

# Defense & Foreign Affairs Special Analysis

Founded in 1972. Formerly *Defense & Foreign Affairs Daily*  
Volume XXVII, No. 67 Monday, December 7, 2009

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## Special Report

### Iran's Gains Strategic Momentum Balancing Russia and the PRC, and the West

**Analysis. By Dr Assad Homayoun, Gregory R. Copley, and Yossef Bodansky.** There is nothing in recent events which contradicts the assessments of this service over many years that Iran is gathering momentum to become a great regional power with global implications. It is already a nuclear weapons power, with externally-acquired nuclear weapons.<sup>1</sup> But the question facing Iranians and the external community is the style of governance of the country, and its specific international and grand strategy objectives.

Iran's present geo-strategic position is also transformed in importance by the end of the Great Game (or at least the component of it which began with the Russo-Persian Treaty of 1813, transformed with the Anglo-Russian Convention of 1907, and arguably concluded with the new Russo-Iranian understandings of the past few years). Effective 2010, Iran is part of the Russian-dominated Central Asian energy and strategic framework, as is Turkey.<sup>2</sup> In a parallel, and overlapping, dynamic, the China-Iran historical link has returned to the fore, especially given the PRC's position as a major supplier of vital refined petroleum to Iran, and a client for Iranian crude oil.

The fact that the West has "lost" Turkey and Iran (and the fact that Iran is now working closely with Turkey on a range of issues, but motivated mutually by the energy network controlled by Moscow) to some extent empowers the Iranian clerical leadership, but this may be insufficient to paper over the differences between the competing, and possibly mutually destructive, clerical power factions. Even so, the fact that Iran, Turkey, and Russia have come together effectively ends the economic and strategic isolation of Iran, and helps it build its confidence in rejecting Western intervention and pressure over domestic nuclear power and weapons programs.

Thus, the Middle Eastern states in particular, but equally the Indian Ocean and Euro-Mediterranean states, must now consider that Iran's rise as a strategic power will continue. The only question which remains is whether the clerical administration will be able to retain power, whether it will gradually morph into a secular governance structure, or whether it will be overthrown by a truly secular force. There also remains the prospect for Iran's geographic dismemberment, and some in the UK and US policy structures have openly pushed for the break-up of the Iranian state as a solution to the present situation.

This, however, could be equated to curing a disease by shooting the patient.

In mid-November 2009, *Hojjat-ol-Islam* Gholam Hossein Mohseni-Ejhei, a former Minister of Intelligence & Security, and presently Attorney General, said that the Islamic Administration was vulnerable only from inside.

Iran geographically is a large country of 1,648,195 square kilometers, the 17th largest nation-state, and possesses a unique geo-strategic situation, with a population of approximately 73-million; a long history, strong intellectual and cultural tradition, nationalism, and bountiful natural resources, especially its vast resources of oil and natural gas. It has 12 percent of the world's proven reserves of petroleum and also has the world's second largest reserves of natural gas. Iran is located in a critical area between two zones of energy, the Persian Gulf and the Caspian Sea, which contains 70 percent of world's known energy reserves and 60 percent of its natural gas. It has a 1,570-mile coastline on the Persian Gulf and

Sea of Oman, with command of the strategic Strait of Hormuz. Iran rightly sees itself as an important regional power and indeed is the center of gravitation and the lynchpin state in the greater Middle East from Pamir to the Mediterranean Sea.

Iran has borders with 15 countries without a single true strategic friend along its long borders. It has been subjected many times to invasions of Russia and Great Britain in 19th and 20th centuries, and dismembered several times. For example, under the Treaty of Gulistan in 1814, Iran was forced to cede not only Georgia, but also eight other provinces, and under the Treaty of Turkemanchi, in 1828, Iran was forced to hand over additional Iranian territory to Russia. In 1907, Britain and Russia signed an agreement which divided Iran into zones of influence, but this agreement failed in its objectives due to activities of Iranian nationalists and other reasons. During World War I, and especially World War II, Iran was occupied, and the Soviet Union in 1945 openly and directly instigated separatists in Iran. The Red Army supported Azerbaijani<sup>3</sup> and Kurdish republics in Iran, but Soviet activities were frustrated by US Pres. Harry Truman. Iraq invaded Iran in 1990s, using chemical and biological weapons and killing more than 400,000, maiming close to one-million.

The Iranians have not forgotten any of this; the current Islamic overlay on the country — so apparent to external analysts — in no way hides nationalist sentiment at home. Moreover, the Russians, who have forged a new Eurasian network following the unreported victory of Moscow in the Great Game, have also not abandoned their own caution over Iran and Turkey. Senior Russian officials do not believe that the pragmatically-based new relationships with Tehran and Ankara change underlying mutual suspicions. One very senior Russian Federation minister recently told *Defense & Foreign Affairs*: “We have been dealing with the Turks and the Persians for 500 years. We do not believe that they have changed, and they do not believe that we have changed.”

Given the fact that Iran is located at the crossroad of Eurasia, and subject to many attacks in the past; and with five nuclear powers in the immediate vicinity, it is clear that Iranian officials and the public are conscious of the country's defense needs and its right to develop defensive capabilities to ensure the security of the state against internal disintegration and external aggression.

Here the issue is responsibility of a government. The Islamic Republic is unstable, and supports international terrorist groups. It not only denies the Holocaust of the Jews and others in World War II (a fundamental tenet of the reconstruction and unity of the post-War West), but is openly and repeatedly seeking the destruction of the State of Israel. These factors alone — quite apart from the domestic repression and inefficient economic and infrastructural policies of the Government of the Islamic Republic — give the international community pause; there can be no calm in the international community when such an unstable leadership has nuclear weapons. If Iran had a more responsible and responsive government — one which is not threatened by internal factions — then it seems clear that the US and even Israel could live with a nuclear Iran. Now that Iran has crossed the Rubicon and is almost able to domestically produce nuclear weapons, the question arises as to what policy the West should adopt to prevent, or cope with, Iranian instability leading to a possible catastrophe.

It could be argued that Moscow would benefit from a more stable Iran, as a trading and strategic partner, but such stability and wealth could also make a secular Iran less dependent on Moscow, and more open to a revived *rapprochement* with the West. For the moment, Moscow finds its interests protected by the “dynamic instability” of Iran.

The Iranian (and for that matter Turkish) relations with the Russians are complex. Tehran and Ankara each recognize the strategic supremacy of Moscow in the region and are gravitating toward the Kremlin in order to benefit from the ascent of Russia. At the same time, there is a profound revival of historical sentiments in the three countries and this increasingly becomes a major influence on their respective strategy and policy formulation. Russia, as noted, has a long history of bitter wars with both Turkey and Iran, as a result of which both countries lost both large amounts of territory and regional posture to triumphant Russia. This legacy is very much alive and is manifesting itself in growing mistrust and latent hostility between Russia and the two countries. It will be impossible for either Russia or Iran and Turkey to overcome and ignore this legacy while striving to consolidate strategic cooperation on the basis of contemporary circumstances. Yes, Turkey and Iran will continue to closely cooperate with Russia against the US-led West, but they will continue to mistrust Russia as well.

In stark contrast, Persia — now Iran — and China have a long tradition of close cooperation and interaction along the Silk Road. These contacts can be traced back at least three millennia. With the exception of the Mongol surge, there has never been a major conflict between Persia/Iran and China, let alone war. That these countries are thousands of miles apart contributed to the absence of war. However, in Iranian political culture and tradition there is a profound difference between the hostile attitude toward Russia and friendship toward and trust in China.

Presently, the dependence of the PRC on imported oil and gas is growing. As the PRC economy expands, this dependence grows fast. The PRC considers Iran and Central Asia to be the main sources of imported energy. Originally, the PRC sought to transport hydrocarbons by a web of pipelines across Central Asia to China. However, the vast majority of the imported hydrocarbons are needed to feed the rapidly growing industrial base in south-eastern China, along the coast of the East China Sea. Hence, it would be significantly cheaper and simpler to deliver the growing volumes of hydrocarbons by tankers.

Enter Iran's new rôle in the PRC grand strategy. Iran is considered as the primary venue for reaching out to Central Asia. The evolving PRC energy policy is based on transporting hydrocarbons by pipeline to the coast of the Arabian Sea and onward by tanker to China. This grand strategic surge will be consolidated in a few years once the US completes its withdrawal from Afghanistan. Then, a PRC-sponsored Iranian-Pakistani condominium is planned to be established in Afghanistan in order to get the hydrocarbons to the main ports in Gwadar and Chah-Bahar. Both Tehran and Islamabad are cognizant that in return for their cooperation in, and facilitation of, the PRC energy policy they would be provided with a PRC strategic umbrella against both the US and regional foes (India, Israel, and even Russia). This grand strategy is the key to the growing PRC influence in Tehran. It is also the main source of the *mullahs'* confidence that they will be able to weather the US pressure without having to give up too much to Russia, the current strategic power in the region.

Given this background, what options could Western states consider in dealing with the present Iranian clerical leadership?

1. Negotiations and diplomatic engagement between the West and Iran experienced a miscarriage long ago. An apocalyptic Iranian Administration which believes in dissimulation (*taghieh*) and for foreign policy decisions consults with the *Quran* (*estekhareh*) is unlikely to be a partner for “peace” or even stable, mutually beneficial relations. It is not a normal and rational administration. Iran’s strategy is to buy time. If Tehran’s clerics engage in negotiation, it will be a means of deception to buy time to reach its strategic aim. As Sun-tzu put it, when an emissary of a state comes to the negotiation table and at the same time continues preparation, then be sure it will advance.
2. Sanctions will not be effective. Russia and the People’s Republic of China (PRC) will not agree to meaningful sanctions because they both have economic and strategic interests in Iran, and even if they cooperated with the West for what the West believes would be effective sanctions, it would not bring the Islamic regime to its knees. Sanctions have failed in all other instances in the past 50 years, and Iran — especially with its new outlets via Russia and Turkey — is far less vulnerable than was, say, Chile, Serbia, or Rhodesia.
3. Neither war nor a military strike by Israel or the US, which some quarters have advocated, would be effective. A military strike would not solve the problem — which, it is stressed again, is about leadership and not about nuclear weapons — and, on the contrary, would be detrimental to the interests of the West in the region. It would bring incalculable harm to Israel than good, and would catapult the entire region into chaos, possibly leading to a military nuclear exchange. In the event of a military strike against Iran, the Islamic Republic would most probably attack US interests in the region, simply because the clerics in Tehran and Qom do not believe that an Israeli military strike could be conducted without US connivance and support. Iran would fire missiles at Tel Aviv and strategic Israeli targets, and proxy wars from HAMAS and *HizbAllah* would be waged against Israel. Most importantly, Iran would almost certainly use the cover of the conflict to attack the UAE and Saudi oilfields and refinery installations using its [Shahab-3](#) and other

medium-range ballistic missiles. It could take at least five-million barrels of Saudi oil a day out of the international market, thereby potentially increasing oil prices to up to \$10 a gallon at the pumps, exacerbating the Western economic dilemma. It would thus be unwise for the Saudi Government to instigate war against Iran, which, in any event, it would not be likely to do. Iran may also attempt to close the Strait of Hormuz. Any war in the region may start simply, but would be difficult to end.

4. A fourth option for the West would be to encourage a change of government in Iran from the inside. The best strategy, as all strategic philosophers aver, is to avoid a direct confrontation with power, and maneuver around it. A large segment of the Iranian people demonstrated during recent months, following the June 12, 2009, Presidential elections, that they would be ready to overthrow the clerical Government. They do not believe in the viability of meaningfulness of reform of the clerical administration. The Islamic Republic, through its domestic and foreign policies, has created two important enemies: the people of Iran and the US and Israel. A military strike and aggression against Iran would — as Iraqi Pres. Saddam Hussein discovered — cause many Iranians who would otherwise oppose the Government to unite in support of an administration which they hate. Indirect, psychological strategies and operations would support internal momentum. The UK and US have clearly attempted this to some small degree in recent years, but often with the objective of fragmenting Iran. Those operations have proven inconsequential and counter-productive.

The foundation of the Islamic state structure is shaky. The element of fear of the Government is gone from the population. There is, in Iran, widespread challenge to the State, and disruption of the rule of “Supreme Leader” “*Ayatollah*” Ali Hoseini-Khamene’i. The leadership is divided and it has created a political vacuum. Khamene’i on December 1, 2009, moved overtly for the first time against Pres. Mahmud Ahmadi-Nejad since the June 2009 Presidential elections. He ordered Ahmadi-Nejad to release five British yachtsmen who had been captured and detained for infringing Iranian sovereign waters a week earlier. Ahmadi-Nejad complied, releasing the yachtsmen on December 2, 2009.

The opening shots have been fired in the new round of internal conflict between the clerical groups in Iran. The leaders around Khamene’i favor removing Ahmadi-Nejad — a delicate maneuver considering the President’s influence in the *Pasdaran* (Iranian Revolutionary Guard Corps: IRGC) and its *Basij* component — and replacing him with someone who remains loyal to the Islamic leadership but appears less threatening to Israel and the West. Some elements close to Khamene’i have been promoting Tehran Mayor Mohammed Baqer Qalibaf as the ideal candidate.<sup>4</sup>

The Iranian clerical leadership is aware that internal schisms are its biggest threat. It is significant that, in the face of this, however, there is unity in overarching strategic objectives in Tehran and Qom: retention of clerical rule; growing regional dominance and security; and projection of authority into the Indian Ocean and Mediterranean. These objectives demand a reintegration of Iran into the global energy markets, particularly through overland links to Europe and the PRC, and an ability to control oil and gas sea lanes through the Persian Gulf, Arabian Sea, and Red Sea (all Indian Ocean sea lanes). The strategic alliances with the PRC and Russia are critical elements of this, as is Iran’s participation in the Shanghai Cooperation Organization (SCO).

Significantly, these parameters would also apply to a secular Iranian Government, should one emerge, but the difference is that an Iran under secular governance would more readily revive a comfortable *modus operandi* with the West, minimizing the need to destabilize the region. But it would be difficult for the West to demonstrate to Moscow that such a move would not reduce the delicately-balanced Russian influence and dominance of the Iranian market and resources, especially given the delicately-balanced Russo-PRC relations.

The PRC and Russia both provided significant intelligence and technical support to Tehran to manage hostile street crowds in most Iranian cities in the aftermath of the blatantly-manipulated Presidential elections of June 12, 2009.<sup>5</sup> Moscow and Beijing both recognize that suppression of internal unrest was at the core of managing the most significant threat to the clerical leadership and therefore their respective influence in Tehran: the restive, and now emboldened, Iranian population.

**Footnotes:**

1. See *Defense & Foreign Affairs Special Analysis*, [December 12, 2002](#): *Iran's Military Nuclear Capability, Highlighted by Exclusive 1992 Report, Now Critical Part of Persian Gulf Strategic Planning*. The 1992 report by *Defense & Foreign Affairs* cited primary source, direct access intelligence on the initial acquisition of former Soviet nuclear weapons from Kazakhstan, at the break-up of the USSR. See also: *Defense & Foreign Affairs Special Analysis*, [July 20, 2006](#): *Iran Believes it is Ready for Nuclear War*. *Defense & Foreign Affairs* has also cited, on numerous occasions, details of Iran's acquisition of additional nuclear warheads, from North Korea and Ukraine.
  2. See, in particular, *Defense & Foreign Affairs Special Analysis*, [March 3, 2009](#): *Turkey Makes its Strategic Choice: Russia*.
  3. Not to be confused with the present-day Republic of Azerbaijan. In the Autumn of 1941, after they divided Iran with the UK, the Soviets created a special occupied zone covering Iranian Azerbaijan and Kurdistan. In December 1945, the USSR established the independent People's Republic of Azerbaijan and the Kurdish People's Republic. Both republics declared their independence from Iran. Red Army units prevented the Iranian military from entering the republics. The USSR refused to withdraw from these republics in March 1946 (the date for withdrawal from Iran agreed upon with the UK) because they were no longer part of Iran. Only after immense pressure from the US did the Soviets withdraw in May 1946 while guaranteeing the independence of both republics. Iranian rule was not reinstated until November-December 1946. As a result, a substantial population of Azari people live in northern Iran (as well as a substantial Iranian Kurdish population). Note that the Iranian Azari population transliterates the name as "Azari", whereas in the Republic of Azerbaijan it is transliterated as "Azeri", but preferably the population there is described as "Azerbaijani".
  4. See *Defense & Foreign Affairs Special Analysis*, [October 6, 2009](#): *Iran's Clerical Leadership, Recovering from Ahmadi-Nejad's Assault on it, Moves to Find a Replacement President*.
  5. See *Defense & Foreign Affairs Special Analysis*, [June 19, 2009](#): *Iranian Political Battleground Serves as Breakout Case for Cyber, Psycho-Cyber, Warfare*.
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