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**Iran's Regional Security Policy:
Opportunities and Challenges**

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Introduction

Since the revolution in 1979, Iran has become a key player not only in Persian Gulf politics but also in Central Asia and the Middle East at large. The Islamic Republic of Iran is currently at the centre of a global push-and-pull due to its geostrategic position and its interaction with local and global players. The main aim of the current leadership in Teheran is to preserve Iran's privileged situation within a changing balance of power.

This paper assesses and analyses Iran's regional policy since the Iranian Revolution of February 1979, focusing on the last 10 years. It presents a brief historical background of Iran's strategy under the Shah and then looks at current Iranian foreign policy as determined by the ideological map drawn by Ayatollah Ruhollah Khomeini and Ayatollah Ali Khamenei, the current Supreme Leader of Iran. It also examines current Iranian policies towards Iraq, Syria, Lebanon, Palestine and the countries of the Gulf Cooperation Council (GCC).

My study is based on Middle Eastern sources mostly Iranian, Arab, and Lebanese. Given the paucity of studies based on these sources I will present what Iranian and other experts in the region have written on the foreign policy of the Islamic Republic of Iran. I believe that this will be of great value to researchers and observers in the West who are not conversant with Arabic and Persian sources¹.

Summary of Findings

Over the past 30 years the Islamic Republic of Iran has become a major player in the Middle East and the Gulf region. Ayatollah Khomeini put his stamp on the country's internal and foreign policies inspired by his slogan *Neither East, nor West, only the Islamic Republic*.

The linchpin of Iran's policy is to preserve its security and project its presence and influence in countries with major Shia populations, such as Iraq and Lebanon. Its desire is to take the leadership of the Muslim world away from the hands of Sunni-dominated states such as Saudi Arabia and Egypt.

Iranian foreign policy is dictated by the need to maintain the country's sovereignty and independence in the light of past interventions by regional and global powers.

¹ See the entry on 'Iran' in Philip Mattar (Ed.) (2004), *Encyclopedia of the Modern Middle East & North Africa*, vol. 2, Thomson Gale, p. 1110-1122. Major documentation sources are the quarterly journal *Shu'un al Awsat* (Middle East Affairs), published in Lebanon by the Centre for Strategic Studies, the Gulf 2000 Project at Columbia University and Iranian and Lebanese dailies that frequently write about Iran in Arabic and English.

The country has developed a strong strategic relationship with Syria and both countries have adopted policies supporting anti-Western and anti-Israeli groups, such as Hamas in Palestine and Hezbollah in Lebanon.

Iran's Regional Security Policy

Jean Bodin, the famous French political theorist wrote centuries ago that a country's foreign policy is determined by its geographical location. This is the case of the Islamic Republic of Iran, a relatively large country with a surface area of 81,648,000 square kilometres. In the north it is surrounded by the Caspian Sea and the republics of Armenia, Azerbaijan and Turkmenistan; on the east by Afghanistan and Pakistan; on the south by the Persian Gulf and the Gulf of Oman; and on the west by Turkey and Iraq. One of Iran's major concerns is its security policy. Looking at a map, it can be seen that the country is surrounded by both friendly and unfriendly neighbours. Russia is one of Iran's big neighbours, the relationship between the two countries has been warm and Russia has been one of the major suppliers for Iran's nuclear facilities. Moreover, Iran and Russia share a joint interest in the export of their rich natural gas and oil resources to Western Europe. The same applies to Iran's policy towards two other important neighbours: China and India. In Afghanistan, Iran has been a major player in combating the Taliban's regime while trying to warm up to President Karzai's rule in Kabul. Both Iran and Pakistan, respectively Shia and Sunni dominated, have been jockeying for influence in the land of the Khyber Pass.

During the Cold War between the US and the former USSR, Iran became an important player in America's policy of containing the Soviet Union. In the early 1950s the nationalist and elected Iranian government of Mohammad Mossadeq was overthrown by a coup engineered by the US and replaced by the Shah Mohammad Reza Pahlavi, who ruled Iran from 1941 until he was ousted in 1979.² Under the Shah's rule Iran became a major player in the Persian Gulf with US support. Iran benefited from extensive US financial and military aid as the policeman of the Gulf. This was highlighted by Iran's active role in the Central Treaty Organization (CENTO) created in the second half of the 1950s to contain the Soviet Union. In addition to Iran, CENTO included Pakistan, Turkey, Iraq and the UK, with the US as an associate member. Following the withdrawal of British troops in 1970, Iran replaced the UK as the 'guardian' of the Gulf and occupied three small islands in the Gulf of Hormuz.³ In the 1970s Iran became the linchpin of Nixon's policy in the Middle East and the Persian Gulf. The Shah also consolidated his country's military and security relationship with Israel and the white-dominated regime in South Africa. These two countries played an important role in helping Iran develop its nuclear capabilities.⁴

The Shah's demise and the advent of Ayatollah Ruhollah Khomeini in 1979 led to a total reshuffling of Iran's foreign and security policies, with major allies turning into major enemies. Iran's two major foes in the Middle East are the US and Israel. Since it came to office, the Bush Administration has been establishing a set of military bases to contain Teheran's expansion in the region. It is very clear that both Iran and the US will be key players in any future settlement in Iraq.

² Regarding the Iranian Revolution and US-Iranian relations see Shaul Bakhash (1984), *The Reign of the Ayatollahs: Iran and the Islamic Revolution*, Basic Books, New York; R.K. Ramazani (1986), *Revolutionary Iran: Challenge and Response in the Middle East*, The Johns Hopkins University Press, Baltimore; Abol Hassan Bani-Sadr (former President of Iran) (1991), *My Turn to Speak: Iran, the Revolution & Secret Deals with the US*, Brassey's Inc., McLean, Virginia; James A. Bill (1988), *The Eagle and the Lion: The Tragedy of American-Iranian Relations*, Yale University Press, New Haven; Ervand Abrahamian (1982), *Iran between Two Revolutions*, Princeton University Press, Princeton; Hamid Dabashi (1993), *Theology of Discontent: The Ideological Foundation of the Islamic Revolution in Iran*, New York University Press, New York; Baqer Moin (1999), *Khomeini: The Life of the Ayatollah*, I.B. Tauris, London and New York; and Asghar Schirazi (1997), *The Constitution of Iran: Politics and the State in the Islamic Republic*, I.B. Tauris, London.

³ Abu Musa, part of the Emirate of Sharjah, and Greater and Smaller Tunb, that belonged to the Emirate of Ras al Khaimah.

⁴ In 1975 Teheran and Pretoria sealed a deal whereby South Africa would provide Iran with 40,000 tonnes of natural uranium. For further details see Michel Nawfal (2000), *Siyasat al-Ard*, Dar al-Jadid, Beirut.

Current negotiations between Washington and Baghdad regarding a security pact will have to take Iran's interests into consideration. Iran fears that a US presence in Iraq will aim to destabilise the Islamic Republic. Another enemy for Iran –perceived or otherwise– is Israel. The Islamic Republic has emerged as a major competitor to Israeli military and strategic hegemony in the Middle East and it has made the conflict between Arabs and Israelis a major arena to confront the latter. Another major objective is Islamic unity. Iran would like to take away the leadership of the Muslim world from the hands of Sunni-dominated states such as Saudi Arabia and Egypt.

In order to achieve these aims Teheran has consolidated its relationship with Syria and the current government in Baghdad. It has also become a major player in the Gulf, mainly by reaching out to its Arab Gulf neighbours in both the diplomatic and economic spheres. To achieve its aims Iran has created, trained and financially supported what the experts call its indirect 'strategic tentacles', ie, Hezbollah in Lebanon, Hamas and Islamic Jihad in Palestine and the Badr Brigade in Iraq. They act as non-state trans-national groups that are flexible enough to implement Teheran's objectives.⁵ Behind these moves (direct and indirect) is a clear message that Teheran is sending to the US and its regional allies: that the Islamic Republic of Iran is far more important than America's Arab allies and friends, that are now more of a liability than an asset to Washington.

Another of Iran's key neighbours is Turkey. Both countries share a similar interest in stabilising the Middle East. The difference, though, is in style. Turkey, on the one hand and according to regional observers, respects the regional equilibrium and, unlike Iran, has no intention of extending Turkish hegemony. On the other hand, and in order to justify and legitimise its strategic reach in the Middle East, Iran has relied on policies and actions that have sometimes been 'brutal'. This is due to the lack of legitimacy of a Shiite-dominated power in a region populated by a majority Sunni population.

Most Muslims are Sunnis, defining themselves as the People of the Sunna, who respect the teachings and norms set out by the Prophet Muhammad. Following the death of the Prophet a row developed between Muslims as regards the identity of his legitimate successor. Sunnis believed that any qualified and respected Muslim could be a leader. Unlike the Sunni community, the Shiites – who form the majority of Iran's population– believed that the leadership of the world-wide Muslim community, or *umma*, ought to be in the hands of a member of the Prophet's family: Ali, the Prophet's cousin and son-in-law.⁶

The Constitution of the Islamic Republic of Iran adopted on 24 October 1979 states in Article 152 that the 'foreign policy of the Islamic Republic of Iran is based upon the rejection of all forms of domination, both the exertion of it and submission to it, the preservation of the independence of the country in all respects and its territorial integrity, the defence of the rights of all Muslims, nonalignment with respect to the hegemonist superpowers, and the maintenance of mutually peaceful relations with all non-belligerent states'.⁷

Essentially, Iranian foreign policy is dictated by the need to maintain the country's sovereignty and independence in light of past interventions and interferences by regional and global powers. Another dimension, which is unique to any constitution, is the insertion of the religious dimension emphasised by Iran's advocacy and protection of Muslims around the world. Last but not least, Iran is keen to maintain sound relations with countries that are not perceived to constitute a threat to the Islamic Republic.

⁵ For an excellent primer on current Sunni-Shia tensions see Vali Nasr (2007), *The Shia Revival: How Conflicts within Islam Will Shape the Future*, W.W. Norton & Company, New York.

⁶ The word Shia is derived from the Arabic word for 'partisans', the Shiites being partisans of Ali. Iranian Shiites belong to the sect of the 'Twelvers'.

⁷ For an English translation of the Constitution of the Islamic Republic of Iran see <http://www.servat.unibe.ch/law/icl/ir00t.html>

Khomeini's views of international relations can be subsumed in the slogan 'Neither East, nor West, only the Islamic Republic' (*nah sharq, nah gharb, faqat jumhuri-i islami*). Khomeini rejected the notion of non-alignment as he believed that no country could be non-aligned –as exemplified by Cuba and other countries that are members of the Non-aligned Movement–. Regarding Iran's relations with the superpowers, Khomeini said that 'we must settle our account with great and superpowers, and show them that we can take on the whole world ideologically, despite all the painful problems that face us'.⁸

Thus, since the 1979 Islamic Revolution, Iranian foreign policy was and still is guided by the following principles: (1) support for the oppressed peoples of the world and their struggle for justice; (2) solidarity with Islamic groups and support (both financial and military) for movements fighting for self-determination, such as the Palestinian Hamas, Hezbollah in Lebanon, the Badr Brigade and Mahdi Army in Iraq and the Army of Muhammad (Sipah-I Muhammad) in Pakistan; and (3) total opposition to the US ('the Great Satan') and Israel.

Ayatollah Khomeini's successor, Ayatollah Ali Khamenei, has preserved the regional pattern in his foreign policy and Khomeini's vision regarding Iranian influence in the Islamic world.⁹ Regarding Israel, Khamenei has consistently expressed his opposition to the 'Zionist entity' and to peace talks between Arabs and Israelis.

In a speech in June 2005 Khamenei said his country's aim was not the destruction of Israel but the defeat of Zionism and the dissolution of the Jewish state. The solution he proposed is 'to hold a referendum with the participation of all native Palestinians, including Muslims, Jews and Christians, the Palestinians who live both inside and outside the occupied territories. Any government that takes power as a result of this referendum and based on the Palestinian people's vote, whether it is Muslim, Christian or Jewish government or a coalition government, will be an acceptable government, and it will resolve the issue of Palestine. Without this, the Palestinian issue will not be settled' (Sadjadpour, 2008, p. 20).

Khamenei's solution does not totally coincide with either the policies followed by the Palestinian Authority or with those of the Israeli government. Iran's major concern in this respect is that a possible peace treaty between Israelis and Palestinians and between Syria and Israel would undermine Iranian influence and meddling in the Levant. This explains Iran's current policy of tightening its grip and control over the proxy groups it supports, especially Hezbollah in Lebanon.

Khamenei is also keen on maintaining Khomeini's vision regarding Iranian influence in the Islamic world. In all the major conflicts now affecting Middle Eastern and Muslim countries –Iraq, Afghanistan, Lebanon, security issues in the Persian Gulf and the Arab-Israeli peace process– Iran is keen to assert its influence through its support of locally-raised militias and the teachings of Shia religious leaders in the region.

For Khamenei, the Islamic Republic of Iran 'has now attained such a high status that its role in regional equations is quite decisive. This is something admitted by the world's arrogant powers

⁸ Quoted in Ramazani (1986, p. 21). Another important concept to understand Khomeini's vision of an Islamic world order is the doctrine of *velayat-e faqih* (an Arabic term for 'the authority, or governance, of the jurist'). According to the same author, in Khomeini's view the 'concept of *hukumat* (government) is rooted in that of *vilayat* (rulership), a rulership that belongs to God, to the Prophet Muhammad, to the infallible Imams (*ma'sumin*), and by extension, to the learned and pious *faqih*. To the *faqih* belongs temporal as well as spiritual authority, which he should exercise in the absence of the Twelfth Imam, who will appear (*zuhur*) ultimately as the *Mahdi* (Messiah) or the *Sahib-e Zaman* (master of the age) to establish just and equitable rule'. See also Article 5 in the preamble of the Islamic Republic's constitution.

⁹ See the excellent study prepared by the Iranian-born scholar Karim Sadjadpour (2008), *Reading Khamenei: The World View of Iran's Most Powerful Leader*, Carnegie Endowment for International Peace, www.carnegieendowment.org/publications.

themselves, who are acknowledging that the important issues of the Middle East region cannot be solved without Iran's cooperation and contribution, and that the Iranian nation's views on those issues should be heard and taken into consideration' (Sadjadpour, 2008, p. 22).

The Iranian leader's words reflect the growing Shia influence in the region. In a sense, the return of Persian influence in Mesopotamia is something of a revenge for the long war and occupation suffered by Iran at the hands of Saddam Hussein in the early 1980s. Moreover, the Islamic Republic has positioned itself to be a key player in any possible normalisation within Iraq or the region at large. Another important issue facing Iran today is the status and future of its nuclear programme. For Khamenei, Iran's quest for being technologically and scientifically self-sufficient is of paramount importance.

By developing and enhancing its nuclear capabilities Iran will be able to be a major player at the regional level and assert its deterrent capabilities against potential enemies in the region, such as Israel. Khamenei is critical of the US and Israel because of their staunch opposition to Iran's nuclear ambitions. 'They are opposed to the progress and development of the Iranian nation. They do not want an Islamic and independent country to achieve scientific progress and possess advanced technology in the Middle East region, a region which possesses most of the world's oil... They want Iran's energy to be always dependent on oil, since oil is vulnerable to the policies of world powers. They aim to control other nations with invisible ropes' (Sadjadpour, 2008, p. 23).

Iran's current security and strategic concerns were expanded upon by Sayyid Hussein Al-Musavi, a former advisor on the Middle East and Arab World for the Iranian Foreign Ministry and General Supervisor for the Iranian-funded quarterly *Sh'un al-Awsat*. In an interview he conducted with this journal, Musavi tackled the basic challenges facing his country's regional and global policies.¹⁰ In 2001, and following the terrorist attacks in New York and Washington, US troops invaded Afghanistan and in 2003 it occupied Iraq, leading to Iran's eastern and western borders being encircled by US troops.

The Iranian leadership closely monitored the evolution of the situation in Iraq and Afghanistan in order not to allow these two countries to become bases for US troops to launch attacks against Iran. For this purpose, Iran has devised a political and a security strategy in order to thwart potential threats. The strategy is based on helping and participating in the reconstruction process in Afghanistan. Iranian aid is being monitored by Europe and the US, aware of Iranian activities in respect to border controls and fighting against drug smuggling from Taliban-controlled areas in Afghanistan.

The security dimension is the most important element of Iran's strategic thinking. Iran must have the capabilities to thwart and confront any military threat that could emerge from Iraq first and Afghanistan second. Iran's policy is thus based on deterrence to disrupt any potential attack, although the most important element is the creation of a strategic equilibrium between the political and security dimensions and ensure the country's readiness in the event of an attack.

Following the US military intervention in Iraq (2003) some Arab regimes have accused Iran of facilitating the demise of Iraq's dictator and Iran's bitter foe, Saddam Hussein. To these accusations, Iranians reply that unlike some Arab countries that have facilitated the deployment of US troops against Iraq, Iran and to a lesser extent Turkey have refused to help and condemned the use of force against a member of the United Nations.

For the current Iranian regime it is of the utmost importance to maintain the unity of Iraq as a

¹⁰ See 'Iran wal tahadiyaat al iqlimiyya wal duwaliyya' ('Iran: Regional and Global Challenges'), *Sh'un al-Awsat*, vol. 117, Winter 2005.

territory and as people. A divided Iraq is not in Iran's interest as it would lead to instability and have dangerous consequences not only for Iraq but for its neighbours. Iraq should not become a launching pad for US troops to threaten Iran's national security. Moreover, the Iraqi leadership ought to avoid legitimising plans that would expand US hegemony in the region.

Last but not least, Iran would like to see the immediate withdrawal of all foreign troops from Iraq. This will have a positive impact and will open new horizons for economic development and cooperation between the countries of the region.¹¹

To sum up, the current Iranian leadership is concerned by three fundamental factors: (1) the current situation in Afghanistan; (2) the future of Iraq and its stability; and (3) the presence of US and NATO troops on Iran's borders.

In Afghanistan, the Iranians have tried to play a stabilising role, while controlling the borders with Afghanistan and funding groups that were opposed to the Taliban regime in Kabul. Nevertheless, the active US and NATO military and humanitarian presence in Afghanistan has done nothing to dispel Iranian fears of a possible countering of its security interests. This fear is also linked to the US military presence in Iraq.

The US military intervention in Iraq was a relief for the Iranians. On the one hand, it eliminated one of their bloodiest foes, Saddam Hussein. On the other, the presence of American troops is a reminder of the deep mistrust and fear Iranians have of US intentions.

Since 2003, Iran has taken advantage of US military and political challenges to pacify Iraq. Teheran has expanded its presence by supporting the Shia-dominated government in Baghdad and provided economic and logistic support to the Shia population of southern Iraq. Iran is against the partition of Iraq as it would impact on its fundamental vision to stabilise its neighbourhood.

The search for stability and security in the Gulf and Afghanistan has led Iran to play its nuclear card as a potential deterrent even if the Islamic Republic is still years away from developing nuclear weapons.

As mentioned above, Iran's Supreme Leader, Ayatollah Khamenei, justified his country's nuclear programme on the basis of 'scientific advancement, self-sufficiency, and political independence' (Sadjadpour, 2008, p. 22). The perception in the West, Israel and among Arab Gulf countries close to the US, is that Iran will not limit its nuclear activities to purely civilian uses but that it is striving to build nuclear weapons. Strategically, if Iran's becomes a nuclear power this would alter the balance of power in the region and constitute a challenge to Israel's nuclear supremacy. It would also lead to another arms race in the Middle East, with countries trying to obtain nuclear weapons at any cost. Moreover, a nuclear Iran would pose a direct threat to the presence of American troops in Iraq and Afghanistan and neutralize US attempts to isolate Iran.

Basically, the current Iranian leadership believes that it is being targeted by the US and Israel because of the unpredictable nature of politics in Teheran. This, however, goes counter to Iran's self-perception as a country that is a major player in the Gulf and in south-west Asia and that the era when Washington could dictate its policy –as it did under the Shah– is long gone. Lastly, Iranian leaders believe that if their country succeeds in building its own nuclear arsenal it will play a major role in resolve pending conflicts in the region, especially between Israel and the Palestinians.

¹¹ *Shu'un al Awsat* (2005), p. 108-109.

Iran and Syria

Since the advent of the Islamic Revolution in Iran in 1979, regional politics in the Middle East have changed. Ayatollah Ruhollah Khomeini wanted to export his brand of fundamentalist Islam throughout the Middle East and the Muslim world. Lebanon, with its large Shia community, became a prime target for Teheran's entreaties. Following the 1982 Israeli invasion of Lebanon, the Iranian regime took advantage of the mistakes committed by the Israeli Defence Forces (IDF) to consolidate its influence in the Land of Cedars.

The US invasion of Iraq in 2003 consolidated Iran as a major player in the region. The Shiite arc of influence now extended all the way from Teheran to Beirut. The Iranian regime took advantage of the fragmentation of Iraq to extend its influence and presence in southern Iraq.

Teheran is waiting to see how the Administration of President-elect Barack Hussein Obama will play its cards (both as regards Iraq and the Iranian nuclear weapons programme) to determine its behaviour in Iraq and the Middle East. Hezbollah and Hamas and the alliance with Syria are a convenient instrument for Iran's disruptive policies against US interests in the region. Despite the fact that Syria has a majority Sunni population, the current Alawi minority in power is closely related in doctrine and faith to Shia Islam.¹²

In the last few years, economic relations between Syria and Iran have deepened to include cooperation in the trade and cultural sectors. Joint Syrian and Iranian investments have reached a total of US\$3 billion. Currently, the two countries are involved with several joint ventures including the construction of a large oil refinery together with Venezuela and Malaysia.

Moreover, together with Syria and Iraq, Iran has initiated a joint project to build an oil and natural gas pipeline linking Iran with Iraq and Syria. Iranians and Syrians are waiting for the situation in Iraq to settle down to initiate the project.¹³ Iran and Syria are also involved in a joint project to enlarge and expand the railway system linking Iran to Iraq and Syria. The railroad will be like the old Silk Road linking Eastern with Western countries. For instance, at present, most of the trucks, buses and cars leaving Iran have to go through Istanbul to reach Syria. If the situation settles down in Iraq then the latter could serve as a point of transit between Iran and Syria.

The visit in early August 2008 of the Syrian President Bashar al-Assad to Teheran was a major demonstration that the strategic alliance between the two countries is firm. Almost 29 years have gone by since the previous Syrian President, Hafez al-Assad, decided to support Iran's war against Iraq and the US military intervention in Kuwait. This was the third visit by President Bashar al-Assad to Iran since the election of the former Teheran Mayor, Mahmoud Ahmadinejad, as president of the Islamic Republic of Iran (2005).¹⁴

Damascus and Teheran see eye to eye on many issues, including their strong support for anti-Western and anti-Israeli groups such as Hamas and Hezbollah and their opposition to American policies in the region. The Syrian President's recent visit to Paris has brought his country out of isolation and Syria is now reaping the results of the failures of US and Saudi policies in the Middle East.

Several issues were discussed in Teheran between the Syrian and Irani leaders. The agenda included items such as bilateral relations, the current indirect negotiations between Syria and Israel, Iran's nuclear programme and the situation in Iraq, Lebanon and Palestine.

¹² In 1936 a group of Alawi religious leaders issued an edict stating that the Alawis 'were nothing but partisans of the Imam Ali... the cousin, son-in-law and executor (*wasi*) of the Messenger'.

¹³ *Al-Sharq al-Awsat*, 15/V/2008.

¹⁴ For further details on al-Assad's visit to Teheran and Iranian-Syrian relations see Michel Nawfal, 'Al Dawr al-Irani wal ilaqa al-iraniyya-al-souriyya', in *al-Mustaqbal*, Beirut, 7/IX/2008. See also *as-Safir*, 4/VIII/2008, and *al-Mustaqbal*, 18/VIII/2008.

Regarding Iran's nuclear programme and the ongoing negotiations with the West, President Assad wanted to make sure that he was not playing the role of mediator. During his last trip to Paris, Assad was asked by his French host, Nicolas Sarkozy, to explore possible solutions to narrow the differences between the West and Iran.

'First of all, Syria's objective is to understand Iran's perspective, then determine the role we might play', al-Assad said. The Syrian President had heard from Sarkozy that if Iran decided not to suspend its uranium enrichment programme even for a short period (six weeks to six months) then France and the EU would be unable to stop Israel from launching an attack against Iran's military and nuclear facilities. If Iran decided to play along, then the West, including the US, would be ready to accept Iran as a major regional player.

The Syrian and Iranian leaders also expressed their unflagging support for Hamas in Palestine and Hezbollah in Lebanon. In their joint statement the two sides 'expressed their satisfaction with the situation in Lebanon since the signing of the Doha Agreement' (at the end of May) and reiterated their support for 'the right of the Lebanese people to resist constant Israeli violations of Lebanese sovereignty'. Ahmadinejad and al-Assad called for reconciliation between Palestinian factions and the for the need to establish national reconciliation in Iraq and the withdrawal 'of all foreign forces from Iraq to guarantee the unity of its land and people'.

The Syrian President's visit to Iran has also put an end to all the speculation that Damascus was ready to shed its close alliance with Teheran as the price for a possible peace treaty with Israel. In the final communiqué, Iran expressed 'its support to the right of the Syrian people to regain control of its occupied territories in the Golan'.

Syria and Iran are major players in the Middle East and will be important factors in any attempt for lasting stability in the Gulf and the Near East. Both countries are playing for time, consolidating their strategic cooperation and waiting for the new rulers in the White House... unless Israel strikes first. But this eventuality looks increasingly remote in view of the current political crisis in Israel.

Recent developments, though, portend a possible cooling down in Iran's relations with Syria, due to events such as the assassination in Damascus of Hezbollah's chief of military operations, Imad Mughniye, and the Syrian regime's approaches to Israel and the West. Nonetheless, strategic relations between the two countries are still solid and hinge on regional and global changes, including the US presidential elections.

As regards Iran's logistical support to its 'strategic tentacles' –Hezbollah and Hamas–, this paper will now focus on Iran's relations with Hezbollah, given the key role this group plays in Iran's indirect strategy towards the countries of the Levant and the importance of the Shia community in Lebanon.

Because it plays a less significant role than Hezbollah and because Hamas's military leadership resides in Damascus, Iran has deferred to Syria the onus of supervising and managing the Palestinian Islamist group. This does not mean that the Iranian leadership does not directly interfere in internal Palestinian politics, but its weight and direct influence are less relevant than Syria's.

Iran and Hezbollah

In order to understand Iran's relations with Hezbollah it is important to provide a brief overview of the creation of the Lebanese Shia militia-cum-political party. In the early 1960s, Lebanon witnessed the beginning of a new clerical movement that served to reinvigorate Islam's key principles in both clerical and political terms. The three leading Shia clerics were Imam Musa al-Sadr (who founded the 'Movement of the Oppressed' and the 'Ranks of Lebanese Resistance' –Amal–), Sheikh Muhammad Mahdi Shamseddine (who devoted most of his life to intellectual work as well as to

leading the Shia community) and Sayyed Muhammad Hussein Fadlallah (Hezbollah's spiritual guide). Each of them had their own approach, practical logic and plan of action, but they all shared a belief in the necessity of taking action to trigger a change in the prevalent living conditions of Lebanese Shiites.¹⁵

During the early years of Hezbollah (the 'Party of God'), the name of Sayyed Muhammad Hussein Fadlallah was closely associated with the Party. He was a symbol of many ideological concepts within the Party, guiding Hezbollah through a mature vision of Islam and of the Islamic movement and supporting Ayatollah Khomeini, the Islamic Revolution's leader in Iran.

Even though he was often considered by both local and international media and political observers as Hezbollah's Lebanese spiritual leader, Sayyed Fadlallah always refused any participation in organised Hezbollah activity and opted to remain simply a cleric, supporting those Party directives that he deemed in harmony with his views. Lebanese Islamists divided their allegiances between Amal (the only political movement at the time), the various Islamic committees, the missionary faction and the independents.

The Iranian Revolution led by Ayatollah Ruhollah Khomeini triumphed in 1979, in tandem with a rising and insistent need for political revitalisation in Lebanon. Soon Ayatollah Khomeini was being considered the leading religious authority within the Shiite community (where 'interpretative judgement' –*ijtihad*– is possible and where subjects are required to follow the religious interpretation of the more learned among the living clerics) and the concern for a need to build a united Islamic organisation emerged.

Thus, a number of representatives of the main Islamic groups began discussions about their perceptions of Islamic activities in Lebanon. The results of these discussions were summarised in a final document, the 'Manifesto of the Nine', which declared the following three objectives: (1) that Islam is the comprehensive, complete and appropriate programme for a better life; (2) resistance against Israeli occupation through the jihad (holy war); and (3) the legitimate leadership of the Jurist-Theologian (*wilayat al-faqih*), who is considered the successor to the Prophet and the Imams. This document was presented to Ayatollah Khomeini, who granted his approval, thereby bestowing upon himself custodianship as the Jurist-Theologian. Various Islamic groups then adopted the manifesto, thus dissolving themselves and setting up a new group which later came to be known as Hezbollah.

All of these developments took place at a time of Iranian solidarity with Lebanon and Syria. Syria agreed to the passage of the Iranian Revolutionary Guard (*Pasdaran*) into Lebanon, and training camps were set up in the Western Bekaa Valley district.

Throughout the rule of the late Syrian President Hafez al-Assad, Syria adopted a policy of holding back Israel's projects, promoting Arab solidarity, supporting resistance against occupation and cooperating with all allies towards this end.

After the Israeli invasion of Lebanon in 1982, Iran declared its support for Syria and its readiness to carry out the orders of Imam Khomeini and dispatch its Islamic Revolutionary Guards to support Lebanon in its opposition to the occupation. President al-Assad agreed to this, and the Iranian Guards passed via Syria into Lebanon to train the youths who were to form Hezbollah and fight the Israeli occupation. Thus the relationship between Hezbollah and Syria was initially restricted to coordination on security issues, facilitation of the movement of activists and their arms and handling any emerging problems. It did not extend to a political relationship.

¹⁵ For an in-depth analysis of the Amal movement see Augustus Richard Norton (1987), *AMAL and the Shi'a: Struggle for the Soul of Lebanon*, Texas University Press, Austin.

The first ideological and political discussion between Hezbollah and Syria, which took place after the clashes between the Amal militia and Hezbollah in June 1988, led Syrian forces to infiltrate Beirut's southern suburbs under the guise of separating the fighting parties and re-establishing security. In the meeting requested by the Hezbollah leadership, President al-Assad reassured the Party leaders that its deployment of forces in the region was only for security reasons and that there was no intention for Syrian troops to side with Amal, as Hezbollah feared. This first meeting between Syria and Hezbollah's leaders laid the foundations for continuing political discussions over common issues, primarily related to the conflict with Israel.¹⁶

A very important account of Iran's direct involvement in the creation of Hezbollah and Iranian-Syrian relations was recently provided by Mohammad Hassan Akhtari, a former Iranian Ambassador to Syria. Akhtari was interviewed last May by the London-based Saudi newspaper *al-Sharq al-Awsat*.¹⁷ Akhtari, who is also known as the 'Operational Father' of Hezbollah, detailed the origins and evolution of the Lebanese Shiite militia-cum-political party. The idea to create Hezbollah initially came from Ali Akbar Mohtashemi, Iran's Ambassador to Syria between 1982 and 1985. During the Iran-Iraq war, elements from Hezbollah, trained by the Iranian Islamic Revolutionary Guard Corps (IRGC), fought with Iranian troops against Iraq. At that time, Ayatollah Khomeini decided to dispatch to Lebanon a large contingent of Revolutionary Guards to help in the creation and training of Hezbollah.¹⁸

Following the Israeli invasion of Lebanon in 1982, Khomeini decided to stop sending Iranian contingents to Lebanon. The main obstacle was related to logistic reasons given the unsafe lines of supply. On their way to Lebanon, the Iranian Revolutionary Guards were supposed to go through Iraq and Turkey. The former was at war with Iran and the latter was a member of NATO. The best solution was to train young Hezbollah fighters in Lebanon itself. More than 100,000 young members of Hezbollah were trained by the Revolutionary Guards.

Through its embassies in Damascus and Beirut, Iran has played a crucial role in supporting Hezbollah as a political and military Islamist group in Lebanon. During the summer 2006 war between Israel and the Party of God, Teheran dispatched several high-level diplomats to assess the possibility of a ceasefire and determine the level of aid needed by the Shia population in Beirut and South Lebanon.

Since 1987 Iran has been a major source of financial support for Hezbollah. In the aftermath of the summer 2006 war, and with Iranian support, Hezbollah has disbursed more than US\$0.5 billion for the reconstruction of destroyed homes and infrastructures in the southern suburbs of Beirut and south Lebanon. Hezbollah has established a large network of schools, health clinics and hospitals to provide free medical care. In addition, Hezbollah has set up four major communication outlets to spread its message. With Iranian funding, Hezbollah also provides support for the families of its fighters who have died. This gives the Iranian-supported group the wherewithal to be a state within a state in Lebanon.¹⁹

¹⁶ For further details on Hezbollah and its relations with Syria and Iran see Nicholas Noe (Ed.) (2007), *Voice of Hezbollah: The Statements of Sayyed Hassan Nasrallah*, Verso, London; Sabrina Mervin (2008), *Le Hezbollah: etat des lieux*, Sindbad, Paris; Walid Charara & Frederic Domont (2004), *Le Hezbollah: un mouvement islamo-nationaliste*, Fayard, Paris; Ahmad Nizar Hamzeh (2004), *In the Path of Hizbullah*, Syracuse University Press, Syracuse; H.E. Chehabi (2005), *Distant Relations: Iran and Lebanon in the Last 500 Years*, I.B. Tauris, London; and Naim Qassem (2005), *Hizbullah: The Story From Within*, SAQI, London.

¹⁷ The interview was part of a seven-part series written by Manal Lutfi titled 'Qusat hizbullah wa ilaqat Iran wa souriya' ('The Story of Hizbullah and Iranian-Syrian Relations'), *As Sharq al-Awsat*, 14-15-16-17-18-19/V/2008. Akhtari served his country as Ambassador to Syria twice, the first time between 1986 and 1997 and the second between 2005 and January 2008. Akhtari was also in charge of coordinating Iranian relations with Palestinian factions based in Damascus, such as Hamas and Islamic Jihad. After leaving his ambassadorial position, Akhtari was appointed President of Aal al-Bayt, an Iranian organisation whose purpose is to spread Shiite religious teachings throughout the world.

¹⁸ *As-Sharq al-Awsat*, 14/V/2008.

¹⁹ For further details on Iranian funding to Hezbollah see *An Nahar*, 15/XII/2006.

Following the summer 2006 war, Sayyid Hasan Nasrallah emerged as a major player on the Lebanese and regional scene. Strengthened by his 'victory' against the Israeli army, Hezbollah began to assert its power on the Lebanese political scene. This led to confrontations in May 2007 between the Iranian-supported militia and other Lebanese groups, mainly the Sunni-dominated Future Movement and the Druze-dominated militias of the Progressive Socialist Party (PSP).

Iran feared that a possible sectarian Shia-Sunni conflict was in the offing and did its utmost to rein in Hezbollah's fighters. Iran does not want Lebanon to enter another civil war that would severely damage the Shia community both in Lebanon and the region.

Consequently, Iranian diplomacy was very active coordinating with Saudi, Qatari, Syrian and French diplomats to end the fighting.

Since then, Iran has been very active playing a direct role in monitoring Hezbollah's activities and urging it to follow a more moderate and conciliatory tone with other political groups in Lebanon. The Iranian leadership has also adopted a decision to open up to other political groups in Lebanon. It has invited Michel Suleiman, the recently elected President of Lebanon to visit Teheran. The visit is due to take place before the end of 2008.

Iran and the Gulf Cooperation Council (GCC)

Relations between the Islamic Republic of Iran and its Arab Gulf neighbours can be described as being a mixture of fear and pragmatism. The fear is due to the Iranian leadership's vision of exporting the Islamic revolution to neighbouring countries and its respect for what it considers true teachings of Islam. There are geopolitical and economic factors to consider when assessing the relationship between the two sides of the Arabian/Persian Gulf. Relations between Iran and its Arab Gulf neighbours are affected by the following sources of tension: the Iranian nuclear programme, Iranian involvement in Iraq and Lebanon, the adversarial relationship between Iran and the US, border conflicts and the sharing of oil and natural gas resources, bilateral relations, the issue of minorities, and, last but not least, security in the Gulf.

In May 1981, Bahrain, Kuwait, Oman, Qatar, the United Arab Emirates and Saudi Arabia decided to create the Gulf Cooperation Council (GCC). A few months after its establishment the GCC adopted a Unified Economic Agreement that provided for the free movement of people and capital among member states, abolished custom duties, made banking and financial systems more compatible and improved technical cooperation between member states. In 1984, the GCC began dealing with security matters by establishing the Peninsula Shield Force, a rapid-deployment unit of 22,000 troops. The GCC became active in mediating various territorial disputes between its member states: Qatar and Saudi Arabia, Qatar and Bahrain.

According to R.K. Ramazani (1986, p. 26) the main reasons behind the creation of the GCC included 'the threat of the Iranian Revolution, particularly the threat of subversion; the Soviet invasion of Afghanistan; the superpower competition, including unilateral American military intervention; and the threat of spillover from the Iran-Iraq war'. Today, the GCC is mostly concerned with the situation in Iraq, Iran's growing intervention in internal Arab affairs (Iraq, Palestine and Lebanon) and terrorist threats from various Islamist groups such as al-Qaeda.

Until the Iranian revolution of 1979, the relations between the two sides were more harmonious, as monarchist regimes were one of the common factors on both the Arab and Persian sides of the Gulf. Moreover, the Saudis were glad to be under the US-supported Iranian umbrella to help maintain stability in the Gulf. With the fall of the Shah and the advent of Ayatollah Khomeini things have changed. The Iran-Iraq war highlighted the ambiguous relationship between Arab Gulf states and Iran. Most Arab countries, especially Saudi Arabia and Kuwait, helped Saddam Hussein financially in his war effort against Iran. When the war ended with the survival of the Iranian regime, the Gulf

Arab states shifted to a policy of enhanced economic and trade relations while being wary of the messages coming out of Teheran, especially since the advent of the conservatives headed by President Ahmadinejad.

Major sources of tension include the ongoing occupation of the islands of Abu Musa and the Great and Little Tunb islands –that belong to the United Arab Emirates–,²⁰ Iranian attempts at overthrowing the regime in Bahrain and fomenting dissent and revolt among the Shias living there, in Kuwait and in Saudi Arabia. Last but not least, there is the current situation in Iraq where Iran, taking advantage of American mistakes, has consolidated its grip and influence in Shia-dominated Mesopotamia.

The Arab Gulf states, because of their close subservience and links with the US, were considered ‘mini-Satans’ by Ayatollah Khomeini.²¹ In January 2007, Iran’s Supreme Leader Ayatollah Khamenei tried to calm down the fears of Arab leaders who had expressed their fear of a growing Shiite crescent going all the way from Teheran to Beirut. In fact, King Abdullah of Jordan had warned about the ascendant Shia crescent while President Mubarak of Egypt was quoted as saying that Shiites living in Arab countries have a primary allegiance to Iran rather than to their respective countries. Khamenei assured Arab leaders that Iran had no intention of extending *Pax Iranica* throughout the region.²²

In order to understand the Arab Gulf elites’ perspective on Iran, mention should be made of an important report issued by the London-based Gulf Institute for International and Middle East Studies (GINIMES, <http://www.cogir.org/ginimes.htm>). Here are some of the conclusions and recommendations made in this report. Iran, under its home-grown ‘neo-conservatives’, such as President Ahmadinejad and his political allies, has succeeded in exporting the principles of its Islamic revolution. It is now ready to export its revolution, especially after the fall of the Ba’ath regime in Iraq and the predominant role the Shias are playing in Iraqi politics. This will give Iran a foothold in the Arab Gulf countries.

According to the GINIMES report, the ‘political, media, religious, cultural and ethnic confrontation between the Gulf Arabs and the Islamic Republic is inevitable’. The political confrontation stems from Iran’s belief that it is a pre-eminent regional power. More precisely, Iran has, on the one hand, the dream of not only being the policeman of the Gulf but of the whole Middle East. On the other hand, the Arab Gulf states are firmly intent on thwarting Iranian hegemonic designs and opposing Teheran’s policies. The GINIMES report underlined that the GCC states were closely allied with the US and in the event of one of the two sides deciding to be more radical in its policies this would inevitably lead to a confrontation between Iran and its Arab Gulf neighbours. The GINIMES report made the following three recommendations:

²⁰ On 4 September 2008 Iran criticised the GCC member states’ statement opposing Iran’s decision to open two administrative offices on the island of Abu Musa, claimed by both Iran and the United Arab Emirates (UAE). The six GCC Foreign Ministers that met in Jeddah (Saudi Arabia) called on Iran ‘to remove these illegal offices and respect the UAE’s territorial sovereignty’. See *Al Mustaqbal*, 4/IX/2008.

²¹ Addressing the Arab Gulf leaders in 1983 Khomeini said: ‘What America expects from you is oil and profit; it wants you to remain a market for it. The same thing applies to the Soviet Union; there is no distinction. They want to take advantage of you; they want to make use of the resources given you by God; they want you to be [a] servant for them. But if you encounter difficulties, then none of them will respond to your cry for help. Do you not know them? This is the situation concerning those who think of themselves and their own world. They cooperate with those who serve their interests. However, as soon as they realize that this no longer applies, then they reject them’ (quoted in Ramazani, 1986, p. 23).

²² ‘If there was aggression, it was waged by an Arab country against Iran. It was the ill-fated Saddam Hussein that attacked our country first and then invaded Kuwait. He would have attacked other Arab countries as well if he had found an opportunity to do so. They should know that the grandeur and dignity of Islam and the power of the Islamic Republic of Iran are to their benefit as well. The United States is taking advantage of the weakness of Islamic countries and is bullying and blackmailing certain Arab governments’ (quoted in Sadjadpour, 2008, p. 26).

- (1) Arab Gulf leadership: the coming confrontation arising from Iran's capacity to foment sectarian troubles in the region will lead to the settling of accounts between radical *takfiri* Shia and Sunni groups. The confrontation between pro-Iranian groups (those that are funded and supported by Iran's neo-conservatives) and their opponents (ie, al-Qaeda, the Taliban and the Afghan Arabs) will lead to civil strife in the Gulf. The Arab Gulf states should use an iron fist with these radical groups.
- (2) Regarding Iran's nuclear programme, the Arab Gulf states ought to adopt a neutral stance in the event of a confrontation between Teheran and the West and avoid being involved in any mediation efforts.
- (3) Regarding Iran's support for Hezbollah in Lebanon, the Arab Gulf leaders are called upon to emphasise to the Lebanese militia-cum-political party that it is an Arab and above all else a Lebanese organisation. Hezbollah's total obedience to Iranian policies will be in the best interests of neither Hezbollah, Lebanon or the Arab countries.

The GINIMES report underscores the ambiguous relationship that exists between the Islamic Republic of Iran and GCC members.

Iran and Iraq

The history of the relationship between Iran and Iraq is that of two Shia-dominated countries, one of which is Arab and the other Persian. It is also an example of the ongoing Shia-Sunni struggle that came to the fore following the US invasion of Iraq in 2003.

Arab resentment of the Persians goes as far back as the early days of the spread of Islam. One of the main causes of this resentment is the Arab view that the Iranians succeeded in creating a cohesive empire and then a nation-state without the heavy involvement of outside powers. Arab countries, on the other hand, were carved up by colonial powers and were under foreign domination –mostly British, especially the Arab Gulf countries– until the early 1960s.²³

Under the Shah, relations between Iran and Saddam Hussein were peaceful despite tensions due to the Kurdish question and border issues. With the advent of the Islamic Republic and Ayatollah Khomeini, Iraq's relations with Teheran worsened and ended in a deadly war between the two countries that lasted eight years (1980-88) and caused the death of more than one million victims on both sides.

There are currently six issues that need attention in order to consolidate and normalise the relations between Teheran and Baghdad.²⁴

First, there is the border dispute over Shatt al-Arab, or *Arvandrud* in Persian, a narrow waterway that forms the southern border between Iraq and Iran. This was one of the main flashpoints during the war between the two countries. Saddam Hussein had abrogated the 1975 Algiers Agreement which demarcated the *thalweg* (middle) line along Shatt al-Arab as the border between the two states. The Algiers Agreement also called on the Shah to halt his support for Iraq's Kurdish opposition groups, such as the Kurdistan Democratic Party (KDP), in return for which Iran would obtain land and sea rights in Shatt al-Arab. The border dispute was again raised in 2007 when Jalal Talabani, Iraq's President, stated that his country did not recognise the Algiers Agreement. He later backtracked but the Shatt al-Arab issue is still one of the major disputes between the two countries.

²³ For an excellent account of Iraq's history see Charles Tripp (2000), *A History of Iraq*, Cambridge University Press; see also the latest book by Reidar Visser & Gareth Stansfield (Eds.) (2007), *An Iraq of its Regions: Cornerstones of a Federal Democracy?*, Hurst and Company, London; and Sarah Graham-Brown (1999), *Sanctioning Saddam: The Politics of Intervention in Iraq*, I.B. Tauris, London. For current and updated developments in Iraq see <http://historiae.org>, a website created and edited by Reidar Visser, a Research Fellow at the Norwegian Institute of International Affairs.

²⁴ These issues are mentioned in detail in a recent study in Arabic by the Egyptian scholar Ahmad Taher titled 'Iranian-Iraqi Relations', a paper prepared for the *Annual Iranian Strategic Report* extensively quoted in *Al Rai*, 2/VI/2008.

Secondly, there is the issue of compensation to Iran for the first Gulf War. UN Resolution 598 had placed the blame on Iraq for initiating the war and asked Baghdad to compensate the Iranians. Teheran is asking for US\$1 trillion while UN estimates speak of US\$169 billion. The current Iraqi government is working very hard to evade its debt, while the US is attempting to convince several countries to condone Iraqi debt. Nevertheless, it is still a pending issue between the two countries.

The third issue between Iran and Iraq is the fate of prisoners of war in both countries. Iraq claims that there are more than 20,000 Iraqis in Iranian gaols while Iran claims that more than 5,000 Iranian prisoners of war are still in Iraqi detention centres.

The fourth issue relates to the presence of the Iranian opposition group *Mujahidin e-Khalq* that is still operating inside Iraq and waging 'terrorist' attacks inside Iran. Iraq's President Talabani has promised to look into this question but so far no concrete action has been taken by the government in Baghdad to get rid of the Iranian group.

The fifth issue is related to the Iraqi planes that were sent to Iran on the eve of the Second Gulf War in 1991. Despite the fact that the planes are outmoded and inoperable Baghdad would still like to get them back.

The last issue is related to the kidnapping of Iranian diplomats within Iraq and the arrest of Iranian representatives by US troops. This is still unresolved despite bilateral efforts to reach a resolution.

There were several causes for the Iraq-Iran War. According to the Iranian-born scholar R.K. Ramazani there were four motives and conditions that sparked the conflict:

'First, the Iraq-Iran war was not an inevitable result of the Iranian Revolution. Had the second revolution, against the Bazargan,²⁵ not occurred, there is every reason to believe that the two revolutionary regimes would have been able to settle their differences peacefully. Second, Iraq's own socio-political conditions made the Khomeini regime's ideological crusade appear even more ominous'.

The third cause of the Iraq-Iran war can be attributed, always according to Ramazani, to Saddam Hussein's ambitions to play a prominent role in Arab and Third World politics. The fourth and related motivation was Saddam Hussein's desire to contain the Iranian Revolution and 'project Iraq's power into the Gulf region and the Arab world' (Ramazani, 1986, p. 68).

With the fall of Saddam Hussein and the US military intervention in Iraq in 2003, Iran saw an opportunity to extend its influence in Iraq, relying mostly on the Shiite religious and political leaderships. Moreover, the end of the Sunni-dominated Taliban-Pakistan-Saudi axis on Iran's eastern flank has been a golden opportunity for Shia Iran to extend its influence in the region. According to Vali Nasr, Iran's fundamental objective in Iraq is 'to ensure that Ba'athism and Arab nationalism –Sunni rule in an altered guise– do not return to power' (Vali Nasr, 2008, p. 223).²⁶ Throughout the Ba'athist's²⁷ rule in Iraq, Iran had been very active in politically and financially supporting Shia-based religious and political organisations such as the Badr Brigade, an Iraqi military organisation, that was created during the Iraq-Iran War to act as a 'counterweight to the the *Mujahedin-e Khalq*, an Iranian opposition group based in Iraq' that carried out attacks against Iran.

²⁵ Mehdi Bazargan played an important role in the Iranian Revolution of 1979. After the revolution he became the head of the provisional Iranian government.

²⁶ Nasr also writes that Shia control of the levers of power in Iraq 'perhaps more than democracy and prosperity there, may well lead to regime change in Saudi Arabia and elsewhere in the region' (p. 247).

²⁷ The Arab Socialist Renaissance (Ba'ath) is a pan-Arab political party that was established in 1944 in Syria. Its main slogan was and still is, "One Arab nation with an eternal mission."

The Islamic Republic was also instrumental in promoting and strengthening the power of the Supreme Council for the Islamic Revolution in Iraq (SCIRI, *Al-Majlis al-Āala li al-Thawra al-Islamiyya fi-l-Iraq*). The SCIRI's leadership emerged from one of the most prominent families in Iraq's Najaf –the Hakims– and is currently headed by the Shiites' highest religious authority, the Grand Ayatollah Ali al-Sistani. In 2007, the SCIRI dropped the word 'revolution' from its official name.²⁸ Iran also established strong ties with another prominent Shiite religious leader, Ayatollah Muhammad Sadeq al-Sadr, who became the head of the Sadrist movement. Following his assassination in 1999 by Saddam Hussein's regime, his son Muqtada took over the movement's leadership and created the Mahdi Army which is very strong in the poorer Shiite areas of Baghdad. The Najaf-based Badr Organisation and the Baghdad-based Mahdi militia have, since the US occupation of Iraq, battled each other both politically and militarily for the control of the Shia community in Iraq.²⁹

As a result of the January 2005 elections, the SCIRI rose to power and became a major player in Iraqi politics together with the Kurds. In fact, the two main Kurdish formations, the Kurdistan Democratic Party (KDP) and the Patriotic Union of Kurdistan (PUK), joined efforts with the SCIRI to form the two successive governments in Iraq in 2005 and 2006. Relations between President Jalal Talabani's PUK and Mustafa Barzani's KDP and the Shia-dominated Badr Brigades (the SCIRI's military arm) go as far back as the Iran-Iraq war. Both Shia and Kurdish groups enjoyed the backing and military support of the Iranian Islamic Revolutionary Guards in their fight against Saddam Hussein. A senior SCIRI official described the relationship between Shia and Kurds as follows: 'Racism prevented the Kurds from joining the political system, sectarianism prevented the Shiites, while tyranny repressed Kurds and Shiites alike'.³⁰

Both Kurds and Shiites have floated the idea of a federal system for Iraq. While the Kurds enjoy a large amount of autonomy, guaranteed by the US no-fly-zone in the early 1990s, the Shiites, feeling strong due to their recent electoral victory, floated the notion of federalism in southern Iraq. This idea went nowhere, however, given Iran's opposition to a possible partition of Iraq and Ayatollah Sistani's lack of enthusiasm for the idea of creating a 'Shiastan'.

All these issues are still pending until the current adversarial relationship between the US and Iran are resolved, among them security in the Gulf and Iran's nuclear ambitions. However, on his recent official visit to Teheran in June 2008 –his third visit to Iran since becoming Iraq's Prime Minister– Nuri al-Maliki tried to consolidate the relationship between the two countries and dispel Iranian fears regarding his country's intentions. The visit occurred amidst Iraqi and US accusations that Iran was supplying weapons to certain anti-government groups in Iraq. Moreover, al-Maliki wanted to give assurances to his Iranian counterparts that the security treaty being currently negotiated with the US will clearly state that Iraqi territory will not be used to launch attacks against neighbouring states –ie, Iran–.³¹ Al-Maliki was walking on a tightrope trying to satisfy his two masters, who are at loggerheads: Iran and the US.

²⁸ Today its official name is The Islamic Supreme Council of Iraq (ISCI). For further details on Shiite politics in Iraq and Iran's influence see the comprehensive report prepared by the *Crisis Group Middle East and North Africa Report*, nr 70, 'Shiite Politics in Iraq: The Role of the Supreme Council', 15/XI/2007; see also *Middle East Report*, nr 38, 'Iran in Iraq: How Much Influence?', 21/III/2005. According to Vali Nasr (2007, p. 173), 'Sistani put forth a simple model of government [in Iraq] on which everyone could agree... Accountable and representative government would mean empowering Shias; and Shia identity meant entrenching that power in state and society... In matters of religious law Sistani is conservative; the form of Shia law that he prescribes is unaffected by modernism. Yet the scope and nature of Shia law in Iraq's state and society was a matter that he believed would best be settled later... He limited the role of Islam to providing values and guidelines for social order (*nizam al-mujtama*).

²⁹ In August 2008 Muqtada al-Sadr decided to halt the Mahdi Army's military operations and decided to transform it into a 'cultural religious force' called the *Mumahidun* ('those who pave the way' for the *Mahdi* Hidden Imam's return). For further details see Babak Rahimi, 'The Mumahidun: Muqtada Al-Sadr's New Militia', published in *The Terrorism Monitor*, vol. 6, nr 17, 2/IX/2008, <http://jamestown.org/terrorism>.

³⁰ Quoted in the *Crisis Group Middle East Report*, nr 70, p. 13.

³¹ See *Al Hayat*, 8-10/VI/2008.

Daoud Hormidaz Pavand, an Iranian Professor of International Relations at Allama Tabatabai University, has said that al-Maliki realises that Iraq's fate lies with the US and Iran and this is why he is trying to curry favour with both sides. Pavand went on to say that 'relations between Baghdad and Washington are not considered by Iran as a red line'. He underscored the good relationship the Islamic Republic enjoys with Turkey, which is host to US military bases. 'We do not expect the Iraqis to sever their ties with the US but we ask them to respect Iran's national interests'.³²

Al-Maliki's trip also had an economic dimension. Trade relations between the two countries are flourishing and the balance is in Iran's favour.³³ Moreover, Iran's trade relation with Iraqi Kurdistan amounted to US\$1 billion, with more than 120 Iranian businesses operating in Kurdistan.

Conclusions

The picture that emerges from this overall assessment of Iran's foreign policy in the Middle East and the Gulf is that the Islamic Republic has become a major player in the region. Ayatollah Khomeini has put his stamp on his country's internal and foreign policies, as illustrated by his famous slogan *Neither East, nor West, only the Islamic Republic*.

This message was pursued by his successor, Iran's Supreme Leader Ayatollah Khamenei. The linchpin of this policy is to preserve and enhance Iran's security, extend and project, whenever possible, Iran's influence –especially in Shia-dominated countries such as Iraq and Lebanon– and relentlessly pursue the country's nuclear programme.

Regarding its nuclear policy, Iranian policymakers always stress the peaceful nature of their activities. Certainly, this does not convince Iran's neighbours, especially the Arab Gulf countries, Israel and the West. It is becoming very clear that Iran's nuclear programme will be one of the main items for the new occupant of the White House next January. A period of uncertainty prevails, however, given the current power vacuum in Washington and a possible Israeli attack that could take place up to 20 January (when the new President will take over the White House). However, there is no consensus yet between Washington and Tel Aviv on which course to pursue towards Teheran.

In Syria, and mostly in Lebanon, the Islamic Republic succeeded in mobilising, funding and training one of its major 'tentacles' in the region, Hezbollah. Today, the party of God has become a leading player in Lebanese politics and has a power of veto on the current government of Fuad Siniora. Iran will not let go of this card easily even if the price is cooling down its strategic relations with Syria. In Palestine, Iran is playing a less prominent role, leaving to its Syrian friends the onus of managing the current split between Hamas and the Palestinian Authority.

In Iraq, Iran can claim that it has become –along with the US– a major player in the country's future. Teheran was helped in its quest to project its influence in Iraq by the wise guidance of Ayatollah Sistani, the highest Shia religious leader in Iraq. Moreover, Iran is banking on the long and historical relationship it has with Iraq's Shia community to guarantee its long-term influence and impact in Mesopotamia. Since the US military intervention in 2003, Iraq has become a testing ground in the battle of wills between Teheran and Washington. It is interesting to underline that pragmatism has defined the approach of both countries towards Baghdad.

The current Iranian leadership has a clear vision on where the country's strategic and political interests lie. Iran is taking advantage of the failure of the Sunni-dominated axis (Saddam Hussein, the Taliban and Pakistan) to assert its vision. This vision is of concern to Iran's Arab neighbours as they fear for their internal and regional stability. In this case also, the GCC's approach towards Iran

³² *As Sharq al-Awsat*, 10/VI/2008.

³³ In 2006 Iraq's total imports from Iran amounted to US\$21 billion. See *Al Hayat*, 5/VII/2008.

is a mixture of fear and engagement. Teheran has been sending mixed messages, both calming its neighbours and threatening them when it comes to its immediate interests (the border disputes, Iran's meddling in the region's affairs and the nuclear stand-off).

The coming months will be crucial to tease out what direction the current Iranian leadership will follow. The results of the elections in Iran, Iraq and the US might well indicate whether the Gulf and the Middle East will be headed towards a more peaceful era or that confrontation will become the name of the game. No one has an interest in destabilising the current status quo in the region. In the end, pragmatism and cooler heads should prevail. However, there is a transnational network of small terrorist groups (supported by Iran and its neighbours) that could make the Shia-Sunni confrontation flare up. Only time will tell in which direction the winds will blow.

In 2009 Iran will be celebrating the 30th anniversary of its 1979 Islamic Revolution. This will be the time for the leadership in Teheran, current or new, to decide on which course Iran will follow. So far the Iranian factor has become a significant part of the regional equation. The question is: will there be another war in the Gulf in the event of a US or Israeli attack against Iran or will accommodation be the name of the game?

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