

BACKGROUND

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How the U.S. Should Respond to Russia's Unhelpful Role in the Middle East

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Abstract

Russia is pursuing a Middle Eastern policy that is designed to reduce U.S. and Western influence in the Middle East, even at the risk of Islamist terrorism, which is a growing problem in Russia. It views the recent upheavals in the Middle East and North Africa as an American conspiracy to undermine Russia and friendly regimes in the region. Russia's Soviet legacy of good relations with Middle Eastern dictators and lucrative arms sales are driving this policy. The Obama Administration needs to suspend its "reset" policy to Russia and use diplomacy, economic sanctions, and "naming and shaming" from the bully pulpit to convince Moscow that its disruptive Middle East policy is self-defeating.

The U.S. and Russia have come to diplomatic blows in the U.N. Security Council over Syria as political upheavals and transformations irrevocably alter the strategic landscape in the Middle East and North Africa. In an unprecedented rhetorical escalation, U.S. Ambassador Susan Rice announced that the United States was "disgusted" with Russia's veto of a Security Council resolution that condemned the Syrian government: "The international community must protect the Syrian people from this abhorrent brutality, but a couple members of this council remain steadfast in their willingness to sell out the Syrian people and shield a craven tyrant."¹

According to State Department spokesman Victoria Nuland, prior to the crucial vote, Secretary of State Hillary Clinton tried repeatedly to reach her Russian counterpart, Sergey Lavrov. He avoided her calls for 24 hours. He was in Australia and said that the State Department gave him an inconvenient time frame for the conversation. When asked why the Americans were complaining, he replied, "Probably this is due to her manners." Hillary Clinton called the Russian and Chinese vetoes a "travesty."²

TALKING POINTS

- By attempting to support its allies Iran and Syria, keep lucrative arms contracts, and undermine American influence, Russia is playing a hardball, realpolitik game in the Middle East.
- The anti-American tilt of Russian foreign policy prevents diplomatic cooperation.
- In cooperation with Western European allies and the Arab League, the U.S. should pressure Moscow to support U.N. Security Council sanctions on Syria and Iran.
- The U.S. should develop a sanctions regime against Russian companies and banks involved in supplying arms and dual-use technology to Iran and Syria.
- The Obama Administration should suspend its "reset" policy and initiate a bottom-up reassessment of U.S. policy toward Russia in view of Moscow's sabotage of the U.S. and its allies' policies toward Iran and Syria.
- America should pressure Middle Eastern states to stop their nationals from funding and training terrorists.

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As the diplomatic fights escalate, new actors and old rivals will compete for influence in the critical geopolitical landscape from the Atlantic to Iran. These include old neighbors, such as Iran and Turkey, and outside powers, China and Russia. Attempting to support its two allies Iran and Syria, keep lucrative arms contracts, and rattle American influence, Russia is playing a hardball, realpolitik game in the Middle East.

U.S. decision makers need to be fully aware of Moscow's motivation and modus operandi. With the U.S.–Russia “reset” failing, including in the Middle East, the White House needs to reassess its dialogue with the Kremlin and draw the appropriate conclusions about the realities of competition and cooperation, including in the Middle East.³ While some Russian concerns about the rising power of Islamists in Egypt, Libya, Tunisia, and Syria may be valid, Russia's anti-American zero-sum geopolitical game in the Middle East is not. Neither is the incessant anti-American propaganda.

Unless Russia fundamentally changes its zero-sum game approach, Washington should use diplomacy, economic sanctions, and “naming and shaming” from the bully pulpit to convince Moscow that its disruptive Middle East policy is self-defeating. Washington needs to conduct a bottom-up reassessment of U.S. policy toward Russia to ensure that in the future U.S. diplomats make

clear to Russia what U.S. vital interests are and that undermining such interests will come at a price Russia cannot afford.

At the same time, the U.S. should be clear that it is not “encircling” Russia or exporting the “Arab Spring” to Russia, contrary to the claims of Moscow propagandists. Washington should also put significant pressure on Qatar, Saudi Arabia, the United Arab Emirates (UAE), and other Middle Eastern states whose nationals are funding and training insurgents in the North Caucasus to stop the flow of cash to terrorist groups anywhere in the world.

Russia's current confrontation in the Middle East over Iran and Syria demonstrates the limits of the Obama Administration's Russia “reset.” It is time for a new Russia policy that clearly defines and protects American interests and defends U.S. allies.

Russian Ambitions in the Middle East

Russia is a principal military, economic, and geopolitical partner of Iran and views its Middle Eastern policy through the prism of competition with the United States.⁴ It has been actively engaged in the Middle East since the 19th century. After a hiatus caused by the collapse of the Soviet Union, the Russian Federation began to pursue a more assertive course in the Middle East, at times significantly contradicting

U.S. policy in the region, particularly in arms sales and ties with radical regimes, such as Iran and Syria.

In this context, the upheavals of the Arab Spring have broad implications for U.S.–Russia relations. Russia considers the uprising in Syria and the Islamist victories underway in Egypt, Libya, Morocco, and Tunisia to be the handiwork of the United States and its European allies.

RUSSIA IS A PRINCIPAL MILITARY, ECONOMIC, AND GEOPOLITICAL PARTNER OF IRAN AND VIEWS ITS MIDDLE EASTERN POLICY THROUGH THE PRISM OF COMPETITION WITH THE UNITED STATES.

The victories of Sunni Islamic parties are setbacks for Russia, which has spent decades developing excellent relations with the Middle East's secular authoritarians. Yet these victories also present unprecedented opportunities for state and nonstate transnational and local actors hostile to the U.S.—such as Iran, the Muslim Brotherhood, Hamas, Hezbollah, and al-Qaeda—to expand their influence.

The Soviet Union and then Russia enjoyed excellent relations with Libya since Muammar Qadhafi rose to power in 1969 and until his fall in 2011. Syria has reached a critical point where not just the West, but

1. National Public Radio, “Syria Veto ‘Outrageous’ Says U.N. Envoy Susan Rice,” at <http://www.npr.org/2012/02/05/146424981/un-ambassador-susan-rice-fumes-at-syria-veto> (February 14, 2012).

2. Reuters, “Hillary Clinton: UN Syria Resolution Veto A ‘Travesty,’” *The Huffington Post*, at http://www.huffingtonpost.com/2012/02/05/clinton-syria-veto_n_1255594.html (February 14, 2012).

3. The Heritage Foundation, “Reset Regret: Heritage Foundation Recommendations,” *WebMemo* No. 3334, August 5, 2011, at <http://www.heritage.org/research/reports/2011/08/reset-regret-heritage-foundation-recommendations>.

4. Ariel Cohen, James Phillips, and Owen Graham, “Iran's Energy Sector: A Target Vulnerable to Sanctions,” Heritage Foundation *Backgrounder* No. 2508, February 14, 2011, at <http://www.heritage.org/research/reports/2011/02/irans-energy-sector-a-target-vulnerable-to-sanctions/>.

also Arab leaders are condemning the Assad dictatorship. Yet Moscow is clinging desperately to its old client, even sponsoring a watered-down U.N. Security Council resolution to thwart passage of biting international sanctions against the Syrian regime. Russia, with its long-standing ties to the region, is an important player, which could be quite disruptive and destructive if it continues to view the region through the prism of competition with the United States.

Washington needs to design a policy to prevent Moscow from being a spoiler. This should involve precluding Russia from enabling Iran to become a nuclear-armed power, arming rogue states, or boosting the recognition of Hamas and Hezbollah. The Obama Administration's reset policy toward Russia is obviously failing because Russia is selling late-generation military technology in the Middle East⁵ and Iran has announced plans to purchase additional Russian nuclear technology.⁶

Russia's Foreign Policy in the Middle East: Playing Catch-Up, Salvaging Influence

While Russian foreign policy in the Middle East is clearly anti-American, at times it also appears self-defeating. Russia is backing a losing Assad regime and siding with

the isolated Shia Islamic Republic in Tehran. The policy is almost incoherent, driven by a plethora of strategic relationships and commercial interests.

Russian leaders allege that the U.S. uses its "political technologies" with the intention of spreading them to Russia and the other former Soviet republics. In his 2011 annual address to the Duma, Prime Minister Vladimir Putin declared:

In today's world, if you're weak, someone will surely come and give you advice on what direction you should take, what kind of policy you should pursue, and what path you should choose for your own development ... and this, supposedly, well-meaning, unobtrusive advice may not seem that bad, but what's behind it is flagrant diktat and interference in the internal affairs of sovereign states.⁷

Russia's veto of U.N. sanctions against Syria clearly demonstrated its distrust of and antipathy toward Western interventionism. Officially, Russia exercised its veto because the resolution was "based on a philosophy of confrontation," contained "an ultimatum of sanctions," and was "against a peaceful settlement of a

crisis."⁸ Later on, Prime Minister Putin explained that Russia cast the veto to stop America's and the West's unilateral use of power, as in Serbia, Iraq, and Libya. Moscow-based commentators highlighted Russia's interest in the Syrian naval bases and arms contracts. Whatever the rhetoric, Russia's veto, along with China's veto, highlighted the countries' commitments to reinforce their influence in the region as well as their opposition to American and Western involvement.

With a long history of political relationships and shared interests, especially with secular/socialist dictatorships, the Union of Soviet Socialist Republics (USSR) and later Russia supported the status quo in the Middle East. Russian support for anti-Western, quasi-socialist, secular-nationalist regimes has been beneficial for Moscow both politically and economically. The toppling of President Hosni Mubarak in Egypt leaves many Russian elites uncertain about future relations with these countries. Likewise, the upheavals may produce radical Islamist regimes that could prove far less dependable or conducive to Russian interests. Libya has had no democratic experience since independence, and leaders with ties to the Muslim Brotherhood and Salafi movement

5. RIA Novosti, "Russia Hopes to Sell 90 Warplanes in Middle East by 2025," November 8, 2011, at <http://en.ria.ru/world/20111108/168512478.html> (November 16, 2011).
6. Xinhua News Agency, "Iran to Export Nuclear Technology: Nuclear Chief," Xinhuanet, November 7, 2011, at http://news.xinhuanet.com/english2010/world/2011-11/08/c_122247830.htm (November 16, 2011).
7. Radio Free Europe/Radio Liberty, "Putin: Russia Must Be Strong to Withstand Foreign Threats," April 24, 2011, at http://www.rferl.org/content/putin_russia_must_be_strong_to_withstand_foreign_threats/9499993.html (April 26, 2011).
8. Associated Press, "Russia, China Veto Syria Sanctions," *The Huffington Post*, October 5, 2011, at http://www.huffingtonpost.com/2011/10/05/russia-china-veto-syria-s_n_995600.html (November 16, 2011).

have the best chances of gaining power. The Muslim Brotherhood is one of the most organized factions in a power vacuum created by the dictator's fall.⁹

However, while Moscow has lost the stability of the former status quo, it benefits economically from the Arab uprisings because these conflicts worry commodity speculators, increasing the price of oil, Russia's primary export. Increased oil revenue amid unrest in the region has afforded Russia some breathing room to recover economically in the aftermath of the global financial crisis. However, as the Russian treasury becomes increasingly dependent upon oil revenues, the government will have fewer incentives to reform the Russian economy. Further, if an upheaval disrupts production in Algeria, a bigger gas exporter than Libya, Gazprom's market share would increase, allowing it to become a quasi-monopolist of European gas.

Moscow's Position on the Middle East Upheavals

The dramatic revolts in Tunisia, Egypt, Libya, Syria, and Yemen have acted as a catalyst for a broader Arab awakening that has fundamentally altered the dynamics of the Middle East's political order, some aspects of which have been in place since World War I and World War II. Even so, U.S. engagement in the Middle East remains essential to global stability and economic interests.

The broader Middle East region is in the midst of a historic transformational struggle between the forces of religious fundamentalism, the 20th century's nationalism, and democratic modernity. These upheavals have destabilized and continue to destabilize major countries, jeopardizing the safety and security of U.S. allies, especially the Gulf Cooperation Council (GCC) countries, which are strategically important energy suppliers.¹⁰ Reduced oil output from states undergoing political transitions could give Iran more leverage in the oil market.

WHILE MOSCOW HAS LOST THE STABILITY OF THE FORMER STATUS QUO, IT BENEFITS ECONOMICALLY FROM THE ARAB UPRISINGS BECAUSE THESE CONFLICTS WORRY COMMODITY SPECULATORS, INCREASING THE PRICE OF OIL, RUSSIA'S PRIMARY EXPORT.

The Iranian regime may use the current turmoil in the Arab states to its benefit by expanding its influence and supporting extremist and Islamist groups in countries such as Iraq, Lebanon, and Bahrain, which are particularly vulnerable to their influence. Tehran is also concerned about its own population calling for political participation, but as the massive Iranian protests in 2009 and 2011 have shown, the Iranian government has become adept at crushing

opposition quickly and violently, stopping nascent revolts before they can gain momentum.¹¹ Russia has never condemned Iran's brutal repression of the opposition.

Today, the region lacks an effective multilateral security organization. Its security and stability have depended on bilateral arrangements, with the U.S. playing an essential role in managing conflicts and fighting radical Islamists who threaten the security of the U.S. and its allies. However, that will change as the U.S. withdraws troops from Iraq and cuts its military budget. If U.S. presence in the region declines, countries such as China, Iran, Russia, and Turkey may rush to fill the resulting power vacuum. However, despite unsustainable budget deficits, a mounting national debt, and an overstretched military, the U.S. will remain the one truly global power for years to come, with significant strategic interests along Russia's periphery and in the Middle East.¹²

Russia does not view the Middle East uprisings through the same lens as the U.S. and the West. Its reactions to these developments demonstrate that foiling Western influence and protecting Russian arms sales and energy deals are key Kremlin priorities. The Putin Administration has also apparently become concerned about the potential for uprisings erupting in Russia or in one or more of the former Soviet republics—the “near abroad” that the Kremlin considers its “sphere of privileged

9. Alice Fordham, “Libya Looks Cautiously Toward Elections,” *The Washington Post*, November 11, 2011, at http://www.washingtonpost.com/world/middle_east/libya-looks-cautiously-toward-elections/2011/11/05/gIQA2GKHCN_story.html (November 16, 2011).

10. Thomas Graham, “Kak ukrepit' neprochnyye rossiyskiye granitsy” (Managing Russia's unsettled borders), *Nezavisimaya Gazeta*, April 18, 2011, at http://www.ng.ru/ideas/2011-04-18/9_borders.html (March 27, 2011).

11. Ali Akbar Dareini, “Iran Protests: Hundreds of Thousands March, Tear Gas Fired,” *The Huffington Post*, February 14, 2011, at http://www.huffingtonpost.com/2011/02/14/iran-protests_n_822991.html (November 16, 2011).

12. Graham, “Kak ukrepit' neprochnyye rossiyskiye granitsy.”

interests.” Russian leaders also fear that an Arab Spring scenario in Russia might lead to a NATO humanitarian intervention along the lines of what happened in Libya.

Russia supported the initial sanctions on Libya, but abstained on the Security Council resolution that authorized military intervention. Unsurprisingly, it subsequently criticized the NATO military intervention and vehemently denounced the killing of Qadhafi. Moscow continues to criticize in unambiguous terms any Western military interventions to stop human rights violations, which Russia perceives as a part of individual states’ internal affairs. This reflects Putin’s long-term foreign policy emphasis on sovereignty and nonintervention, even when it contradicts Russia’s own commitments under Organization for Security and Cooperation in Europe agreements. Russia’s political elites frequently criticize the West’s support for democratization in the Middle East. During the 2007 visit to the Middle East, Putin himself wondered:

I do not understand why some of our partners [Europe and the U.S.] ... see themselves as cleverer and more civilized and think that they have the right to impose their standards on others. The thing to remember is that standards that are imposed from the outside, including in the Middle East, rather than being a product of a society’s natural internal development, lead to

tragic consequences, and the best example of this is Iraq.¹³

Yevgeny Satanovsky, president of the Institute of Middle Eastern Studies in Moscow, argues that President Obama’s decision to participate in interventions in the region will only further escalate tensions and that assisting rebels may ultimately empower Islamic radicals, promote de-Christianization of the region (which is already in progress), and fuel the resurgence of populist Islamist movements. Satanovsky argues:

Why American leadership would “shoot itself in the foot” is hard to explain. At worst, one would have to believe in earnest the conspiracy theory that the United States seeks to establish “controlled chaos” worldwide, for which it will support any protest movement and stage all sorts of “color revolutions” irrespective of who these may be for or against.¹⁴

The Kremlin has long been skeptical about imposing democratic change from outside, especially regime change. In Russia, there has also been a tendency to overestimate the U.S. role in facilitating or encouraging the uprisings in Tunisia, Egypt, and Libya through nongovernmental organizations (NGOs) and social networks, including Facebook and Twitter. Russia’s careful stance on Libya reflects the Kremlin’s rejection of “the responsibility to protect”—a U.N.-construed, White

House–supported duty to intervene (selectively) to protect endangered civilians from governmental abuses.

Russian and Soviet Ambitions in the Middle East

Russia’s assertive foreign policy in the Middle East dates back to the 19th century, when the demise of the Ottoman Empire allowed the Romanov Empire to engage Great Britain in a geopolitical competition from the Mediterranean to the Himalayas.¹⁵

As World War II ended, Joseph Stalin recognized that the British Empire would likely lose influence in the region and sought to increase the Soviet Union’s power in response. The USSR voted for the 1947 U.N. Palestine Partition Plan, which eventually created the State of Israel and provided arms to Israel during the 1948 Arab–Israeli War through allied Czechoslovakia. However, Israel rejected Soviet overtures as Prime Minister David Ben-Gurion chose a staunchly pro-Western orientation for the fledgling state.

Since the early 1950s, the USSR worked to develop close relations with Syria, Algeria, Iraq, and Egypt, influencing and assisting each regime in becoming increasingly nationalistic and socialist. Russia was the primary provider of modern heavy weapons to Egypt and Syria before the 1956, 1967, and 1973 wars with Israel and threatened to attack Israel directly during each of these wars. The Kremlin also extended massive political support to the Arab cause, including orchestrating a

13. Vladimir Putin, quoted in Ariel Cohen, “Russia’s New Middle Eastern Policy: Back to Bismarck?” Jerusalem Center for Public Affairs *Issue Brief* Vol. 6, No. 25, March 20, 2007, at <http://www.jcpa.org/JCPA/Templates/ShowPage.asp?DBID=1&LNGID=1&TMID=111&FID=380&PID=0&ID=1540> (January 3, 2012).

14. Yevgeny Satanovsky, “Revolutions and Democracy in the Islamic World,” *Russia in Global Affairs*, March 27, 2011, at <http://eng.globalaffairs.ru/number/Revolutions-and-Democracy-in-the-Islamic-World-15144> (February 28, 2012).

15. Alan R. Taylor, *The Superpowers and the Middle East* (Syracuse, N.Y.: Syracuse University Press, 1991), pp. 15–17.

global propaganda campaign against Israel and training Palestinian terrorists in the USSR and the Eastern Bloc countries. The USSR was a major arms supplier to Iraq, Libya, South Yemen, and Sudan—all of which pursued anti-Western policies.

Under President Gamal Abdel Nasser's regime, many young Egyptians studied in Soviet universities and military schools. Among them was future Egyptian president Hosni Mubarak, who studied at the Soviet General Staff's Frunze Military Academy in Moscow and the Soviet air force academy in Kant, Kyrgyzstan.¹⁶

**MOSCOW'S THINKING IN
APPROACHING THE MIDDLE EAST
IS BASED ON CREATING THE
"MULTIPOLAR WORLD."**

During the Cold War, the Middle East was a hotly contested arena of superpower competition. However, Soviet influence began to decline after the Egyptian President Anwar el-Sadat expelled Soviet advisers in 1972. The Israeli Air Force then devastated the Syrian air force and its anti-aircraft missile batteries in the Lebanon War of 1982 without the

USSR coming to Hafez al-Assad's aid. In 1991, the collapsing Soviet Union could not protect its long-term client Saddam Hussein during the Gulf War. After the war, Moscow's influence declined further in the Middle East amid domestic economic reforms and internal instability.

**Putin's Middle
East Aspirations**

Under the Yeltsin administration in the 1990s, Russia retreated from the Middle East, and the United States enjoyed unmatched preeminence in the region until the mid-2000s. Local rulers viewed the U.S. as a guarantor of peace in the region following the Gulf War and welcomed U.S. involvement in the Persian Gulf. With the exceptions of Baghdad and Tehran, most Middle Eastern capitals recognized that maintaining good relations with Washington in view of the robust regional American presence was in their interests. The United States forged strategic partnerships with Egypt, Jordan, Saudi Arabia, and the GCC states.

Moscow's thinking in approaching the Middle East is based on creating the "multipolar world" initially promoted by former Foreign

Minister and Prime Minister Yevgeny Primakov in the 1990s.¹⁷ Significantly, in early 1997, Primakov and his Iranian counterpart, Ali Akbar Velayati, issued a joint statement condemning the U.S. presence in the Persian Gulf as "totally unacceptable."¹⁸

After Putin became president in 2000, the Kremlin proceeded with a more vigorous strategy in the region. Soon after coming to power, Putin outlined a new Russian Middle East policy, which included supporting Iran's nuclear programs, forgiving Syria's \$13 billion debt,¹⁹ and lifting export controls on chemical and biological technologies, which may have dual use applications.²⁰ Consequently, Moscow expanded bilateral relations with the anti-American regimes of Syria and Iran and pro-American states, such as Saudi Arabia, Israel, and Egypt. During his 2007 visit to Riyadh, Putin stunned the world with an offer to sell Saudi Arabia "peaceful" nuclear reactors. In addition, he offered 150 T-90 tanks and other weapons. The Russian president indicated Russia's willingness to sell helicopters, build rocket-propelled grenade factories, provide sophisticated anti-aircraft systems, including the Carapace

16. Larisa Epatko, "Timeline: Hosni Mubarak, Egypt's President for Three Decades, Resigns," *NewsHour*, PBS, February 11, 2011, at <http://www.pbs.org/newshour/rundown/2011/02/egypts-president-resigns.html> (May 3, 2011).

17. Ariel Cohen, "The 'Primakov Doctrine': Russia's Zero Sum Game with the United States," Heritage Foundation *F.Y.I.* No. 167, December 15, 1997, at <http://www.heritage.org/Research/Reports/1997/12/The-Primakov-Doctrine-Russias-Zero-Sum-Game-with-the-United-States> (May 23, 2011).

18. 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> (March 23, 2011).

19. "Russia, Syria Sign Agreement for Major Arms Deal," *The World Tribune*, January 26, 2005, at http://www.worldtribune.com/worldtribune/WTARC/2005/eu_russia_01_26.html (May 12, 2010).

20. Central Intelligence Agency, "Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions, 1 July Through 31 December 2001," at http://www.dni.gov/reports/2009_721_Report.pdf (February 28, 2012).

(*Pantsyr*), TOR M1, and *Strelets*. He also offered to sell the Saudis satellite launches and an opportunity to join GLONASS, the Russian satellite navigation system.²¹

However, despite Putin's repeated assertions that Russia has returned to the world stage as a great power, its influence in the Middle East remains less dynamic than U.S. clout and is mostly limited to arms sales and cooperation in energy trade. Nevertheless, Moscow sees itself as a potential broker between the Muslim world and the West due to its Soviet legacy of good relations with the Middle East and Russia's own Muslim population (about 10 percent of Russia's total population).²² Russia is an observer member of the Organization of the Islamic Conference (OIC) and the Arab League. In addition, Russia would like to boost its involvement in mediating the Arab–Israeli conflict, although it is trusted less by the parties than the U.S.

In recent years, relations between Russia and Israel have improved, and tourism between the two has increased significantly. Israel is also home to the world's largest diaspora of Russian speakers from the countries of the former Soviet Union. Russians currently constitute the second-largest group of tourists traveling to Israel after the U.S., and the number of Israelis traveling to

Russia has increased by 42 percent since 2009. In 2008, the Israeli government ended visa requirements for Russian tourists, which resulted in 400,000 Russian visitors to Israel in 2009.²³

Russia and Israel share strong international trade and investment relations. Israeli companies are developing innovative high-tech industries in Russia, while Russia supplies Israel with natural resources and raw materials. Russia's Gazprom is interested in developing the newly discovered gas fields off Israel's Mediterranean coast.²⁴

MOSCOW SEES ITSELF AS A POTENTIAL BROKER BETWEEN THE MUSLIM WORLD AND THE WEST DUE TO ITS SOVIET LEGACY OF GOOD RELATIONS WITH THE MIDDLE EAST AND RUSSIA'S OWN MUSLIM POPULATION.

The Kremlin's Role in the Arab–Israeli Conflict

In 2002, Russia, the U.S., the U.N., and the EU formed the Quartet on the Middle East, which is attempting to mediate the Israeli–Palestinian conflict. After the 2006 Arab–Israeli conflict in Lebanon, Russia's leadership embarked on a stronger role in the Quartet. However, Moscow's

position on the Arab–Israeli conflict contradicts the radical anti-Israel agenda of a number of Middle Eastern players, particularly in the case of Iran. At the same time, Russia has managed to upset the Israeli leadership repeatedly by conducting consultations with Hamas and Hezbollah and selling weapons to Iran and Syria.

The Kremlin has ambitious plans to serve as a mediator in the Arab–Israeli conflict, a role that would demonstrate not only Russia's international leadership but also its return to great power politics in the region. However, if it were to attain the more central role it seeks, the Kremlin, much like Washington, would face a long and arduous negotiating process filled with “diplomacy fatigue” on both sides, aggravated by Palestinian and internal Israeli political divisions and a heavy dose of Arab intransigence.²⁵ The Kremlin believes that any final deal would need to include an Israeli withdrawal from the “occupied Arab lands” including the West Bank, East Jerusalem, and the Golan Heights and the formation of an independent Palestinian state that would peacefully coexist with its Israeli neighbor.²⁶ Clearly, the growing anti-Israel tenor of the Arab upheavals and the recent Fatah–Hamas unity deal make any such peace agreement more difficult.

21. Ariel Cohen, “Putin's Middle East Visit: Russia Is Back,” Heritage Foundation *WebMemo* No. 1382, March 5, 2007, at <http://www.heritage.org/research/reports/2007/03/putins-middle-east-visit-russia-is-back>.

22. Olga Oliker, Keith Crane, Lowell H. Schwartz, and Catherine Yusupov, *Russian Foreign Policy: Sources and Implications*, RAND Corporation, 2009, at http://www.rand.org/pubs/monographs/2009/RAND_MG768.pdf (March 25, 2011).

23. Lital Levin, “Russian Tourists Flock to Tel Aviv Instead of Vacationing in Europe,” *Haaretz*, May 7, 2010, at <http://www.haaretz.com/print-edition/news/russian-tourists-flock-to-tel-aviv-instead-of-vacationing-in-europe-1.288825> (March 27, 2011).

24. Voice of Russia, “Gazprom to Develop Israel's Gas Fields,” November 18, 2010, at <http://english.ruvr.ru/2010/11/18/35240645.html> (December 13, 2011).

25. Ariel Cohen, “Moscow in the Middle,” *The National Interest*, December 27, 2010, at <http://nationalinterest.org/commentary/moscow-the-middle-4621> (March 23, 2011).

26. RIA Novosti, “Experts Discuss Models and Scenarios for a Middle East Peace Settlement in Malta,” December 13, 2010, at http://en.rian.ru/valdai_context/20101213/161751099.html (March 23, 2011).

Russian foreign policy toward Arab–Israeli peace negotiations vacillates between Moscow’s traditional support of its Arab allies, including ties with extremists such as Syria, Hamas and Hezbollah, and what the Russians see as promising economic and political opportunities with Israel.²⁷ In 2009, Russia purchased a dozen unmanned aerial vehicles from Israel, worth more than \$50 million.²⁸ The sale was a watershed moment for Russia’s arms industry, which has not purchased foreign hardware since 1917. Since then, Russia has purchased *Mistral*-class assault ships from France.

However, President Dmitry Medvedev’s talks with Hamas in 2010 and the Kremlin’s enthusiastic support of the Palestinian push for unilateral statehood via the U.N. directly contradict U.S. interests, violate the Quartet’s road map for peace, and set back future prospects for an Israeli–Palestinian peace agreement. This suggests that Russia does not truly value its ties with Israel. This is not new. Russian–Israeli relations may have improved in recent years, but Moscow has not changed its broader foreign policy strategy, inherited from Soviet days, which has the United States as its target. The USSR always preferred the more lucrative opportunities in the Arab countries to good relations with Israel. Russia’s perception of Israel’s strong reliance on ties with the United States is another reason for it to abandon Israel, especially

considering the consistent anti-American overtones of the Kremlin’s foreign policy dialogue.

Russia as Iran’s Protector

Russia has developed complex and close economic ties with Iran in energy, military, and technology. Since the Soviet era, a large number of Iranian scientists have been educated in Russian military academies and engineering colleges. Russian scientists and experts have continuously provided direct and indirect assistance to Iranian scientific and military development programs, while Russian state-owned and private companies have pursued their energy development and economic goals. At the same time, Moscow claims to support nonproliferation goals that are supposed to prevent Iran from developing nuclear weapons.²⁹ At the height of the U.S.–Russian “reset” policy, Moscow vacillated between tactical concessions to the United States regarding Iran and a strategic commitment to Russian–Iranian ties. After Putin’s expected return to the presidency in March, the pendulum will likely swing more explicitly toward Tehran.

Thus far, Western and Russian efforts to prevent Iran from acquiring nuclear weapons have been woefully insufficient. President Mahmoud Ahmadinejad has publicly denied the Holocaust and threatened to wipe Israel off the map. However, Iran’s nuclear ambitions threaten not only Israel, but also the entire

Middle East because Iranian nuclear capability will likely trigger a regional nuclear arms race.

Furthermore, Iran can already threaten Israel and U.S. bases in the region with ballistic missile attacks, and Tehran is projected to have an intercontinental ballistic missile (ICBM) capability by 2015, which will pose an even greater threat to the U.S. and Europe. A nuclear-armed Iran would be a regional game changer and would significantly transform security dynamics in the Middle East. Already truculent, Iran will likely use its nuclear arsenal to bully its neighbors, deter other nuclear powers, and provide diplomatic cover for its terrorist proxies, such as Hamas and Hezbollah.³⁰

IRANIAN NUCLEAR CAPABILITY WILL LIKELY TRIGGER A REGIONAL NUCLEAR ARMS RACE.

Iran currently returns spent uranium fuel from the Bushehr nuclear reactor to Russia. At the same time, it is feverishly developing its own uranium enrichment capability, ostensibly for civilian purposes, but most likely for making nuclear weapons. The September 2011 International Atomic Energy Agency (IAEA) report on Iran warns that “the Agency is increasingly concerned about the possible existence in Iran of past or current undisclosed nuclear related activities involving military related organizations.”³¹ The

27. Cohen, “Moscow in the Middle.”

28. Nabi Abdullaev, “Russia Buys Israeli UAVs to Study Capabilities,” *Defense News*, June 13, 2009.

29. Olikier et al., “Russian Foreign Policy: Sources and Implications.”

30. Ariel Cohen, “Russia’s Iran Policy: A Curveball for Obama,” Heritage Foundation *Backgrounder* No. 2359, January 15, 2010, at <http://www.heritage.org/research/reports/2010/01/russias-iran-policy-a-curveball-for-obama>.

31. International Atomic Energy Agency, “Implementation of the NPT Safeguards Agreement and Relevant Provisions of Security Council Resolutions in the Islamic Republic of Iran,” GOV/2011/54, September 2, 2011, at <http://www.iaea.org/Publications/Documents/Board/2011/gov2011-54.pdf> (November 16, 2011).

Russian Foreign Ministry slammed the report for alleged bias and intentional politicization of the issue, simultaneously accusing the United States of setting the stage for another war in the Middle East.³²

Russia's protective attitude toward Tehran is not surprising, considering it provided the technical expertise, nuclear fuel, equipment, parts, and other components to build the Bushehr nuclear power plant, which is an important component of Iran's nuclear infrastructure.³³ Russia is also negotiating contracts for building additional reactors in Iran.³⁴ Moscow's failure to denounce Iran's threats to block the Strait of Hormuz clearly demonstrates that Russia's interests in Iran directly conflict with those of the United States and the West.

While Moscow on some level may be uncomfortable with Iran as a nuclear power, its recent actions undermine the international effort to oversee Iran's nuclear program. In addition to its economic interest in continuing to develop Iran's nuclear capabilities, the Kremlin has used Russia's position on Iran as a tool to extract concessions on security issues from the U.S. and its allies, such as on the New START Treaty, European missile defense, and Russia's dominance of its neighbors. While Moscow is not ready for

a direct confrontation over Iran with Washington—the Kremlin cancelled a lucrative arms sale of S-300 long-range anti-aircraft missile systems to Iran in 2010 after significant pressure from the international community—the continued Russian involvement in Iran's nuclear programs should be of concern to the U.S. and Europe.

In addition, Russia has sought to strengthen its position by attempting to establish an OPEC-style natural gas cartel with Iran and other leading gas producers. It is also engaged in oil and gas “swap” deals with Iran. Moscow and Tehran are also planning to create a massive energy and transportation north-south corridor to connect the Indian Ocean, the Caspian Sea, and Europe.³⁵

MOSCOW'S TIES WITH TEHRAN ARE A HIGHLY COMPLEX MAZE OF MILITARY AND ECONOMIC PARTNERSHIPS AND COOPERATION ON NUCLEAR AND FOSSIL ENERGY ISSUES, WITH THE SHARED GOAL OF REDUCING U.S. INFLUENCE REGIONALLY AND GLOBALLY.

Moscow's ties with Tehran are a highly complex maze of military and economic partnerships and cooperation on nuclear and fossil energy

issues, with the shared goal of reducing U.S. influence regionally and globally. If a nuclear-armed Iran is inevitable, Russia would rather be its friend than its enemy.³⁶ In this sense, the Kremlin does not view Iran as a direct threat, but rather as an ad hoc ally and a rising regional power—one that could challenge U.S. influence.

The Future of Russia–Syria Cooperation

Russia maintains close relations with Syria, which is led by Bashar al-Assad and ruled by its socialist, nationalist Baath Party. Not long after the U.S. imposed sanctions on Syria in 2004 for supporting terrorism, Russia agreed in principle to sell Damascus war planes, air defense systems, and anti-tank weapons. In May 2010, President Medvedev signed the formal agreement during his first visit to Damascus, but only after Iran committed to pay for the weapons. In the past decade, Russia has sold well over \$1 billion in arms to Syria, including anti-tank missiles, surface-to-air missiles, and MiG 29/31 fighter aircraft.³⁷

Russia also plans to construct a nuclear power plant in Syria, even though Israel destroyed a suspected nuclear reactor in the middle of the Syrian desert in September 2007.³⁸ According to President Medvedev during his state visit, “Cooperation

32. RT, “Russia: IAEA Report's Goal to Make Iran ‘Guilty,’” November 9, 2011, at <http://rt.com/news/russia-iran-watchdog-nuclear-953/> (November 16, 2011).

33. Cohen, “Russia's Iran Policy.”

34. RIA Novosti, “Russia May Build More Nuclear Power Plants in Iran,” November 10, 2011, at <http://en.rian.ru/russia/20111110/168577169.html> (December 5, 2011).

35. Cohen, “Russia's Iran Policy.”

36. Olikier *et al.*, “Russian Foreign Policy: Sources and Implications.”

37. Stockholm International Peace Research Institute, SIPRI Arms Transfers Database, at <http://www.sipri.org/databases/armstransfers> (July 1, 2011).

38. David E. Sanger and Mark Mazzetti, “Israel Struck Syrian Nuclear Project, Analysts Say,” *The New York Times*, October 14, 2007, at <http://www.nytimes.com/2007/10/14/washington/14weapons.html> (December 7, 2011).


TABLE 1

The Russian Arms Market in the Middle East and North Africa

Recipient	Contract Description	Price (If Known)
Libya	Kh-35 Uran/SS-N-25 anti-ship missile	\$100 million
	Project-1241/Tarantula FAC	
	Yak-130 trainer/combat aircraft	\$90 million
	S-125 Pechora-2 SAMs (modernization to the Pechora-2M level)	
	Modernization of 145 T-72 tanks	
	BMP-3M infantry fighting vehicles	\$300 million
	Factory for AK-103 machine gun production	\$600 million
Syria	9M123 Chrysanthemum self-propelled anti-tank missile systems	
	Molniya-class missile boats	\$150 million-\$200 million (estimated)
	96K6 Pantsyr-S1E Mobile AD system	\$730 million
	Buk-M2 SAM	\$200 million
	MiG-29 modernization	
	S-125 Pechora-2 SAMs (modernization to the Pechora-2M level)	
	200 T-72 tanks (modernization to T-72M1M level)	Part of \$500 million deal
Iran	9M123 Chrysanthemum self-propelled anti-tank missile systems	
	30 Pantsyr-S1 anti-aircraft missile systems	
	T-72 tanks upgrade MiG-29 aircraft upgrade Su-24 fighter upgrade	Part of \$1.5 billion deal
Yemen	100 BTR-80A armored vehicles and 50 120-mm towed mortars	\$60 million
	MiG-29 SMT Fulcrum	\$1.3 billion
Egypt	20 S-125 Pechora-2 SAMs (modernization to the Pechora-2M level)	
	Modernization of ZSU-23 SPAAG to ZSU-23-4M4	

Note: This is a partial list. Other deals may not be indicated here.

Source: Dmitry Gorenburg, "Russian Arms Sales to the Middle East and North Africa," *Russian Military Reform*, March 7, 2011, at <http://russiamil.wordpress.com/2011/03/07/russian-arms-sales-to-the-middle-east-and-north-africa/> (December 7, 2011); International Institute for Strategic Studies, *The Military Balance 2011* (London: Routledge, 2011); and Stockholm International Peace Research Institute, SIPRI Arms Transfers Database, at <http://www.sipri.org/databases/armstransfers> (December 7, 2011).

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on atomic energy could get a second wind."³⁹

Despite Syria's growing isolation due to Assad's brutal crackdown on the increasingly violent protesters, Russia continues to supply weapons and nuclear technology to the crumbling Assad regime. Most recently,

Russia decided to deliver SS-N-26 Yakhont anti-ship cruise missiles to honor an earlier arms deal.⁴⁰

Actions such as these are destabilizing and dangerous. In 2006, Hezbollah used Russian anti-tank rockets provided by Syria against Israeli forces.⁴¹ Since then, Russia

has continued to deliver weapons to Syria despite U.S. and Israeli objections. Likewise, Iran continues to provide arms and training to Hamas and Hezbollah via Syria.

Syria is another example of the conflicting Russian and U.S. approaches to the Middle East. A

39. Denis Dyomkin, "Russia Says May Build Nuclear Power Plant in Syria," *Reuters*, May 11, 2010, at <http://www.reuters.com/article/2010/05/11/us-russia-syria-medvedev-idUSTRE64A3JB20100511> (June 30, 2011).

40. David Pugliese, "Russia to Go Ahead with Weapons Deal with Syria—Advanced Anti-Ship Missiles to Be Delivered," *Ottawa Citizen*, November 15, 2011, at <http://blogs.ottawacitizen.com/2011/11/15/russia-to-go-ahead-with-weapons-deal-with-syria-advanced-anti-ship-missiles-to-be-delivered/> (February 28, 2012).

41. Steven Erlanger and Richard A. Opiel Jr., "A Disciplined Hezbollah Surprises Israel with Its Training, Tactics and Weapons," *The New York Times*, August 7, 2006, at <http://www.nytimes.com/2006/08/07/world/middleeast/07hezbollah.html> (June 30, 2011).

long-time sponsor of terrorism and a close ally of Iran, Syria poses a number of challenges to U.S. interests in the region. Damascus has aided and abetted attacks of foreign fighters on American troops and U.S. allies in Iraq and the destabilization of Lebanon.

The Kremlin will likely view the now almost inevitable collapse of the Assad regime as a net loss. In the meantime, Russia continues to treat the Assad regime as legitimate, even after the Arab League and Turkey joined the Western states in imposing sanctions on Syria. In this context, Russia still clings to a recognized rogue actor, once again highlighting the fact that the Kremlin's first priorities are not cooperation with the United States or stability in the region, but opposing Washington, securing economic gain, and expanding its own influence. This year, a small Russian flotilla led by the *Admiral Kuznetsov*, Russia's aircraft carrier, visited Syria in support of the Assad regime, clearly demonstrating Russia's defiance of U.S. interests and disregard for the Obama Administration's reset policy.⁴²

The "protection" Russia is currently giving Syria is similar to its protection of Iran. The Kremlin is

hoping the Assad regime will survive because a new Sunni regime will likely not share its pro-Russian sentiments.⁴³

However, the Kremlin has invoked the ire of King Abdullah of Saudi Arabia, who reacted angrily to China's and Russia's vetoes of the Syrian sanctions. In the past, the Gulf states supported the Islamist insurgency in the Northern Caucasus, and they are capable of bringing the oil prices down, thus hurting Moscow's energy revenues. Russia's Syria policy may be backfiring.⁴⁴

The Arab Spring and Falling Arms Exports. The recent Arab upheavals has cost the Russians significant arms revenue. In March 2011, Russia suspended nearly \$2 billion of arms sales to Libya.⁴⁵ The uprising and the subsequent deposition of Qadhafi disrupted a 2007 contract to supply Yak-130 training jet planes. In January 2010, Libyan then-Defense Minister Yunis Jaber signed a number of arms sale agreements with Russia to supply 12 multipurpose Su-35 fighters and six Yak-130 combat and training planes, modernize 145 T-72 combat tanks, and build a Kalashnikov rifle plant.

Prior to the uprising, Moscow had also negotiated several lucrative

contracts with the Qadhafi regime to supply a wide range of military equipment, such as Project 636 submarines, high-speed *Molniya* missile boats, advanced systems such as the S-300PMU2 Favorit long-range air defense system and the Tor-M2E short-range air defense system, modernization of the surface-to-air S-125 Pechora systems, Ka-52 Alligator combat helicopters, Mi-17 transport helicopters, and the Grad and Smerch multiple rocket launcher systems. Libya was also expected to become the first foreign buyer of Russia's new Su-35 fighter, a contract for 12–15 fighters worth \$800 million.⁴⁶

With the fall of Qadhafi, all Libyan contracts are now void, netting a nominal loss of \$4 billion and most likely tens of billions of dollars according to official statements.⁴⁷ The Syrian and Yemeni contracts are also in jeopardy. Because of Western military intervention, Russia not only lost billions of dollars in real and potential revenue, but also its contacts for future deals and any kind of advantage in Libya. Syria, Russia's other main customer in the Middle East, is also undergoing an uprising and suffering from sanctions imposed by Western countries and the Arab League.⁴⁸ Russia

42. Ariel Cohen, "Will Russia Bog Down in Syria?," The Heritage Foundation, *The Foundry*, at <http://blog.heritage.org/2011/11/30/will-russia-bog-down-in-syria/>.

43. Amir Taheri, "Russia's Syria Game," *New York Post*, October 10, 2011, at http://www.nypost.com/p/news/opinion/opedcolumnists/russia_syria_game_voe96d5WkBego04e6I1NRP (November 16, 2011).

44. Rick Gladstone, "In Rare, Blunt Speech, Saudi King Criticizes Syria Vetoes," *The New York Times*, February 10, 2012, at <http://www.nytimes.com/2012/02/11/world/middleeast/in-rare-blunt-speech-saudi-king-criticizes-syria-vetoes.html> (February 14, 2012).

45. Reuters, "Russia Announces Ban on Arms Sales to Libya," March 10, 2011, at <http://in.reuters.com/article/2011/03/10/idINIndia-55458520110310> (November 16, 2011).

46. Reuters, "Update 2: Russia Announces Ban on Arms Sales to Libya," March 10, 2011, at <http://uk.reuters.com/article/2011/03/10/russia-libya-sanctions-idUKLDE72905220110310> (March 23, 2011).

47. Alexei Anishchuk, "Gaddafi Fall Cost Russia Tens of Blns in Arms Deals," Reuters, November 2, 2011, at <http://www.reuters.com/article/2011/11/02/russia-libya-arms-idUSL5E7M221H20111102> (November 16, 2011).

48. BBC News, "Syria Unrest: Arab League Adopts Sanctions in Cairo," November 27, 2011, at <http://www.bbc.co.uk/news/world-middle-east-15901360> (December 6, 2011).

is frantically trying to protect its existing arms deals in Syria, despite international disapproval.⁴⁹ However, those deals will also evaporate if the Assad regime collapses.

Thus, Russia has lost one major weapons customer and is about to lose another. Losing their two biggest business partners in the Middle East is a blow to Russian weapons exporters, which is yet another reason why Russia will likely remain extremely critical of Western actions in the Middle East as it struggles to maintain its remaining clients and possibly expand its weapons market to compensate for the losses.

The Russian Stance on Libya

Moscow interprets the U.S. military intervention in Libya as an attempt by the U.S. and the West to enhance its influence in the region. At the same time, Russian leadership realizes that it has limited economic, diplomatic, and military resources to oppose such a move.

Russian Middle East experts warn that, as the U.S. experience in Iraq demonstrates, changes in regime type and power transitions often do not lead to the establishment of full-fledged democracy, but rather to a political stalemate between competing factions, such as in Iraq.⁵⁰ Libya is no exception.

According to Veniamin Popov, Russian ambassador-at-large to Middle Eastern organizations,

including the Organization of the Islamic Conference (OIC):

Russia as a world power should be more active in the Arab world. Additionally, the Islamic theme is very important for Russia, because there are more than 20 million Muslims in the country, and [Russia] is an observer in the OIC. Russia should actively cooperate with the Islamic community, especially now that the Islamic factor is increasingly manifested on the international arena.

Accordingly, the Middle East is “directly linked to Russia’s strategic interests, and its formerly passive attitude is no longer acceptable.”⁵¹ Thus, Russia is trying to adjust to the changes sweeping the Middle East.

Russia and Turkey: Strategic Alliance or Pending Competition?

Turkey’s strategic location in the crossroads between the Mediterranean, Eastern Europe, the Caucasus, and the Middle East makes it a major player in the region. While Turkish Foreign Minister Ahmet Davutoğlu proclaimed the “zero problems with neighbors” policy, the reality is far from peaceful. Friction with Russia has increased over NATO missile defenses against Iran, Russian support of Christian

Orthodox Serbs in the Balkans against the Muslim population supported by Turkey, Russian backing of Cyprus in its maritime gas exploration dispute with Turkey, and Russian support of Armenia while Turkey backs Azerbaijan.⁵²

MOSCOW INTERPRETS THE U.S. MILITARY INTERVENTION IN LIBYA AS AN ATTEMPT BY THE U.S. AND THE WEST TO ENHANCE ITS INFLUENCE IN THE REGION.

A major dispute has also erupted over Syria. Due to its geopolitical role and ties to the Assad regime, Turkey initially acted as an intermediary for the U.S. in mediating the Syria crisis.⁵³ However, Ankara’s relations with Damascus have deteriorated, and Turkey is now openly supporting the Sunni rebels and calling for the Assad regime to step down. This has created a confrontation with Russia. Ankara has threatened to use force to compel Damascus to stop violence, while Moscow has issued warnings against Turkish or NATO intervention in Syria.⁵⁴

For centuries, the Ottoman Empire and then Turkey were rivals with the Russian Empire and then the Soviet Union for regional supremacy in the Balkans, the Black Sea basin, and the Caucasus. However, after the end of the Cold War and the disappearance of the

49. RIA News, “‘No Ban’ on Russian Arms Supplies to Syria,” December 1, 2011, at <http://en.rian.ru/world/20111201/169209507.html> (December 7, 2011).

50. Elena Suponina, “The Rebels in Libya Only Hope Is in Allah and the Betrayal: Without Outside Interference Gaddafi Regime Change Could Be Delayed,” *Forbes* (Russia edition), March 16, 2011, at <http://www.forbes.ru/ekonomika-column/vlast/64864-povstantsy-v-livii-nadeyutsya-lish-na-allaha-i-na-predatelstvo> (May 12, 2011; unavailable March 5, 2012).

51. Islam News, “Budut li izmeneniya v blizhnovostochnoy politike MIDa” (Will there be changes to the Foreign Ministry’s Middle East policy?), May 12, 2011, at <http://www.islamnews.ru/news-54951.html> (May 13, 2011).

52. Stephen Blank, “More Problems with More Neighbors,” *The Atlantic Council*, forthcoming, p. 2.

53. James Traub, “Turkey’s Rules,” *The New York Times*, January 20, 2011, at <http://www.nytimes.com/2011/01/23/magazine/23davutoglu-t.html> (December 5, 2011).

54. Blank, “More Problems with More Neighbors.”

Soviet threat, Russia and Turkey realized that friendly relations were in their mutual interest.

While the U.S. sought to manage long-standing bilateral and NATO-based defense cooperation with Turkey, Ankara distanced itself from the U.S. This was evidenced by its refusal to allow the U.S. 4th Armored Division to cross its territory into Northern Iraq during the 2003 invasion and its delay of U.S. ships trying to assist Georgia during the August 2008 Russo–Georgian War.⁵⁵ The war demonstrated Russia’s willingness to use force to achieve its strategic goals in the Caucasus, including prevention of further NATO enlargement.⁵⁶

Turkey, for its part, proposed a Russo–Turkish condominium in the region that would exclude Europe and the U.S., only to be rebuffed by Moscow, which still sees the three South Caucasus states as within its zone of “privileged interests.” Turkey’s indifference to the Russia–Georgia conflict—Ankara was notably reluctant to criticize Moscow—highlighted Ankara’s realpolitik foreign policy, which prioritizes economic and security relations

with Russia. Russia supplies 65 percent of Turkey’s natural gas and 40 percent of its crude oil, and their energy cooperation is growing. Russia became Turkey’s largest trade partner in 2008, and Turkish trade with Russia is four times higher than its trade with the U.S.⁵⁷

TURKEY’S STRATEGIC LOCATION IN THE CROSSROADS BETWEEN THE MEDITERRANEAN, EASTERN EUROPE, THE CAUCASUS, AND THE MIDDLE EAST MAKES IT A MAJOR PLAYER IN THE REGION.

The two countries’ efforts to strengthen bilateral economic ties include lifting visa restrictions and plans to triple bilateral trade within the next five years.⁵⁸ Both countries are partners on an oil pipeline project under construction that will transport up to 1.5 million barrels of (mostly Russian) oil per day through Turkey’s Black Sea coastal waters to the port of Ceyhan on the Mediterranean coast.

Turkey has also agreed to let Russia use its territorial waters for

the planned South Stream pipeline to transport 60 billion cubic meters of Russian natural gas per year across the Black Sea to the EU, which will carry natural gas to Europe via Turkish territorial waters. South Stream would compete with the EU-supported Nabucco pipeline project, which would carry natural gas from the Caspian basin to Europe across Turkey. In this conflict between European and Russian interests, Turkey has been trying to get the best of both worlds by negotiating the best deal with each project.⁵⁹

However, things look more promising for Russia. In April 2011, Turkey gave Gazprom permission for offshore prospecting as part of the South Stream deal.⁶⁰ In December 2011, Gazprom Deputy Chairman Alexander Medvedev announced that preliminary exploration in the Turkish Black Sea waters had already begun and that the gas pipeline would become operational in 2015.⁶¹ Finally, on December 30, 2011, Gazprom and Turkey signed the South Stream deal to transport 60 billion cubic meters of Russian gas per year to Europe via Turkish

55. Jim Zanotti, “Turkey–U.S. Defense Cooperation: Prospects and Challenges,” Congressional Research Service *Report for Congress*, April 8, 2011, at <http://www.fas.org/sgp/crs/mideast/R41761.pdf> (April 23, 2011).

56. Ariel Cohen and Robert E. Hamilton, “Lessons from the Georgian War,” video file, The Heritage Foundation, September 19, 2011, at <http://www.heritage.org/events/2011/09/goergia-war> (December 5, 2011).

57. Sally McNamara, Ariel Cohen, and James Phillips, “Countering Turkey’s Strategic Drift,” Heritage Foundation *Backgrounder* No. 2442, July 26, 2010, at <http://www.heritage.org/Research/Reports/2010/07/Countering-Turkey-s-Strategic-Drift> (March 23, 2011).

58. Press release, “Russia and Turkey Signed a Joint Statement on Interaction in NPP Construction,” Rosatom, January 15, 2010, at http://www.old.rosatom.ru/en/about/press_centre/news_main/index.php?id4=15940 (February 28, 2012).

59. EurActiv, “Turkey Caught Between Nabucco and South Stream,” April 15, 2011, at <http://www.eurasiareview.com/15042011-turkey-caught-between-nabucco-and-south-stream/> (December 17, 2011).

60. RIA News, “Turkey Gives Offshore Prospecting Permit to Gazprom for South Stream Project,” April 8, 2011, at <http://en.rian.ru/business/20110408/163436356.html> (December 17, 2011).

61. Faruk Akkan and Fuat Seferov, “Turkey Will Allow South Stream Pipeline by End of Year,” *Today’s Zaman* (Istanbul), December 13, 2011, at <http://www.todayszaman.com/news-265574-turkey-will-allow-south-stream-pipeline-by-end-of-year.html> (December 17, 2011).

territorial waters.⁶² However, whether Russia has the financing to build South Stream or can supply the gas to fill it remains to be seen.

In January 2010, after prolonged haggling over terms, Russia and Turkey signed a joint statement on the construction of a nuclear power station in Akkuyu in southern Turkey. Atomstroyexport, Russia's state nuclear energy company will build, control, and operate the \$20 billion, 4,800-megawatt nuclear power station. This will be the first time that Russia builds and operates a plant in a foreign country and sells its power for the domestic market.

In addition to rapprochement with Russia, Turkey has pursued its "zero problems with neighbors" policy. It initially pushed for closer ties with Syria and Iran.⁶³ Turkey's cooperation with Iran led it to oppose limited sanctions against Iran in the fall of 2010, despite Russia's and China's support. However, the recent disagreement with Iran over the new radar installation in Turkey as part of NATO's missile shield project has brought Turkish-Iranian relations to a new low. At one point, Iranian officials announced that the installation would be the first target of retaliation to any military action against Iran.⁶⁴

Meanwhile, Turkey has threatened to use naval force against Cyprus to prevent development of its offshore gas fields. Christian Orthodox Greek Cyprus is a Russian offshore banking haven, and Russia signaled that it would protect Cyprus by sending a naval squadron to patrol the area.⁶⁵ Nevertheless, in December, the Turkish navy began shelling the area between the Israeli and Cypriot exclusive economic zones (EEZs), where gas prospecting is taking place—much to Moscow's displeasure.⁶⁶ Russia is also the principal security guarantor of Armenia, Turkey's historical nemesis. Thus, in the long term, the map dictates that Turkey and Russia—as well as Turkey and Iran—will cooperate economically and compete geopolitically along their borders and in their respective regions, including the Balkans, Eastern Mediterranean, the Caucasus, and even Central Asia.

Russia-Turkey: Future Prospects. Even though Turkey fits into Russia's vision of a multipolar world, Russian and Turkish interests have historically collided in the Mediterranean, the Balkans, the Caucasus, and Central Asia. For Moscow, managing its interests vis-à-vis Turkey and Iran will be challenging. Additionally, a significant percentage of the Turkish population

traces their ancestry to the North Caucasus, including Chechnya and Circassia, and they have always been sympathetic toward the nationalist and Islamist militants in this war-torn region. Furthermore, Turkey has ambitions to become a transit hub for energy pipelines from Russia, Iran, Iraq, and the Caspian basin to Europe.

IN THE LONG TERM, THE MAP DICTATES THAT TURKEY AND RUSSIA—AS WELL AS TURKEY AND IRAN—WILL COOPERATE ECONOMICALLY AND COMPETE GEOPOLITICALLY.

On the other hand, Moscow seeks to strengthen its monopoly on transit routes from Central Asia to the European markets. While Moscow backs Armenia in its centuries-long conflict with Turkey, Ankara has good relations with Georgia and provides massive support to Azerbaijan. As a result, Moscow has no interest in Turkey having an independent presence in Central Asia and the Caucasus because the two countries have competing ambitions in restoring their respective spheres of influence in Eurasia. These differences may pose significant obstacles

62. Robert M. Cutler, "Gazprom Remains Committed to South Stream," *Asia Times*, January 5, 2012, at http://www.atimes.com/atimes/Central_Asia/NA05Ag01.html (January 5, 2012).

63. Ariel Cohen and Sally McNamara, "Turkey After the Elections: Implications for U.S. Foreign Policy," Heritage Foundation *WebMemo* No. 3285, June 8, 2011, at <http://www.heritage.org/research/reports/2011/06/turkey-after-the-elections-implications-for-us-foreign-policy>.

64. Ali Akbar Dareini, "Iran Threatens to Hit Turkey If US, Israel Attack," *The Guardian*, November 26, 2011, at <http://www.guardian.co.uk/world/feedarticle/9966163> (December 5, 2011).

65. ANSAMED, "Cyprus: Russian Navy Nears Gas Drilling Zone," at http://www.ansamed.info/ansamed/en/news/sections/generalnews/2011/11/25/visualizza_new.html_13983917.html (December 27, 2011).

66. AK Group, "Turkish Warships Shell Narrow Water Between Israeli, Cypriot Gas Fields," Stonegate Institute, December 27, 2011, at <http://www.hudson-ny.org/2705/turkish-warships-shell-narrow-water-between> (December 27, 2011).

to a long-term strategic partnership, despite the two countries' considerable economic cooperation.⁶⁷

What the U.S. Should Do

The anti-American tilt of Russian foreign policy prevents diplomatic cooperation because the U.S. and Russia lack a shared threat assessment and mutual understanding in dealing with the changing dynamics of the Middle East. Despite clear statements to the contrary by Prime Minister Putin and Foreign Minister Lavrov, the Obama Administration has repeatedly declared that the U.S. is not competing with Russia for regional influence. Regrettably, the Kremlin has not received this memo. Instead, Russian attempts to constrain U.S. policy have provoked little or no response from Washington. Lavrov habitually invokes a "polycentric" or multipolar model of the world, with Russia working with her partners toward a future in which U.S. power is so diminished that it cannot act without Moscow's permission. Russia's vision of the Middle East is a case in point.⁶⁸

Moscow's concept of multipolarity entails not just an uncontested Russian sphere of influence in the Commonwealth of Independent States, but also together with Iran wielding much greater clout in the Middle East. Moscow clearly wants to retain ties with Iran, which it regards as the rising great power in the Gulf and Middle East. However,

the Obama Administration has been deluding itself that Russia would be a genuine partner in restraining Iran.

Notwithstanding Washington's and Riyadh's irritation, Russia defends the Assad regime despite its bloody repression of its own citizens. Even though the regime is teetering on collapse, Russia has signed an agreement with Syria to refurbish Soviet naval bases in Latakia and Tartus and has increased sales of sophisticated weapons. Thus, Russia is obstructing U.N. resolutions censuring Syria, while allowing its relationship with the Obama Administration to wilt.⁶⁹

RUSSIA'S ZERO-SUM POLICY IS PREVENTING WASHINGTON AND MOSCOW FROM IDENTIFYING AND EXPLORING AREAS IN WHICH U.S. AND RUSSIAN INTERESTS IN THE REGION CONVERGE, SUCH AS ANTI-TERRORISM AND DISRUPTING FUNDING OF GLOBALLY ACTIVE RADICAL ISLAMISTS.

Moscow's suspicions of the U.S. and the prevailing anti-American mindset lead it to persist in playing a zero-sum game in the Middle East and elsewhere. The intense competition, in turn, tends to work to the advantage of third countries, such as Iran and China, and of terrorist groups, such as Hamas and Hezbollah.⁷⁰ For instance, although

Iran and nonstate or state-sponsored Islamist radicals present long-term dangers to both states, Russia tends to ignore the Iranian threat.

U.S. interests lie in a more democratic and pro-Western environment that fosters civil society and economic opportunity. However, the Obama Administration's myopic *laissez-faire* attitude toward Islamists seems to have moved this goal further away than before the Arab upheavals erupted.⁷¹ International energy companies also need security for capital-intensive energy projects, which often require investments of the tens of billions of dollars.

Russia's zero-sum policy is preventing Washington and Moscow from identifying and exploring areas in which U.S. and Russian interests in the region converge, such as anti-terrorism and disrupting funding of globally active radical Islamists. The areas in which the two states are pursuing diverging foreign policy goals, such as Russia's trade in arms and nuclear reactors, will require special attention and, where necessary, consistent pushback.

Russia's interests in the region—including energy and weapons trade, supporting a nuclear Iran, and attempting to selectively legitimize anti-Israel radical Islamist organizations while fighting similar ones at home—contradict U.S. interests. In addition, Russia is pursuing a diplomatic strategy of developing an ad hoc Sino-Russian axis to undermine

67. McNamara et al., "Countering Turkey's Strategic Drift."

68. Ariel Cohen and Stephen Blank, "Reset Regret: Russian Global Strategy Undermines American Interests," Heritage Foundation *WebMemo* No. 3333, August 3, 2011, at <http://www.heritage.org/research/reports/2011/08/reset-regret-russian-global-strategy-undermines-us-interests>.

69. *Ibid.*

70. Graham, "Kak ukrepit' neprochnyye rossiyskiye granitsy."

71. James Phillips and Helle C. Dale, "U.S. Urgently Needs to Reset Its Bilateral Relationship with Egypt," Heritage Foundation *WebMemo* No. 3495, February 9, 2012, at <http://www.heritage.org/research/reports/2012/02/us-egypt-relations-ngo-standoff-and-foreign-aid>.

U.S. priorities around the world, particularly in the Middle East.

Despite the political earthquakes shaking the Middle East, long-standing U.S. strategic goals in the region will not change fundamentally. The U.S. should continue to seek to:

- Prevent the emergence of a regional hegemonic power in the Middle East, especially if it is extremist and/or anti-American;
- Ensure an uninterrupted flow of oil and gas to sustain the global economy, particularly from the Persian Gulf;
- Dismantle the Iranian military nuclear and ballistic missile program and halt Tehran's support of terrorism;
- Prevent or delay the emergence of an Egypt controlled by the Muslim Brotherhood, the Salafis, and/or other radical movements hostile to the U.S., Europe, and Israel and strengthen the secularist alternative to the extent possible; and
- Neutralize support for radical Islamist forces and terrorist organizations such as al-Qaeda, Hezbollah, and Hamas.

It is in the strategic interest of the U.S. to prevent the rise of any global or regional power hostile to America and its allies in the Greater Middle Eastern region and to secure stable access to the area's vast energy resources. Thus, the U.S. government should:

- **Reexamine the “reset” policy with Russia on Middle East issues.** The U.S., in cooperation with Western European allies and the Arab League, should pressure Moscow to support U.N. Security Council sanctions on Damascus and Tehran. The President should suspend the reset policy and direct the National Security Council to form a task force to conduct a bottom-up reassessment of U.S. policy toward Russia in view of Moscow's sabotage of the U.S. and its allies' policies toward Iran and Syria. The U.S. should use all its public diplomacy tools, especially in the Arab world, to “name and shame” Russia as an enabler of the Iranian and Syrian regimes. Ultimately, the U.S. needs to help Moscow recognize that it would gain more by joining the Western community and the Arab countries in imposing an effective sanctions regime against these two rogue states.
- **Develop a sanctions regime against Russian companies and banks involved in supplying arms and dual-use technology to Iran and Syria.** These include arms exporter Rosoboronexport, missile manufacturer Central Special Construction Bureau Progress, aircraft manufacturer Sukhoi, Tula Armaments Bureau, Tula Special Device Building Bureau rocket manufacturer,⁷² Moscow Institute of Physics and Technology, Vneshekonombank, and Vneshtorgbank. The U.S. Treasury should cooperate with European allies to force Moscow

to halt these problematic and destabilizing arms sales.

- **Pressure Middle Eastern states to stop their nationals from funding and training terrorists.** The U.S. needs to apply significant pressure to Qatar, Saudi Arabia, the UAE, and other Middle Eastern states whose nationals are funding and training insurgents in the North Caucasus to stop the flow of cash to terrorist groups, bankrupt the North Caucasian insurgency, and prevent its integration into the worldwide Islamic extremist movement. The U.S. can pursue this through private interventions at the highest levels by U.S. policymakers, including the U.S. Vice President, Secretary of State, and Director of National Intelligence. The U.S. should also use the Financial Action Task Force to disrupt terrorism funding from wealthy individuals and foundations in the Persian Gulf and charitable contributions to wage war and brainwash youth. If private diplomacy fails, the “name and shame” approach could also be effective.
- **Suspend cooperation with Russia in the framework of the Quartet until it halts its recognition of Hamas.** Hamas opposes peace negotiations with Israel and remains committed to Israel's destruction. Moscow should break off contact with Hamas and declare it a terrorist organization in compliance with the Quartet's criteria for a diplomatic

72. “Minfin RF podal v sud na tul'skoe ‘konstruktorskoe bureau priborostroyeniya’” (Russian Federation Treasury Ministry sued Tula Device Building Bureau), *Tul'skaya Sluzhba Novostey* (Moscow), November 6, 2009, at http://www.tsn-tv.ru/mod_fullnews_minfin_rf_podal_v_sud_na_tulskoe_konstruktorskoe_byuro_priborostroyeniya.html (January 20, 2012).

settlement because Hamas has failed to halt terrorism, recognize Israel, and comply with previous peace agreements.

- **Intervene with the governments of Turkey and Italy to boost support of the Nabucco gas pipeline and gas interconnectors to Greece and Italy.** Italy is a main stakeholder in the South Stream pipeline project. The U.S. should seek to postpone the deal on South Stream between Gazprom and Turkey's state-owned Botash. The prohibitively costly and economically ineffective deal will only increase EU and Turkish energy dependency on Russia and deny revenues to the pro-American states of the Southern Caucasus.⁷³ At the same time, the U.S. State Department should request that Turkey tone down its opposition to Cypriot

exclusive economic zone maritime gas exploration because it will provide a source of gas for Europe independent of Russia.

- **Go over the heads of the Russian leadership.** The U.S. should use public diplomacy to explain to the Russian people the real sources of the Arab upheavals, dispelling Russian leaders' conspiracy theories, which blame the U.S. exclusively for the Middle East uprisings and cast them as steps by the West to "encircle" Russia.

Conclusion

Russia would benefit from abandoning its zero-sum view of geopolitical competition with the United States in the Middle East. The upheavals in the Middle East have real implications for Russia. Radical Islam is spreading from that

region into the North Caucasus and the Russian Muslim communities throughout the Russian Federation. The direction that Moscow's foreign policy takes in the Middle East will significantly affect not only Russia and its deeply rooted bilateral relations with countries in the region, but also U.S. interests and policies from Tangier to Tehran.

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73. "Main Opposition Leader Says South Stream a Bad Deal for Turkey," *Today's Zaman* (Istanbul), December 30, 2011, at <http://www.todayszaman.com/news-267160-main-opposition-leader-says-south-stream-a-bad-deal-for-turkey.html> (January 3, 2012).