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# Iran, Turkey and Azerbaijan: Heading Towards a Regional Crisis?

The tense international atmosphere surrounding the Islamic Republic of Iran (IRI) and, more broadly, in the Middle East, also affects Turkey and Azerbaijan, two states on the periphery of this region. Turkish-Iranian relations have been on an upward trajectory for a decade. Nevertheless, the widening geopolitical rift in the Middle East, between Shiite Iran and the Sunni Muslim states, has also had an impact on Turkish foreign policy. After the crisis in Syria erupted, Turkey supported Syria's Sunni opposition while Iran stood firmly behind the government of Bashar Assad, affiliated with the Alawi (Shiite¹) minority. Following the Arab Spring, the government in Ankara finds itself in closer relations with the Sunni states, including the new post-revolutionary governments in Tunisia and Egypt. At the same time Turkey has moved away from its policy of distancing itself from the West. Turkey's consent for hosting a radar site as part of the NATO-wide missile defence system, signalled in late 2011, was a clear sign of this change. These developments, together with Turkey's disappointment with its economic relations with Iran, have seriously strained Turkish-Iranian relations.

Azerbaijan, although inhabited by the Shiites, is a secular republic building its international position on close economic and security cooperation with the West, and especially with the main ally—Turkey. The government in Baku also has good relations with Israel, which supplies Azerbaijan with strategically important weapons. This year, Iran and Azerbaijan began an unprecedented propaganda war, each accusing the other of terrorist activities on their territory. This conflict has been further fuelled by ideological differences between the secular Azerbaijani government and the "revolutionary" Islamist Iranian political elite.

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<sup>&</sup>lt;sup>1</sup> The Alawites are a distinct religious group belonging to Shiite Islam. However, there are doctrinal differences between them and main branch of Shiites, who mostly inhabit Iran and Iraq.

The problems in Turkish-Iranian and Azeri-Iranian relations may manifest themselves in different ways, but they have common roots. These include the Shiite anti-Western and anti-Israeli radicalism of the IRI's government, Turkey's solidarity with Azerbaijan (stemming from common Turkic heritage), and shared geopolitical and economic interests contrasting with Iran's ideological thinking and unwillingness to resolve its conflict with the West. All these factors are much more evident now with growing tensions between Iran and its two Turkic neighbours.

In examining the causes of tensions in the IRI's relations with Turkey and Azerbaijan, one should bear in mind the deteriorating security situation in the Middle East. Iran's government seems to be closer than ever to obtaining nuclear weapons. Israel tries to create a threat of imminent attack on Iranian nuclear facilities. The U.S. is not eager to engage in another conflict overseas. Nevertheless, the U.S. does not exclude launching a strike against Iran if it does not comply with the demands of the International Atomic Energy Agency and prove that it is not working on enriching uranium to weapons grade level. Iran claims its nuclear program is solely for civilian purposes, but continues to take an assertive stance towards the international community.

#### The Rise and Fall of Turkey's Middle East Policies

The Turkish government is also anxious about its neighbour's plans to develop nuclear weapons.<sup>2</sup> Such a scenario would change the balance of power in the region, unfavourably for Turkey. Nevertheless, the Turkish stance towards Iran has for many years been much softer than that of Western countries. Turkey opposed the U.S. and European sanctions focused on companies related to the Iranian nuclear programme. In May 2010, Turkey and Brazil negotiated the uranium swap agreement with the government in Tehran. Turkey – at that time a non-permanent member of the United Nations Security Council, was seriously disappointed when this compromise was rejected by the Vienna experts group representing the Western countries, and voted against a new round of sanctions on Iran.<sup>3</sup> This move was misinterpreted by the IRI as unconditional Turkish support for the Iranian nuclear programme. However, the government in Ankara had different intentions: disagreeing with the West was not equal with full alignment with Iran's radically anti-Western and anti-Israeli policy.

Turkish policy towards the IRI in the past decade has stemmed from a new strategy implemented by the Justice and Development Party (AKP) government. The core idea of this new policy was the concept of "strategic depth" created by Ahmet Davutoğlu, an influential advisor to Turkish Prime Minister Recep Tayyip Erdoğan, and, since 2009, the foreign minister in AKP's government. According to Davutoğlu's doctrine, the government in Ankara

<sup>&</sup>lt;sup>2</sup> Initially, the possibility of Iran gaining nuclear weapons was perceived as a serious threat only by the Turkish military's general staff, not by the moderate Islamist Justice and Development Party's government.

<sup>&</sup>lt;sup>3</sup> Bayram Sinkaya, *Rationalization of Turkey – Iran Relations: Prospects and Limits*, "Insight Turkey", vol. 14, no. 2, 2012, p. 13.

had to build close ties with all states in the region, starting with diplomatic relations, building up intercommunity ties, and above all boosting economic cooperation. One of the main goals of this policy was encapsulated in the slogan - "zero problems with neighbours". Turkey was to become an active player enhancing international security, by negotiating peaceful solutions to regional conflicts. The application of Davutoğlu's doctrine did indeed help Turkey to mend its relations with almost all the countries in the neighbourhood, including Iran. The significant improvement of Turkey's previously strained relationship with Syria, an important ally of IRI, also helped to strengthen the Turkish-Iranian relationship.

After the Israeli intervention in Gaza in 2008/2009, and the subsequent attack on the Turkish ship Mavi Marmara, which was carrying humanitarian aid for the Palestinians in May 2010, the relationship between Turkey and Israel fell into a deep, unprecedented crisis. The AKP government's support for the Palestinian cause earned it enormous respect in the Arab world. The Islamic leadership of Iran also perceived it as a step in the right direction. In February 2011, Turkish President Abdullah Gül met with Iranian Supreme Leader Ayatollah Khamenei. The latter praised Turkey for its assertive stance toward the "Zionist regime", solidarity with the Palestinians, independence from the West, and rapprochement with Islamic ummah.<sup>4</sup>

However, this climate of Pan-Islamic solidarity and warm Turkish-Iranian relationships evaporated in September 2011, when Turkey announced that it would be ready to host elements of NATO's missile defence system. This move indicated that the AKP government was going to act in its own security interests, in no small part because of the progress of the Iranian nuclear weapons program. At the same time the Turkish ruling elite tried to mend its relationship with the United States. The U.S. remains Turkey's most powerful ally, but Turkish-American relations have been moribund since the Iraq war in 2003. The atmosphere has improved somewhat under the Obama administration. The AKP government's decision to strengthen its relationship with the United States was also influenced by the breakdown of Turkey's relations with Israel, its traditional Western-oriented ally in the region. Moreover, a new situation emerged in the Middle East after the Arab Spring, and Ankara's regional policy suddenly became much more closely aligned with those of the U.S. and the EU.<sup>5</sup> Of most detriment to the Turkish-Iranian relationship was the Syrian crisis.

One of the achievements of the "strategic depth" doctrine was the establishment of good relations with Bashar Assad's Syrian government. In the spring and summer of 2011, when his regime attempted to put a violent end to mass demonstrations of the Syrian opposition, the governments in Tehran and Ankara took different stances. Fran called Syria's political opposition forces "Zionist puppets" and supported the government in Damascus. Turkey started to increase its criticism of Assad, and allowed the Syrian opposition to

<sup>&</sup>lt;sup>4</sup> Sinkaya, op. cit., p. 13.

<sup>&</sup>lt;sup>5</sup> Nathalie Tocci, *A Trilateral EU-US-Turkey Strategy for the Neighbourhood: The Urgency of Now*, Instituto Affari Internazionali Working Papers, no. 12/08, March 2012, p. 6.

<sup>&</sup>lt;sup>6</sup> Hakkı Uygur, *Iran ve Arap baharı*, SETA Analiz, no. 52, March 2012, p. 22.

conduct its political activities from Turkish territory. Soon the Syrian issue became one of the main problems in Turkish-Iranian relations. Minister Davutoğlu, trying to avoid acknowledging the failure of the "strategic depth" policy in Syria and Iran, explained that Turkey had intentionally changed its foreign policy from security-oriented to more values-oriented, after the wave of democratisation in the Middle East.<sup>7</sup>

The consequences of the Syrian crisis and the breakdown in Turkish-Iranian relations are serious for Turkey. Turkish-Iranian rivalry was never limited to Syria. The two states competed in other parts of the Middle East, too. Now, their struggle for influence may also become more bitter outside Syria. In the last decade, the governments in Ankara and Tehran conducted joint operations against the Kurdistan Workers' Party (PKK) and its Iranian branch – the Party for a Free Life in Kurdistan, both operating from the Iraqi territory. There are reasons to believe that Iran has returned to its previous policy of tacit support for the Kurdish insurgents. For example, when Turkish police raided a PKK hideout in the Hakkari province, they discovered hand grenades of Iranian origin. Some of the members of the organisation, who were caught, later confessed during interrogation that the PKK is now indirectly supported by the Iranian authorities. Iran's assistance to the PKK may seriously harm the Turkish fight with Kurdish insurgents, which is already becoming increasingly difficult.

## Iran and Azerbaijan: Geopolitics Holds Firm

Although it is hard to predict the regional consequences of a U.S. or Israeli attack on Iran, it is obvious that none of the Caucasian governments are interested in political destabilisation and war in the close neighbourhood. However, the Azerbaijani political elite has little sympathy for the IRI and remains suspicious of its political activities in the South Caucasus. After 1991 Iran attempted to strengthen its influence in the Caucasian and Caspian region countries. Nevertheless, the government in Baku has since the early 1990's conducted a pro-Western policy based on developing the energy resources sector and exporting gas and oil Westward via Georgia and Turkey, by-passing Russia and Iran. The IRI is an informal ally of Russia, a former imperial power, which ruled Azerbaijan in the past and still attempts to meddle in regional affairs. Iran is an anti-Western country and Israel's primary opponent. Azerbaijan, on the other hand, has very good relations with the government in Tel Aviv. Israel buys Azerbaijani oil, and is a major arms supplier to the government in Baku. The shopping cart includes Israeli drones and missiles latter, which Azerbaijan is readying in case the hostilities with neighbouring Armenia over Nagorno-Karabakh (occupied by Armenian secessionists) were to erupt once again. Moreover, Iran

<sup>&</sup>lt;sup>7</sup> Ahmet Davutoğlu, *Principles of Turkish Foreign Policy and Regional Political Structuring*, Vision Papers. Centre for Strategic Research, no. 3, April 2012. See also Karol Kujawa, *Turkey and Democratisation of the Arab World*, "PISM Policy Papers", no. 13, August 2011.

<sup>&</sup>lt;sup>8</sup> Hand grenades seized in PKK shelter belong to Iran, "Today's Zaman", 29 April 2012.

<sup>&</sup>lt;sup>9</sup> Being isolated in the Middle East, Iran perceived the South Caucasus, the Caspian region and generally newly independent post-Soviet states as the alternative.

remains on good terms with the Armenian government, what is perceived in Baku as a betrayal of Muslim solidarity. The Western media, speculating about a possible U.S./Israeli air attack on Iran, discussed the possibility of such assault being launched from the Azerbaijani territory. The government in Baku excluded such a possibility<sup>10</sup> and it seems that it indeed has no intention of engaging in such a serious conflict with the IRI. Nevertheless, Azeri-Iranian relations have become increasingly tense.

Post-Soviet Azerbaijan's government is strictly secular. Azerbaijani secularism has deep roots, mostly in its communist past, but also in pre-Soviet times. Independent Azerbaijani political elite has always been suspicious of the intentions of Iran's theocratic regime. This mistrust is mutual. A series of events leading to grave problems in the relationship between the IRI and Azerbaijan began this year, with the assassination of an Iranian nuclear scientist on January 11. The Iranian foreign ministry summoned the Azerbaijani ambassador in Tehran, accusing Azerbaijan of helping Israeli intelligence to stage the attack. In January, the Azerbaijani Ministry of National Security (MNS) arrested two Azeris suspected of working for the Iranian intelligence and plotting to assassinate an Israeli diplomat and a local rabbi in Baku. This act further damaged the relations between Iran and Azerbaijan. According to the ministry's statement, the two men liaised with another Azerbaijani who was working for the Iranian intelligence. It is impossible to confirm the MNS claim. If media speculations were true, the attempted assassination of the Israeli diplomat was Iran's response to the assassination of the nuclear scientist.

In March there was an attempt to co-ordinate the foreign policies of Iran, Azerbaijan and Turkey, at a meeting of their foreign affairs' ministers in Azerbaijan's autonomous republic of Nakhichevan<sup>11</sup>. The three parties stressed the need for regional cooperation and respect for national territorial integrity, which will have positive effects on the peaceful resolution of regional conflicts. They underlined their common culture as a good basis for the further development of their ties, and expressed full respect for all countries' right of access to civilian nuclear technology within the framework of the Non-Proliferation Treaty.

Nevertheless, on May 8, two months after the meeting in Nakhichevan, a group of Iranian youths gathered in front of the Azerbaijani consulate in Tebriz to protest against the anti-religious policies of the government in Baku, the Eurovision song contest, and a rumoured gay pride parade in Azerbaijan's capital. Although the demonstration was notionally organised by religious authorities, it was most probably an Iranian government initiative. The Azerbaijani answer to the Tebriz protest was a gathering in Baku near the Iranian embassy, on May 11. Protesters, including members of the pro-government youth organisation "Ireli", called on the Iranian authorities to stop their anti-Azerbaijani policy and condemned them for their good relations with Armenia. The Baku demonstration was

<sup>&</sup>lt;sup>10</sup> Shahin Abbasov, *Azerbaijan: Baku Disputes Story on Azerbaijani-Israeli Military Collaboration against Iran*, 30 March 2012, www.eurasianet.org.

<sup>&</sup>lt;sup>11</sup> This was the second tripartite meeting of the foreign ministers of Iran, Turkey and Azerbaijan. The first was held in the North-western Iranian city of Urmia in April 2011.

followed by further Iranian protests in front of the Azerbaijani consulate in Tebriz. At the end of May, both countries' recalled their ambassadors for consultations.

The disappearance of two Azeri poets visiting Iran to participate in the poetry festival on May 2 exacerbated the conflict even further. Only in late June did the IRI authorities acknowledge that these two Azerbaijani citizens had been arrested. The Iranian media claimed they were suspected of spying for Israel, drug trafficking and recruiting dissidents to promote separatism. The trial began in September, which coincided with the summit of nonaligned states in Tehran. The "poets' case" became the reason (or good opportunity) for Azeri president Ilham Aliyev not to visit this international event, which was, from the Tehran's point of view, an important summit.

### Dynamics of Religion and Ethnicity in the Iran—Turkey—Azerbaijan Triangle

The ideological divergence between Iran and Azerbaijan should not be underestimated. The rift is far wider than the one between Turkey and Iran. Turkey has been ruled through the last decade by the moderately Islamist AKP government. The religious component of its ideology means that it is closer to the theocratic ruling elite of the IRI. Nevertheless, post-Kemalist<sup>12</sup> Turkey is still a secular republic, and thus is a rival model to the Iranian one. This has been especially visible after the Arab Spring. The Tunisian and Egyptian revolutionary Islamist political parties were eager to adopt the Turkish version of democracy, with a strong but moderate Islamist party, but not to embrace the Iranian theocracy. This was of course influenced not only by the successes of the AKP's political model, but also by confessional affinity. The Turks as well as the Egyptians and Tunisians are Sunni Muslims, unlike the Shiite Iranians. The sectarian, ideological division in also visible in the differences between Turkish and Iranian policies towards Syria. The Turkish government helps the Syrian opposition, dominated by the Muslim Brotherhood, a Sunni orthodox organisation, while the Iranian leadership still expresses its strong support for the Alawi ruling elite of the Assad regime.

The fact that the majority of Azerbaijanis are Shiites does not make relations between the governments in Baku and Tehran any more friendly. On the contrary, it offers Tehran an opportunity to influence Azerbaijani internal affairs, inciting Shiite anti-government religious sentiments. Moreover, there is another ideological factor – ethnicity. Turks and Azeris are close kinfolks, speaking two very similar Turkic languages. What seriously worries the political elite in Tehran—not just on the ideological level—is the prospect of Azerbaijani separatism in North-western Iran. This region, called Iranian Azerbaijan, is inhabited by 12 to 20 million Azeris (or Azeri Turks). Indeed, some initiatives in Azerbaijan and also in Turkey may irritate the Iranian authorities. This year the parliament in Baku discussed the possibility of changing the name of the country from Republic of Azerbaijan to Northern Azerbaijan

<sup>&</sup>lt;sup>12</sup> Kemalism is an ideology created by the founder of the modern, secular Turkish republic Mustafa Kemal Atatürk. Since the moderate Islamist AKP's rise to power in 2002, Turkey has softened and changed its strictly secular model. Therefore it is often called post-Kemalist.

(suggesting unity with the "southern Azerbaijan", i.e. the Azeri-inhabited parts of Iran). On May 12, during the "First International Forum of South Azerbaijani Turks" in Ankara, representatives of Azeri Turks living in Iran announced the establishment of an "International South Azerbaijani Turks' National Council," which aims to gain independence from Iran. Although local authorities in Ankara formally cancelled permission for the forum, it was held "illegally" and attended by 300 participants from Iran, Iraq, Turkey and Azerbaijan, including two members of the Azerbaijani parliament. On May 13, participants of the forum held a demonstration in front of the Iranian embassy in Ankara and demanded respect for the rights of Azeri minority in Iran. 13

# **Economic Cooperation—A Mixed Picture at Best**

There are also non-ideological reasons behind the problems in Iran's relations with Turkey and Azerbaijan. Although the Turkish-Iranian economic cooperation has increased significantly in recent years, it is still limited due to the sanctions levied on Iran because of its nuclear program. Formally, Turkey declares that it acknowledges only the UN-imposed restrictions, not the EU or U.S. sanctions. In fact, Western pressure, an uncertain political situation, and the unreliability of Iranian partners, have already convinced Turkey to conform to European and American sanctions. As a result, Turkey's cooperation with its eastern neighbour has been seriously limited, especially in the most important sector, the oil and gas trade. Prime Minister Erdoğan signed a deal on joint Turkish-Iranian development of the South Pars giant gas field, and on transit of Turkmen gas through Iran's territory, during a visit to Tehran in 2009. Nothing came out of these ambitious projects. After two and half years Turkey began to disengage from energy cooperation with Iran for both security and economic reasons. The cost of Iranian gas sold to Turkey is \$550 per thousand cubic meters, while Azerbaijani gas costs \$330 and Russian gas is \$400. Therefore, Turkey is looking for alternative suppliers of gas. At the beginning of this year it also significantly reduced oil buys from Iran, and increased imports from Libya and other oil producing countries. The share of Iranian oil in Turkish imports dropped from 43% in January to 19% in February. 14

For Azerbaijan, itself a huge gas and oil exporter, Iran is an important, but not crucial customer. Since the early 1990s the government in Baku has pursued a strategy of exporting its energy resources to the West. The Baku-Tbilisi-Ceyhan oil pipeline, exporting around 1 million barrels of crude a day, and the Baku-Erzurum gas pipeline, remain the most important routes for Azerbaijan. The export of gas in a western direction will be expanded after the initiation of the second phase of gas extraction from the Shah Deniz field, and construction of the planned Trans-Anatolian and/or Nabucco pipelines linking the Caucasus

<sup>&</sup>lt;sup>13</sup> Rauf Mirkadirov, *V Ankare sozdan Nacionalnyi Sovet Juzhnogo Azerbaidzhana. Istoria predstavlaet nam eshche odin shans, "Zerkalo", 15 May 2012.* 

<sup>&</sup>lt;sup>14</sup> Abdullah Bozkurt, *Turkey disengages from Iran*, "Today's Zaman", 30 April 2012.

<sup>&</sup>lt;sup>15</sup> While Iran is awash with natural gas, a poorly developed pipeline system makes it hard to supply gas to its Northern provinces.

with Europe.<sup>16</sup> Only a small share of Azerbaijani gas exports goes to Iran. Nevertheless, Iranian companies operate and have stakes in oil contracts in Azerbaijan.

There are disagreements between Azerbaijan and Iran on the division of Caspian Sea. Iran, together with Russia, is against Azeri and Turkmen plans for a Trans-Caspian gas pipeline. For both the Russians and the Iranians, construction of this pipeline would mean that they would be unable to profit from the transit of Turkmen gas to Europe. For both nations, hampering the solution of the division of the Caspian Sea between the littoral states is a means of undermining the Trans-Caspian project.

#### **Conclusions**

Turkish and Azeri problems with Iran result from the same structural differences. Governments in Ankara and Baku are bound by their common Turkic heritage and similar political traditions. Both countries became secular republics in the first quarter of the 20<sup>th</sup> century. Iran became an Islamic republic only in 1979. Both Iran's neighbours are affiliated with the West, in contrast to the government in Tehran, which is self-isolating or loosely allied with countries such as Russia. Turkey is an important NATO member, and a candidate for EU membership. Azerbaijan, although not expressing its will to enter Euro-Atlantic structures, is also a close political and economic partner of the Western world.

Although Turkey under the AKP government became an important regional player, it had too ambitious and idealistic foreign policy goals, shaped according to the doctrine of "strategic depth". It managed to build its image as a defender of the Palestinian cause as well as of a supporter of the democratic movements of the Arab Spring. At the same time it was unable to maintain good relations with the Syrian and Iranian governments. The deterioration in relations with these two countries may have a negative effect on Turkish national security. Iran may attempt to use the Kurdish factor against Turkey, as it did in the 1990's.

Finally, the failure of Minister Davutoğlu's policies may have also positive consequences. Until recently, although Turkey remained within the Euro-Atlantic structures, it was following an "outsider" policy line, aligning itself with controversial players such as Syria and Iran. Currently, by loosening its ties with the IRI, the political elite in Ankara has strengthened its relations with the United States and Europe. The Western partners should take advantage of Turkey's experience and positive image in the Middle East, and coordinate regional policies (including Iranian policy) with the Turkish government.

The tensions between Azerbaijan and Iran, in contrast with the recent deterioration of Turkish-Iranian relations, are nothing new. Nevertheless, the propaganda war started this

<sup>&</sup>lt;sup>16</sup> Of two projects aiming to transport the Azerbaijani gas through the territory of Turkey—Nabucco and the Trans-Anatolian pipeline, the latter seems to be more likely to be completed. It is backed by the Turkish and Azerbaijani government. See more: Olgu Okumuş, *Turkey's standing in gas pipeline games*, "GPoT Policy Brief", no. 31, March 2012, p. 4, www.gpotcenter.org.

year by the governments in Baku and Tehran should not be perceived as a normal state of affairs as it is leading to a further decline of mutual trust. The escalation of the problem in Azerbaijani-Iranian relations further aggravates the already tense situation in the region. However, the main security challenges remain the Azerbaijani-Armenian Nagorno-Karabakh conflict, the Kurdish question in Turkey, and Iran's nuclear ambitions. Nevertheless, no matter how far Azeri-Iranian relations deteriorate as a result of the current propaganda war, it will not affect Azerbaijan's strategic cooperation with Turkey and Western countries in the field of energy cooperation. On the other hand, the IRI authorities will not be interested in further destabilisation of the region; despite their ideological actions, they are also pragmatic. They understand the risks stemming from the politicisation of the Azeri Turks issue in Iran's North-western provinces. That would be the imminent result of an open conflict with Turkey and Azerbaijan.