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Central Asia in the Iranian geopolitical imagination

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Abstract

This article charts Iran’s relations with Central Asia following the break-up of the Soviet Union in 1991. This event gave Iran a new set of neighbours to the north, and this came at a time when Iran was undergoing changes in the direction of its foreign policy from radical idealistic goals, such as the export of the Islamic Revolution, to more pragmatic aims, including giving priority to its own national interests and pursuing good neighbourly relations. Since 1991, Iran has attempted to develop relations towards the Central Asian states, both bilaterally and through various regional fora. Iran’s actions have been based, in part, on a greater commitment to regionalism that has been evident in Iranian foreign policy since the early 1990s. This has focused on cultivating economic, infrastructural and cultural links with the region, rather than any form of ideological crusade, and has helped reduce Iran’s international isolation. Following a historical contextualisation and explanation of the place that the lands of Central Asia hold in the Iranian geopolitical imagination, the article explores the key concerns of Iran in the region. It will examine Iran’s position on what it perceives as being the key issues shaping its Central Asian diplomacy, namely regional economic cooperation, pipeline politics, the status of the Caspian Sea, security cooperation and cultural diplomacy. This provides a revealing case study of how Iran perceives itself as a vital player in the region, seeking to emphasise the benefits of its geostrategic location, relative stability, and increasing international role following the nuclear deal.

Introduction

The lands of Central Asia have long held an important place in the Iranian geopolitical imagination. This is borne of a deep historical connection, dating back not only to historical control over the region through successive empires based in the lands of today’s modern state of Iran, but also the notion of Central Asia being the common home of the Aryan peoples from where the name “Iran” is said to have originated. This historical connection provided the basis for the renewed interest in the region from Iran following the collapse of the Soviet Union. Iran has, for the past 25 years, sought to build its relations with Central Asia and has often cited its historical connection as a basis for developing relations. Perhaps, more pressing for the Islamic Republic, however, has been the desire to capitalise on relationships that do not have the historical baggage that has traditionally hampered relations with Western powers, namely the United States. In doing so, Iran has sought to demonstrate its capability as a rational and reliable international partner for states in the region and, certainly, until very recently, challenge US-led efforts at containing Iran’s influence. To this end, Iran has historically sought to promote a strongly regionalist agenda in Central Asia, which has met with limited success thus far. If the Middle East is seen (by those in the Western media at least) as the place of Iranian misadventure, then Central Asia is the place where the Islamic Republic shows its pragmatic streak.

Iran is a vital piece of the geostrategic puzzle that has long characterised outside interests in the region. Iran sees huge opportunities in the region, not only in the oft-cited realm of delivering
Central Asia’s natural resources to the world market, but also in developing closer ties based on common cultural and security interests. Iran’s desire for greater economic, security and cultural links with the region has traditionally been stymied by two issues. First, the newly independent nature of these states meant that they were loath to pool any of their new-found sovereignty into regional initiatives, particularly those led by Iran. Second, Iran was hampered by the US-led containment strategy that sought to keep its interests in check in its own neighbourhood and found an articulation in successive rounds of punitive economic sanctions, some of the most damaging of which were linked to its disputed nuclear programme. Now, following the implementation of the Joint Comprehensive Plan Action (JCPOA), which saw limits placed on Iran’s nuclear activities in return for sanctions relief, Iran is in a position to make some of its dreams vis-à-vis Central Asia finally come to fruition.

Following a contextual background, this paper will examine Iran’s position on what it perceives as being the key issues shaping its diplomacy in the region, namely regional economic cooperation, regional pipeline politics, the legal status of the Caspian Sea, security cooperation and cultural diplomacy. This provides a revealing case study of how Iran perceives itself as a vital player in the region, seeking to emphasise the benefits of its geostrategic location, relative stability, and increasing international role following the nuclear deal.

Iran–Central Asia relations in context

An unusual confluence of key events helped form the basis for the development of Iranian–Central Asian relations. The end of the Iran–Iraq war, the death of Khomeini and the coming to power of Ali Akbar Hashemi-Rafsanjani in a more powerful presidency were all of major importance in the rise of a more pragmatic foreign policy for the Islamic Republic. This change saw the placing of pragmatic aims, and Iran’s own national interests, over idealistic themes, such as the export of the Islamic Revolution. The implosion of the Soviet Union in 1991 came as a shock to the ruling elites of Central Asia and also opened up new opportunities for an Iranian leadership that was eager to demonstrate its credentials as a reliable partner for the newly independent states. The Rafsanjani presidency saw a greater commitment to regionalism on Iran’s part, reflecting post–Cold War global trends, and Iran sought to build links with Central Asia through an expanded Economic Cooperation Organisation (ECO). Until very recently, Iran’s emphasis on building these relationships had two important dimensions: one of these was the opportunity to lessen its international isolation and build relations with its new neighbours as a means of reducing the burdens of the American containment policy; the other was maintaining good relations with a key arms supplier, Russia, and not pursuing policies in Central Asia that would antagonise her. These remain key considerations in the post-sanctions landscape, and if the sanctions relief does go as hoped, bearing in mind that it has hit some hurdles in implementation, then it will become a significant area of increased cooperation in a range of fields.

The 1990s and early 2000s also saw Iranian foreign policy studies reflecting the new realities of Iran’s international situation following the break-up of the Soviet Union. This was evidenced within Iran, with the Foreign Ministry establishing the Center for the Study of Central Asia and the Caucasus in 1992 and its publication of the English-language *Amu Darya* and Persian-language *Motaleʻat-e asia-ye markazi va qafqaz* (*Central Asia and the Caucasus Review*) journals. Subsequently, Iran’s relations with the newly independent states of Central Asia and the Caucasus, and

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1 Iran’s Supreme Leader, Ayatollah Ali Khamenei, has claimed that the US is not fulfilling its obligations in terms of sanctions relief following the JCPOA. See, for example http://www.al-monitor.com/pulse/originals/2016/01/khamenei-implementation-nuclear-deal-us-deceit.html. Also international banks have been nervous about fully engaging in the Iranian economy due to continuing financial sanctions, see “Sanctions confusion leaves European banks wary of Iran business,” *Financial Times*, 17 January 2016, http://www.ft.com/cms/s/0/62b8d4f7-4bd1-11e5-9dfb-87b8d13bace2.html#axzz4GgGFZic.


3 Wastnidge, “Pragmatic Politics.”
its attempts to “reconnect” with a region that is key to its own history, became an important area of analysis as the works by Ehteshami, Herzig and others ably demonstrate. While the emphases of such works vary, from focusing on security, to economic links and broader regional initiatives, the common feature that they all share is an emphasis on Central Asia providing significant opportunities for Iran, whether real or as yet unrealised. A further common and recurring theme is that Iranian attempts at expanding influence in the region have always been stymied by the United States and successive sanctions regimes led by that country. Arguably, this is now changing, so that ideas and initiatives that previously appeared moribund now have greater potential.

The works emanating from Iran, in particular, have a distinctly regionalist tenor, emphasising Iran’s geopolitical position vis-à-vis Central Asia, its position on wider relations with other powers such as Russia and the United States and the potential of regional initiatives such as the ECO, which Iran was particularly keen to utilise as a vehicle for its interests in Central Asia. As noted, Iran has a long historical connection with the region, having at various junctures in its history exercised nominal control over large parts of the Caucasus and Central Asia up until Tsarist Russia’s expansion there. This is something that is reflected in Iranian writing on the region, with an emphasis on their geographical and, in some cases, cultural proximity. While there is no space to discuss this long history here, it is the cultural and, in some cases, linguistic commonalities that are a common feature of Iranian narratives on building relations with the region. This cultural and linguistic commonality is used as a kind of vector to develop relations and then build on this through investment, something that is particularly evident when looking at Iran’s relations with fellow Persian-speaking nations of Tajikistan and Afghanistan.

The emphasis on geopolitical and in a sense “geo-cultural” approaches regarding Central Asia from within Iranian academic and policy-making circles is certainly understandable when contextualising its approach there. Geopolitics, after all, provides something of a neutral, objective and ideologically free tool for use by foreign policy experts, which helps explain why it is useful for


8 See above examples of works by Iranian scholars.

Iranian foreign policy in the region to be framed in this manner, resting as it does on pragmatic rather than idealistic aims. The notion of Iran acting as a bridge or gateway to Central Asia is also key in Iranian geopolitical thinking. However, despite the advantages of geographic and, in some cases, cultural proximity, Iran has yet to fully emerge as a regional power in Eurasia in the same way as it has done in the Middle East.\footnote{Mohsen Milani, \textit{Iran in a Reconnecting Eurasia: Foreign Economic and Security Interests} (Lanham, MD: Rowman and Littlefield, 2016).} In the post-sanctions landscape in which the international community is tentatively entering, Iran’s long-held assertion of its geographical position finally has the potential to become a reality. Some have argued that Iran will pursue foreign policy “aggressively” in region on account of their alleged actions in Middle East,\footnote{See comments of Hossein Aryan in Radio Free Europe/Radio Liberty Roundtable on “Central Asia And The Iranian Trade Route,” 24 January 2016, \url{http://www.rferl.org/content/central-asia-and-iranian-trade-route-roundtable/27507638.html}.} but such scepticism is misplaced and ignores that pragmatic bent of Iranian foreign policy towards the region over the last 25 years. Now, it is in a position to reap the benefits of its gradual re-integration into the global economy in the post-JCPOA landscape. Such reintegration is not without problems, however. An issue of concern to many in the Islamic Republic seeking to promote greater foreign direct investment in Iran and also by Iran elsewhere is the continued perception of United States’ punitive measures on banks doing business with Iran. Once the threat is lifted, then the potential for further integration into the global economy will make Iran a more attractive partner for Central Asian states. Iran’s potential for greater engagement with the region has also been partially assisted by the drawing down of the US presence there. Although the Taliban remain a security risk for the wider region, the scaling back of the US presence in Afghanistan, and with it the military logistical support used in Central Asia by the United States, suits Iran’s aims in the region well. Iran is also moving closer in terms of its military alliance with Russia. When coupled with an increasingly assertive Russian policy towards states in its so-called ‘near abroad’, this means that Iran, as ever, remains mindful of Russia’s position in Central Asia. Furthermore, the re-emergence of the Silk Road as a viable trading route, led by a key Iranian ally in China, will be aided by Iran’s gradual reintegration into the global economy following the nuclear deal. This is a key feature of the Iranian strategic thinking, with Central Asia, and Iran’s position vis-à-vis these states forming a key part of its wider geopolitical imagination.

\section*{Iran’s interests in Central Asia}

Iran has multiple interests in Central Asia that shape its foreign policy towards the region, from economic integration to cooperation in fields as diverse as security and culture. The bulk of this article is, therefore, dedicated to outlining the key issues that Iran sees as important in the region, starting with its attempts at promoting increased further economic integration.

\subsection*{Regional economic integration}

Following the collapse of the Soviet Union, Iran placed great emphasis on developing greater economic cooperation between Iran and Central Asia within the framework of an expanded ECO, and also in bilateral agreements with Central Asian states. Moves towards greater regional cooperation, and indeed regionalism, first began to assume prominence in Iranian foreign policy in the 1990s during the Rafsanjani presidency.\footnote{Herzig, “Regionalism, Iran and Central Asia,” 504.} Iran saw the development of relations and regional cooperation with Central Asia as a means of reducing its international isolation in the face of continued American hostility. This also has important corollaries for Iran’s domestic economic needs, with punitive economic sanctions stymieing development. The newly independent states offered potential new trade partners and gave Iran greater possibilities for engagement with developments in the resource sector. The Islamic Republic’s leaders also saw greater cooperation as being vital for regional stability and security. A key point that often arises when discussing Iran’s relations with Central Asia is its geostrategic location, and Iran’s leaders are keen to take
advantage of this perceived advantage. As such, Iran is often described as forming a “bridge” or “gateway” for the landlocked Central Asian States to the World Ocean. This is of particular use to resource-rich states, such as Kazakhstan and Turkmenistan, as Iran provides the shortest routes for their hydrocarbons to reach the world market. However, the use of Iran as a transit country for such resources and pipelines has been hampered by continued American involvement in the Caspian region.

A major legacy of Soviet rule in Central Asia was that all of its industrial, transport and communication infrastructures were orientated towards Russia and were servicing the Soviet Union. The lack of transport and communication links to the south has historically been one of the main impediments to further economic cooperation and integration with Iran. One of the key developments in improving this situation was the completion of the Tejen (Turkmenistan) to Mashhad (Iran) rail link in 1996. This linked Central Asia to the Iranian rail network and gave Central Asia access to the Persian Gulf. It was also of major significance to Iran in gaining further access to Central Asia. The development of the rail link also showed evidence of the cultivation of good relations between Iran and Turkmenistan during the 1990s and into the new millennium. In keeping with the more optimistic atmosphere surrounding ties with the Islamic Republic, 2016 saw the reviving of a transport scheme that had previously lain dormant for 5 years, which envisages an extended north–south transport corridor linking Kazakhstan, Uzbekistan, Turkmenistan, Iran and Oman.14

Although this article focuses primarily on the relations between Iran and the states of Central Asia, it is also important to note the role of China briefly. China is one of Iran’s largest trading partners and provided it with vital economic links during successive sanctions regimes against the Islamic Republic.15 China sees the value of Iran as a key node in its One Belt, One Road initiative, which seeks to develop a modern incarnation of the Silk Road. China also has experience of investing in Iran, particularly in transport infrastructure16 and hydrocarbon development projects, although it should be noted that the latter has been with mixed success prior to the recent lifting of sanctions.17 China’s development of its new Silk Road project is important not only for Iran but also for the Central Asian states, as it provides additional impetus for these countries to diversify their trade and export routes. Iran is not only a useful conduit for them alone, but also for part of a wider Chinese strategy that incorporates Iran and Central Asia. Therefore, it is potentially a win–win scenario for all involved in terms of transit fees and further diversification of export routes and partners. Naturally, the sanctions regime ending also has a positive impact in freeing up the Iranian trade route without incurring the risk of punitive US economic sanctions.

However, there is the possibility that further reintegration of Iran into the world economy may have the opposite effect on Iran–China relations. Although China has been the largest market for Iranian exports, and second largest importer into Iran,18 the Islamic Republic has moved towards courting major European companies and governments for investment since the JCPOA. This turn towards Europe is indicative of a broadening of options for Iran, insofar as it no longer has to be as reliant on trade with China. Naturally, Iran would benefit from diversification of trade opportunities, and the view from Tehran is that this can complement its existing relations with China by way of acting as a hub on the key overland route to Europe.19 To this end, the large-scale Chinese

15 Though it should be noted that China, and Russia, did join in on later UN sanctions aimed against Iran’s nuclear programme.
16 China built Tehran’s underground metro system.
17 For further detail on Chinese investment in Iran, including the issues around Chinese-Iranian cooperation in developing Iran’s natural resource sector, see Emma Scott, “Defying Expectations: China’s Iran Trade and Investments,” Middle East Institute - All About China Series, 6 April 2016, http://www.mei.edu/content/map/defying-expectations-china%E2%80%99s-iran-trade-investments.
presence on the Central Asian energy markets is more of an opportunity for Iran than a source of competition for Chinese largesse. Furthermore, Iran is using the post-JCPOA landscape to ink significant deals with India in the field of transport and energy cooperation.\textsuperscript{20} Hence, Iran can make use of its long-held desire to act as a conduit for Central Asian (and indeed its own) resources to the world market. There is also the possibility that the Iranian route will introduce new competition with other Chinese-led initiatives, such as the China–Pakistan Economic Corridor route, though it has been argued that these are more complimentary in terms of forming a wider network linked to the One Belt, One Road initiative.\textsuperscript{21}

Ultimately, pragmatism persists in Iran’s Central Asian and China policies. One can see that Iran has sought to act in its own national interest, placing economic objectives at the forefront of its foreign policy in the region. As Lotfian has noted “Iranians are not enthusiastic about risking national interests for the sake of ethnic [or] ideologically based struggles in Central Asia.”\textsuperscript{22} This is also true for its relations with China, whereby Iran has been historically quiet on the way Beijing has been dealing with its Muslim Uighur population. This is no surprise when one considers similarly muted positions on Kashmir, Chechnya and Iran’s close relations with Armenia vis-à-vis Shia Azerbaijan. Also, the fact that the Central Asian states continue to seek ways of demonstrating their independence is to Iran’s advantage, as it can offer itself as a gateway to international markets, provide expertise in certain areas, such as the hydrocarbons industry, and also offer investment in industrial and infrastructural projects. Naturally, there are other implications that come with greater Iranian engagement in Central Asia, security being one such area that will be discussed later on.

**Institutionalising regional economic links through the ECO**

In terms of its potential and scale, the ECO remains a significant regional grouping, with a combined population of almost 370 million people,\textsuperscript{23} and although it has yet to fulfil much of its intent, it can still be seen as a useful regional forum, the one which Iran has historically used to further its relations with the Central Asian republics. The ECO member states signed the Quetta Plan of Action in 1993, which envisages the development of an intraregional transportation and communications infrastructure. The ECO has placed a high priority on this sector as a means of facilitating intra-regional trade, encouraging the export of goods to international markets and linking landlocked states to international ports.\textsuperscript{24} An ECO airline and shipping company has also been established. Iran has been keen on highlighting the significance of its geographical location as the following statement by the then Iranian foreign minister Kamal Kharrazi to the ECO Council of Ministers in Dushanbe, 2001, demonstrates: “We shall pay special attention to the field of transportation and communications. Especially when we consider that seven [of the] member countries are landlocked.”\textsuperscript{25} The development of improved transport links across the ECO states, such as the Tejen–Mashhad link, highlights the recognition of the need for better connections between member states and also reflects the idea of resurrecting the Silk Road. The old Silk Road constituted several routes over the territory of what are now the ECO states, and resurrecting such an idea naturally has the support of regional leaders, not only in terms of improving regional linkages, but also in terms of adding prestige and reaffirming the region’s position on a trade route of possible global significance.


\textsuperscript{23} ECO Secretariat, Statistics, [online], http://www.ecosecretariat.org/Statistics/Stat_02_01.htm.


An important aspect of the ECO gaining recognition as a functioning regional organisation comes in the development of its relations with other international organisations. As a means of doing so, the ECO has been participating at the UN General Assembly and collaborating with various UN agencies such as the UN Economic and Social Commission for Asia and the Pacific, the UN Development Programme and the UN Population Fund. The ECO has also established contacts with other regional bodies such as the Association of South-East Asian Nations, the Southern Asian Association for Regional Cooperation and the Southern African Development Community. Although the numerous ECO treaties and agreements have provided the organisation with much of the institutionalisation deemed necessary for an integrated regional body, its declaratory record is rather more substantial than its actual tangible achievements. Intra-regional trade levels are low when compared to those of other regional organisations. This is also true regarding Iran’s own levels of trade with Central Asian states, which have historically remained low.\(^{26}\) The most recent figures on Iran–Central Asian trade continue this fairly bleak assessment. In the latest figures released for 2015, taking the five Central Asian states’ economies together, Iran came seventh — representing 1.9% of overall trade. It fares slightly better as an export market for Central Asian states at 2.9%, while imports from Iran are just 1.1%. Central Asia’s trade is dominated by China, Russia and the European Union. Iran also compares badly with Turkey, which takes up 5.6% of Central Asia’s overall trade.\(^{27}\) One of the main limitations regarding economic integration is that most of the ECO countries are primary product and commodity exporters, and as such, their economies are more competitive than complementary.

Tensions also remain between member states on certain issues such as the Caspian Sea, and Iran has expressed concern in the past about Azerbaijan’s relations with the United States, allowing American penetration into the region. During the mid-1990s, the ECO threatened to unravel after Uzbekistan accused Iran of trying to politicise the organisation by using its summit meetings as a platform from which to launch attacks against America and Israel.\(^{28}\) Further cooperation within the ECO is also hampered by a lack of real commitment by some of the member states; Turkey, for example, has a long-standing ambition to become part of the European Union, which, therefore, means that the ECO is not a priority for their government. Iran, on the other hand, has been keen to promote the ECO where it can. With the permanent secretariat being located in Tehran, and Iran’s own geographical location, Iran sees itself as something of a hub for the ECO. The location of key ECO institutions in Tehran, such as the group’s secretariat, reflects Iran’s willingness to shoulder responsibility and, perhaps more importantly, cost for them.\(^{29}\) In addition, the fact that Afghanistan, Azerbaijan, Pakistan and Turkey are key US allies, or at least maintain important security relationships with the US, makes it problematic for Iran’s attempts to push its regional agenda within the framework of the ECO. Furthermore, the various bilateral and multilateral agreements that are being inked by China across the region, particularly as part of its Silk Road–inspired One Belt, One Road initiative, mean that the ECO faces a challenge in maintaining relevance in a rapidly developing region. What it did show throughout the 1990s and the early 2000s, however, was that Iran was willing to put time and effort into a regional grouping that demonstrated its ability to act in a pragmatic and rational manner in the region. It may be that this will pay-off as the Islamic Republic integrates further into the global economy, and new forums (or resurrection of old/moribund ones) are sought for increased cooperation.

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26 Marlene Laruelle and Sébastien Peyrouse, *Globalizing Central Asia: Geopolitics and the Challenges of Economic Development* (London: ME Sharpe, 2015), 84. According to Laruelle and Peyrouse, in 2010, Iran represented under 1% of the whole of Central Asia’s foreign trade.


28 Uzbekistan’s president, Islam Karimov stated “If there are attempts to use this forum for political means . . . we will terminate our membership,” cited in Edward Wastnidge, *Diplomacy and Reform in Iran: Foreign Policy under Khattani* (London: I.B. Tauris, 2016), 182.

29 Wastnidge, *Diplomacy and Reform in Iran*, 107.
Pipelines

Pipeline routes constitute a “central issue in the regions geopolitics,” with American interests in the region historically dictating that any routes should avoid the Islamic Republic, despite Iran offering the shortest route to the world ocean for Caspian resources, which are essentially land-locked. To counter this, Iran has made what Dekmejian and Simonian describe as “creative moves” to circumvent American attempts to exclude it from Caspian energy deals. This involves linking the Caspian to Tehran, then secondly Tehran to Isfahan and finally from Isfahan to the Persian Gulf through flow reversal of existing pipelines and the construction of missing links. Iran has also been involved in small-scale oil-swap deals with Kazakhstan, whereby Kazakh oil is shipped across the Caspian to supply Iran’s populous northern regions, while Iranian oil from its southern fields is shipped to world markets on behalf of Kazakhstan.

As the only Central Asian state with which it shares a land border, and also as home to some of the region’s largest natural gas reserves, Turkmenistan has been a key focus for Iran. In 1997, Iran funded the construction of the Korpedzhe–Kord–Kuy gas pipeline, allowing delivery of Turkmen gas to northern Iran. A second pipeline, the Dauletabad–Sarakhs–Khangiran pipeline, was opened in 2010, which allows Turkmen gas to reach markets in Turkey and Europe via Iran, thus, reducing its dependency on Russian pipelines. Despite Iran–Turkmen relations being broadly positive in tone, something that arguably is helped by Turkmenistan’s position of permanent neutrality, ties have been occasionally problematic. Relations cooled after Saparmat Niyazov’s death in 2007, and gas supplies to northern Iran were cut in 2007–2008, though the partnership was renewed in 2009 following tensions between the Turkmen government and Gazprom. Turkmenistan also has sights on further export diversification via the so-called TAPI pipeline route (Turkmenistan–Afghanistan–Pakistan–India). Indeed, some have argued that recent lifting of Iran sanctions may stimulate renewed urgency on this from Turkmenistan, as India and Pakistan seek to deepen their economic and hydrocarbon relationships with Iran. Therefore, in addition to cooperative endeavours, one can see a possible competitive element also coming into play in light of the lifting of sanctions.

Caspian Sea

The fact that the Caspian is rich in oil and natural gas reserves adds greater weight to the need for littoral states to agree on how it should be divided. Oil production began in the Baku area of Azerbaijan in the mid-19th century, and by the turn of the 20th century, it had become a major supplier of oil to the world market. Caspian oil was also critical to the industrialisation of Imperial Russia and the Soviet Union. Although the importance of the Azerbaijani fields steadily decreased over the course of the 20th century, significant oil deposits have since been discovered in the north of the Caspian. The break-up of the Soviet Union led to five separate states contesting the sea’s status as opposed to its previous position as an almost entirely Soviet-controlled lake. This status had its roots in the Treaties of Rasht (1729), Gulistan (1813) and Turkmenchai (1828) between the then Russian and Persian Empires, which failed to establish any kind of boundary for the Caspian. Further treaties between Iran and the Soviet Union in 1921, 1935 and 1940 formed the basis of Iran’s position on the Caspian following the dissolution of the USSR, and they are often invoked by

33 Laruelle and Peyrouse, Globalizing Central Asia, 84.
34 Rohullah Osmani, “TAPI pipeline – is the Iran nuclear deal a threat or an opportunity?”, The Central Asia Caucasus Analyst, 18 September 2015, http://www.cacianalyst.org/publications/analytical-articles/item/13278-tapi-pipeline-%e2%80%93-is-the-iran-nuclear-deal-a-threat-or-an-opportunity.html.
35 Azerbaijan, Iran, Kazakhstan, Russia and Turkmenistan.
Iran when it feels that negotiations over the sea’s legal status may reduce its part of the Caspian to less than it was during Soviet times.

The Caspian’s legal status has remained undetermined due to the “peculiarity of its geographical location and the clashing geopolitical and economic interests of the riparian states.” In short, there are two main proposals, either division of the Sea into national sectors or joint management as a condominium. The former option gives rise to further problems, as a range of opposing options have been proposed as a method of division. Iran initially favoured the condominium approach, as economic interests and cooperation were the prevailing current in its relations with the Caspian states. However, in 1997, a more political-security stance was taken, and Iran moved towards a position in favour of division. Since 1991, the position of the littoral states in relation to the Caspian’s legal status has varied. In negotiations, Iran has campaigned for an equal division and was initially joined in this respect by Russia. However, Russia has since changed its position and chosen to act bilaterally instead, drawing up agreements with Kazakhstan (1998) and Azerbaijan (2001), dividing up the sea bed and its resources into national sectors, while its waters remain under joint supervision. These national sector divisions are based on factors such as the length of each countries’ coastline, and if such factors are applied to the rest of the Caspian, they would leave Iran with far less than the 20% it had originally hoped for. In terms of resource potential in its southern reaches, Iran’s oil deposits in the region are largely unexplored and underdeveloped; however, Griffiths argues that Iran is not under economic pressure to resolve the boundary issue because it has greater sources of oil and gas elsewhere on its territory and in the Persian Gulf. Furthermore, the Iranian part of the Caspian is deep, making any development offshore difficult and expensive.

There have also been contentious issues between the littoral states, with Azerbaijan and Turkmenistan disputing ownership of the Kyapaz/Serdar field and Iran also disputing certain Azerbaijani claims to possible oil fields in the southern Caspian. Iran is also wary of Azerbaijan, allowing American firms into an area that is not yet fully demarcated. Indeed, according to Alieva, Azerbaijan was the leading actor amongst Caspian littoral states to invite in western interests to the region. In the light of the Russia–Azerbaijan–Kazakhstan agreements, it could be argued that Iran finds itself isolated, as Turkmen support cannot always be counted on due to that country’s historically vacillating position on the issue.

It is with the major geopolitical upheaval that came with the dissolution of the Soviet Union and the general move towards greater regional cooperation in mind that Iran has been keen to sponsor a Caspian Sea Cooperation Organisation. Wrangling over key issues such as legal status (and subsequent division of resources) can be seen as harming the prospects for any kind of Caspian regional initiative. However, such issues highlight the importance of a forum, in which such grievances can be discussed and, perhaps, solved. Also, Iran is still looking to keep American interests in the region in check, and this is something that it shares with the Caspian’s major power Russia and can be seen in its support for Russia’s “CASFOR” (Naval force of Caspian States) initiative, despite having previously been in favour of demilitarisation of the sea.

38 Aghai-Diba, The Caspian Sea in the Twenty First Century, 64.
41 Griffiths, “What’s in a name?”. 
43 Herzig, “Regionalism, Iran and Central Asia,” 515.
Over the years, Iran has been keen to implement the so-called International North–South Transport Corridor via the Caspian Sea and Iran as a means of linking Indian ports with Russia. This would involve improving transport links and infrastructure, and although there have been attempts to initiate concrete plans since the late 1990s,\(^\text{45}\) progress had been slow. Iran’s return to global energy markets following the JCPOA has helped reinvigorate the scheme, with the active participation of Russia, Azerbaijan and Iran in talks throughout 2016 and a tri-lateral summit taking place in Baku in August. All sides agreed to work towards reducing existing tariff barriers and carrying out improvements in rail and port infrastructure to facilitate the corridor.\(^\text{46}\) The scheme could also pave the way for further progress on negotiations over the Caspian Sea’s legal regime, as Iran and Azerbaijan build mutual confidence through deepening economic ties. Progress is now being made on the Caspian issue, with Russian foreign minister Sergei Lavrov subsequently stating in talks with Iranian foreign minister Mohamad-Javad Zarif that an agreement was likely to be signed at the Astana Caspian summit in 2017.\(^\text{47}\) Subsequent to this announcement, the five littoral states’ most recent meeting in Tehran produced some preliminary agreements,\(^\text{48}\) with Zarif stressing the necessity of protecting the Caspian’s marine environment,\(^\text{49}\) and thus, an agreement is now looking more likely than at any time since the break-up of the Soviet Union.

**Security cooperation**

In terms of military security issues, Iran’s restraint and constructive attitude in Central Asia and the Caucasus, regarding the Tajikistan and Nagorno-Karabakh conflicts in the 1990s, helped improve its international image, and this can be seen in part as helping lay the basis for further cooperation with Iran as a reliable international partner to the Central Asian republics. As previously noted, Iran’s relationship with Russia, and its position as a key arms supplier, has helped determine Iran’s strategy in the region. Iran has historically been quiet on security issues in the wider Eurasian region that might be seen as chiming with its Islamist character. It has offered little in the way of criticism towards Russia and China’s own Muslim separatists in the north Caucasus and Xinjiang, respectively. The Shanghai Cooperation Organisation (SCO) provides an interesting example of a regional grouping that has ostensible security priorities but actually serves a wider geostrategic purpose for Iran as an aspiring member. Allison\(^\text{50}\) sees the SCO as the most inclusive and prominent regional consultative framework within a security dimension, and the SCO’s precursor organisation, the Shanghai Five, did have mutual security priorities in terms of joint counterterrorism activities, which continued to be held up as an SCO priority in its early years, post-9/11. However, it could be argued that security concerns are more of a rhetorical feature, with them being given lip service and held up as a key mutual interests by SCO member states, rather than any concrete initiatives. Indeed, Song\(^\text{51}\) has highlighted how some analysts “agree with the official claim by SCO members that this regional organisation is a nontraditional security regime,” while others define it as a “bloc of authoritarian states confronting Western influence.”

The SCO can be seen as promoting greater multipolarity, acting as a possible counterweight to American unilaterism, particularly in the international climate that followed the events of 11 September 2001 and the subsequent War on Terror. China and Russia are especially keen on


\(^{49}\) Tehran Times, 23 October 2016.


emphasising this balancing aspect of the SCO, but the Central Asian states are also happy to continue their own multivectored approach, maintaining their own bilateral relations with the United States. While Beijing and Moscow both hold similar views on the SCO as a balance to American influence in Central Asia, the Central Asian republics can also view the SCO as a means of balancing Russian and Chinese interests against each other. An interesting development regarding Iranian–Central Asian relations came in the granting of observer status to Iran at the 5th of July, 2005, SCO summit in Astana, Kazakhstan. Though Iran’s relations with the Central Asian region have been mainly defined in terms of economic cooperation, it has been closely monitoring the SCO activities since its foundation, viewing it as a useful bulwark against American intentions in the region. Up until now, further cooperation has been stymied by the clause inserted after 10th SCO summit in Tashkent in 2010, which stated new applicants cannot be under international sanctions. With the sanctions now being removed, the upgrading of Iran’s status in the SCO is now a more viable possibility, with Russian Foreign Minister Sergei Lavrov offering his support for Tehran’s full membership. It is, therefore, in the wider, geostrategic sense that the SCO acts as a useful potential alliance for Iran, but it is an organisation in which its member states have differing priorities. It is more in the symbolic rather than concrete areas of actual security cooperation that the SCO, and Iran’s potential membership of it, is of significance.

Regarding the Caspian Sea, Allison and Jonson discuss how the littoral states could constitute a “security complex.” This is because their shared economic concerns regarding the exploitation of resources and the increased economic interaction that would come about from this could move in cooperative or conflictual directions. For example, the long-standing Iranian and Russian concern with American interests in Azerbaijan and Kazakhstan may actually help foster greater cooperation. Also, the Kazakh leadership are unlikely to want to antagonise Russia by blocking any moves by Russia to reduce American influence in the region. However, for the time being at least, Azerbaijan and Kazakhstan would prefer to keep their options open regarding American interests in the Caspian’s resources, while at the same time seeking not to duly antagonise Russia. Turkmenistan’s permanent neutrality makes it a reluctant partner in regional groupings, particularly those with a security dimension, and it prefers to deal bilaterally. Its relations with Iran are increasingly important for both countries, and further cooperation would serve Iran’s interests well in pursuing a broader Central Asian strategy, with Turkmenistan being the only Central Asian state with which Iran shares a land border.

The lack of regionalism in the Middle East facilitates a greater desire on Iran’s part to move towards a regional order/grouping with Central Asia. In terms of security, some in Iran, such as the former deputy foreign minister for research and training, Abbas Maleki, saw the collapse of the Soviet Union as creating a new subsystem incorporating Iran and Central Asia. Maleki saw Iran moving away from its position on the periphery of an Arab-dominated Middle Eastern security complex towards a Central Asian one. What is particularly interesting now is that arguments

54 Dunaeva, “Russo-Iranian Political Relations,” 455.
57 This is based on Barry Buzan’s seminal work on security, namely the book, People, States and Fear (Hemel Hempstead: Harvester Wheatsheaf, 1991). In terms of defining regional security, Buzan notes that a key element in this are patterns of “amity” and “enmity” between various actors. The formation of regional security sub-systems based on such patterns and interrelationships are classed by Buzan as “security complexes.” As such, using a “security complex” approach therefore “focuses attention on sets of states whose security problems are closely interconnected,” (224).
58 Allison, “Regionalism, Regional Structures and Security Management in Central Asia.”
59 Cited in Piemani, Regional Security and the Future of Central Asia, 81.
such as this on Iran’s place in the regional security picture (that were being offered just after the Central Asian states gained independence)⁶⁰ are potentially now more likely than ever. This fits with the wider picture of a resurrection of previously moribund schemes and ideas involving Iran and Central Asia that now appear to be more realistic than at any time since the collapse of the Soviet Union.

Cultural diplomacy

Iran has attempted a form of pragmatic cultural diplomacy in the region through a number of avenues both bilaterally and within existing organisational frameworks. Although there is no space to give a full treatment of this issue here, which has also been covered elsewhere,⁶¹ it is of note to this article as the cultural links form a key part of the Iranian geopolitical imagination. It is these softer links that are used by Iran to emphasise its closeness and act as a basis for further cooperation. Within the ECO, the Islamic Republic’s leaders are also keen to stress the cultural links between member states perhaps more than others, who prefer to view the ECO as a purely economic grouping. As part of its strategy of promoting regionalism through the ECO, Iran has been a keen advocate of drawing on the cultural and historical links it shares with the region. The establishment of a dedicated ECO Cultural Institute gave Iran further opportunities to promote a cultural agenda within the organisation,⁶² with a focus on shared literary figures and cultural traditions, such as the celebration of the Persian New Year, Nowruz, across the region. There is naturally a focus on Islam in Iran’s cultural diplomacy too. However, this is pitched in the unifying feature of the religion in its broadest sense, and the Islamic Republic is cognisant of the secular sensitivities of Central Asia’s rulers. Iran has no real sway among the region’s Islamists who have historically drawn their inspiration from Saudi Arabia and Wahhabism. As a fellow Persian-speaking nation, Tajikistan has naturally formed the focus of Iran’s cultural diplomacy towards Central Asia, and although that country has been broadly receptive to developing this relationship, it has not been without the occasional hiccup,⁶³ based on concern about Tehran moving closer to Tajik Islamists. Iran has also sought to develop bilateral cultural links with Kazakhstan, Turkmenistan and Kyrgyzstan; however, it has struggled to develop any such links with Uzbekistan on account of their historically problematic diplomatic relationship.⁶⁴

Conclusion

This article has highlighted how Central Asia occupies a significant place in Iranian geopolitical thinking. It is a region of several different areas of concern to the Islamic Republic, ranging from developing economic ties to security and cultural cooperation. Iran, therefore, places a great deal of importance on Central Asia, which is further enhanced by its perception of a deep and long-standing historical and cultural relationship with the region. Added to this is the geographic proximity and opportunities afforded by acting as a gateway state, both to and from Central Asia, along with increased Chinese investment as part of its new Silk Road–inspired One Belt, One Road initiative. Central Asia helps develop further connections between Iran and China too, and the sense of reinvigorating an old trading route in the form of a new Silk Road not only speaks of the

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⁶⁰ Maleki’s comments on Iran’s position vis-à-vis a new security complex incorporating Iran and Central Asia were offered in the following paper in 1992: Abbas Maleki, “Relations between Iran and Central Asian republics,” Central Asia and Caucasus Review, 1992, 1 (1): 5–10 (9).


⁶² Wastnidge, Diplomacy and Reform in Iran, 109.

⁶³ See, for example, the concern expressed by Dushanbe for the Iranian government’s hosting of the wanted leader of Islamic Renaissance Party of Tajikistan, Muhiddin Kabiri, at an Islamic Unity conference in Tehran — “Tajikistan: Iran Gives Warm Welcome to Exiled Opposition Leader,” Eurasianet, 5 January 2016, http://www.eurasianet.org/node/76696.

deep historical rootedness of both states’ geopolitical imaginaries, but also speaks of the pragmatic realism of modern international relations.

Since independence Iran’s approach to Central Asia is one that has been the domain of pragmatism not often focused on by the West. For 25 years, Iran has regularly attempted to enhance its standing through pursuing regionalist initiatives, but with limited success to date. This was due to the recent independence of these states and an Iran that was too often viewed as an international pariah — which found its articulation in the successive crippling sanctions regimes against it which stymied further economic development. Although Iran has been keen on promoting regional groupings, such as the ECO and SCO, the Central Asian states, while participating in such ventures, have remained steadfast in their desire for a “multivectored” foreign policy. This has come about as a result of their still relatively recently gained independence, which gives them a desire to pursue independent foreign policy objectives. As such, there is a questionable commitment to these initiatives, especially if they are seen as providing cover for another power to assert its hegemony over the region, with the result being that there has been much in the way of declaration and little in the way of substance.

Now, however, Iran has the opportunity to finally pursue these dreams of greater engagement more realistically. One can expect greater movement in terms of Iran’s closer integration with the region following the JCPOA and subsequent lifting of the sanctions regime. As Iran takes what it has always seen as its rightful place in key international and regional organisations, the benefits of its re-integration will likely stimulate further engagement. This has coincided with the increased regional activity of a key ally in China, which sees Iran as an important element of its wider strategy in Central Asia and beyond. Iran won’t be able to lead but one would assume that it will happily take its place at the table — something that looks more assured now than it has done in many years.

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Declaration of interest

Edward Wastnidge declares that he has no conflict of interest.