

# AZERBAIJAN AND THE IRAN CRISIS: STUCK IN THE MIDDLE

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The crisis between Iran and the Western powers continues to escalate. Sanctions, wargames, and the 'covert war' being conducted against the Iranian nuclear programme has heightened tensions and raised the risk of a regionally destabilising war. Most analysis has focused on the implications of the crisis for the Persian Gulf and the Arab world. Tensions between the US-armed Gulf Arab states and Iran has led to the conflict's regional dimension being framed in ethnic and religious terms: of Sunni Arabs versus Shi'ite Persians (with a proxy version being fought in Syria).

But this is a one-dimensional view, which sees Iran solely as a Middle Eastern power. Iran's northern neighbours – the Caucasus and Central Asian states – are neglected in most analyses of the current and future dynamics of the crisis. However, these states, particularly Azerbaijan, are a crucial part of Iran's security landscape and will be increasingly important as the stand-off deepens.

## Iran in the Caucasus

In short, Iran's policy towards the Caucasus is one of *realpolitik*, overlaying centuries of competition with the Turkish and Russian empires. The Caucasus formed a buffer zone between the three empires, and different parts of the region changed hands many times over the centuries.

Today, the relationship with Georgia is the most distant. There are cordial ties between Tbilisi and Tehran, but geography, a lack of shared interests, and broader geopolitical issues (Russian hostility towards Georgia; Western hostility towards Iran) have prevented them from building a deeper relationship.

Based on the mischaracterisation that Iran is an irrational theocracy, one would expect poor relations with staunchly Christian Armenia. However the two sides have a strong alliance dominated by economic and strategic considerations. Armenia needs Iran as an outlet to the world, owing to the Turkish and Azeri ►

blockades, whilst Iran supports Armenia as a counterweight to Azerbaijan in the Nagorno-Karabakh conflict.

Relations with Azerbaijan are the most complex and contradictory. Although there are religious and ethnic links between the two, Iran's Azeri population (around one-fifth of its total population) is viewed with some suspicion in Tehran. Calls for greater autonomy have occasionally boiled over into irredentism and demands for unification with Azerbaijan: the border between Iran and then-Soviet Azerbaijan was demarcated for political reasons, dividing the Azeris in two.

Aside from concerns about separatism, Iran is wary of Azerbaijan's secularism, its ties with Israel, and its geopolitical orientation: pro-Turkish and, to a degree, pro-Western. Azerbaijan is seen as a potential fifth column for Western penetration into Iran's northern borders. Similarly, support for Armenia in Nagorno-Karabakh (whilst professing a balanced approach) is intended to maintain the status quo in the conflict, reducing the danger of Western meddling as part of a peace settlement. At the root of all Iran's Caucasus policies is the aim of limiting Western involvement in the region.

**Azerbaijan – Stuck in the Middle**



The most important Caucasus state in Iran's current stand-off with the West is Azerbaijan. Its proximity and ethno-religious ties to Iran, combined with its good ties with the West, have led Western policy-makers to try and enlist Baku as an ally against Tehran. Equally, Iran has grown increasingly hostile towards its northern neighbour and is widely believed to be seeking to undermine it as a warning.

Azerbaijan's approach to the issue is informed by its strategic doctrine, approved in 2007, which emphasises a "multidimensional and balanced foreign policy" and specifically notes that Azerbaijan "attaches great importance to the development of comprehensive relations with neighbouring countries"<sup>1</sup>. Euro-Atlantic integration is listed as a priority, but – critically - not at the expense of relations with other countries. In a pointed reference to Iran, the doctrine also notes that improving relations with neighbours is important "for eliminating threats emanating from separatism, ethnic, political and religious extremism".

Azerbaijan has, by prioritising this 'multi-vector diplomacy', sought to avoid becoming caught in the South Caucasus's complex geopolitical power struggles. The case of Georgia, which antagonised Russia to the point of war, is a salutary lesson for policymakers in Baku. Building good relations with all states will prevent Azerbaijan from becoming a victim of 'great game' geopolitics, and enable it to focus on its main foreign-policy aim of restoring its territorial integrity.

However despite this commitment to multi-vector diplomacy, relations with Iran have been strained, and have deteriorated recently. This concerning trend has both internal and external causes which often overlap.

**Internal Pressures**

Internally, the two states engage in mutual accusations over support for ethnic and religious trouble-makers. Tehran often accuses Baku of fomenting secessionists among the huge Iranian Azeri population;

Azerbaijan, for its part, routinely criticises Iran's support for hardline Shia movements on Azerbaijani soil – it regularly accuses Tehran of providing financial and ideological support to groups such as the banned Islamic Party of Azerbaijan.

These often boil over into tit-for-tat recriminations: for instance, Iranian criticisms of Azerbaijan recently led MPs from Azerbaijan's ruling party to propose renaming the country 'North Azerbaijan', on the basis that the south of Azerbaijan was 'occupied territory'. An accusation by Iran that Azerbaijan was facilitating Israel's assassinations of Iranian scientists was angrily denied by Baku, which said that the claim was "slander".

Fundamentally this is a deep-rooted clash between national ideologies – of secularism against theocracy and of ethnic solidarity against national solidarity. The lines are not clear cut: the government in Baku is happy to tolerate Shia Islam, nominally followed by 85% of its population as long as it is government-authorised, for instance. And in Iran, most ethnic Azeris are deeply integrated to the extent that the fact that the Supreme Leader is ethnically Azeri is entirely unremarkable.

There are two other 'internal' drivers of tension: the Nagorno-Karabakh conflict between Azerbaijan and Armenia, and the status of the Caspian Sea. Azerbaijan and Iran dispute the exact boundary line between their respective sectors of the Caspian: although this has not prevented drilling by both sides, it has occasionally led to confrontation.

The conflict over Karabakh is an extremely contentious issue. Iran has a close strategic and economic alliance with Armenia, even though on paper Iran's revolutionary Islamist theocracy and staunchly Christian Armenia have little in common.

Iranian support for Armenia has two goals: firstly, it gives Tehran regional influence and essentially turns Iran into a patron of Armenia. Secondly, it helps to preserve the status quo in the Nagorno-Karabakh conflict by giving Armenia an economic and political

lifeline, without which it may be forced to withdraw from Nagorno-Karabakh.

This could have two effects for Iran: emboldening ethnic Azeri separatists in Iran, and creating instability which would be used as a pretext to deploy European or US peacekeeping forces on Iran's borders. Although Iran pays lip service to the concept of Azerbaijan's territorial integrity, Baku is often irritated by its neighbour's open support for Armenia.

Without outside influence, these internal drivers of tension would be manageable – but the intensification of the crisis over the Iranian nuclear programme exerts considerable pressure on the local relationship between Iran and Azerbaijan.

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### **External Pressures**

The external pressures on the Iran-Azerbaijan relationship are all based on Western-led attempts to stop Iranian's alleged nuclear weapons programme, as well as its support for militant groups in the Middle East and elsewhere which work against Western and US interests. Iran's biggest fear is encirclement and invasion. Its northern perimeter is the area with the lightest US military footprint out of all the surrounding regions, and Iran intends to keep it that way.

Since the start of the US-led 'war on terror' in 2001, Washington has been actively courting the Caucasus as a bulwark of its global anti-terrorist strategy. The region has hosted some militant groups in its own right (although these have been minor threats) but

its real significance is geographic: it lies on the approach route to Afghanistan, and is adjacent to Iran.

Therefore US efforts to court Azerbaijan in the past decade have been largely based on these considerations (as well as the unrelated issue of energy security). The Bush Administration pushed Azerbaijan hard on basing rights around the middle of the last decade, with then-Defense Secretary Donald Rumsfeld visiting Baku to discuss the issue.

Azerbaijan has staunchly refused to host US forces or bases, and has explicitly said that it would strongly oppose attempts to use its territory to attack Iran. However it does welcome upgrades to its airports and greater military cooperation. In exchange it has become one of the key nodes of the Northern Distribution Network taking supplies to and from Afghanistan.



Donald Rumsfeld

Cooperation with Israel is even more significant and potentially risky. Azerbaijan has built up warm relations with the Jewish state since independence: it has benefited from extensive military-technical cooperation (including Israeli drones) and technological know-how. To an extent the relationship mirrored Israel-Turkey relations, and indeed Turkey served as a kind of 'gateway' to Azerbaijan for Israeli policymakers and businesses in the 1990s.

In return Israel has gained a rare commercial and diplomatic foothold in the Muslim world, as well as a vital geostrategic outpost against Iran. There are persistent rumours that Azerbaijan is being used as a base for espionage by Israeli and US (as well as Iranian) intelligence agencies. Israel reportedly operates listening posts near the Iranian border; and according to a report by the *Times* of London in February 2012, the US has also built surveillance facilities in Azerbaijan. One Azerbaijani analyst compares Azerbaijan to Casablanca in World War Two: "it is at the centre of the spying".

The presence of Western intelligence agencies, and the warm relationship which Baku has with the US and Israel, has led to serious concern in Iran and contributed to a serious deterioration in the relationship between Azerbaijan and Iran. As the crisis escalated in 2011, relations hit a new low.

One dominant theme has been Iranian criticism of Azerbaijan's secular regime and supposedly 'anti-Islamic' activities. At the end of 2010 a partial ban on the hijab in Azerbaijan's public schools provoked anger among Iranian clerics; this sparked the Islamic Party of Azerbaijan, viewed by some as an Iranian proxy, to call for the overthrow of the regime. Notably, the IPA said that the government of Ilham Aliyev would "face even bigger tragedies so long as the government is fully under the control of the Zionists".

In August the head of Iran's armed forces echoed this line, linking the 'meddling of the Zionists' in Azerbaijan's policy to a "people's awakening" which he said would rise up against the government. This came

during a summer of tension, with ethnic Azeris protesting in northern Iran and a deadly shooting incident on their border.

Most dramatically, in January 2012 Azerbaijan announced the arrest of three men on suspicion of planning to assassinate Israeli diplomats and Jewish figures in Baku. The government publicly announced that the Iranian intelligence services were closely involved in the plot, supplying weapons and funding and even choosing the location of the weapons cache.

This is not the first time Iranian agents have been accused of plotting terrorism in Azerbaijan: there have been a number of reported plots by Iranian and Hezbollah cells to bomb Western embassies, oil companies, and even the Russian-operated Qabala radar station.

These plots are apparently a response to the assassination of Iranian nuclear scientists, allegedly by Israel. And even criticisms of Azerbaijan's secular system are, to an extent, proxy criticisms of its 'pro-Israel' stance. Secularism and 'support for Zionism' are almost always linked in semi-official statements.

### **Where will the pressure lead?**

Mounting pressure between Iran and the West is putting Azerbaijan's valued multi-vector foreign policy in a difficult position. As Turkey has found, maintaining good ties with all regional players is easy when times are good, but tough when regional geopolitics becomes confrontational.

Azerbaijan's temporary membership of the UN Security Council was a diplomatic victory, but it also puts the country in a difficult position. The situation in Iran is likely to come before the Security Council again within the next two years: Baku will be forced to choose between further alienating Tehran or standing against the wider international community.

Iranian claims that Baku is assisting Israel's Mossad in its campaign against Iran led to bitter public recrimi-

nations in February 2012, illustrating the tensions which the 'spy war' can provoke. Further covert action by Israel or the US inside Iran further damage ties between Baku and Tehran, and could also increase the risks of reprisals from Iranian spies on Azerbaijan's soil.

A dangerous situation could emerge in which Baku became the site of a proxy war, unable – despite public protestations – to prevent Western and Iranian intelligence agencies from working against each other and using Azerbaijan as a battleground.

A successful plot by Iranian agents on Azerbaijani soil would force Baku to respond. Lacking the capability or will to actively strike Tehran, this could mean

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greater coordination with Israel and the US, although permitting US forces to openly deploy at military facilities would be a step too far. After all, Azerbaijan still has Russia to consider when it makes its geo-strategic choices.

Moscow has been vocally warning of the regional instability which a war between the West and Iran. To an extent this is intended to frighten regional states into opposing military action, although Russian officials have overstated the danger. For instance, it is by no means clear that targeted airstrikes against Iranian nuclear facilities would create huge refugee flows into Azerbaijan, particularly as few of Iran's nuclear facilities are located near Azerbaijan.

The main risk for Baku from a war between the West and Iran is not refugees, but losing its carefully nurtured multi-dimensional foreign policy. As noted, ►

Azerbaijan is cautious about full integration into Euro-Atlantic structures, and has avoided explicit alignment with the West: the Azerbaijani government saw what happened to Georgia in 2008 after it enthusiastically threw its lot in with the West and has no desire to suffer the same fate. Balancing between regional players is the essence of Azerbaijan's foreign policy.

For many years Baku has been able to maintain this balance, working with Iran whilst also cooperating closely with its arch-rivals. But with the crisis coming to a head, it is unclear whether this balance can hold.

If a war is launched against Iran and Azerbaijan is seen – rightly or wrongly – as assisting the West, there are a number of concerning developments which could occur:

**'Proxy war' on Azerbaijani soil.** Iran has threatened to retaliate against the West around the globe, and as noted, Azerbaijan would be a likely battleground for Iranian intelligence agents. Bombings and assassinations of key Western targets could be expected.

**Backing of hardline Shia groups in Azerbaijan.** Azerbaijan's Shia movements are small and have shown no appetite for violence, but they have concerned the government in Baku. Iran would be likely to increase its financial and ideological support for Shia movements which are opposed to the government – this would be facilitated by widespread anger among practicing Muslims over the attack on Iran.

**Iranian military activity in the Caspian.** Although Iran would likely stop short of a direct attack, as this would risk triggering Russian or Turkish intervention, it may use its Caspian fleet to threaten Azerbaijan's energy facilities and try to scare off investors. Deniable terrorist attacks against energy infrastructure are also possible.

**Crackdown on Iranian Azeris.** In a bid to forestall any separatist movement (autonomous or provoked), Tehran is likely to tighten security in ethnic Azeri areas near the border with Azerbaijan. This could flare

up into clashes which would provoke a verbal response from Baku, worsening relations further.

**Increased support for Armenia.** Iran would be likely to reinforce its alliance with Armenia as a counterweight to Azerbaijan and as a rare friend in the region. Although in the short term Tehran's focus would be on countering Israel and the US, in the long-term we could expect a public reorientation away from Iran's nominally 'balanced' attitude towards Nagorno-Karabakh, towards clear favouring of Armenia.

**Trade and border restrictions.** Border security would probably be increased, hampering the ability of traders to cross back and forth; this could cause tensions and clashes. Iran might also take other steps to curb trade with Azerbaijan, although it would be unlikely to suspend gas imports, which are vital for fuelling its northwest.

Perceived Azerbaijani complicity in a war against Iran, even if Baku played a passive role, could set off an unpredictable chain of events.

Preventing this will require astute statecraft on the part of the Azerbaijani government, including a loud and public commitment to a diplomatic solution, a categorical public refusal to allow Azerbaijan's soil to be used against Iran, and the enlistment of Russian backing in the event of any Iranian retaliatory action. The coming crisis will put Azerbaijan's foreign policy through one of its most challenging tests since independence.

#### Notes:

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1. National Security Concept of the Republic of Azerbaijan 23 May 2007. Available at: <http://merln.ndu.edu/whitepapers/Azerbaijan2007.pdf>