

Background

No. 2359
January 15, 2010



Published by The Heritage Foundation

Russia's Iran Policy: A Curveball for Obama

Ariel Cohen, Ph.D.

Abstract: *Russia's interests in Iran fundamentally diverge from those of the United States. Russia considers Iran a partner and de facto ally in its plans to reshape the power balance in the Middle East and dilute U.S. influence in the region. The U.S. should expect only token assistance from Russia in countering the Iranian nuclear threat. Instead, the U.S. needs to develop a broader policy that convincingly argues that Iran will lose—even if it obtains nuclear weapons and that clearly demonstrates to the Russians that the risks of betting on Iran outweigh the potential rewards.*

The Obama Administration hopes that Russia will assist with U.S. efforts to stop the Iranian nuclear program. However, a review of Russian policy on Iran since the mid-1990s under Presidents Boris Yeltsin, Vladimir Putin, and Dmitry Medvedev demonstrates that Russia's interests in Iran fundamentally diverge from the U.S. agenda. Powerful Russian special interests—security, nuclear, oil and gas, and the military-industrial complex—are vehemently opposed to any significant reversal of Russian policy toward Iran. Therefore, it is naïve, if not dangerous, to hope that Moscow will provide decisive assistance in the U.N. Security Council or bilaterally vis-à-vis Iran.¹ The Obama Administration and Congress should recognize this inconvenient truth.

It is time for the U.S. to take a realistic look at Russia's policy toward Tehran. The Obama Administration needs to develop a broader policy that convincingly argues that Iran will lose even if it obtains

Talking Points

- Russia's interests fundamentally diverge from U.S. interests, so Moscow is unlikely to provide the assistance the Obama Administration desires to stop the Iranian nuclear program.
- Russian and U.S. leaders have different threat perceptions about a nuclear-armed Iran. They also believe that Iran is a rising Middle Eastern "regional superpower" and do not want to challenge it directly.
- Russia's support for Iran's nuclear program and arms sales is driven not only by economic factors, but also by Russia's geopolitical agenda.
- To counter the Iranian nuclear threat, Congress and the Administration should stop waiting for Russia to support robust U.N. Security Council sanctions and stop offering further incentives to Moscow.
- The U.S. should proceed with a coalition of the willing to impose robust and crippling sanctions on Tehran, including sanctions in the financial and banking sectors, and a gasoline embargo. The U.S. should also deploy nuclear weapons in the region to deter Iranian aggression.

This paper, in its entirety, can be found at:
www.heritage.org/Research/Iran/bg2359.cfm

Produced by the Douglas and Sarah Allison
Center for Foreign Policy Studies
of the
Kathryn and Shelby Cullom Davis
Institute for International Studies

Published by The Heritage Foundation
214 Massachusetts Avenue, NE
Washington, DC 20002-4999
(202) 546-4400 • heritage.org

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

nuclear weapons and that clearly demonstrates to the Russians that the risks of betting on Iran outweigh the potential rewards.

Specifically, the 111th Congress should stop expecting Russia to support U.N. Security Council Sanctions and stop offering further incentives to Moscow.

- Congress should reintroduce sanctions against Russian private and state-owned companies that conduct business with Iranian energy, military, and security interests.
- Congress should demand that the President certify Russian compliance with existing sanctions.
- Congress should rescind the President's authority to waive Iran-related sanctions against Russian entities for national security purposes.
- The U.S. must insist that Russia halt the sale of its S-300 air defense system to Iran and withdraw "renegade" Russian scientists working in Iran on sensitive technologies.
- The U.S. should adopt a "protect and defend" strategy to deter and counter the Iranian threat and provide nuclear guarantees to U.S. allies in the Middle East, including Israel, Egypt, and Saudi Arabia. The U.S. should deploy a visible deterrent, including overwhelming nuclear forces near Iran, on surface ships, aircraft, or permanent bases.² These offensive forces should be designed to hold at risk the facilities that Iran would need to launch a strategic attack, thereby making any such attack by Iran likely to fail.

Such measures would communicate a strong message of deterrence and dissuasion to Tehran.

Russia's Iran Policy

Over the past two centuries, Russia has pursued a policy of steady engagement with Iran. Currently, Moscow keeps Tehran placated through sales of nuclear and missile technology and diplomatic sup-

Over the past two centuries, Russia has pursued a policy of steady engagement with Iran.

port, while encouraging its ambitions to dominate the Persian Gulf, where Iran challenges U.S. Sunni allies and the American presence. The Heritage Foundation expressed concern about this dangerous Russian policy as early as 1997.³

Russia, weary of Iran's fiery Islamist rhetoric, wants to protect its "soft underbelly" in Central Asia and the Caucasus from Tehran's interference. Some strategic thinkers in Moscow may recognize that in the long term Iran could become a geopolitical competitor in the Muslim territories of the former Russian and Soviet empires, but they do not believe that confrontation with Tehran is necessary or imminent today.⁴

Russian leaders believe that Iran is a rising Middle Eastern "regional superpower"⁵ and do not want to challenge it directly. Heightened tensions in the Middle East and bad relations between Washington and Tehran suit Moscow nicely. Thus, the Kremlin's ideological anti-Americanism and perceived geopolitical and economic interests are unlikely to lead it to significantly interfere with Iran's nuclear weapons program.

However, a nuclear-armed Iran would be a game changer—a protracted and destabilizing threat to the region and the world. Iran would likely use its nuclear arsenal to bully neighbors, deter the U.S. and other nuclear powers, and provide diplomatic cover for its terrorist proxies, such as Hamas and Hezbollah. A nuclear Iran would likely undermine the U.S. presence in the Persian Gulf and U.S. allies in the Middle East, triggering a regional nuclear arms race that could involve Saudi Arabia, Turkey, Syria, and Egypt. A nuclear Iran would also threaten Israel's existence, which presumably would be

1. John W. Parker, *Persian Dreams: Moscow and Tehran Since the Fall of the Shah* (Washington, D.C.: Potomac Books, 2009), pp. 292–295.
2. *Ibid.*, p. 8.
3. Ariel Cohen and James Phillips, "Russia's Dangerous Missile Game in Iran," Heritage Foundation Executive Memorandum No. 503, November 13, 1997, at <http://www.heritage.org/Research/RussiaandEurasia/em503.cfm>.
4. Parker, *Persian Dreams*, p. 285.
5. Author's meetings with Vladimir Putin and Sergey Lavrov, Moscow, September 2009.

unacceptable to the U.S. and Europe.⁶ If the U.S. allows the situation to deteriorate to the point that the only viable options are to bomb or to surrender, the U.S. would send a message to other countries that nuclear weapons are the trump card that can force U.S. and Israeli acquiescence.

Russia and Iran During the Bush Administration

During the Bush Administration, efforts to dissuade Russia from providing diplomatic cover for the mullahs ultimately failed. The Bush Administration attempted to lift the Jackson–Vanik Amendment, which denied the USSR permanent normal trade relations,⁷ but Congress refused.

During his second term, President George W. Bush sought to give Vladimir Putin a visible role in persuading Iran to abandon the nuclear program, acquiesced to Russia's construction of the Bushehr nuclear reactor, and encouraged Russia to enrich uranium for Iran's civilian nuclear sector. He also

A nuclear-armed Iran would be a game changer—a protracted and destabilizing threat to the region and the world.

pursued the 123 Framework Agreement with Moscow for further cooperation in the civilian nuclear sector. This agreement would have given Russia a continuous role in supplying nuclear fuel to the U.S. to the tune of \$10 billion to \$15 billion annually.⁸ The Administration pulled the 123 Agreement after the August 2008 Russia–Georgia war.

Three rounds of weak Security Council sanctions passed during this period failed to halt Iran's uranium enrichment. While ultimately offering support for all three rounds, Russia and China success-

fully worked together to dilute and strip the measures of any real substance.

Congress Checkmated: Past and Current Sanctions Bills

The U.S. Congress has attempted to provide leadership opposing Iran's effort to become a nuclear power, with mixed results. The Iran Sanctions Act (ISA) imposes sanctions on foreign firms or persons who invest more than \$20 million in one year in Iran's energy sector or that sell Iran weapons of mass destruction technology or “destabilizing” advanced conventional weapons. The 110th Congress worked on several bills that would have tightened the ISA, but none were adopted.

One of these bills, H.R. 1400,⁹ would have removed the President's authority to waive ISA sanctions on the grounds of national interest. It would have also expanded the scope of entities that could be sanctioned, particularly in the credit and energy sectors. Another bill, H.R. 2880, would have stipulated sanctions under ISA against any firm that sells gasoline to Iran.¹⁰ Although a leading oil exporter, Iran imports up to 40 percent of its gasoline due to mismanagement and inadequate investment in its refineries. Under the current law, gas sales to Iran are not subject to sanctions.

A number of similar bills have been reintroduced in the 111th Congress. These bills also seek to target Iran's refined petroleum imports. The Senate passed a Sense of Congress resolution (S. Con. Res. 13) that the U.S. government will not purchase any products from any firms that derive over \$1 million in revenue from sales to Iran's energy sector, including sales of oil and gas services.¹¹ This would also ban such firms from selling oil to the U.S. Strategic Petroleum Reserve. In April 2009, additional bills (H.R. 2194, S. 908, and H.R. 1985) were intro-

-
6. Ilan Berman, *Tehran Rising: Iran's Challenge to the United States* (Lanham, Md.: Rowman and Littlefield Publishers, 2005), pp. 3–29.
 7. Thomas Graham, “The Friend of My Enemy,” *The National Interest*, No. 93 (May/June 2008), p. 40, at <http://www.nationalinterest.org/Article.aspx?id=17450> (December 3, 2009). The Jackson–Vanik Amendment was passed to pressure the Soviet Union to allow Soviet Jews, among others, to emigrate, but Russia has allowed free emigration since 1992.
 8. *Ibid.*
 9. Iran Counter-Proliferation Act of 2007, H.R. 1400, 110th Cong.
 10. Kenneth Katzman, “Iran Sanctions,” Congressional Research Service Report for Congress, October 8, 2009, at <http://www.fas.org/sgp/crs/mideast/RS20871.pdf> (November 9, 2009), and Iran Sanctions Enhancement Act of 2007, H.R. 2800, 110th Cong.

duced to target energy sales to Iran. These bills would expand sanctions against any firm that sells Iran refined petroleum products or equipment that could increase its refining capacity.¹²

Despite these congressional efforts and the Obama Administration's "reset" policy with Russia, Moscow does not appear eager to join with the U.S. and Europe in preventing Iran from developing nuclear weapons. On the contrary, Russian leaders appear poised to benefit from what appears to be an emerging nuclear-armed Iranian juggernaut.

Russia to the Rescue? No So Fast...

Many in and around the Obama Administration believe that the Kremlin may be willing and able to pressure Iran not to go nuclear. For example, a high-level bipartisan commission jointly organized by the Nixon Center and Harvard University's Belfer Center recently suggested this approach. Among other measures, the commission recommended making Russia a "partner in dealing with Iran."¹³ However, assessing Russia's willingness to cooperate with the West requires comparing Russia's actions to its public rhetoric, which is aimed at external audiences, and placing both in the context of Russia's perceived interests and its strong and multifaceted relationship with Iran.

Some in Washington have interpreted Russian statements as signs that the Kremlin may be more willing to cooperate on Iran than in the past. In a

spring 2009 closed-door meeting at the Kremlin, President Medvedev purportedly expressed "concern" and "alarm" in "very graphic language" over Iran's satellite launch.¹⁴ However, only a few days after Medvedev's statements, Russia's Deputy Foreign Minister Sergei Ryabkov said, "We still believe that at this point in time there are no signs that this [Iranian nuclear] program has switched to a military purpose."¹⁵ This echoes Putin's recent remarks disingenuously comparing Iran's program to India's civil nuclear program. In previous public pronouncements, other Russian leaders have characterized Iran's nuclear and "civilian space" program as peaceful.¹⁶

More recently, Medvedev refused to rule out the imposition of sanctions against Iran during his U.N. General Assembly visit to the U.S.¹⁷ However, Prime Minister Putin and Foreign Minister Sergey Lavrov have since essentially disavowed Medvedev's position and said that Russia does not support further sanctions on Iran.¹⁸

Differing Threat Perceptions. Statements by Russian officials, military officers, and security elite reveal that Russia does not favor sanctions and that Moscow does not perceive a nuclear-armed Iran as a threat. During a recent trip to Russia, this author was told by senior advisers to Prime Minister Putin and President Medvedev that "Russia has good relations with Iran; has very significant economic interests there. Iran never supported any Islamist

11. Kenneth Katzman, "Iran Sanctions," Congressional Research Service Report for Congress, August 18, 2009, p. 7, at http://assets.opencrs.com/rpts/RS20871_20090818.pdf (December 15, 2009).

12. *Ibid.*

13. Commission on U.S. Policy toward Russia, "The Right Direction for U.S. Policy toward Russia," March 2009, at <http://www.nixoncenter.org/RussiaReport09.pdf> (November 4, 2009).

14. Phillip P. Pan and Karen De Young, "Russia Signaling Interest in Deal on Iran, Analysts Say," *The Washington Post*, March 17, 2009, at <http://www.washingtonpost.com/wp-dyn/content/article/2009/03/17/AR2009031703033.html> (November 6, 2009).

15. Agence France-Presse, "No Sign Iranian Nuclear Programme Has Military Intent: Russia," *Space War*, March 20, 2009, at <http://www.spacewar.com/2006/090320094343.v7054d9x.html> (November 6, 2009).

16. Stephen Blank, "Russia and Iran's Missiles," *World Politics Review*, February 9, 2009, at <http://www.worldpoliticsreview.com/Article.aspx?id=3269> (November 6, 2009), and Borzou Daragahi and Ramin Mostaghim, "EU Calls for Nuclear Talks with Iran," *Los Angeles Times*, September 12, 2009, at <http://www.latimes.com/news/nationworld/world/la-fg-iran-khamenei12-2009sep12,0,7375830.story> (October 7, 2009).

17. George Friedman, "Two Leaks and the Deepening Iran Crisis," *Stratfor*, October 5, 2009, at http://www.stratfor.com/weekly/20091005_two_leaks_and_deepening_iran_crisis (December 4, 2009).

18. Tim Wall and Anna Arutunyan, "Putin Slams Iran Sanctions," *The Moscow News*, September 14, 2009, at <http://www.mnweekly.ru/news/20090914/55388090.html> (November 4, 2009).

terrorism [in the North Caucasus], and Russia would be the last state Iran would target even if it gets nuclear weapons.”¹⁹ In addition, both Putin and Lavrov warned against any military strikes on Iran and refused to support a gasoline sales embargo against Tehran.

Fyodor Lukyanov, editor in chief of the prestigious *Russia in Global Affairs*, recently noted that “Iran is seen by Russia as much more rational and reliable than it is seen by the United States or Israel.”²⁰

To make matters worse, according to the U.S. intelligence community, Moscow is still aiding Iran’s ballistic missile development and may be aiding its military nuclear program. As recently as 2007, the U.S. intelligence community accused Russia of violating nonproliferation agreements and arrangements by providing ballistic missile technology to Iran and North Korea, stating that “individual Russian entities continue to provide assistance to Iran’s ballistic missile programs. We judge that the Russian-entity assistance... has helped Iran move toward self-sufficiency in production of ballistic missiles.”²¹

In March 2009, Chairman of the Joint Chiefs of Staff Admiral Mike Mullen testified that Iran had stockpiled enough fissile material to build a nuclear bomb. This was the first such definitive commentary from a senior Pentagon official.²² Currently, Iran has 1.5 metric tons of low-grade enriched ura-

Moscow is still aiding Iran’s ballistic missile development and may be aiding its military nuclear program.

anium, and France and Russia have proposed further enriching 75 percent of this amount for a Tehran research reactor. At the time of this writing, Iran had not accepted the offer.²³

More recently, a “secret annex” to an International Atomic Energy Agency (IAEA) report revealed that Iran has “sufficient information” to make a nuclear weapon and has “probably tested” a key component.²⁴ This leaked report indicates that Iran’s nuclear program is far more advanced than previously thought. The IAEA information may shed light on reports that Russian scientists are developing nuclear warheads for Iran. According to *The Times*, Israel presented Russia with a list of its scientists working in Iran and demanded that the Kremlin take action to stop it.²⁵ If the story is true, it means the West was wrong to assume that a nuclear-armed Iran runs counter to Russia’s national interest. It would also mean that Russia cannot be a bona fide partner in stopping the Iranian nuclear effort.²⁶

These developments have no doubt disappointed the Obama Administration, which had

-
19. Author’s notes from 6th Annual Valdai International Discussion Club, Moscow, September 2009. Comments not for attribution. According to Andrei Frolov, a military expert with the Center for Policy Studies, “If Iran obtains nuclear weapons and intermediate-range missiles, it would seem that the main deterrent force will nonetheless primarily be airborne delivery systems: strategic and long-range aviation as well as the Su-24M, M2 and Su-34 tactical bombers.” Andrei Frolov, “Iran’s Delivery Systems Capabilities,” *Security Index* (Moscow), Vol. 13, No. 2 (Summer/Fall 2007), p. 46, at http://www.pircenter.org/kosdata/page_doc/p1691_2.pdf (November 9, 2009).
 20. Mark Landler and Clifford J. Levy, “Russia Resists U.S. Position on Sanctions for Iran,” *The New York Times*, October 14, 2009, at <http://www.nytimes.com/2009/10/14/world/europe/14dipl.html> (November 9, 2009).
 21. Kathleen Turner, Director, Office of Legislative Affairs, Office of the Director of National Intelligence, letter to Jeffrey T. Bergner, Assistant Secretary of State for Legislative Affairs, March 1, 2007, at <http://www.npec-web.org/US-Russia/20070301-ODNI-RussiaAssistsIranMissileProgram.pdf> (November 9, 2009).
 22. Julian E. Barnes, “Joint Chiefs Chairman, Defense Secretary Address Iran’s Nuclear-Weapons Potential,” March 2, 2009, at <http://articles.latimes.com/2009/mar/02/nation/na-gates-mullen2> (November 1, 2009).
 23. CNN, “Britain, Russia, Others Urge Iran to Respond to Uranium Proposal,” at <http://edition.cnn.com/2009/WORLD/meast/11/02/iran.nuclear> (November 4, 2009).
 24. Julian Borger, “IAEA Secret Report: Iran Worked on Nuclear Warhead,” *The Guardian*, September 18, 2009, at <http://www.guardian.co.uk/world/2009/sep/18/iran-nuclear-warhead-iaea-report> (November 9, 2009).
 25. Uzi Mahanimi, Mark Franchetti, and Jon Swain, “Israel Names Russians Helping Iran Build Nuclear Bomb,” *The Times* (London), October 4, 2009, at http://www.timesonline.co.uk/tol/news/world/middle_east/article6860161.ece (November 9, 2009).

extended a hand to Iran and had hoped for Russian support in the Security Council. Some touted the October 2009 meeting in Geneva between Iran and the five permanent Security Council members plus Germany (P5+1) over Iran's nuclear program as a success. However, Iran refused to sign any agreement for the export and enrichment of its uranium, and without Iranian cooperation, Russia and China may not support a "crippling sanctions" regime.

The Primakov Doctrine Revisited. Russia is using Iran like a piece in a game of multidimensional chess that combines a realpolitik recognition of Moscow's relative weakness vis-à-vis Washington with Russia's desire to push America out of the Persian Gulf, a vital zone of military and political predominance. Furthermore, an arms race in the Gulf could benefit Russia's weapons exports. After all, Moscow sold weapons to both sides during the 1980–1988 Iran–Iraq War. The perceived geopolitical and economic benefit of an unstable Persian Gulf in which American influence is on the wane outweighs any Russian concerns about a nuclear Iran. Today, Russia's commercial interests in Iran range from billions in arms sales to transfers of nuclear and space technology to lucrative oil and gas contracts for state-controlled Russian companies.

The Kremlin does not see Iran as a threat, but as a partner and an ad hoc ally to challenge U.S. power through the expansion of Russia's regional and international influence.²⁷ While the Iranian agenda is clearly separate from that of Russia, the Kremlin uses Iran as geopolitical battering ram against the U.S. and its allies in the Gulf region and the Middle East. Not only is Russian support for Iran's nuclear program and arms sales good business from the

Kremlin's perspective, but it advances a geopolitical agenda that is at least 20 years old.

These efforts are a part of a strategy aimed at creating a multipolar world. This strategy, which this author named the Primakov Doctrine in 1997,²⁸ was formulated in reaction to the perceived decline of Soviet stature in the waning years of the Cold War, the emergence of independent states in Eastern Europe and Eurasia, and subsequent NATO enlargement. In early 1997, then-Russian Foreign Minister Evgeny Primakov and Ali Akbar Velayati, his Iranian counterpart, issued a joint statement calling the U.S. presence in the Persian Gulf "totally unacceptable."²⁹

Today, both Russia and Iran favor a strategy of "multipolarity," both in the Middle East and worldwide. They seek to dilute American power, revise current international financial institutions, shift away from the dollar as a reserve currency, and weaken NATO and the Organization for Security and Cooperation in Europe. They are also working to forge an anti-U.S. coalition to counterbalance the Euro–Atlantic alliance. The coalition will likely include Russia, Iran, Venezuela, Syria, and terrorist organizations, such as Hamas and Hezbollah. Russia is courting China, India, and other states to offset American influence.³⁰

Putin has pursued his own version of the Primakov doctrine since his ascendancy. Signaling the importance of Iran, Putin abrogated the 1999 Gore–Chernomyrdin Agreement when he came to power. The accord would have required Russia to stop supplying arms to Iran after the current contracts expired in 1999–2001.³¹

26. George Friedman, "Leaks and Deepening Iran Crisis," Real Clear World, October 6, 2009, at http://www.realclearworld.com/articles/2009/10/06/leaks_and_deepening_iran_crisis_97236.html (November 9, 2009).

27. Blank, "Russia and Iran's Missiles."

28. Ariel Cohen, "The 'Primakov Doctrine': Russia's Zero-Sum Game with the United States," Heritage Foundation F.Y.I. No. 167, December 15, 1997.

29. Cohen and Phillips, "Russia's Dangerous Missile Game in Iran."

30. Ariel Cohen, "How the Obama Administration Should Engage Russia," testimony before the Committee on Foreign Relations, U.S. Senate, March 19, 2009, at <http://www.heritage.org/research/russiaandeurasia/tst031909a.cfm>.

31. Mark N. Katz, "Russian–Iranian Relations in the Putin Era," *Demokratizatsiya*, Vol. 10, No. 1 (Winter 2002), at <http://digilib.gmu.edu:8080/xmllui/bitstream/1920/3046/4/Russian-Iranian%20Relations%20in%20the%20Putin%20Era.pdf> (November 9, 2009).

Russia also has excellent Iranian human intelligence sources. Hundreds of Iranian engineers and scientists have studied in Russian military, security, and engineering schools, and Russian scientists work in the Iranian space and nuclear programs. Former President Hashemi Rafsanjani attended Patrice Lumumba University in Moscow. Through these networks, Russia is aware of and profits from the Iranian push to acquire deliverable nuclear weapons. However, past Russian actions indicate that Russia likes to play both sides. Russia demonstrates some responsiveness to U.S. requests and occasionally even to Israeli entreaties, while inexorably enabling Iran to obtain its wishes, including ballistic missile and space technology.

Russia and Iran's "Civilian" Space Program.

In the February 2008 annual threat assessment, Director of National Intelligence J. Michael McConnell stated that Iran was developing and deploying longer-range ballistic missiles capable of carrying nuclear warheads. Yet the report did not mention Russian involvement in this development.³² How-

Russian technological aid is evident throughout the Iranian missile and space program.

ever, Russian technological aid is evident throughout the Iranian missile and space program. Russian scientists and experts have played a direct and indirect role in this program for years. On February 5, 2008, Iran launched a ballistic missile described as a "space launch vehicle."

In March 2009, Iran launched its first indigenously produced satellite ahead of schedule using

the Safir-2 (Ambassador), an Iranian-built rocket. Safir is a space-launch version of the Shahab-3, which is likely based on Russian technology.³³ Russian specialists are helping to develop the longer-range Shahab-5, using missile production facilities, technical documents, and fuel exported from Russia.³⁴ The Shahab-5 is based on the Taepodong-2 developed by North Korea, but Russian interests have reportedly facilitated technology transfer from Pyongyang to Tehran.³⁵

Most dangerous is Iran's successful testing of the Sejil, a two-stage solid-propellant intermediate-range ballistic missile that can reach all of the Middle East and parts of Russia and Europe. If Sejil is upgraded, it could reach as far as London. Within 10 to 15 years, it could be upgraded to an intercontinental ballistic missile (ICBM).³⁶

Russia's Support for Iran's Nuclear Ambitions. Russia's eagerness to assist Iran may also stem from Russia's clearly articulated assessment that the U.S. and NATO are a threat. If Iran achieves a longer-range ballistic missile capacity and arms the missiles with nuclear warheads, it could intimidate NATO countries hosting important U.S. bases. A refusal by NATO allies to provide aid to the United States in a future Middle East conflict could fracture the alliance's cohesion, an outcome that Moscow would welcome. Thus, Russia may be using Iran as an important chess piece, not only to threaten U.S. interests in the Gulf, but also to eventually undermine the transatlantic alliance.

Iran's nuclear infrastructure has received Russian support since 1992. Russia provided technical expertise, nuclear fuel, equipment, parts, and other components for the Bushehr reactor and protected

32. J. Michael McConnell, "Annual Threat Assessment of the Director of National Intelligence," U.S. Office of the Director of National Intelligence, February 5, 2008, at <http://www.investigativeproject.org/documents/testimony/348.pdf> (November 9, 2009).

33. Ariel Cohen, "Iran's Satellite Booster Likely to Have ICBM Capability," United Press International, September 29, 2008, at http://www.upi.com/Security_Industry/2008/09/29/Irans_satellite_booster_likely_to_have_ICBM_capability/UPI-95421222701978 (December 7, 2009). See also Uzi Rubin, "Iranian Missile and Outer Space Programs: Assessing Present and Future Capabilities," slide show presented at the Washington Institute for Middle East Policy, November 2, 2009, at <http://www.washingtoninstitute.org/html/pdf/rubin20091102.pdf> (November 9, 2009).

34. Ariel Cohen, "The Real World: Iran's Space Rocket Launch," Heritage Foundation *Commentary*, February 9, 2008, at <http://www.heritage.org/Press/Commentary/020808c.cfm>. First published in the *Middle East Times*.

35. *Ibid.*

36. Rubin, "Iranian Missile and Outer Space Programs."

it from U.N. sanctions.³⁷ Russia and Iran completed the Bushehr plant on February 25, 2009, and the reactor was tested successfully. After successfully passing tests, the actual launch of Bushehr will take place in 2010.³⁸ Russia and Iran have recently agreed to sign a 10-year nuclear fuel contract and to operate the reactor with the help of Russian experts.³⁹ If used “off the books,” however, the complex is capable of producing enough nuclear material for up to 30 atomic bombs per year.⁴⁰

Iran is feverishly developing its own uranium enrichment capability so that it can process reactor fuel into weapons-grade material.⁴¹ This would undermine global nonproliferation efforts and challenge President Obama’s stated priority to rid the world of nuclear weapons. Clearly, Russia does not share the Administration’s nonproliferation goals.

Russia’s Security Blanket over Iran. Moscow pretends that it can play a vital role in brokering a strategic agreement with Tehran, but its actions speak louder than words. In March 2009, the Russian state news agencies confirmed that Moscow signed a contract as early as 2007 to sell advanced long-range, multi-target S-300 air-defense systems to Iran and that “the contract itself... is being gradually executed.”⁴² Yet this past spring a Russian offi-

cial signaled that supply of the system depends on the Kremlin’s good will.⁴³ This system, coupled with the Russian-made TOR-M1 surface-to-air missile system already deployed by Tehran, would offer Iran a shield against air strikes on its nuclear program.⁴⁴

Once Iran has robust and layered air defenses to repel air strikes and deploys nuclear warheads on ballistic missiles, it will have the capacity to destroy Israel (an openly stated goal of the regime) and strike targets throughout the Middle East and Europe.⁴⁵ Beyond that, if and when it achieves an ICBM capability, Tehran could directly threaten the U.S. homeland. The choice would then become something starkly resembling the early Cold War: deter or pre-empt.

Energy Cooperation. In addition to nuclear and arms sales, the Kremlin has major plans with Tehran in the energy sector. The Kremlin is in the process of creating an OPEC-style gas cartel with Iran and other leading gas producers. By launching this cartel, Moscow hopes to enhance its energy superpower status and to control gas projects and pipelines in Eurasia.⁴⁶ It also plans to become a market maker in the liquefied natural gas sector. Moscow and Iran are also implementing a massive energy and transportation corridor to connect the Indian Ocean, the Caspian, and Europe.⁴⁷

-
37. Globalsecurity.org, “Bushehr,” October 10, 2008, at <http://www.globalsecurity.org/wmd/world/iran/bushehr.htm> (November 9, 2009).
38. WashingtonTV, “Iran Hails Successful Tests at Nuclear Power Plant,” at http://televisionwashington.com/floater_article1.aspx?lang=en&t=1&id=16490 (December 15, 2009).
39. RIA Novosti, “Russia, Iran to Sign 10-year Nuclear Fuel Supply Contract,” February 25, 2009, at <http://en.rian.ru/russia/20090225/120304285.html> (November 9, 2009).
40. “Bushehr,” *Globalsecurity.org*, October 15, 2008, at <http://www.globalsecurity.org/wmd/world/iran/bushehr.htm> (March 16, 2009).
41. Ariel Cohen, “The Real World: Iran—N. Korea with Oil?” *Heritage Foundation Commentary*, April 11, 2008, at <http://www.heritage.org/press/commentary/ed041108a.cfm>. First published in the *Middle East Times*.
42. Associated Press, “Report: Russia Confirms Missile Contract,” *USA Today*, March 18, 2009, at http://www.usatoday.com/news/world/2009-03-18-russia-iran-missiles_N.htm (November 9, 2009).
43. RIA Novosti, “Russia Has Not Delivered S-300 Missile Systems to Iran—Source,” March 18, 2009, at <http://en.rian.ru/russia/20090318/120623475.html> (April 1, 2009).
44. Ariel Cohen, “Can the U.S. F-35 Fighter Destroy Russia’s S-300 Systems?” *United Press International*, January 20, 2009, at http://www.upi.com/Security_Industry/2009/01/20/Can_the_US_F-35_fighter_destroy_Russias_S-300_systems/UPI-39001232464740 (March 16, 2009).
45. Mark Lavie, “Israel Believes Iran Can Build Nuclear Weapons,” *Yahoo News*, March 8, 2009, at http://news.yahoo.com/s/ap/ml_israel_iran;_ylt=AnvVKNHaGc4YRgg5EL3xpgLZn414 (March 16, 2009), and BBC News, “Iran Leader’s Comments Attacked,” October 27, 2005, at http://news.bbc.co.uk/2/hi/middle_east/4378948.stm (November 9, 2009).
46. Ariel Cohen, “Gas OPEC: A Stealthy Cartel Emerges,” *Heritage Foundation WebMemo* No. 1423, April 12, 2007, at <http://www.heritage.org/Research/EnergyandEnvironment/wm1423.cfm>.

Russia is unlikely to risk this ambitious agenda in return for the Obama Administration's concessions. Clearly, if Russia is neglecting the proliferation threats stemming from the Iranian quest for nuclear arms,

Moscow no longer has a stake in the geopolitical status quo and is willing to take risks to undermine the perceived U.S. "hegemony" in the Middle East.

Moscow no longer has a stake in the geopolitical status quo and is willing to take risks to undermine the perceived U.S. "hegemony" in the Middle East.

High Stakes for the U.S.

The Obama Administration should carefully examine the attempts of previous Administrations to entice and encourage Russia to become a partner in restraining Iran. Sadly, all of these attempts failed.⁴⁸ Moscow's long-term interests in Iran militate against substantial cooperation or any potential "grand bargain." Some realpolitik advocates in Washington and Russian professional propagandists have argued that the U.S. should have cancelled the Bush-era missile defense deployment in Poland and the Czech Republic (which President Obama has since accomplished), scale back relations with former Soviet countries, and overlook Moscow's abysmal rule-of-law and human rights records in exchange for putative Russian cooperation on preventing Iran from going nuclear.⁴⁹ Even that may not be enough. The Obama Administration may still hope for this bargain—but it is highly doubtful that Moscow will ever deliver.

What Congress and the Administration Should Do

This is a dangerous time for naïveté. Given the substantial Russian interests and ambitions, any

grand bargain would almost certainly require the United States to pay an excessively high price to the detriment of its friends and allies.⁵⁰ Instead, the Obama Administration needs to develop a broader policy in such a way that Iran will lose even if it obtains nuclear weapons and that clearly demonstrates to the Russians that the risks of betting on Iran outweigh the potential rewards.

To counter the Iranian nuclear program, Congress and the Administration must:

- **Stop waiting for Russia to support robust U.N. Security Council sanctions and stop offering further incentives to Moscow.** The Obama Administration should disabuse itself of any such expectations because Russia's perceived long-term national interest is in favor of a strategic relationship with Iran and against any significant sanctions regime. Instead, the U.S. should proceed with a coalition of the willing, from Europe to India, to impose robust and crippling sanctions on Tehran to stop the military component of that country's nuclear program. The sanctions should include a gasoline embargo, aircraft parts embargo, more robust financial and banking sanctions, and other measures that make the Iranian regime suffer until the nuclear program is fully demilitarized and made transparent.
- **Reintroduce sanctions in the 111th Congress against Russian private and state-owned companies doing business with Iran,** especially companies that sell arms; ballistic missile and space technology; oil, gas, and refined products; and oil and gas services. These previously mandated, bipartisan sanctions are included in pending bills now before the House and the Senate. As the confrontation with Iran approaches its decisive phase, Congress should further demand that the President certify that Russia is complying with

47. "North-South Corridor: India, Russia & Iran to Iron Out Operational Issues," *The Financial Express*, June 12, 2002, at <http://www.financialexpress.com/printer/news/49098> (November 5, 2009).

48. Graham, "The Friend of My Enemy," pp. 36–41.

49. Robert D. Blackwill, "The Three Rs: Rivalry, Russia, 'Ran,'" *The National Interest*, No. 93 (January/February 2008), at <http://www.nationalinterest.org/Article.aspx?id=16554> (December 7, 2009). For the Russian view, see Andranik Migranian, "Moscow's Iran Connection," *World Bulletin*, August 13, 2009, at http://www.worldbulletin.net/author_article_detail.php?id=2033 (November 1, 2009).

50. Cohen, "How the Obama Administration Should Engage Russia."

existing sanctions and should deny the President the ability to waive Iran-related sanctions against Russian entities for national security purposes.

- **Adopt a “protect and defend” strategy to deter and counter the Iranian threat.**⁵¹ The U.S. and its allies should deploy robust missile defenses against the potential Iranian nuclear threat, including SM-1 long-range interceptors. The Bush Administration planned to deploy a missile defense system in Poland and the Czech Republic to defend against a limited Iranian ballistic missile attack. The Obama Administration scrapped those plans, offering instead a smaller, cheaper system based on SM-3 missiles, partially deployed on Aegis cruisers. This system may be too little too late. The U.S. should continue working with Israel to deploy Israeli missile defenses, including the THAAD, SM-3, and Arrow-2 systems. The U.S. should undertake similar deployments in the Persian Gulf. Finally, the U.S. should provide nuclear guarantees to U.S. allies in the Middle East, including Israel, Egypt, and Saudi Arabia. This would communicate a strong message of deterrence and dissuasion to Tehran. The U.S. should deploy a visible deterrent, deploying overwhelming nuclear forces near Iran, including on surface ships, aircraft, or permanent bases.⁵² These offensive forces should be designed to hold at risk the facilities that Iran would need to launch a strategic attack, thereby making any such attack by Iran likely to fail.

Conclusion

Russia considers Iran a partner and de facto ally in its plans to reshape the power balance in the Mid-

dle East to America’s detriment, dilute U.S. influence in the region, sell weapons and nuclear technology to both sides, and boost oil prices, thereby greatly improving Moscow’s balance sheet.

Russia blocked a series of Security Council sanctions against Iran after the Russia–Georgia war and has provided only limited support in previous sanction rounds. Ironically, in the long term, Russia and its allies in the region will likely come under pressure from a nuclear-armed Iran and other Middle Eastern countries that may develop their own nuclear arsenals to counter Iran.⁵³

With Russia providing diplomatic, technological, and military support for Iranian ambitions and the price of a “grand bargain” likely being too high, the U.S. is left with a significantly more difficult problem. The potential consequences of a nuclear strike on Europe or Israel justify deploying a robust missile defense system as an insurance policy against Iranian attacks.⁵⁴ Beyond that, if diplomacy and sanctions fail, the U.S., Europe, and Israel need to consider military options. During the 2008 presidential election campaign, candidates Barack Obama and Hillary Clinton both said that “all options are on the table.” They should indeed remain on the table until the Iranian problem is resolved.

—Ariel Cohen, Ph.D., is Senior Research Fellow in Russian and Eurasian Studies and International Energy Policy in the Douglas and Sarah Allison Center for Foreign Policy Studies, a division of the Kathryn and Shelby Cullom Davis Institute for International Studies, at The Heritage Foundation. The author thanks Owen Graham, Research Assistant at the Allison Center, for his help in preparing this paper.

51. Iran Working Group, “Iran’s Nuclear Threat: The Day After,” Heritage Foundation *Special Report* No. 53, June 4, 2009, p. 6, at <http://www.heritage.org/Research/nationalSecurity/sr0053.cfm>.

52. *Ibid.*, p. 8.

53. Graham, “The Friend of My Enemy,” p. 49.

54. Stephen Blank, “Russia Challenges the Obama Administration,” Strategic Studies Institute, December 2008, at <http://www.strategicstudiesinstitute.army.mil/pdffiles/pub900.pdf> (March 17, 2009), and Ariel Cohen, “The Real World: Between Iran and Poland,” Heritage Foundation *Commentary*, July 12, 2008, at <http://www.heritage.org/press/commentary/ed071208a.cfm>.