a homeland. Two of the great pilgrimage shrines and centers of Shi'a religious learning—the cities of Najaf and Karbala—are in Iraq, as are many lesser but important places of veneration. Many Iranian religious leaders studied in Iraq, and contacts between the communities, though cut significantly since Saddam Hussein consolidated power, have historically been strong.

Agendas of Iran's Security Institutions

Iraq remains at the center of Iran's security concerns for both the *Artesh* and the IRGC. In general, the *Artesh* focuses on the conven-

⁶For an example of Iran's weak reaction after the assassination of Muhammad Sadiq Sadr and his two sons in Najaf in February 1999, see *IRNA*, February 23, 1999, BBC ME/3648 MED/8, February 25, 1999.

tional threat Iraq poses, relying on defensive measures to ensure that Iran is prepared to face a resurgent Iraq. The IRGC is more focused on anti-MKO operations and on working with the Iraqi Shi'as, both of which demand offensive measures. In practice, however, the duties of the *Artesh* and the IRGC overlap considerably.

The *Artesh* remains fearful of the Iraqi regime's posturing toward Iran and has contingency plans for renewed Iraqi provocations over the Shatt al-Arab border issue. Although the *Artesh* calculates that Iraq's remaining SSM (surface-to surface missile) force does not give it the capability to strike at Tehran, the *Artesh* does not rule out the possible deployment of SSMs against Iran's urban and industrial centers nearer the border.⁷

An associated concern is the resurgence of Iraq's WMD capability, which *Artesh* leaders think can be restored in the absence of international inspectors. To deter Iraq, Iran has been developing its own counterforce, which includes a large SSM capability and the deployment of Russian-supplied long-range strike aircraft. It has also been building up its air defense systems around strategic targets.

The cross-border military operations of the MKO are a cause of concern for the *Artesh* and the IRGC alike. Iranian armed forces regularly attack MKO facilities (with aircraft and missiles) deep inside Iraq, a pattern that, in the absence of a formal peace treaty between Tehran and Baghdad, is likely to continue.

The IRGC sees itself as a defender of the Iraqi Shi'as. The IRGC is heavily engaged in training and maintaining the military wing of Iraqi Islamic insurgent groups such as the SCIRI and Al-Da'wa. The Ministry of Intelligence and Security (MOIS) assists it in these activities. The IRGC has prepared itself for swift action should Baghdad become more vulnerable in the south, or should its worsening situation require greater Iranian intervention. The IRGC's Iraqi Shi'a allies are actively engaged in anti-MKO operations, penetrating Iraqi territory.

⁷*Iran News*, February 6, 1998. Key targets will include Iran's nuclear infrastructure and its oil industry, both within easy reach of Iraqi aircraft and SSMs.

In contrast to its situation in many other policy areas, the defense establishment has considerable influence over Iran's policy toward Iraq. Tehran develops its Iraq strategy through the intelligence, and clandestine operations that the IRGC, military intelligence, and the MOIS conduct in Iraq, and through the information that the Iran-based Shi'a opposition groups bring. Thus, despite the recommendation of several radical elements in Tehran that Iran should throw its lot in with Iraq and form an anti-U.S. front with Syria and Iraq, the military institutions' threat assessment of Iraq and their calculations about the negative impact on Iran's national security of such an alliance continue to hold sway. The *Artesh* regards any alliance with Iraq as pure adventurism, a term also used by President Khatami himself.

Russia

Russia's relations with Iran have become friendly, if hardly close, despite Russia's history of imperialism and past attempts to annex Iranian territories. Moreover, relations have improved despite Moscow's brutal war against Muslims in Afghanistan and two wars against Muslim Chechens.

The explanation for this closeness is pragmatic necessity. Iran's cultivation of the Soviet Union and then Russia started during the war with Iraq. Soviet-manufactured arms took the place of U.S. and other embargoed Western arms. This created a link, especially with regard to aircraft, which Iran has sought to tighten.⁸ Nuclear technology embargoed by the United States and its allies was also supplied by Russia, which professes to see no proliferation threat from Iran. Thus, Russia, while certainly not the supplier of choice, has become the supplier of necessity.

The relationship is businesslike rather than based on shared interests or warm intergovernment relations. The technology transfers and training that Moscow supplies remain strictly tied to Iran's capacity

⁸The first supplies of Soviet-type equipment came from North Korea and China, followed by direct arms agreements with Moscow. A similar pattern emerged with Scud missiles. Iran first received Scud missiles and technology from Syria and Libya. Later, North Korea and China filled the gap, after which Iran received technology transfers from Russia.

to pay. This was evident in the transfer of the three Kilo-class submarines, whose delivery was staggered accordingly. This feeling is mutual and suggests that Tehran does not have any illusions that it has gained in terms of reliability or sophistication in exchanging the United States for Russia as a supplier of technology.

Since the fall of the Soviet Union, Iran also has cultivated Russia to offset U.S. dominance. Iran, like Russia, China, and India, sees the emergence of a unipolar world as troubling enough to encourage at least thinking about offsetting geopolitical axes. This effort, however, has produced little actual cooperation, and Moscow remains suspicious of Iran's regional ambitions and support for Muslim movements.

As it has in general regarding restive minorities, Iran has tried to foster stability rather than encourage unrest in areas of mutual interest to Russia. Iran first signaled this preference in 1989 when it sought, unsuccessfully, to use its influence in the Muslim parts of the Soviet Union to discourage unrest that might contribute to the breakup of the state. Since then, Iran has avoided excessive criticism of Russian repression of the Muslim parts of the former Soviet Union. In exchange for technology and stability, the Islamic Republic has been willing to swallow its principles and abandon Muslim solidarity.

Chechnya illustrates Iran's hard-nosed realpolitik policy toward Russia. Although making polite noises about human rights, Iran has avoided harsh and open condemnation of Russia, despite the deaths of thousands of Muslim civilians. Iranian leaders have consistently referred to Chechnya as an "internal matter."⁹

Iran's and Russia's interests may overlap in regard to wanting regional stability, opposing U.S. hegemony, and conducting a mutually beneficial arms trade, but the two are more likely to be rivals on other fronts. A resurgent Russia with a revived nationalism is not likely to be an easy or desirable neighbor. The Caucasus and Central Asia remain potential areas of conflict. Iran and Russia both seek to prevent U.S. influence in the Caucasus from growing but are far from agreeing on their respective roles. It is not in Iran's interest that

⁹Radio Free Europe/Radio Liberty, *Iran Report*, vol. 2, no. 45, December 15, 1999 (electronic version).

Russia dominate the former southern Soviet republics. Nor do Iran and Russia share economic or energy interests. Iran would like to be the principal energy route for exports from the region, whether via the Persian Gulf or across Iran to South Asia. So too would Russia.

Agendas of Iran's Security Institutions

The concerns of the *Artesh* are important factors in shaping Iran's policy toward Russia, while those of the IRGC—which are far more ambivalent—play less of a role.

The *Artesh* views Moscow as a possible, though hardly dependable, ally against U.S. pressure and as an important source of military hardware and software. Some officers, while complaining about the Russian suppression of the Chechen rebels, speak positively of Russia's role in helping the Iranian armed forces and stabilizing Central Asia, particularly with regard to countering the Taliban's influence. The *Artesh* looks to Russia for training and also for the supply of spares and technical know-how. The *Artesh* hopes to gain from the transfer of Russian satellite and space technologies and of Russian airframe materials, technologies, and avionics. The *Artesh* also hopes that improved political relations with Russia and India will mean that it can pursue tripartite military exchanges and exploit India's vast experience in Soviet military hardware and technologies for its own military R&D purposes.¹⁰

The IRGC is far more critical of Russia, but it swallows its concerns for realpolitik reasons. The IRGC is a close observer of Russia's brutal strategy in the Caucasus and is more critical of its military operations in Chechnya. There have even been unconfirmed reports that the IRGC had intended to send volunteers and to provide training for Chechen fighters. It sees Russia as a decadent, weak, and corrupt society, which colors its perspective on Iranian-Russian relations. The IRGC's concern, however, is tempered by its reliance on Russia for many weapons systems and support technology.

¹⁰Iran has also been pursuing a parallel tripartite military tie-up based on a partnership among itself, China, and India.

The focus of Iran's intelligence agencies is on locating Russian military secrets and identifying key Russian personnel who can help Iran's military and other industries.

China

In the past decade, China has had more-extensive military relations with Iran than with any other country except Pakistan and possibly North Korea. Beijing has sold to Iran thousands of tanks, artillery pieces, and armored personnel carriers; more than 100 fighters; and dozens of small warships. Beijing has also sold to Iran an array of missile systems and technology, including air-to-air missiles, surface-to-air missiles, and anti-shipping cruise missiles. Most worrisome has been China's transfer of ballistic missile technology and its assistance with Iran's WMD programs. China's transfers include a range of items that helped Iran build its WMD infrastructure, improve the expertise of its scientists and technicians, and otherwise develop its WMD capabilities. Cooperation in these areas continued at a robust pace until at least October 1997, when China, in part due to U.S. pressure, agreed to suspend or curtail transfers of WMD-related items and anti-shipping missile systems and technology¹¹ and to provide no new assistance to Iran's nuclear programs. In January 1998, U.S. Secretary of Defense William Cohen received an assurance from Chinese President Jiang Xemin that China would not transfer additional anti-shipping cruise missiles or technology to Iran or help it with indigenous production.¹²

The commercial benefits of China's sales to Iran have been considerable, particularly during the Iran-Iraq war. China sold billions of dollars to the Islamic Republic during the 1980s, and these sales provided Beijing with much-needed foreign currency and an important source of exports. Since the end of the Iran-Iraq war, the volume of Beijing's sales to Iran has fallen considerably—while China's overall trade has skyrocketed—but export earnings are still an important

¹¹For a complete review of China's arms transfers, see Daniel L. Byman and Roger Cliff, *China's Arms Sales: Motivations and Implications* (Santa Monica, CA: RAND, 1999).

¹²Shirley A. Kan, *Chinese Proliferation of Weapons of Mass Destruction: Current Policy Issues* (Washington, DC: Congressional Research Service Brief, March 23, 1998), p. 6.

source of income for some of China's cash-strapped defense industries.

China's arms sales to Iran are made for foreign policy reasons and for commercial reasons, however. Until recently, China had a strong strategic and political interest in close ties to Iran, as China's leaders considered Iran a bulwark against Soviet expansion in the region. Even today, Beijing appreciates Tehran's attempts to avoid aligning closely with Russia or the United States.¹³ And because most regional oil-producing states are close allies of the United States, Beijing seeks to ensure at least a modicum of influence in the region by maintaining good relations with Tehran.

Beijing also recognizes that preventing Iran from improving its military is a U.S. priority, and it may exploit U.S. sensitivity on this issue to attempt to influence U.S. policies in other areas. For example, after the United States announced it was selling F-16s to Taiwan, China revived a proposed transfer of M-11 missiles to Iran that had earlier been canceled due to U.S. pressure.¹⁴ Ties to Iran thus provide Beijing with additional leverage in negotiations with the United States.

Chinese interest in maintaining the flow of oil has so far led Beijing to cultivate relations with Tehran, though this could change in the coming years. China's dependence on imported oil has grown steadily since 1994, and it is likely to do so in the future. Thus, China seeks allies in key oil-producing regions, such as the Persian Gulf. In a crisis, these countries would not likely sell China oil on preferential terms, but Chinese analysts believe that maintaining good relations with leading oil-exporting nations such as Iran is important to China's future energy security.¹⁵ The United States, however, has attempted to convince Beijing that Iranian-backed instability threatens to interrupt the free flow of oil from the Gulf, which could drive up the price of oil and jeopardize China's economic growth. U.S. officials claimed that China's promises to cut nuclear cooperation

¹³Bates Gill, *Silkworms and Summitry: Chinese Arms Exports to Iran* (New York: The Asia and Pacific Rim Institute of the American Jewish Committee, 1997), p. 7.

¹⁴Gill, *Silkworms and Summitry*, p. 21.

¹⁵Interviews conducted with Chinese security analysts of the Institute of West Asian and African Studies, Chinese Academy of Social Sciences, June 1998.

with Iran made at the October 1997 summit occurred in large part because China recognized this danger.¹⁶

Iran, for its part, sees China as an important political partner and as a source of weapons systems. China, with its UN seat and resistance to U.S. hegemony, was one of the few major powers willing to maintain strong and cordial relations with Tehran even during the more heady days of the revolutionary regime. Perhaps more important, Tehran greatly appreciated Beijing's willingness to support Iran's missile and nuclear, biological, and chemical (NBC) programs. Moreover, since Iran, like China, seeks to avoid import dependence, Beijing is often a preferred partner because it has been willing to transfer knowledge, expertise, and critical subsystems as well. This has enabled Iran to produce its own variants of Chinese cruise and ballistic missile systems.

In recent years, China's relations with Iran appear to have cooled, and the transfer of arms has fallen in turn. The ending of the Iran-Iraq war and the low price of oil mean that Iran no longer has the need or the ability to buy large quantities of Chinese arms. U.S. sanctions and Iran's economic mismanagement have caused grave economic problems for the Islamic Republic, forcing it to reduce its defense budget. For its part, China no longer sees Iran as a vital bulwark against Russian expansion. Indeed, China often cooperates with Russia against the West. U.S. pressure and China's desire to be seen as a responsible power make Iran a potentially costly friend. U.S. pressure played a major role in Beijing's October 1997 decision to curtail military cooperation with Iran.

Agendas of Iran's Security Institutions

Iran's security institutions appear to share the broader regime's goals of cultivating China as a way of balancing the United States. In addition, they recognize that China can act as an important arms supplier, particularly for missiles and nonconventional systems.

¹⁶"A New China Embracing Nuclear Nonproliferation," *International Herald Tribune*, December 11, 1997, p. 1.

China, however, is not Iran's preferred partner for most conventional systems. The U.S. success in Desert Storm had highlighted to Tehran the importance of advanced weaponry. After the Persian Gulf war, Tehran bought advanced submarines, fighter aircraft, tanks, and surface-to-air missiles from Russia: The Chinese systems, while cheaper, were clearly inferior. Only after 1995, when Russia pledged that it would not make further arms contracts with Iran, did Tehran resume looking to China for conventional arms. In addition, Iranian military officials have shown little faith in the quality of Chinese weapons: During the Iran-Iraq war, they sought to avoid using Chinese systems whenever possible during important battles.

Turkey

During much of the Cold War, Tehran and Ankara cooperated with the West and with each other against the Soviet Union. Each state felt that Moscow was expansionist—both had faced possible Russian occupation of parts of their territories in the immediate aftermath of World War Two—and decided to swap neutrality for the safer posture of alignment with the West. As non-Arab states that had not been colonized, Iran and Turkey found that they often shared perspectives on the world's problems.

Since the revolution, Iran has had an uneasy relationship with Turkey. Ankara found Iran's support for Turkey's Islamist elements in the 1980s and 1990s provocative. Iran, for its part, avoided close relations due to Turkey's ties to the West and avowed secularism. Nevertheless, their mutual anti-Soviet sentiment and the legacy of previous cooperation contributed to polite relations. However, the potential for volatile relations remains high given the two countries' strategic competition and differing world views.

In general, Iran and Turkey share goals with regard to Iraq. Both oppose Saddam Hussein's regime. Moreover, both balance this hostility with a concern for massive instability in Iraq. In the wake of the war, together with Syria, they consulted to ensure a coordinated approach in the event Iraq was to fragment. Iran has opposed Turkey's periodic incursions into Iraq in search of Kurdish Workers' Party (PKK) elements that have sought sanctuary there. Yet this opposition appears token at most. Both countries fear a strong Iraqi Kurdish movement that might embolden minorities in their own countries.

(Of course, Iran's anti-Kurdish policies at home have not led it to cut its ties to the PKK, which Iran sees as necessary for leverage with Ankara.)

The prediction that Iran and Turkey would inevitably compete for influence in the Caucasus and Central Asia has not come to pass. Iran, however well situated geographically, lacks capital and is regarded by the governments in the region with caution and skepticism. The U.S.-led embargo has also handicapped Iran's diplomacy in the region. Accordingly, Iran has trimmed down whatever ambitions it may have had to ensuring its national interests and emphasizing its cultural and historical connections, rather than the Islamic element, with the Caucasian and Central Asian states. Turkey, by contrast, has benefited from U.S. support, generally and with regard to the construction of a pipeline to bring Caspian oil to the market. Turkey, however, is handicapped by geography in that it has little direct access to the Caucasus–Central Asia region, and the region provides few immediate economic prospects. If anything, Iran and Turkey share common interests in containing conflicts and limiting Russian influence. As a result of this combination of mutual interests and prudence, rivalry between Iran and Turkey is low-key and restrained.

Turkey's membership in NATO and its cooperation with Israel raise the most difficulties for Iran. In recent years, both the *Artesh* and the IRGC have worried about the burgeoning Israeli-Turkish alliance and the access to Iran's borders that this alliance might offer Israel. Iran's leaders have expressed their fears to Ankara, drawn closer to Syria, and broadened their regional contacts by working more closely with rivals of Turkey, such as Greece, Armenia, and Georgia. Of more concern to Turkey, Iran recently increased support for the PKK—support that led to a direct, if very small, clash between the two militaries in July 1999.¹⁷

¹⁷Iran claims that Turkish troops in July 1999 attacked sites in Iran as part of their anti-PKK campaign. Turkey claims that these were sites in northern Iraq and questions the presence of Iranians there. A joint commission to discuss security was revitalized, and a parliamentary friendship group was created. Iran assured Turkey that its eastern border would remain safe and secure. See the comments of Hojjat el Eslam Hasan Rowhani, Vice-Speaker of the Majles, *IRNA* (in English), BBC ME/3700 MED/7, November 24, 1999. See also the brief report on the incident in *Le Monde*, July 20, 1999, p. 7.

Tehran's residual support for Islam abroad causes problems for Turkey as well. Turkish Prime Minister Bulent Ecevit has accused Iran of seeking to export its ideology to Turkey. As long as Iran perceives Turkey's cooperation with Israel as aimed at itself, its support for the PKK, and perhaps Turkish Islamist groups, will continue.

Despite these irritants, the prognosis for better relations—or for at least no major downturn—remains positive. Iran and Turkey have no disputed borders, no notable historical resentments, and no other sources of disagreement. Both share common, or at least not conflicting, goals in Central Asia and in Iraq. Moreover, there is considerable scope for economic cooperation between the two states. Iran has oil and gas that it can export to energy-thirsty Turkey, and Iran can act as a transit route of energy exports from Turkmenistan and Kazakhstan. Close cooperation, however, awaits the resolution of Iran's problems with the United States, which has strongly protested Ankara's cooperation with Tehran.

Agendas of Iran's Security Institutions

The *Artesh* views Turkey as a powerful neighbor with a large military machine, strong security and military ties with the West, and a substantial presence on Iran's western (in northern Iraq) and northern (in Azerbaijan and Turkmenistan) borders. Despite Turkey's politico-military superiority, in recent years Iranian leaders have taken a series of potshots at its secular leadership, which has annoyed Ankara and forced it to respond in kind. This has also increased the pressure on the *Artesh* to plan for a possible escalation in political hostilities. In response, the *Artesh* has strengthened its military facilities in Iranian Azerbaijan and has reinforced several of its border posts on the Iran-Turkey border.

The tense border military exchanges between Iran and Turkey and Turkey's free hand in Iraqi Kurdistan have increased the *Artesh's* fears of instability in Iranian Kurdish regions. In addition, some officers voice the opinion that Turkey's Pan-Turanists are looking for a land corridor through Iran to Azerbaijan and that Iran should put in place a defense plan along its western territories. But a Pan-Turkic onslaught is not seen as a serious threat to Iran. The *Artesh* is more worried about the security impact of Azeri-Turkish relations in the

context of Baku's anti-Persian propaganda and its campaign to divorce Iranian Azerbaijan from Iranian territory.

The *Artesh* is particularly worried about the growing relationship between Turkey and Israel. *Artesh* leaders see this partnership as posing a possible direct threat to the country's security and exposing Iran's vital western and central territories (the country's most important regions economically and demographically) to the Israeli armed forces and intelligence-gathering services. It is believed in Tehran that the Turkish-Israeli partnership gives Israel the opportunity to spy on the Iranian border and enables the two countries to train Iran's Kurds while also enabling Turkey to suppress the PKK in eastern Turkey. Tehran also believes that Turkish intelligence has given the Mossad access to information about Iran and about Iranian residents in and visitors to Turkey.

The *Artesh* does not want a military confrontation with a NATO member and close ally of the United States. Some *Artesh* strategists are also concerned that a confrontation with Turkey will adversely affect Iran's relations with the European Union, Iran's main trading partner and a possible future source of military hardware and expertise.

The military tensions with Turkey in the summer of 1999 suggest the *Artesh's* caution. Clearly, the *Artesh* was suffering from wounded pride when Turkish forces struck at Iranian-backed PKK elements—hence the air force's maneuvers on the Iran-Turkey border in mid-August. Tehran, however, returned the two captured Turkish soldiers and chose not to escalate the situation by retaliating against the Turkish military's provocation. This incident raised the *Artesh's* threat assessment of Turkey and its level of preparedness in western Iran. However, the *Artesh* advised caution in the internal debate about the border incursion, arguing that after a show of force the situation should be contained.

The IRGC is engaged in the Turkish debate for domestic security reasons. The core reason is the Israeli connection: The IRGC sees its role as conducting counterintelligence activities vis-à-vis the Israelis in Turkey on the one hand, and pressing Turkey to limit its relationship with Israel on the other. The latter, Turkish sources allege, is being done through increased Iranian (IRGC and MOIS) support for

the Kurdish separatists and development of links with Turkey's burgeoning Islamist movement.

The IRGC is also concerned by Turkey's secularism and close ties to the West. Ankara embodies a direct challenge to the ideals of the Islamic revolution, and its economic success and foreign policy influence challenge the model offered by Iran.

The MOIS's interest in Turkey stems from Turkey's contacts with the West. The MOIS also monitors the presence of a large Iranian community living and working in the country whose members can enter Turkey without a visa and often transit Turkey to and from Syria.

Afghanistan

Afghanistan is a difficult and dangerous issue for Iran's rulers. The flow of drugs, the problem of kidnapping, and the threat of Islamic instability emanating from Afghanistan are viewed as major threats in Iran. There is agreement that, perhaps next to Iraq, the Taliban pose the most serious threat to Iran's security today—but the nature of that threat is amorphous.¹⁸ Like Iraq, Iran feels a certain affinity and responsibility for the Shi'a population located in the Hazarajat province. And, also like Iraq, Iran has found itself unable to act effectively as that Shi'a population's protector. Iran hosts around 2 million Afghan refugees, many of whom have resided in Iran for over 20 years. Afghanistan is also a major source of illegal drugs that enter Iran. Finally, the Taliban have provided a haven and support to the MKO and to Sunni radicals who oppose the regime in Tehran. Unlike with Iraq, however, the Taliban do not pose a threat to Iran's territorial integrity, and their military forces are weak. Iran's leaders believe they can contain the Taliban by fostering their own loyal proxies among Afghanistani Shi'a and by working with the Taliban's other enemies.

Tehran is particularly alarmed by the Taliban's consolidation of power in Afghanistan. The Taliban are virulently anti-Shi'a and have cracked down brutally on the Shi'as of the Hazarajat. Moreover, the Taliban are primarily Pashtun and have subjugated Persian-speaking

¹⁸Private discussions with Iranian officials.

Tajiks. The Taliban's leadership is hostile to Iran, seeing it (quite rightly) as a supporter of its Shi'a foes and of its opponents in general.

A direct conflict almost occurred after the Taliban overran Mazar-e Sharif in mid-1998. In attacking and then massacring large numbers of Shi'as, including a number of Iranian diplomats, the Taliban challenged Tehran directly. Iran mobilized its forces and reinforced its frontier, warning of serious consequences. But Iran was unwilling to get involved in the Afghan civil war. Iran could only repeat the need for a solution that transcended ethnic divisions.

Tehran has abandoned its revolutionary goal of creating a pro-Iranian Islamic state. Iran's preferred outcome is to preserve something close to the status quo:¹⁹ no redrawing of the map or re-configuration of the power balance between state and minorities. The risk of fragmentation in Afghanistan has underscored Iran's stake in regional order. Iran has in recent years sought to promote a formula for peace in Afghanistan that includes all major ethnic groups in a national coalition.²⁰

¹⁹As former president Rafsanjani observed: "Because of the multiethnic nature of Afghanistan, the issue cannot be settled by force, or by the supremacy of one group. That is a recipe for continued conflict." He went on to say: "We are against the Taliban or Afghans or seminarians. We are opposed to their belligerent ideas, war-mongering, and their unprincipled acts. For us there is no differences [sic] between Tajiks and Pashtuns." Hashemi Rafsanjani, *Vision of IRI, Network 1* (Tehran), BBC ME/3304 MED/1-5, August 15, 1998. Supreme Leader Ayatollah Khamene'i took the same line: "Of course there was discord, tribal strife. However, it was not serious and was not coupled with the use of religious, tribal, and nationality prejudices. Unfortunately, it is like this now." *Voice of IRI* (Tehran), September 15, 1998, BBC ME/3334 MED, September 17, 1998. An Iranian radio commentary aired the prevailing Iranian view: "The fact must be accepted that the Afghan community is a multi-ethnic, and although it is possible for one group to extend its dominance over the whole of Afghanistan through military power, it will not mean the ending of the crisis." *Voice of IRI*, August 9, 1998, BBC ME/3302 MED/21, August 11, 1998.

²⁰Tehran may be shifting its policy and recognizing the Taliban's dominant position. As the Taliban have extended their power, Iran has moved to recognize the inevitable and to deal pragmatically with it. See Pamela Constable, "Afghan Town Praises Iran as Nearby Border Opens to Trade," *International Herald Tribune*, December 23, 1999, p. 1.

Agendas of Iran's Security Institutions

For the *Artesh*, instability in Afghanistan and adventurism by the Taliban pose a potential threat. The *Artesh* also worries that further suppression of the Shi'a minority in Afghanistan might force Iran to take more direct action in their defense and get the military embroiled in an open-ended conflict in Afghanistan. The *Artesh's* agenda, therefore, is to contain the Taliban threat and deter it by show of force.²¹ *Artesh* leaders do not, however, believe that there exists a military solution to the Afghan problem.

The *Artesh's* views are shared among Iran's political leadership. Despite the urging of the IRGC, the *Artesh* did not support an attack on Afghanistan after the Mazar-e Sharif slaughter, because such a move was seen as a dangerous, open-ended commitment—Iran might fail to gain a victory. In addition, it would have been a risky undertaking for the regime when oil prices were low, as they were in 1998, and thus would not have been a popular war.

For the IRGC, on the other hand, the situation in Afghanistan has a direct bearing on the health of the Islamic Republic. The IRGC favored at least a punitive strike in Afghanistan in response to the killing of Iranian diplomats in 1988. The Taliban's repression of the Shi'a is a challenge to the IRGC's role as defender of the faithful, and its support of anti-regime radicals challenges the IRGC's mandate to protect the revolution. The IRGC, charged with reducing and eventually eliminating the opium trade from Afghanistan, holds the Taliban directly responsible for the opium trade and its impact on Iranian society, which is devastating the youth (with some estimates in excess of 2 million young addicts in Iran).

The IRGC is engaged in almost daily shoot-outs with smugglers from Afghanistan and is taking heavy casualties, perhaps as many as a few hundred a year. Its response has been to bid for more military hardware and better monitoring and intelligence-gathering equipment. It has been active in the barrier- and fence-building programs on the Iran-Afghanistan border. The IRGC is also concerned about the Taliban's smuggling of arms into Iran and its support for anti-Iran

²¹ *Tehran Times*, September 22, 1998.

terrorist groups. The IRGC is probably involved in the transfer of arms and money to anti-Taliban groups.

The MOIS's core activities have been to observe the Taliban, to aid the anti-Taliban forces in the north, and to monitor Taliban-Pakistan links. Little more is known of the MOIS's operations in Afghanistan, but the MOIS does fulfill an important anti-sabotage role in eastern Iran, where the Taliban have been active and where it is possible that the MKO has been able to infiltrate through Afghanistan. The MOIS probably is involved in facilitating the transfer of arms to anti-Taliban Afghan groups in the north.

Pakistan

Pakistan and Iran have long had close relations, but the health of this relationship is declining. During the Cold War, both countries feared the growth of Moscow's power in the region and backed different anti-Soviet groups in Afghanistan. The regular armed forces of both countries have long maintained good working relationships, and the defense establishments have conducted limited joint research.

In recent years, these strong ties have begun to fray. Afghanistan has gone from a source of unity to an issue of contention. Pakistan's recent nuclear sabre rattling also highlighted for Iran its own relative weakness regarding WMD. Elements within the IRGC openly worry about Pakistan's support for the Taliban. Iran also blamed Pakistan for the death of Iranian diplomats in Afghanistan in August 1998.²² In addition, as anti-Shi'a violence in Pakistan has escalated in recent years, fears are growing that Pakistan may become virulently anti-Shi'a. Many forces in Islamabad, particularly its security establishment, have forged close ties with anti-Shi'a forces in Saudi Arabia. Pakistan's Shi'a community feels threatened by the prospective introduction of Sharia law. If sectarian incidents continue, an exodus of the Shi'a community seems likely.²³

²²Buchta, *Who Rules Iran?* p. 147.

²³Farhan Bokari, "Pakistan's Shias Live in Fear of Further Massacres," *Financial Times*, January 11, 1999.

Even more worrying for Iranian security agencies has been the Pakistani government's inability to rein in anti-Iranian activities. Such acts as the 1999 murder of an Iranian diplomat in Multan, the attack on Iran's cultural center in Lahore in 1997, and the murder of five IRGC officers in Rawalpindi in September 1997 have forced the Iranian security forces to develop a more concerned line on Pakistan.

Agendas of Iran's Security Institutions

The *Artesh* is keen to contain problems with Islamabad and capitalize on the existing relationship between the two countries' armed forces in order to strengthen Iran's R&D efforts in military fields. Furthermore, *Artesh* commanders are not yet convinced that Pakistan poses a direct threat to Iran and its regional interests. The *Artesh* does, however, worry about the security fallout of the nuclear arms race in the Indian subcontinent. Officers have said in private that Iran may have little option but to develop its own nuclear option as a deterrent.

The IRGC is more concerned about Pakistan's politico-military role in the area. First, there is the continuing violence against the Shi'a community there. The IRGC sees it as its mission to provide some protection for this minority. Second, the IRGC, along with the MOIS, monitors the links between the Pakistani intelligence services and the Taliban. The IRGC and MOIS have also been known to wage counterintelligence operations against the Pakistan-based MKO and even to engage in murders of its members there. In recent years, though, this aspect of their operations in Pakistan has been less significant.

The anti-Iranian activities in particular could lead to an increase in tension. The fear of the *Artesh* is that murders in Pakistan will lead to an escalation of tensions between the two neighbors and may force conventionally armed Iran to challenge its nuclear neighbor for the first time. At the other end of the scale, the IRGC has wanted revenge for these deaths.

The Gulf States

Since the revolution, Iran's relations with Saudi Arabia and the traditional Arab sheikdoms of the Persian Gulf have been troubled at best. Immediately after the revolution, Iran sought to export its Islamist revolutionary model to the Gulf states. Tehran denounced Gulf leaders as corrupt apostates and backed Shi'a radicals in the Gulf states. In the late 1980s and early 1990s, even as its revolutionary ardor waned, Iran still competed with Saudi Arabia for leadership of the Muslim world. Iran forged ties to Sunni Muslim radicals, whom the Gulf states viewed as a grave threat.

Since 1996, however, Iran has courted the Gulf states with some success. Saudi Arabia has been Tehran's primary target. The two countries' defense ministers have met several times, and Iranian naval vessels have visited the Saudi Red Sea port of Jeddah. Iran has also sought to improve its relations with Oman, Qatar, and Kuwait. The Iranian military has been planning joint exercises with its Gulf Cooperation Council (GCC) neighbors, area military commanders have visited one another's capitals, and Iran has announced plans for confidence-building measures in the Gulf.²⁴

The warming of relations between Iran and Saudi Arabia is indicative of a genuine pragmatism on the part of Iran. Even a few years ago, the possibility of a rapprochement appeared remote.²⁵ Iran has had to soften its claims to Muslim leadership and its campaign against Saudi Arabia's "corrupt" and "American" Islam. Iran has curbed its rivalry with the Saudis to the extent of relinquishing its customary practice of staging demonstrations during the Hajj. Moreover, Iran has made sure that its opposition to the Taliban did not affect its rapprochement with Saudi Arabia, which has often favored the Taliban.

²⁴For example, the commander of the Iranian navy, Admiral Abbas Mohtaj, observed that Iran and Oman had already sent delegations to monitor each other's exercises and looked to others to follow suit. *IRNA* (Tehran, in English), September 4, 1999, BBC ME/3632 MED/13, September 6, 1999.

²⁵Shahram Chubin and Charles Tripp, "Iran-Saudi Relations and Regional Order," *Adelphi Paper*, no. 304 (London: IISS, 1996).

Iran's improved relations have borne fruit. Saudi Arabia and Iran, to the surprise of many observers, have cooperated with regard to oil production in OPEC, with little or no cheating. Tehran also seeks to cool the UAE's hostility regarding mutual claims to Abu Musa and the Tunb Islands, working with the other Gulf states to isolate the UAE. In practice, Iran has abandoned its demands that the Gulf states stop supporting Western troops and is now seeking to use military cooperation to reassure the Gulf states.

The rapprochement with Saudi Arabia and the other Gulf states exemplifies the increasing importance of economics in Iran's foreign policy. The need to improve coordination in OPEC in the face of declining oil prices overcame Iran's religious and nationalist convictions. Iran has been able to reverse its policies in the Gulf without serious internal opposition or dissent, which suggests that most elites recognize the need for better relations with the Gulf states.

Iran shares several other interests with the GCC states that contribute to better relations. Iran, like Kuwait and Saudi Arabia, sees Saddam's Iraq as aggressive and highly dangerous. Both Iran and the GCC states seek stability of the waterway to ensure the flow of oil. Iran also wants to exploit and manage the resources of the region when feasible. Thus, it supplies water to Qatar and is working with it to develop their shared natural gas reserves.

Relations are not harmonious in all areas. Tehran is troubled by the close ties the Gulf states have to Washington and their support for the U.S. military presence in the region. More generally, Iran seeks to be recognized as the preeminent regional power—a goal in keeping with its nationalist ambitions. To this end, it wants the Gulf states to respect its wishes and interests. In the past, it also has pursued its claim to Abu Musa and the Tunb Islands aggressively, even though these are also claimed by the UAE.

Tehran still regards Saudi Arabia as an ideological rival, in Central Asia and in west Asia, and as a close ally of the United States. Riyadh is conscious of the latent threat Iran poses to its interests in the Persian Gulf and beyond, but is more keen at present to develop the friendship with the pragmatic Iranian leadership and carve for itself the role of a mediator in Iranian-American exploratory discussions.

Agendas of Iran's Security Institutions

The *Artesh* has welcomed better relations with Saudi Arabia and has pushed an agenda of confidence-building measures. The *Artesh* has worked with Iran's Foreign Ministry to ensure that its voice is heard. Since 1997, this strategy has been the dominant line out of Tehran. Military realism, designed to reduce tensions, explains the high-level military exchanges between Tehran and Riyadh and the less hostile posture that the Iranian navy has been adopting toward the U.S. Fifth Fleet in recent years.

Minister of Defense Admiral Ali Shamkhani has championed improved relations with the GCC states as an effective way of blunting the United States' political attacks on Iran and removing any pretexts for U.S. intervention against Iran, or indeed the continuing military presence in the Persian Gulf.²⁶ He and his *Artesh* advisors have been instrumental in the development of military ties with Oman, going as far as engaging in token exercises and joint patrolling of the Straits of Hormuz.²⁷

The *Artesh* seeks to detach its dispute with the UAE over Abu Musa and the Tunb Islands from its broader relations with the Gulf states. The *Artesh* is of the view that it has to defend the disputed three islands as part of Iranian territory, making it unlikely that the country can reach a satisfactory accommodation with the UAE. The *Artesh* does not, however, want to see its show of force or government intransigence leading to an open confrontation with the UAE and the GCC, which could invite the U.S. Fifth Fleet to take up position against Iran.

²⁶Shamkhani's calls for new Persian Gulf security arrangements have been adopted by the political leadership and been built on by the Khatami administration. It was Shamkhani who said in 1997 that the Persian Gulf littoral states "should seriously opt for formulation of a stable and coordinated strategy to reach sustainable security without foreign involvement." *Ettela'at International*, January 9, 1997.

²⁷The *Artesh*'s enthusiasm for a collective security pact in the Persian Gulf and the lengths it is prepared to go to make this Iran's declared Gulf policy were again highlighted in May 1999, during the official visit of Prince Sultan Bin Abdul Aziz, Saudi Arabia's Defense Minister, to Tehran. Upon Prince Sultan's arrival at Mehrabad airport, Shamkhani broke protocol, entering into a one-to-one exchange with the prince in which he pushed the Persian Gulf collective security issue before his political masters had had the chance to enter into any discussions with the prince.

The IRGC has been told by Iran's senior political leadership to reduce its support for anti-regime Shi'a groups in the GCC, as is evident from the apparent withdrawal of Iranian support for the Bahraini opposition. The MOIS, likewise, has a minor role to play in the GCC context, except, wherever it can, to monitor the activities of Western personnel and the Iranian community in these countries.

The IRGC, however, has played a leading role in preparing for contingencies against the United States. It has developed a denial doctrine, procuring weapons systems and training its forces as part of an overall strategy to deter the United States from anti-Iranian actions and, if necessary, impose costs on U.S. forces if they choose a confrontation. The *Artesh* contributes to these efforts.

Central Asia and the Caucasus

The collapse of the Soviet Union offered tremendous potential benefits to Iran. Tehran looked at the newfound independence of the states in the north as a diplomatic opportunity to break out of the containment imposed by the United States. Iran has cultural and historical ties with the Caucasian states to its northwest and the Central Asian states to its northeast (none more so than Persian-speaking Tajikistan). Furthermore, it shares with these states an interest in nurturing their independence from Russia.

Geography favors Iran. Most of these states are landlocked. Azerbaijan, Turkmenistan, and Kazakhstan have access to the Caspian, but this is a closed, inland sea. Quite apart from trade with Iran, gaining access to the open waters of the south is important to these states for securing markets in the Middle East and beyond. Iran's natural link from the Caspian to the Gulf and, through it, to the Indian Ocean thus constitutes a potentially important asset for Iran in its relations with these states. Iran's own economy stands to benefit from such relations, from the viewpoint not just of transit fees or even swap arrangements but also of markets for goods that Iran itself produces.²⁸

²⁸Amir Houshang Amini, "Iran's Standing in the Regional Geo-Economic Equation," *Iran Commerce* (Iran Chamber of Commerce, Industries and Mines), vol. 4, no. 2, Autumn 1997, pp. 20-24.

As a result of poor relations with the United States, however, few of these potential advantages have been realized. U.S. sanctions, pressure against projects with Iran, and inducements for alternative schemes have closed this avenue for Iran's economic development. Given the parlous state of Iran's economy, finding ways to benefit from this area is likely to remain a priority.

The Caspian itself is an issue, both of cooperation and of rivalry. Iran, like Russia, seeks a share of Caspian resources greater than the share it is entitled to based on its coastline. Tehran also seeks regional stability to encourage trade and the development of resources. In addition, the Caspian is an important training base for Iran's navy.

Concerns About Communal Unrest

This enthusiasm for the economic opportunities Central Asia offers is tempered in practice by a real conservatism with regard to existing borders and support for the rights of minorities. In general, Tehran has sought stability. When conflict has arisen, Iran's preferred stance has been as mediator, offering its good offices and suggesting peace formulas. It has sought (not always successfully) to avoid identification with one side.²⁹ Tehran fears that the disintegration of neighboring states and the assertiveness of their ethnic groups could create models for Iran's own potentially restive communities. Given the location of Iran's minorities on its periphery and adjacent to these areas, the risks of spillover and imitation would be profound. Hence, Iran has eschewed opportunism or activism:

- In June 1989, on a visit to the USSR, President Rafsanjani advised Azerbaijan to stay within the USSR.
- Iran, in contrast to Turkey, reluctantly and belatedly recognized the breakup of the USSR.

²⁹See inter alia the articles of: Hanna Yousif Freij, "State Interest vs. the Umma: Iranian Policy in Central Asia," *Middle East Journal*, vol. 50, no. 1, Winter 1996, pp. 71-83; Adam Tarock, "Iran's Policy in Central Asia," *Central Asian Survey*, vol. 16, no. 2, 1997, pp. 185-200; Mohiaddin Mesbahi, "Tajikistan, Iran and the International Politics of the 'Islamic Factor,'" *Central Asian Survey*, vol. 16, no. 2, 1997, pp. 141-158. See also, "Iran's Relations with the States of Central Asia and Transcaucasia," *Background Brief* (London: Foreign and Commonwealth Office, August 1998).

- In Persian-speaking Tajikistan, Iran offered a formula for peace based on the inclusion of all factions, despite its cultural ties and the strength of the Islamist movement there.
- Iran has worked closely with Christian Armenia, supporting it tacitly in its conflict with Shi'a Muslim Azerbaijan.
- During Russia's wars with Muslim Chechnya, Iran referred to the matter as an "internal" issue.

Azerbaijan has great potential to destabilize Iran, but both governments have adopted cautious and pragmatic policies toward each other. Even though there is little support for Azeri separatism in Iran, Tehran is particularly sensitive to any threat to its ethnic harmony and has sought the extradition of Iranian Azeri separatists from Baku. Fortunately for Iran, there is little evidence that Baku seeks to promote unification of the two Azerbaijanians. Iranian Azeri separatist inclinations are limited and dormant. Groups such as the New Union Organization, headed by Mohammed Ali Galibi, do not appear to enjoy mass support. Preoccupied with unstable politics, a succession problem, the conflict with Armenia, and pipeline politics, Azerbaijan cultivates Iranian support. This fits in with Iran's priorities—to emphasize state-to-state relations and common interests.³⁰

Given the instability in the region, Iran has both mediated disputes and used its muscle to prevent any dramatic change in the status quo. Iran has tried to mediate the Nagorno Karabakh dispute, but when Azerbaijan was threatened by an Armenian offensive in mid-1993, which produced a steady stream of refugees across the Iranian border, Iran threatened Armenia with direct intervention. For Iran, balancing rather than taking sides is not always easy. Domestic politics and Pan-Shi'a sympathy argued for a tilt in favor of the Azeris. Pragmatic national interest, however, argued for an approach that left Iran with influence with Armenia, particularly as Turkey has favored Baku.

³⁰President Khatami, after referring to the common historical, religious, and cultural bonds shared by the two countries, observed: "What's important is that the fates of the two countries are linked together." Mohammed Khatami, *IRNA*, December 1, 1998.

Iran has cultivated Turkmenistan, with which it shares a border of 1,500 kilometers.³¹ A friendship treaty was signed in 1992. In 1996, the Bandar Abbas-Tedzhen railway line opened communications between Turkmenistan and other Central Asian states and Iran and Turkey. Border trade is growing. Iran's Turkoman population shows no sign of restiveness or a desire to link up with their nomadic cousins of the north.

Agendas of Iran's Security Institutions

Neither the *Artesh* nor the IRGC focuses considerable attention on Central Asia or the Caucasus. The *Artesh* does monitor the Afghani-Tajik border and the flow of arms to pro-Taliban forces in Central Asia. It has not developed a coherent policy toward instability in Central Asia and, since the departure of the Kazakh nuclear warheads, does not regard Central Asian states as major threats to Iran. The *Artesh* has been directed to strategize about a possible joint American-Turkish-sponsored military move into Central Asia and the use of Central Asian territories as launching pads for operations against Iran. It is not known how the *Artesh's* strategic thinking on these matters has been unfolding. The IRGC and MOIS have an almost invisible role there and, since the Tajik civil war in the early 1990s, have not been engaged in any known operations there.

Three issues underpin the *Artesh's* thinking about Azerbaijan and Armenia: the danger that renewed fighting will lead to an influx of refugees to Iran, increased outside involvement in the area, and concern about the militarization of the Caspian as a consequence of oil exploration. The *Artesh*, already preparing a strategy for development of Iran's naval presence and facilities in the Caspian, is anxious to portray these moves as defensive measures designed to protect Iran's Caspian interests. The Turkish-Israeli dimension rears its head here as well, as the *Artesh's* political masters see the two countries bolstering Azerbaijan's position vis-à-vis Iran.

³¹Turkmenistan is a desert fiefdom of 5 million run by an authoritarian ruler. There are 800,000 Turkomans in the northeastern Iranian province of Khorasan. Turkmenistan has proclaimed itself officially neutral. It remains poor and landlocked, with its potential wealth from gas so far unrealized. Turkmenistan's political development matches its economy, which is archaic and primitive.

Neither the IRGC nor the MOIS plays a prominent role with relation to Azerbaijan and Armenia. The IRGC seeks to win over the sympathies of its only Shi'a-dominated neighbor, but the regime limits the scope of its activities. The MOIS's interest is in containing any separatist campaigns across the border in Iranian Azerbaijan. Neither, however, is willing to challenge the existing tilt toward Yerevan.

Syria and Lebanon

Iran and Syria have close relations that are entirely geostrategic in origin. For the two decades after the revolution, both nations shunned the West, rejected peace with Israel, and opposed Saddam Hussein's regime in Baghdad. Moreover, the 'Alawi regime in Syria is anathema to Sunni radicals, as is Iran's Shi'a regime. Both countries sought to use Lebanon's Shi'a population to harass Israel. While almost the entire Arab world supported Iraq in its war with Iran, Damascus sided with Tehran.

Iran's relations with Lebanon have long been close, if unusual. In contrast to its course in the states along its border, Tehran has long worked at a subnational level in Lebanon and has fostered instability in the country. In 1982, Iran deployed a 1,500-man contingent of the IRGC to Baalbak in Lebanon that helped organize, train, supply, and support Hezbollah.³² Many Lebanese Shi'a religious leaders studied in Iran. Indeed, an older generation of religious leaders of both countries studied in theological seminars in Iraq.

Iran has cut back its support for Hezbollah, but ties remain strong. In the 1990s, the IRGC's presence was cut to roughly 150 fighters. Hezbollah, for its part, has moved away from parroting the line of the Iranian government and focuses far more on the narrower concerns of Lebanon's Shi'a community. Since 1992, Hezbollah has participated in Lebanon's parliamentary politics, further leading the movement to moderate its agenda. Hezbollah's leaders have also refrained from recognizing Ayatollah Khamene'i as their source of

³²Augustus Richard Norton, "Walking Between Raindrops: Hizballah in Lebanon," *Mediterranean Politics*, vol. 3, no. 1, Summer 1998, p. 86.

emulation, further straining ties.³³ Iran, however, continues to arm Hezbollah and encourages it to maintain a significant military capability.

So far, Iranian and Syrian interests have operated in relative harmony, but Iran's policy toward Lebanon will depend heavily on the status of Syrian-Israeli relations. The impact of the Israeli withdrawal from southern Lebanon remains unclear. Iran's initial response was to send officials to try to preserve its influence over Hezbollah's agenda. Many Hezbollah members, however, probably have little enthusiasm for cross-border attacks into Israel.³⁴

Agendas of Iran's Security Institutions

In contrast to most of Iran's important relationships, in the case of Lebanon, the IRGC, rather than the *Artesh*, has more influence on the agenda. *Artesh* leaders see the involvement in Lebanon as offering few benefits to Iran, particularly now that Israel has withdrawn. They question the resources devoted to Lebanon, which they believe could be better used for other purposes. *Artesh* officials are enthusiastic about ties to Syria, which they see as necessary to balance Iraq and Israel.

However, the IRGC is committed to maintaining influence in Lebanon, perhaps more than in any other country. Many IRGC officials, having acted as midwife for Hezbollah, believe that its success is in large part due to Iran's efforts. Yet even the IRGC has tempered its ambitions regarding Lebanon. Most officials appear content with Hezbollah influence in the country and recognize that an Islamic state along the Iranian model is not likely.

The IRGC regards its presence in Lebanon as having been a great success for Iran and is keen to learn from this experience. It sees its Lebanon presence as providing it with the expertise to provide guidance in other circumstances where it could play an active role in training, educating, and motivating Shi'as under siege. The IRGC has

³³Norton, "Walking Between Raindrops," pp. 86-100. See also Magnus Ranstorp, "The Strategy and Tactics of Hizballah's Current 'Lebanonization Process,'" *Mediterranean Politics*, vol. 3, no. 1, Summer 1998, p. 118.

³⁴Norton, "Walking Between Raindrops," p. 99.

tried, and will try again, to apply lessons learned in Lebanon to some of the problems of Shi'as in other beleaguered countries.

Israel

Israel and its over-the-horizon ally, the United States, take up much of the national security debate in Iran. The rhetoric is constant. Supreme Leader Khamene'i's recent call for the "annihilation" of Israel is typical rather than exceptional.³⁵ With regard to Israel, there is almost universal agreement that the Jewish state is an active regional rival bent on checking Iran's political and military power and undoing Iran's achievements.³⁶ Military leaders and their political masters seem to be convinced that Israel is planning a confrontation with Iran. Thus, as Israeli diplomacy and economic force reach the shores of the Persian Gulf and the Caspian Sea, Tehran sees further concrete evidence of Israel's encirclement strategy.

For the past two decades, Islamic Iran has championed the Palestinian cause as the means to assert its claim to Muslim leadership. Iran's rejection of a diplomatic solution as necessarily adverse to Muslim interests, its depiction of the United States as the evil genius behind Israeli strategy, and its implacable opposition to any compromise have been a means for Iran to widen its support among Muslims beyond its otherwise limited Shi'a constituency. Tehran depicts its refusal to countenance any "sellout" of Muslim rights as evidence of its moral superiority to the lackey regimes elsewhere. Iran's stance on this issue has made it the leader of the rejectionist camp and given it a certain amount of leverage as spoiler. When the peace process is moving, Iran can move to sabotage it; when it is frozen, Tehran can point to the wisdom of withholding support from a bankrupt process.

Iran has supported Palestinian terrorist groups, for both opportunistic and ideological reasons, despite assurances from President

³⁵Afshin Valinejad, "Iran Leader Calls for Israel's Annihilation," *Boston Globe*, January 1, 2000, p. 4.

³⁶"Roundtable: New Geopolitical Developments in the Region and Iranian National Security," *Middle East Studies Quarterly* (Tehran), vol. 5, nos. 1-2, Summer and Fall 1998, pp. 5-54.

Khatami to the United States, Arafat, and others. The Palestinian authority has blamed Iran and Iranian-backed groups for bombings in Israel.³⁷ Several explanations for this are possible:

- Iranian and U.S. views of what constitutes a terrorist group differ.
- Iran does not consider financial support of Hamas or other radical Palestinian groups irresponsible or out of bounds, perhaps because the Gulf states and their citizens provide considerable support for these groups with little public U.S. criticism.
- Khatami may not yet be in a position to control all aspects of policy or all arms of his decentralized government. Militant groups may report to the IRGC and the Iranian ambassador in Lebanon and bypass the president. More likely, as the discussion below indicates, Khatami is aware of militant group activities and exercises some control over them.
- Some Iranian leaders prefer to use this issue as leverage against the United States.
- Iran does not believe that the United States can find a “smoking gun” that will link it directly to those who commit terrorist acts. By working through front groups or the Lebanese Hezbollah, Iran seeks to maintain denial of responsibility.

Relations with Palestinian groups, however, are lukewarm at best. Many Palestinian fundamentalists are hostile to Iran's Shi'a leadership and ideology. In addition, Palestinian groups have few illusions about the depth of Iran's commitment. This tepid relationship makes it unlikely that Iran would continue to actively champion the Palestinian cause should the Palestinians embrace peace with Israel.

Another aspect of Iran's relations with Israel is linked to Tehran-Washington relations. This stems from Iran's recognition that Washington places a high price on the success of the peace process and, indeed, cites Iran's opposition as one of the principal obstacles to normal relations. Some in the Iranian leadership clearly find continued militancy on this issue a useful way of both exerting pressure on

³⁷Radio Free Europe/Radio Liberty, *Iran Report*, vol. 2, no. 45, December 15, 1999 (electronic version).

Washington—forcing the United States to pay a price to Iran to desist from its spoiler role—and, if that fails, preventing any normalization of relations.³⁸

Iran and Israel are both highly concerned about the other's nuclear and missile programs. Israel sees Iran's potential nuclear program as one of the greatest threats to its security, particularly as Tehran has recently tested missiles that can reach Israeli territory. Many Iranians, for their part, see Israel as an implacable enemy and believe that its nuclear capability is a threat to Iran's security.

The picture is not immutable. Iran has no specific or direct dispute with Israel. Both countries are hostile to Iraq and concerned about Sunni radicalism. Under the Shah, a shared rivalry with the Arab world led to a close strategic alliance. However, no one in the defense establishment questions Iran's political line on Israel and the Arab-Israeli peace process. Some have expressed an interest in trying to find a *modus vivendi* with Israel, if for no other reason than to buy more time for Iran; theirs is not a very loud voice.

Iran, however, has also paid a considerable price with the United States for its high-profile rejection of the peace process. Some Iranians now ask why they should pay for the causes of others, particularly when those most concerned wish to arrive at a diplomatic settlement. Iran's leadership is thus under a certain degree of pressure internally not to get too involved or to pay too high a price for a continued role in the Arab-Israeli issue.

Agendas of Iran's Security Institutions

All of Iran's security institutions view Israel as a hostile country with the means, power, and resources to pose a serious security threat to Iran. More broadly, the military establishment is fearful of the growing Turkish-Israeli partnership. IRGC and *Artesh* leaders have spoken out against the partnership and have warned of its conse-

³⁸It is noteworthy that Iran became more intractable and more militant on this issue in the wake of the 1991 Gulf war, when Washington, in Tehran's view, reneged on an implied commitment to include Iran in a Gulf security arrangement. Instead, Washington froze Tehran out through dual containment; Iran's response, this view runs, was to increase support for the rejectionist front.

quences for Iran and the Arab world. Although both the IRGC and the *Artesh* favor developing a deterrent force against Israel through long-range missiles and bombers, they fear that Iran's forces will not be able to deter or defend Iran against an Israeli attack.

The IRGC's agenda toward Israel has been shaped by its long presence in Lebanon and the military aspects of the Syrian-Iranian-Hezbollah triangle. The unilateral withdrawal of Israeli forces from southern Lebanon and the death of Hafez Al-Assad, however, are forcing the IRGC to rethink its support for Hezbollah's attacks on Israel.

Europe

Iran's relationship with Europe has always been better than its relationship with the United States. Many European countries maintained diplomatic ties and commercial relations with Iran even during the heady days of the revolution. Since 1992, Europe has engaged Iran in a "critical dialog," which has done little to influence Iranian behavior. Ties to Europe have warmed significantly since Khatami became president in 1997. In 1999, Khatami visited several European countries, and European leaders declared that Iran was no longer committing terrorism abroad and was cooperating on WMD issues.³⁹ Britain reestablished diplomatic ties at the ambassadorial level in response to Iran's rejection—only at the official level—of government support for the assassination of Salman Rushdie.

Good relations with Europe are vital for Iran's economic development. Tehran needs both investment and financial credit to shore up its troubled economy. European participation is particularly necessary given continued U.S. hostility to Iran.

Iran has sought to divide Europe from the United States by offering the Europeans access to its market, which Iranians believe is irresistible. The assumption behind this policy is that the greedy for-

³⁹de Bellaigue, "The Struggle for Iran," p. 57.

eigners are basically in competition, which gives Iran some leverage. The reverse side is that Iran wants to cultivate Europe (and Japan) to isolate the United States.⁴⁰

Agendas of Iran's Security Institutions

Relations with Europe are not a major concern for either the *Artesh* or the IRGC. Both institutions believe that European powers are no longer a force in the Middle East in general and the Persian Gulf in particular. The *Artesh's* main interest in Europe is as a possible source of advanced weapons. As such, Iran can do business with European countries, and the armed forces may be able to benefit from broadening contacts with the core members of the European Union.⁴¹ At present, the MOIS is more interested in monitoring the expatriate community in Europe than in masterminding any campaigns against them. This strategy is very much in keeping with the Khatami administration's foreign policy agenda and attitude toward the large expatriate community.

The United States

In contrast to most of Iran's relationships, its ties to the United States are clouded by ideology, nationalism, and occasional paranoia. Continuing U.S. sanctions and refusal to accept Iran as a legitimate state rankle Iran's leadership. (The degree to which Iran's own actions are responsible for this is minimized.) Iran's historical grievances—U.S. support for the coup against Mosaddeq, subsequent U.S. backing of the Shah, and the long-term U.S. support for Israel—nurture its perception that the United States sided with Iraq

⁴⁰Roula Khalaf, "World Bank May Resume Iran Loans," *Financial Times*, January 29/30, 2000, p. 3.

⁴¹Tehran's view of France as a NATO country and independent actor from the United States has fed into the military's thinking about this European country. While *Artesh* accepts that Iran has not had a close military partnership with France in the past, it hopes that it can use French expertise in military R&D, military air transport, naval technology, and upgrades of its aging missile systems.

during its war with Iran and its general sense that Washington seeks to undermine Iran.⁴²

Broadly speaking, most Iranians would agree with the following criticisms of the United States:

- The United States is arrogant and bullies lesser powers. It uses its power in a discriminatory and punitive fashion.
- The United States is a cultural threat to Islamic civilization.
- The United States finds it difficult to have normal relations with states that disagree with it. Independence and good relations with the United States are often incompatible.
- U.S. policy in relation to sanctions and especially technology denial is an example of U.S. hypocrisy and unwillingness to share power with other states.⁴³
- The U.S. military presence in the Persian Gulf is a provocation and should be reduced.

In general, Iran's leaders are likely to view any U.S. actions, even those intended as conciliatory gestures, with suspicion.

Prospects for Better Relations

Iran's complaints about the United States are not shared throughout the elite. Many Iranians recognize that American help in renovating Iran's tattered oil infrastructure would be invaluable. Some argue that the U.S. presence in the Gulf is necessary to ensure the implementation of UN resolutions, the containment of Saddam's Iraq, and even the reassurance of the GCC. The utility of the United States as an enemy, the need, as it were, for a Great Satan, has diminished within Iran. Despite its efforts, the clerical leadership finds this issue without great resonance in Iran today. Official anti-Americanism,

⁴²Jerrold D. Green, "Iran: Limits to Rapprochement," statement before the House Committee on Foreign Relations, Subcommittee on Near Eastern and South Asian Affairs, May 1999.

⁴³Ali Asghar and Keivan Hosseini, "The US and the Technological Ban on Iran," *The Journal of Defence Policy (Siyasat-e Defa'i)*, vol. 7, no. 1, Winter 1998/1999, pp. 49-68.

such as government-sponsored demonstrations to protest U.S. policies, is considered by many Iranians to be almost comical. Attempts to blame the United States for the student protests in June 1999 similarly were seen as a transparent attempt to shift blame from the regime.

Iran's geopolitical differences with the United States are not absolute. Interests overlap in the Caucasus and Central Asia, Afghanistan, and even in the Gulf, regarding Iraq. Iran's quest for status need not threaten U.S. interests. Iran is not a territorially revisionist state in the Gulf or elsewhere, and Iran can live comfortably with the Gulf states.

A climate for improved relations is developing in Iran, though even reformers do not see close relations with the United States as a priority.⁴⁴ Many Iranians appear to like Americans, if not U.S. government policy. The allure of American popular culture is also strong. Khatami's January 1998 interview with CNN symbolized the ability of Iranian elites to discuss, at least tentatively, the prospect of improved relations with Washington. The issue of a resumption of relations with the United States is no longer taboo, though it alarms many conservatives who feel that contact with the United States will lead to Westernization. Reportedly, Iran's senior security-making body secretly voted to establish ties with Washington, though Supreme Leader Khamene'i vetoed this decision.⁴⁵ Attempts by the hardliners to prosecute reformers such as Abdullah Nouri for advocating the renewal of relations with the United States have demonstrated the degree to which the subject has escaped the control of the authorities.

Agendas of Iran's Security Institutions

Most military commanders acknowledge the overwhelming power of the United States and caution against adventurist policies that might lead to conflict with Washington or with its regional allies. They would like to see U.S. forces leave the Persian Gulf (though they

⁴⁴Gasiorowski, "The Power Struggle in Iran."

⁴⁵Scott Peterson, "Iran Opens Door—a Little—to U.S.," *Christian Science Monitor*, February 25, 2000, p. 1.

avoid the question of whether this would allow the Iraqi threat to grow) and curtail military support for the Arab Gulf states, but they now recognize that this would happen only if Washington's GCC allies were convinced of Iran's friendship.

The *Artesh's* perceptions of the United States are shaped by the Iranian navy's confrontation with the U.S. navy in the late 1980s and by the performance of the U.S. armed forces in the 1990-1991 Kuwait crisis. *Artesh* leaders viewed the U.S. ability to bring some 500,000 personnel to the region and quickly defeat Iraq with amazement. The large and varied U.S. presence is also viewed with concern and considered an important planning challenge.

Several current U.S. proposals also concern the *Artesh*. The *Artesh* is anxious about the U.S. military's use of over-the-horizon weapons, such as cruise missiles, and is thinking about how to counter this strength. The *Artesh* leadership also fears that the U.S. proposal for the extension of a defensive shield around the GCC states would challenge Iran's defense and security capabilities and embolden the Gulf states to take a less conciliatory line toward Iran.

The *Artesh* seeks to avoid any direct confrontation with U.S. forces in the Persian Gulf. Some *Artesh* leaders recognize the role the United States plays in containing Iraq. In addition, some leaders recall the greater status and strength the *Artesh* enjoyed during the days of the Shah, when it cooperated closely with the U.S. military.

The *Artesh*, however, is also hedging against a possible confrontation by trying to create a credible deterrent against the U.S. navy, by deploying (or helping the IRGC to deploy) anti-ship systems, radar, and new platforms for aggressive maneuvers in the Gulf. The military forces' strategy seems to be based on raising the cost to the United States of naval operations against Iranian forces. Iran's armed forces would aim to do this through a strategy of denial, where they would blockade the Straits of Hormuz and engage in naval operations to harass the U.S. Fifth Fleet.⁴⁶ Iran would probably also target the installations of U.S. oil companies in the Gulf. Since the Khobar Towers bombing in 1996, the military establishment as a whole has been on

⁴⁶*Iran News*, April 28, 1997.

higher alert, where the political leadership has openly talked of a possible revenge U.S. attack on Iran.

The IRGC's agenda toward the United States is more ideological than practical. It sees the United States as heading a cultural invasion of the country and responds to the elite's desire to combat this invasion. The IRGC, however, also regards the United States as a military threat. As Brigadier General Baqr Zolqadr, deputy IRGC commander, has put it: "Today, the United States is the only enemy we take as a main threat in our strategy. None of the regional countries are at a level to be a threat against Iran's security. We have organized our forces and equipment to counter the U.S. threats, and our exercises and maneuvers have been arranged on the basis of these threats."⁴⁷ The *Artesh*, however, tries to restrict the IRGC's actions in the Gulf, preventing it from challenging the U.S. naval presence in an open fashion and trying to limit the IRGC's sphere of operations during exercises.

Impact of U.S. Policies on Iran's Military

Washington's "dual containment" policy has hampered the Iranian military's drive to develop its armed forces but has not stopped it altogether. Washington's impact is best understood by recognizing what has not occurred. Western states, which in general produce the most sophisticated military equipment, have hesitated to sell arms to the clerical regime. The United States has also used its diplomatic and economic muscle to prevent or curtail sales by China and Russia to Iran. As a result, Iran's forces have poor equipment, which is often not interoperable, and receive little training. Nevertheless, Tehran has been able to secure some arms deals, technology transfers, and training from these sources, with a primary constraint on its purchases being financial.

U.S. policies and rhetoric have strengthened the position of the military in Iran. The anti-Iran vitriol common in some Washington circles, the establishment of the U.S. Fifth Fleet in the Persian Gulf, U.S. military exercises with Iran's GCC allies, and U.S. Central Command (CENTCOM) military planning changes have all tended to strengthen

⁴⁷ *Kayhan*, December 10, 1996.

the hand of the military establishment and its relations with the political elite. The extension of CENTCOM's Area of Responsibility north of the Iranian border to Central Asia, particularly when combined with NATO discussions with states in the Caucasus, contributes to the perception that the United States is trying to squeeze Iran and prevent it from exercising its proper influence in the region.

KEY TRANSNATIONAL ISSUES

Iran's policies on cross-regional issues, such as support for coreligionists abroad and their attempts to proliferate, are shaped by the domestic factors, international context, and security institutions of the specific countries.

Support for Islamic Radicals

Iran's once-close relations with Islamist movements around the world have been declining in both their scope and their scale in recent years. After the Islamic revolution, Tehran actively supported radical groups, particularly radical Shi'as, in many Muslim countries. In Iraq, Lebanon, Bahrain, Saudi Arabia, Afghanistan, and elsewhere, Iran helped organize radical Shi'a groups, encouraged them to fight against their governments, and at times armed and trained them. Tehran forged particularly close ties to the Lebanese Hezbollah. After the Persian Gulf war, Iran also stepped up ties to radical Sunni groups. Playing on growing disgruntlement toward the United States, Tehran established ties and provided limited financial support to Hamas, Palestine Islamic Jihad, and other radical Sunni movements.

In recent years, however, Tehran has become less active in its support for radical Islamists. The fate of Shi'a communities outside Iran is no longer a major concern of Iran's leadership. Tehran rarely plays the Islamic card in Central Asia and has thrown its lot in with the anti-Taliban Northern Alliance in Afghanistan. In the Arab world, contacts with the Islamists remain, particularly in Lebanon and with pro-Syrian Palestinian groups. Tehran has cut ties, or at least re-

duced the visibility of relations with, Islamic radicals in the GCC, Egypt, Jordan, Sudan, and North Africa.⁴⁸ With regard to Iraq, Iran maintains an active Islamist front based in Iran. Yet even here it has not exploited much of the civil unrest to the degree that outside analysts expected.

Iran's ties to radical Palestinian groups, however, remain strong and may be growing stronger. Iran has stepped up shipments of weapons to Hamas in recent years. Ties to Hamas have grown in part because U.S. pressure has led supporters in Arab countries, particularly in the Persian Gulf, to reduce their contributions, making Hamas more willing to work with Tehran. Tehran has also coordinated groups working against Israel. Thus, it has trained Hamas and Hezbollah members in Iran and in Lebanon, in cooperation with the Popular Front for the Liberation of Palestine–General Command, a small but extremely violent Palestinian rejectionist group.⁴⁹

Pakistan has suffered an increase in Iranian-backed subversion and terrorism. The oppression and brutalization of Pakistan's Shi'a community may have inspired Iran to become more active. Moreover, as the West evinces little interest in the violence in Pakistan, Iran's activities there do little to harm its image.⁵⁰

In general, arguments that Iran's support for terrorism occurs without official sanction and without the knowledge of the senior leadership have proven incorrect. Terrorist acts overseas usually require the coordination of various government ministries and revolutionary organizations, coordination that would be difficult without support from Iran's senior leadership.⁵¹ In 1997, a German court ruled that the murder of four Iranian Kurdish opposition figures in a café in Berlin in 1992 was authorized by a committee that included Iran's

⁴⁸See "Iran: Wrapping Up the Networks?" *Gulf States Newsletter*, vol. 25, no. 629, February 7, 2000, p. 2, for an optimistic report of Iran's reduced support for radicalism in the Gulf.

⁴⁹John Lancaster, "U.S.: Iran's Terrorism Role Grows," *Washington Post*, December 4, 1999, p. 1 (electronic version).

⁵⁰Michael Eisenstadt, "Dilemmas for the U.S. and Iran," *Policywatch*, no. 414, October 8, 1999 (electronic version).

⁵¹Eisenstadt, "Dilemmas for the U.S. and Iran."

Supreme Leader, President, and Intelligence and Foreign Ministers, among others.

Agendas of Iran's Security Institutions

The IRGC is the party most actively engaged in the defense of the Shi'a communities outside Iran. Because it sees the Shi'as of Afghanistan, Iraq, and Pakistan as most endangered and beleaguered, it is actively engaged in providing material support for them, including training wherever necessary. In all three cases, however, the military establishment believes that Iran's interests can best be served through the adoption of those policies that can help to ensure the territorial integrity of these countries. Iran's role, therefore, with regard to its coreligionists in these crisis countries can best be summed up as defensive diplomacy.

Although relations with most GCC states, particularly Saudi Arabia, have improved dramatically in recent years, the IRGC retains an interest in the Shi'a communities of Bahrain, Kuwait, and Saudi Arabia, as well as in the Iranian émigré population in the UAE. At present, the IRGC does not seem to be pursuing a disruptive or rear-guard action in relation to Iran's coreligionists in the Persian Gulf region. Nevertheless, it almost certainly maintains ties to a range of groups and could reactivate a network if necessary.

Commitment to WMD and Missiles

Almost all Iranian leaders see the possession of long-range missiles as vital for Iran's security. Missiles have certain advantages over aircraft for Iran today. Lacking access to spare parts from the West, Iran must turn to Russia or China for advanced aircraft. China's aircraft, however, are often of poor quality and of limited sophistication. While Russia possesses state-of-the-art aircraft, it requires Iran to train on Soviet systems rather than on Western ones, to which Iran's air force is accustomed. Moreover, advanced aircraft are costly and need constant support—a particularly daunting problem when the supplier's reliability is in doubt.

In contrast, missiles are relatively easy to manufacture domestically, which helps Iran meet its goal of self-reliance. What they lack in

flexibility (for example, recalling them once in flight or reusing them) they make up for in their relatively low cost, their ease of concealment, the assurance of penetration, and the lack of the need to train pilots. Both the *Artesh* and the IRGC see missiles as useful for deterring Israel from attacking Iran or even those countries friendly with Iran. Missiles also are high-prestige items that demonstrate Iran's technical sophistication.

Missiles, however, raise a number of issues:

- Because missiles are conventionally armed, largely inaccurate, and carry a relatively small payload, their only useful function, many argue, is as terror weapons, attacking enemy population centers in the event of a crisis. However, missiles are particularly valuable because they can deliver WMD.
- Emphasis on missiles may prompt a response from Iran's rivals, given their virtually assured penetration, and especially as Iran develops longer-range missiles. Israel is likely to be alarmed, for instance. Because of Israel's historical experience and its sensitivity to civilian casualties, it will have to treat any oncoming missiles *as if* they had WMD warheads.
- The use of missiles for the most ordinary contingencies (for example, Iran's use against MKO camps in Iraq in mid-1999) can reduce any general barriers to their use in the region.

Many of the reasons that might lead Iran to seek long-range missiles also give it incentives to seek WMD. Iran is seeking to develop its nuclear infrastructure in order to design and produce nuclear weapons—a goal shared widely among Iran's current elite.⁵²

Iran seeks WMD for several reasons. First, Iran has plausible geopolitical reasons for a nuclear weapons option. Iraq's intentions and behavior are by no means predictable, particularly if sanctions are lifted. Even a post-Saddam Iraq may be hostile to Iran. Pakistan and India and uncertainties about the evolution of the states in the Cau-

⁵²Seth Carus and Michael Eisenstadt, "Iran's Nuclear Weapons Program: Status and Implications," *Policywatch*, no. 444, March 8, 2000 (electronic version).

casus and Central Asia provide other causes for concern.⁵³ Second, WMD—particularly nuclear weapons—are a guarantee of status, forcing states to pay attention to Iran and treat it as an equal. Third, WMD serve as equalizers, diminishing the gap between the military capabilities of weak states such as Iran and the advanced military capabilities of states such as the United States and Israel. Fourth, as noted above, WMD maximize the impact of Iran's missile forces. There is no sign, however, that Iran has made the acquisition of a nuclear capability an urgent priority.⁵⁴

Artesh leaders believe Iran does not immediately need WMD but that it should have the technology and know-how for developing various types of WMD, particularly nuclear weapons. The *Artesh* and its logistics division continue to explore the potential of know-how and expertise from Russia, Ukraine, and other former Soviet republics in such fields.⁵⁵ In conversation, retired officers speak of the geopolitical tensions surrounding Iran and say that to be able to deter aggression and contain threats to its security, Iran should pursue the nuclear option. Serving officers and other officials maintain the government line that Iran will not follow the nuclear path.

The IRGC's position on WMD is more ideological and rooted in its rather political understanding of national security. It does not necessarily rule out deployment of nonconventional weapons if Iran is threatened by the same—as it already is by Iraq and Israel. Elements within the IRGC still oppose Iran's full compliance with international arms control regimes. The commander of the IRGC, Yahya Rahim Safavi, for instance, who was selected by President Khatami himself, declared at a heated meeting of the Supreme Council for National Security (SCNS): "Is it possible to stop the U.S. threats and domination goals by the policy of détente? Is it possible to save the Islamic Republic from threat of the U.S. and international Zionism by concluding agreements for prohibiting chemical and nuclear weapons

⁵³See, for example, "India's Emerging Nuclear Threat to Persian Gulf Security," *Iranfile*, vol. 1, no. 5, February/March 1999, pp. 8-9.

⁵⁴Nor is there a clear or enunciated notion of what use nuclear weapons would have in Iran's overall strategic doctrine. This is not surprising, as Iran is not permitted, and denies seeking, nuclear weapons.

⁵⁵Douglas Jehl, "Rage Rises in Iran over Killing," *International Herald Tribune*, September 12, 1998, p. 9.

and international conventions?"⁵⁶ His own answer to these questions was an emphatic no, advocating that Iran should defend its independence and revolution by any means possible and leave its WMD options open.

The limits of the security institutions' influence are suggested by Iran's ratification of the Chemical Weapons Convention (CWC). In the run-up to Iran's submission of information to the Technical Secretariat of the Convention in November 1998, reports circulated that the *Artesh* and the IRGC had argued against full ratification without assurances that Iran's neighbors would follow its example. These objections were overruled by the SCNS. During the inspector team's visit to the country in 1999, Iran chose to destroy some of its known chemical weapons facilities in front of the visiting team. Iran's decision to portray itself as complying with the CWC was based on its risk assessment about deployment of chemical weapons in the region and on its decision that maintaining the option would be a risky alternative. Outright noncompliance would inevitably increase proliferation and add to Iran's national security threats. Its show of compliance may also reflect confidence in Iran's ability to conceal its weapons programs and deceive the international community.

⁵⁶*Jameah*, April 29, 1998.