

## **“Iranian Influence in the South Caucasus and the Surrounding Region”**

Michael Rubin, Ph.D.  
Resident Scholar, American Enterprise Institute  
House Foreign Affairs Committee  
Subcommittee on Europe and Eurasia  
December 5, 2012

An Iranian attempt to assassinate Israeli diplomats in Georgia last February and a subsequent plot to target Americans in Azerbaijan demonstrate the reality of the Islamic Republic’s terror sponsorship and reach. This should not surprise. The Islamic Revolution was about ideology. Infusing the speeches of revolutionary leader Ayatollah Ruhollah Khomeini and written into the founding statute of the Islamic Revolutionary Guard Corps (IRGC) is the call to export revolution. In recent years, senior Iranian officials have reinforced the notion that the Islamic Republic cannot limit itself to soft power strategies as it tries to influence neighbors. For a number of reasons, both strategic and historical, the Caucasus is front-and-center in the Islamic Republic’s attempts to expand Revolutionary Guards operations.

Iranians proudly trace their country’s lineage back to the Persian Empire, yet most Iranians feel history has been unkind. In the last two centuries – a flash in the pan to the Islamic notion of history – Iran has lost half its territory. The 1828 Treaty of Turkmenchay confirmed the loss of what today are Azerbaijan, Armenia, and Georgia to the Russian Empire. From an Iranian perspective, these collectively constituted not a peripheral province but rather the second most important region, one over which the crown prince would always rule as governor. This does not mean that the Iranians seek to reacquire lost territory; they do, however, see it as their near abroad and believe they a natural right to dominate the Caucasus economically, politically, and diplomatically.

### **Iranian Strategy and Soft-Power**

Export of Revolution remains a core Iranian goal. In 2008, former President Mohammad Khatami suggested that Khomeini’s push to expand the Islamic Revolution beyond Iran’s borders was more symbolic than real, and geared more to building Iran up as an example to emulate rather than a call for subversion abroad. “What did the Imam want, and what was his purpose of exporting the revolution? Did he wish us to export revolution by means of gunpowder or groups sabotaging other countries?” Khatami asked rhetorically, before declaring that Khomeini “meant to establish a role model here, one in which people should see that in this society, the economy, science, and dignity of man are respected....”<sup>1</sup>

Iranian authorities were furious. Not only had Khatami tacitly acknowledged that the regime sanctioned Iranian terror support, but he also diluted a pillar of the revolution. Seventy-

---

<sup>1</sup> "Khatami: Dar Zamineh-e tahrif andisheh-ha-ye hazirat-e Imam 'alam khatar mikonam" [Khatami: I Find Danger in the Distortion of His Excellence the Imam's Thoughts], Emrooz (Tehran), May 3, 2008.

seven members of parliament demanded the Intelligence Ministry punish Khatami for his comments.<sup>2</sup> Lest anyone accept Khatami's revisionism, then-Judiciary Chief Ayatollah Mahmoud Hashemi Shahroudi reinforced Tehran's commitment to export revolution. Speaking to the armed forces, he declared the IRGC to be "the hope of Islamic national and Islamic liberation movements."<sup>3</sup> The Iranian government has even been so bold as to include a line-item for "resistance" in its budget.<sup>4</sup>

This does not mean that the Supreme Leader and the IRGC will not sometimes check the drive to export revolution. Iranian officials, for example, give Islamists in both Chechnya and Dagestan a wide berth so as to avoid antagonizing Moscow, whose support Tehran values for its nuclear program. Still, the State Department should not assume that pragmatism means Iran's leadership is open to compromise for peace. For the Islamic Republic's ideologues, pragmatism involves temporarily subordinating certain ideological goals to pursue others. Rather than identify formulas for peace, the regime uses pragmatism to find new and creative ways to undermine enemies.

While journalists focus on headlines involving violence and terrorism, the Iranian strategy is more sophisticated, especially in its use of soft-power. Too often, American policymakers misconstrue soft-power. When Harvard Professor Joseph Nye, Jr., coined the term, he did not suggest soft power should be exclusive of hard power. The Islamic Republic provides a useful example of how adversaries can combine hard and soft power strategies.

Beyond head-grabbing bombings and assassination plots, the Islamic Republic seeks to expand its reach through education and with charities. Iran provides educational scholarships in order to indoctrinate clergy in surrounding states and to radicalize the next generation. Charities not only serve as a mechanism to win hearts and minds, but the IRGC will also often leverage Iranian aid organizations to support terror operations.

Afghanistan provides a useful example to demonstrate how Iranians leverage education. In Kabul, Ayatollah Asif Mohseni, a figure beholden to Tehran because his religious credentials are not recognized in Najaf, founded Khatam al-Anbia University. Its professors are trained in Iran, Iranian officials set its curriculum, and regime-approved publishers supply its library. In 2010, the budget for that single Iranian-backed university was greater than the Afghan government's entire higher education budget. While the Armenian government is more opaque, the Iranian government operates a branch of the Islam Azad University in Armenia and may subsidize other programs.

### **Subverting Azerbaijan**

Within the Caucasus, the Islamic Republic concentrates its subversion efforts at Azerbaijan. Azerbaijan is one of only three countries beyond Iran—Bahrain and Iraq being the

---

<sup>2</sup> "Jamayeh-i Avari Imza 'Alebeh Khatami," ["Gathering Signatures Against Khatami,"] E'temad (Tehran), May 7, 2008

<sup>3</sup> "Iran's Forces Are Models of Resistance," Press TV (Tehran), May 22, 2008.

<sup>4</sup> Flatow v. Islamic Republic of Iran, 999 F. Supp. 1 (D.D.C. 1998),

others—which is majority Twelver Shi'ite. Because these countries' success challenges the claim that the Islamic Republic's rule is divinely-inspired, Tehran subverts them.

Azerbaijani success is especially threatening to the Islamic Republic of Iran because of the links between the two peoples. Millions of Azeris reside in Iran—more than twice as many as live in independent Azerbaijan. Ali Khamenei, Iran's Supreme Leader, is ethnically Azeri. Baku's rejection of religious populism and its mosque-state separation contrast sharply with Iran's theocracy. The fact that Azerbaijanis enjoy a greater life expectancy than Iranians, are more literate, and, because of recent sanctions on Iran, enjoy greater purchasing power embarrasses the Iranian clergy. It is hard for the Supreme Leader to claim that he presides over a near perfect Islamic system as the deputy of the messiah on earth when secular governments perform better.

Beyond outright terrorism, such as the recent alleged Iranian plot to attack the Eurovision finals in Azerbaijan,<sup>5</sup> the Islamic Republic has employed a number of strategies to undercut Azerbaijan's pro-Western and secular orientation. Even prior to Azerbaijan's independence from the Soviet Union, Iranian missionaries operated in rural Azerbaijan. Iranian authorities helped support the fiercely anti-American Islamic Party of Azerbaijan in the early years of Azerbaijani independence but, after that group—true to the Hezbollah model so often employed by Iranian proxies—began sponsoring a militia, Azerbaijani authorities cracked down, arresting party leaders and banning Iranian broadcasting from Azerbaijani territory.<sup>6</sup>

The Iranians may have been down, but not out. To reverse the old saying, if they could not bring Muhammad to the mountain, they instead would bring the mountain to Muhammad. Instead of sending missionaries to Azerbaijan, they arranged scholarships to bring young Azerbaijani students to Qom where they could indoctrinate them into the Iranian regime's interpretations of Shi'ite Islam. This has been a tactic which has paid long-term dividends to the Islamic Republic. Because Saddam Hussein made it so difficult for foreign students to study in Najaf in the 1980s and 1990s, for example, a generation of Bahraini clerics traveled to Qom for study. Many of these same clerics today are at the forefront of the Bahraini Shi'ite uprising against the Bahraini royal family.

At the height of the Armenia-Azerbaijan war over Nagorno-Karabakh, Iranian authorities sought to exploit and radicalize many Azerbaijani refugees seeking refuge in Iran. Perhaps because training clerics and indoctrinating refugees pays only long-term dividends, Tehran has turned to other strategies to undercut Azerbaijani stability; Azeri authorities accuse Iran of promoting separatist ambition among Azerbaijan's Talysh minority. Iranian academics have, for example, sponsored an International Talysh Association to support "oppressed" Azerbaijani Talysh.<sup>7</sup>

---

<sup>5</sup> "Azerbaijan Jails 4 for Eurovision Plot," *Hürriyet Daily News*, December 3, 2012.

<sup>6</sup> Igor Rotar, "Islamic Fundamentalism in Azerbaijan: Myth or Reality?" *Jamestown Foundation Prism*, Aug. 31, 2000.

<sup>7</sup> Jonathan Eric Lewis, "Replace Turkey as a Strategic Partner?" *Middle East Quarterly*, Spring 2006; Vladimir Socor, "Talysh Issue, Dormant in Azerbaijan, Reopened in Armenia," *Eurasia Daily Monitor*, May 27, 2005.

Iranian authorities also utilize charities to expand their influence. Of myriad Iranian charities, the Imam Khomeini Relief Committee (IKRC) is the regime's chief aid organization abroad. With assets supplied by the Supreme Leader, the Committee sponsors programs similar to those conducted by Western NGOs for orphans, the disabled, and the elderly, and it also provides food aid, blankets, fuel, sponsors medical clinics, and offers interest-free loans.<sup>8</sup> It also spreads influence in a way few Western organizations could, sponsoring mass weddings for those for whom the price of weddings would otherwise put marriage out of reach.<sup>9</sup>

While IKRC's activities might look benign, its track record is more sinister. In 1997, its office provided cover for surveillance against the U.S. Embassy in Tajikistan.<sup>10</sup> In 2010, the U.S. Treasury Department designated the IKRC branch in Lebanon to be a terrorist entity for its aid and assistance to Hezbollah.<sup>11</sup> With both the IRGC and IKRC funded from the same trough, it is likely that IKRC offices in Azerbaijan,<sup>12</sup> not only in Baku but also in provincial towns like Lankaran, Ganja, and Göyçay, may also provide cover for IRGC operations.

The United States can take solace in the fact that Azerbaijan remains a steady ally. While fears of Iranian encroachment should not derail U.S. pressure to support democratization and respect for human rights in Azerbaijan, U.S. officials should also recognize that the Islamic Republic will seek to hijack legitimate protest, as it does in Bahrain. Nevertheless, Iranian penetration of Azerbaijan remains unfulfilled, largely because of Baku's recognition of the Iranian threat and also because Iran's oil dispute with Azerbaijan in the Caspian Sea remains a major irritant in bilateral relations. The Azerbaijani people remain largely pro-Western and unwilling to accept Iranian domination.

### **Is Armenia is the weak link?**

The same cannot be said for Armenia. Ties between Iran and Armenia run deep, and predate Iran's Islamic Revolution. Armenians form the bulk of Iran's sizeable Christian community. While the Islamic Republic will broker no Sunni mosque in Tehran, an Armenian cathedral sits in the heart of the city. The southern Isfahan neighborhood of Julfa is a veritable "little Armenia" with Armenian churches and schools dotting roads and alleys. Even Iranian soldiers, when they fancy a drink stronger than the local Coca-Cola knock-off, will head into Armenian pizzerias for some homemade vodka. Anti-Turkish posters and banners are a fixture of

---

<sup>8</sup> Ali Alfoneh and Ahmad Majidiyar, "Iranian Influence in Afghanistan: Imam Khomeini Relief Committee," AEI Middle East Outlook, July 2010.

<sup>9</sup> "Jashan-e Komiteh-e Emdad Baraye zawjha-ye Afghan," ("Relief Committee Celebration for Afghan Husbands,") Fararu.com, May 24, 2012.

<sup>10</sup> Author was an intern based at the U.S. Embassy in Tajikistan at the time.

<sup>11</sup> "Fact Sheet: U.S. Treasury Department Targets Iran's Support for Terrorism Treasury Announces New Sanctions against Iran's Islamic Revolutionary Guard Corps-Qods Force Leadership," U.S. Treasury Department, August 3, 2010.

<sup>12</sup> "Hamayat az Moharoman-e Jomhori Azerbaijan," "Support for the Disadvantaged of Azerbaijan," Imam Khomeini Relief Committee, <http://www.emdad.ir/beinolmelal/dafater/azarbayjan.asp> (Accessed December 3, 2012).

many Armenian neighborhoods, in Isfahan and elsewhere. In 2011, Armenian television purchased Iranian soap operas from Islamic Republic of Iran Broadcasting.<sup>13</sup>

There is nothing necessarily wrong with cultural links between Iran and Armenia. The problem for the United States is that Armenia provides the central pivot for a Russia-Iran Axis which increasingly undermines both U.S. interests and national security. In 2007, Yerevan State University awarded Iranian President Mahmoud Ahmadinejad its gold medal. “Armenia and Iran will be relatives eternally,” Ahmadinejad declared upon receiving his honorary doctorate.<sup>14</sup>

In 2008, U.S. diplomats concluded that Armenia shipped Iran weaponry, which the Islamic Republic used to kill Americans. John D. Negroponte, then deputy secretary of state at, expressed his “deep concerns about Armenia’s transfer of arms to Iran which resulted in the death and injury of U.S. soldiers in Iraq” to Armenian President Serzh Sargsyan.<sup>15</sup>

Whereas the Armenian government has long sought to keep its banking cooperation with Iran outside the limelight, Armenia’s warm embrace of Iran is readily apparent. Indeed, sanctioned Iranian banks operate in Yerevan.<sup>16</sup> Other Iranian businesses continue to dot the Armenian capital. While Iranians can get visas on demand upon arrival in Armenia, the Iranian Foreign Minister now pressures his Armenian counterpart to allow completely visa-free travel for Iranians into Armenia. This could greatly facilitate Iranian efforts target Western interests not only in Armenia, but also in neighboring Georgia. In October 2011, a member of Armenia’s Nuclear Energy Organization suggested that Iran had enticed several Armenian nuclear scientists to work in Iran’s nuclear program.<sup>17</sup>

While the Armenian-American community is vibrant, it is unfortunate that organizations representing the Armenian Diaspora in the United States and the congressmen who partner with them do not do more to encourage change in the Armenian government’s behavior. They need not drop their advocacy for recognition of the Armenian genocide but by ignoring Armenia’s pro-Iranian orientation, the Armenian-American community squanders an opportunity to build a true strategic partnership between Washington and Yerevan.

### **Could Georgia and Turkey Shift into Tehran’s Camp?**

The strategic situation has never been more perilous. The victory of Bidzina Ivanishvili’s Georgian Dream party in October 2012 elections threatens to radically reorient the Republic of Georgia which, under President Mikheil Saakashvili has been reliably pro-Western. While Western press has focused on the antipathy between Saakashvili and the Kremlin, a reorientation of Georgia’s relationship with Iran might accompany its shift to Moscow. It is conceivable that

---

<sup>13</sup> “Kodam Keshvarha Moshtare Saryarha-ye Irani Hastand?” (“Which Countries Are Customers of Iranian Soap Operas?”), *Alef.ir* (Tehran), August 9, 2011.

<sup>14</sup> “Ahmadinejad YSU Guest,” Yerevan State University, October 22, 2007.

<sup>15</sup> Eli Lake, “WikiLeaks: Armenia sent Iran arms used to kill U.S. troops,” *The Washington Times*, November 29, 2010.

<sup>16</sup> “Recent OFAC Actions - June 16, 2010,” U.S. Treasury Department, <http://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20100616.aspx>

<sup>17</sup> “Eda’ye Mohajerat-e Daneshmandan-e Hasteh-aye Armenisten beh Iran,” (“Alleged Emigration of Nuclear Scientists from Armenia to Iran”), *Asr-e Iran*, October 30, 2011.

Tbilisi could become in the near future an uninviting and perhaps even dangerous city for Western interests.

Georgia is not the only country in play. While there remains sectarian tension between Turkey and Iran, it would be a mistake for American policymakers to assume Turkey will cooperate with the West regarding Iran. To dismiss Turkish outreach to Iran—such as Turkey’s recent gold for gas scheme—as simply economic opportunism misses the point. Likewise, the dispute between Turkey and Iran over the situation in Syria is temporary. Just three years ago, Turkish Prime Minister Recep Tayyip Erdoğan was hosting joint cabinet meetings with Syria, and inviting Syrian President Bashar al-Assad to vacation with him on the Turkish Mediterranean coast.

Today, Turkey and Iran share many interests: They are both supporters not only of Hamas, but also of its most militant faction, and both embrace increasingly extreme rhetoric toward Israel. Turkish and Iranian leaders coordinate closely on international efforts to restrict free speech to prevent criticism of Islam. Turkey is almost alone in joining Latin America’s increasingly anti-American alliance of Nicaragua, Venezuela, Ecuador, and Bolivia in providing Iranians visa-free entry. The United States should not count on Turkey’s intelligence service to monitor and report upon Iranian operatives traversing Turkey. Hakan Fidan, Turkey’s intelligence chief, makes little secret of his preference for Tehran over Washington, raising questions both about the wisdom of U.S. intelligence sharing with Turkey, and the possibility that technology shared with Turkey—such as F-35 Joint Strike Fighter coding and software—might leak to American enemies. In 2010, the Turkish daily *Hürriyet* reported the Turkish and Chinese Air Forces had conducted joint war games without first alerting the Pentagon or NATO. Such exercises would not have been possible without Tehran’s cooperation; the Chinese fighters had refueled in Iran.<sup>18</sup>

## Conclusion

Iranian officials often quip that they play chess while Americans play checkers. The IRGC and Qods Force have global reach, and will confront the United States wherever they can, so long as they can do so and maintain plausible deniability. As Iran’s nuclear program increases tension and sanctions strain the Iranian economy, the Caucasus and surrounding regions will increasingly become targets for Iranian influence and, perhaps, Iranian terrorism. Not only will the Islamic Republic continue to target the Republic of Azerbaijan and exploit its warm ties with Armenia, but Iranian authorities will also increasingly try to leverage leadership changes and ideological solidarity in Georgia and Turkey. Across administrations, U.S. strategy is too often reactive rather than proactive. Alas, the absence of a coherent U.S. strategy to counter and roll back Iranian influence in the Caucasus increasingly proves the Iranian quip correct.

---

<sup>18</sup> “Chinese Warplanes Refueled in Iran en route to Turkey,” *Hürriyet Daily News*, October 11, 2010.