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EFFECTS OF REGIONAL AND TRANSREGIONAL PLAYERS' POLICIES IN CONTINUATION OF TENSION BETWEEN IRAN AND AZERBAIJAN

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ABSTRACT

I ran and Azerbaijan are key countries in the Caspian Basin thanks to their historical continuity, religious and cultural similarities, shared energy resources, and strategic position. However, since Azerbaijan gained its independence, complex and contradictory interactions have been shaping their relations and influencing the region's dynamics. At the initial stage, their relations were affected by political and ideological differences, as well as the sharp increase in the geopolitical importance of the Caucasus and the Caspian Basin in past two decades. Nor could the role of external factors be ignored. The formation of new borders and political blocs, as well as access to energy resources have made the region a focal point in world geopolitics and provided grounds for the intervention of regional and transregional powers aiming to

attain their security, as well as their political and economic interests.

This study examines security, as well as the political and economic factors at the

internal and external levels that have contributed to escalation of the conflicts between Iran and Azerbaijan in the past two decades.

KEYWORDS: Caspian Basin, Azerbaijan, Iran, Shi'ite-majority, Nagorno-Karabakh conflict, Armenia, Caspian Sea legal regime.

Introduction

As one of the strategically important regions of the world, the Caucasus has a special kind of geography. The area is connected to the Caspian Sea from the east, the Black Sea from the west, the plains of southern Russia from the north, and Iran and Turkey from the south. The region connects Asia and Europe in both the North-South and East-West axes. It is also at the crossroads of two great religions—Islam and Christianity. The geographical structure of the area, as well as its large amounts of energy resources have doubled its importance in the world. Surveys to determine the amount of oil reserves in the region have shown that they are equal to those in the North Sea. Energy and security are two important vectors in the region's future development.¹ For many reasons, including its close proximity to the Caspian Sea, its geographical location, and its energy resource transit potential, the Caucasus is of great geopolitical importance to the West. A combination of these factors is the reason why it has attracted the attention of major and international powers.²

After the fall of the Soviet Union, Iran established relations with some of the newly independent countries, especially Shi'ite-majority Azerbaijan. The Nagorno-Karabakh conflict between Armenia and Azerbaijan made this region even more important. During the war, for different political, ideological, economic and security reasons, different countries supported Armenia or Azerbaijan. As a neighboring country, Iran tried to intervene and settle the disputes in order to ensure security on its northern borders.³ However, despite Iran's mediation attempts to resolve the conflict, the major powers, especially Russia at the time, were not inclined to recognize Iran's dominance over the region, therefore its mediation initiatives failed.

Azerbaijan accused Iran of supporting Armenia. However, the roots of the disputes go back to the time Azerbaijan first gained its independence. Although Iran recognized Azerbaijan immediately and raised bilateral relations from the consulate to embassy level, disputes have continued over legal jurisdiction of the Caspian Sea and the Azerbaijan Republic's Western-oriented stance.⁴ Despite efforts to reduce the disagreements between the two countries, one country sometimes condemns the other for interfering in its internal affairs and supporting terrorist groups. However, in the Southern Caucasus, Armenia and Iran have warm relations and are trying to raise them to a higher level.

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¹ See: N. Ghysari, M. Goudarzi, "Iran-Armenia Relationship: Opportunities and Obstacles," *Central Eurasian Studies*, Vol. 2, Issue 3, 2009, p. 122 (in Persian).

² See: D. Firouzabadi, S. Jalal, "Iran's Security Policies in the Southern Caucasus," *Geopolitics Quarterly*, Vol. 6, Issue 1, 2010, p. 209 (in Persian).

³ See: A. Maleki, "Iran's New Asian Identity," in: *Regional Security Issues*, ed. by G. Novikova, Amrost Group, Erevan, 2007, p. 71.

⁴ See: K. Afrasiabi, A. Maleki, "Iran's Foreign Policy after 11 September," *The Brown Journal of World Affairs*, Vol. IX, Issue 2, Winter/Spring 2003, p. 258.

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The power vacuum appeared immediately after the collapse of the Soviet Union and a series of crises in the Caucasus made this region a sphere of rivalry for regional and transregional powers striving to gain the maximum political, economic, and ideological benefits. Iran's foreign policy and level and depth of relations with the South Caucasian countries was affected enormously by the policies adopted and the behavior of the regional and transregional powers in the past two decades, while the geographical reality of the region shows that Iran's relations with the regional countries can be raised to a strategic level.⁵

The main question examined in this article is what are the roots of the tension between two countries that have cultural, historical, and religious ties? In particular, how do the goals and interests of the regional and transregional powers influence the controversy? The authors will attempt to address the subject using the analytic-descriptive method. To do so, the factors affecting the formation and deepening of the crisis at the internal, regional, and extra-regional levels will be discussed.

1. Conflicts in Bilateral Relations at the Domestic Level

The Azerbaijan Republic declared its independence on 30 August, 1991 and the country's Constitution was adopted on 12 November, 1995. Iran was one of the first countries to recognize Azerbaijan's independence. Both countries have a common culture, history, and religion, and their relations should enjoy a high level of regional and international cooperation. However, a series of legal, political, ideological, and economical disputes spoils these relations.

In addition to the issue of Iran's position on the Nagorno-Karabakh conflict, which was discussed briefly in the introduction, relations between Iran and Armenia have always been a sensitive topic for Azerbaijan. Iran recognized the Republic of Armenia just three months after it gained its independence. In 1992, due to border security and political interests in the region and in order to enhance economic, political, and cultural relations between the two countries, Iran established diplomatic relations with Armenia. Iran is interested in Armenia because of its geopolitical position as a key gateway for gaining access to the South Caucasian and European countries. The Iranian authorities hope that close ties with Armenia will pave the way for their country to play a more effective and larger role in the region.⁶ On the other hand, because of its lack of rich energy resources, non-accessibility to free waters, and deep racial-historical conflicts with both Azerbaijan and Turkey, Armenia is also oriented toward Iran.⁷ Azerbaijan considers Iran's ties with Armenia to be a sign of enmity and this always casts a shadow on the relations between the two countries.

The issue of Caspian Sea legal regime and each country's shares in it, as well as disagreements over energy resources and their transportation are other issues causing some controversies between the two countries.⁸ Azerbaijan's solution for sharing the Caspian Sea is to exploit the sea from the coast of the each country to the middle point of the sea (a point equidistant from all coastlines). Iran's definition of the legal regime of the Caspian Sea is the antithesis of the Republic of Azerbaijan's

⁵ See: E. Koulaei, "Iran and South Caucasus Geopolitics," *Geopolitics Quarterly*, Vol. 6, Issue 1, 2010, p. 82 (in Persian).

⁶ See: N. Ghysari, M. Goudarzi, op. cit., p. 130.

⁷ See: K. Sadegh Zadeh, "Iran's Strategy in the South Caucasus," *Caucasian Review of International Affairs*, Vol. 2 (1), 2008, p. 3.

⁸ See: C.W. Bandy, "The Caucasus Region and Caspian Basin: Change Competition and Challenge," *Conflict Studies Research*, No. 36, 1998, p. 15.

thesis. Iran emphasizes that any share should consider the seabed, as well as the sea's special characteristics, such as: shape of the sea, length of the sea, and distribution of energy resources. Therefore, these features must be considered to reach a fair solution.⁹ It should be noted that the disagreement over definition of the legal regime of Caspian Sea is not only limited to Azerbaijan, but to the other Caspian countries as well. However, it is made more obvious and serious since the two countries have common oil and gas resources in the disputed area. It is worth mentioning that the Caspian Region has the third largest oil and gas reserves after the Persian Gulf and Siberia, its estimated energy resources reaching about 4 percent of global reserves.¹⁰

Table

Region	Country	Proven Reserves, BP, End of 2005		Possible Additional
		Oil (billions of bbl.)	Natural Gas (trillion tcf)	Oil/Gas EIA
Caspian Sea Region	Azerbaijan	7.0	48	32/35
	Iran	0.1	n.a.	15/11
	Kazakhstan	39.6	106	92/88
	Russia	0.3	n.a.	7/n.a.
	Turkmenistan	0.5	102	38/159
	TOTAL	47.5	257	184/293
Reference Areas	United States	29	193	47/271
	North Sea	14	162	n.a.
	Saudi Arabia	264	244	n.a.
	WORLD	1,201	6,348	n.a.
Source:	CRSR Reports for Co	ongress, Order Code RS2119	0, 8 September, 2006.	

Estimates of Oil and Gas Reserves and Resources

Azerbaijan's policy aimed at establishing close ties with the U.S. and Israel has also had a negative effect on the country's relations with Iran.¹¹ U.S.-Azerbaijan military cooperation stimulates Iran's concern about the possibility of the U.S. using Azeri territory to attack Iran: it has increased Iran's anxiety about the military ties between these two countries. With the increasing pressure from the international community about Iran's nuclear programs, cooperation among the governments of Azerbaijan, the United States, and Israel has grown.

The authors of this study will further investigate how and to what extent the different goals and interests of the regional and transregional powers have affected the continuation and escalation

⁹ See: S.H. Mirfakhrai, "Caspian Sea Legal Regime, From Divergence to Convergence," *Law and Politics Studies*, Vol. 10, 2004, pp. 180-188 (in Persian).

¹⁰ See: BP Statistical Review of Word Energy, 2006.

¹¹ See: E. Koulaei, "Iran and South Caucasus Geopolitics," *Geopolitics Quarterly*, Vol. 6, Issue 1, 2010, p. 87 (in Persian).

of the dispute between the two countries. To do so, they will focus on the role of Turkey and Russia as main regional powers and players and Israel and the United States as transregional powers and players.

2. The Causes of Tension at the Regional Level

2.1. Turkey

In order to understand Turkey's role in the continuation and escalation of the crisis in Azerbaijani-Iranian relations, we must understand Turkey's foreign policy and its role in the Caucasian region at two different stages: before 2002, when the country was run by secular parties, and after 2002, when the Justice and Development Party came to power by a general election and the Turks began looking to play a more dynamic role in the region, sometimes called New Ottomanism in academic circles.¹² At the first stage, Turkey's foreign policy orientation, known as Kemalism, was based on the following six principles, and regional issues were not a priority in the country's foreign policy:

- 1. Nationalism;
- 2. Secularism;
- 3. Republicanism;
- 4. Populism;
- 5. Etatism; and
- 6. Reformism.

First, these characteristics caused Turkey to avoid regional issues and, second, brought it closer to the West with the aim of enjoying economic and political capabilities in order to be known as a European country.¹³ In the 1990s, this coincided with the rise in independence of the former Soviet republics and Turgut Özal's advent to power in Turkey. Turkey was one of the first countries to recognize the independence of the new republics and was glad to see five new countries with the Turkic language and many historical and cultural similarities in common, considering them new channels for spreading its dominance in the region. It was thought that after the Cold War, Turkey's importance in the region would decrease.¹⁴ However, the common cultural traits between these newly formed countries and Turkey caused a revival in Turkey's influence in the region.¹⁵ The country was looking for opportunities and interests in the region, especially in the Southern Caucasus.

A strategic alliance with the U.S. was the first goal that could be seen in the region for Turkey. The U.S.-led NATO forces needed allies to expand their influence. Accordingly, Turkey was one of

¹² See: N. Fisher Onar, "Neo-Ottomanism, Historical Legacies and Turkish Foreign Policy," *Discussion Paper Series-2009/03, Center for Economics and Foreign Policy Studies* (EDAM), 2009; O. Taspinar, *The Three Strategic Visions of Turkey*, US-Europe Analysis Series, No. 50, 8 March, 2011.

¹³ See: A. Omidi, F. Rezai, "Neo-Ottomanism in Turkey's New Foreign Policy: Characteristics and Effects on Middle East," *Foreign Policy Quarterly*, Vol. 3, Issue 3, 2011, pp. 236-237 (in Persian).

¹⁴ See: M. Aydin, "Turkish Policy toward the Caucasus," The Quarterly Journal, Vol. 1, Issue 3, 2002, p. 39.

¹⁵ See: A. Karakoç, *Turkey's Relations with Iran & the United Sates, a Shift in Alignment*, Unpublished Master Thesis, Naval Postgraduate School, Monterey, California, 2009, p. 59.

the countries the United States thought was playing a significant role in the region, while also taking advantage of its benefits.¹⁶

There are several reasons for Turkey to consolidate its relations with the Turkic republics. These reasons are common racial and cultural characteristics, as well as filling the power gap in the region after the fall of the Soviet Union. There is also rivalry with other countries, including Iran and Russia, for greater influence in the Caucasus.

After the collapse of the Soviet Union and downfall of the communist ideology, both Iran and Turkey engaged in ideological rivalry for influence over the Southern Caucasus and Central Asia. In this rivalry, Iran considered itself as representative of Islamic ideology, while Turkey, on the other hand, considered itself a representative of the secular and liberal ideology. However, Islamists came to power in Turkey in 2002, and the anti-religious position of the Turkish government became less ideological, although the rivalry between the two countries continued in other areas.¹⁷ Iran was pursuing a revolutionary policy in the region, while Turkey was following its national policy and defining a secular role for itself.

For Turkey, the Caucasus, and especially Azerbaijan, is a gateway to the Caspian Sea and Central Asia.¹⁸ Among all the other countries that gained their independence, Azerbaijan is the closest in language, culture, and ethnicity to Turkey. The oil pipelines and energy resources in Azerbaijan were good reasons for Turkey and Iran to compete over. This geopolitical and economic competition was obvious over the Nagorno-Karabakh conflict and with respect to energy transportation routes. Iran opposed the construction of the Baku-Tbilisi-Ceyhan pipeline, while Turkey went all out in its efforts to establish this direction as the main energy transportation route. From Iran's point of view, the Azerbaijan oil pipeline via Iran would also mean a lever of control over the behavior of Baku. One of Iran's major concerns in this regard is that the Iranian Azeris as an ethnic minority will be supported in seeking independence or unification with the Azerbaijan Republic.

Turkey's rivalry is economic and ideological with Iran, and political with Russia. Western governments have been encouraging this rivalry in order to prevent Iran and Russia from having an influence on the region. Turkey is following a policy of stimulating the Turkic-language countries, such as Azerbaijan, in order to take the reins of leadership in this region. On the other hand, Iran is determining its role according to the existing reality in this area and looking for a multifaceted role; in this regard, Iran's role to establish new organizations, such as the Caspian Sea Cooperation Organization, should be noted.¹⁹ Although both countries are pursuing security and national policies that aim to have an influence on Azerbaijan, Turkey is more successful than Iran due to its language similarities and attempts to attract the people.²⁰

The following shows how Turkey's policies in the Caucasus to reach its goals and interests have affected the disputes between Iran and Azerbaijan:

1. Iran and Turkey are competing for the title of dominant power in the region. In this rivalry, Turkey is doing its best to prevent the spread of Iranian model of political Islam by increasing an ideological competition against Iran in Azerbaijan. In this regard, the Turkish influ-

¹⁶ See: Gh.R. Hashemi, *Security in South Caucasus*, Institute for Political and International Studies, Tehran, 2005, p.137 (in Persian).

¹⁷ See: H. Rafi, I. Mazloumi, "Obstacles toward Cooperation of Iran and Turkey in Central Asia and the Caucasus," *Central Eurasian Studies*, Vol. 5, Issue 10, 2012, pp. 89.

¹⁸ See: B. Sinkaya, "Turkey-Iran Relations in the 1990s and the Role of Ideology," *Perception Journal of International Affairs*, Vol. X, Issue 1, 2005, p. 12.

¹⁹ See: S.R. Mousavi, "The Future of Caspian Sea, Central Asia and the Caucasus," *Studies Quarterly*, Vol. 65. 2009, p. 8 (in Persian).

²⁰ See: M. Aydin, op. cit., p. 40.

ence in Azerbaijan is working by promoting pan-Turkism and representing its governance model in order to eliminate Iran from this competition.

- 2. The other reason preventing Iran's influence in region and causing conflicts between Iran and Azerbaijan is the Nagorno-Karabakh crisis. Iran attempted to intervene in this crisis, but Turkey did not like this since it saw this intervention as opposing its own policies; therefore, Iran was eliminated from the peace negotiations.
- In light of the opportunities it sees ahead, Turkey is aiming at the following in the region:
- 1. Presenting its own governmental model to Azerbaijan.
- 2. Expanding Pan-Turkism.
- 3. Becoming a political and economic bridge between the West and the region.
- 4. Preventing expansion of Islamic fundamentalism.

According to what has been said, Iran's unstable relations with region's countries, especially Azerbaijan, have given Turkey the best opportunity to develop its influence. In the absence of a serious competitor, Turkey can expand and deepen its influence in the Southern Caucasus.

Russia

A glance at the history of the Caucasus reveals that the region has been under the influence of three regional countries: Turkey, Iran, and Russia. However, during recent decades, especially after the collapse of the Soviet Union, Western actors, especially the U.S., have been trying to penetrate the area. In the early 19th century, Russia occupied the Caucasus and Iran's influence as a dominant power in the region gradually decreased. However, after the collapse of the Soviet Union, Iran gained the opportunity to retain its influence in the Southern Caucasus and try to form high-level political and economic relations with the newly independent countries in the Caucasus and Central Asia.

Russians recognize the Caucasus as the Near Abroad and the region is extremely important to them due to its geopolitical and security conditions. As a result, they have recognized and defined substantial national interests in the region.²¹ At first Russia had a moderate opinion, but after Vladimir Putin came to power, this country's policy gradually changed. At this stage, Iran and Russia consider the U.S. a common enemy; therefore, Russia has opened up some opportunities for Iran in the region. However, Russia still views Iran as a rival power for the following reasons:

- A. The Caucasus and Central Asia have long been considered the exclusive domain of Russian dominance and its backyard; therefore, it does not want to see any other rival country in this important area.
- B. The regional countries are looking for alternatives to Russia for exchanging energy resources and expanding economic trade, which has aroused Russia's anxiety over the area.

Russia has no positive thoughts about Iran's participation in the future of the region. In particular, it is preventing Iran from engaging in certain oil and gas projects in the region. However, Russia influenced the relations between Iran and Azerbaijan in the following ways:

1. Russia used the Nagorno-Karabakh conflict as a lever of influence on the relations between Iran and Azerbaijan. Russia took advantage of the Nagorno-Karabakh conflict to eliminate

²¹ See: R. Firouzi, "Impact of Russia on Caucasus Region Countries' Foreign Policy," *Central Asia and Caucasus Studies*, No. 70, 2010, p. 95 (in Persian).

Iran from the competition and expand its own relations with Azerbaijan. Although Russia introduces Iran as an important player in the region, in practice it wants to keep Iran away from the regional competition. With respect to the Nagorno-Karabakh conflict and Iran's failure to mediate between the two warring sides, Baku believes that Iran is responsible for the results of the war with Armenia.

2. Russia is also using the Caspian Sea legal regime and putting pressure on the Caucasian countries to keep Iran away from energy transportation projects as ways to intervene in Iran-Azerbaijan relations. It has also been putting pressure on its ally Armenia to cut its economic and energy cooperation with Iran. For example, Russia has been raising obstacles to prevent Iran from building an oil refinery in Armenia and it finally yielded to Russia.²² As for the legal regime of the Caspian Sea, it should be noted that Iran and Russia were both on the same side because they believed that the Caspian Sea is not a true sea but a lake, so it is not included in Free Water laws,²³ but eventually Russia supported Azerbaijan's plan and left Iran alone.

3. Causes of Tension at the Trans-Regional Level

3.1. Israel

In the past two decades, Israel has been attempting to exert its influence on the Caucasus. The country has two main objectives in the region: pursuing its national interests in the Caucasus and weakening the influence of Iran, as its archenemy, in the region. Therefore, after Azerbaijan gained its independence, Israel tried to form warm and extensive relations with the country. Israel's motivation for establishing such relations is to guarantee itself a direct presence in a country with long border with Iran, a country that Tel Aviv considers its main enemy. The Israeli authorities strongly believe that since it has historical, religious, cultural, and geographical similarities with Azerbaijan, Iran could create a united front against Zionism. Therefore, they have tried to introduce Iran as a serious threat to the security and stability of Azerbaijan.²⁴ Another reason for Israel's presence in the region is the large population of Jews in the Southern Caucasus, especially in Azerbaijan.

Israel's relations with Azerbaijan can be viewed in the context of Ben-Gurion, Israel's first president. According to him, Israel should form and extend its ties with the surrounding non-Arab countries. Because Israel had no opportunity to collaborate with its Arab neighbors, it had to form an alliance with Iran, Turkey, and Ethiopia. However, the Islamic Revolution of Iran brought these efforts to naught. Since then, one of the priorities of Israel's foreign policy in the region has been to establish relations with moderate Islamic countries.

After the collapse of the Soviet Union and the formation of the new republics in the Caucasus, Israel has been engaged in strong rivalry with Iran in order to play a more influential role in the region and prevent the threat of Islamic fundamentalism. The country has tried hard to show that the threat of Islamic fundamentalism is worse than communism. Israel's relations with the new independent countries fulfilled David Ben-Gurion strategy,²⁵ but its presence in Azerbaijan has faced opposition from Iran and caused some tension between the two countries.

²² See: F. Atai, "Iran and South Caucasus Countries," Central Eurasian Studies, Vol. 5, Issue 10, 2012, p. 132.

²³ See: The 1982 U.N. Convention of the Law of the Sea, Arts 122 and 123.

²⁴ See: S. Vosoughi, "Security Threats to Iran's Interests in the South Caucasian Region," *Political and International Studies Quarterly* (Islamic Azad University of Shahreza), Vol. 1, Issue 1, 2008, p. 110 (in Persian).

²⁵ See: J. Karami, Israel Military Doctrine, Andishe Sazane Nour, Tehran, 2007, p. 46 (in Persian).

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Israel provides the Azeri military with the bulk of its equipment—a relationship capped by a \$1.4 billion deal for drones and air defense equipment between Israeli Aerospace Industries and Baku announced in January 2012. Many Israeli advisors, trainers, and technicians who work in Azerbaijan support this relationship. For Iran, the main purpose of the Israeli authorities' closer ties with the Azerbaijan Republic is to have direct access to Iran's borders, a concern that the Iranian authorities have repeatedly shared with their Azerbaijani counterparts.

Apart from security issues, support of the Baku-Ceyhan pipeline has continued the tension between Iran and Azerbaijan. The opening of this pipeline could reduce the geopolitical role of Iran²⁶ and give the United States and Israel the opportunity to take control over energy resources.

Accordingly, Israel's presence in Azerbaijan could affect relations between Iran and Azerbaijan in two different ways:

- 1. *Iran is concerned about Israel's presence in the region*: Iran is concerned about the military and security cooperation between Israel and Azerbaijan. Iran claims that Israel is using this territory for espionage.
- 2. *Economic cooperation between Israel and Azerbaijan*: Israel is the second largest oil importer from Azerbaijan. The two countries have signed an agreement on the coproduction and sale of military equipment. Moreover, Israel has been one of Azerbaijan's top five trade partners in recent years.

3.2. The United States

The United States is the largest transregional power in the Caucasian region and has identified a variety of substantial interests and a role for itself in the region. The U.S. considers Central Asia, the Caucasus, and the Caspian Basin to be an area of its strategic interests due their geopolitical and economic situation, especially their long borders with Russia and large amounts of oil and gas reserves.

The collapse of the Soviet Union provided a great opportunity for the U.S. to play a more active role in the Southern Caucasus. The U.S. has an eye on the region and its relations with Iran and has always tried to minimize and even eliminate Iran's influence on the region.²⁷ The country is looking to expand its economic ties, while having a lever of control over Russia, China, and Iran.²⁸ By incorporating the regional countries into its security plans and enlarging NATO to the east, the U.S. is deepening military alliances with countries in the region and has increased its influence for a long period.

The U.S.'s most important goals in this area can be classified as:

- A. Accessing the oil and gas resources and control over their extraction and export;
- B. Accessing regional markets and expanding its business ties;
- C. Preventing Russia and Iran from having an influence in the region;
- D. Strengthening security ties with countries in the region for a long period.²⁹

²⁶ See: A.V. Gholizadeh, Ya. Zaki, "Analysis of Iran's Geopolitical and Geo-Economic Position for Caucasian and Central Asia Countries," *Geopolitics Quarterly*, Vol. 4, Issue 3, 2008, p. 36 (in Persian).

²⁷ See: S. Vosoughi, op. cit., p. 109.

²⁸ See: I. Nicu Sava, "Geopolitical Patterns of Euro-Atlanticism, a Perspective from South Eastern Europe," Conflict Studies Research Center, *Central and Eastern Europe Series*, 04/16, 2004, p. 16

²⁹ See: B. Amir Ahmadiyan, "Analysis of Reasons and Effects of the United States of America's Presence in the Caucasus," *Geopolitics Quarterly*, Vol. 5, issue. 2, pp. 89-90.

The U.S. policies have caused some other conflicts between Iran and Azerbaijan over the last two decades:

- 1. Supporting Azerbaijan's accession to NATO; if this country joins the NATO alliance, the U.S. will have access to all the northwestern borders of Iran and its presence in the area will be guaranteed. NATO joint military operations in Azerbaijan have increased Iran's concerns.
- 2. U.S. plans to establish military bases in Azerbaijan territory have also caused Iran's dissatisfaction. In 2003, the U.S. held negotiations in order to build a number of military facilities in Azerbaijan, and in 2005 Baku confirmed that the U.S. had deployed two radars on its borders.³⁰ Over the past few years, the U.S. has been gradually increasing its military and security cooperation with Azerbaijan.
- 3. Eliminating Iran from Caspian Sea oil and gas projects, the U.S. is striving to diversify the energy transportation routes to the West. The U.S. did its best to prevent the pipeline from crossing Iranian territory, preferring to back the Baku-Tbilisi-Ceyhan pipeline instead.

Conclusions

The geostrategic position of the Caucasus in close proximity to Europe, Russia, Central Asia, and the Middle East, as well as its energy resources and markets, and also financial interests have made the region increasingly important in world politics. These national interests of various countries include ideological, political, economic, security, military, and cultural interests. In particular, the region's demographic, historical, linguistic, racial, religious, and cultural characteristics, as well as its special geographical location have added to the complexity of the region. All of these elements have provided grounds for rivalry among the regional and extra-regional powers in the Caucasus.

Although Iran and Azerbaijan have common cultural and historical backgrounds, they have faced many difficulties in their relations from the beginning. The governments' various attempts to reach a compromise have failed, and the tension remains. Iran and Azerbaijan are embroiled in a conflict that is rooted partly in intra-regional factors and the domestic policies adopted by each country, which include ideological conflicts and disputes (the legal regime of the Caspian Sea and the Nagorno-Karabakh conflict).

This depth of conflict depends on the role and policies of other actors in the region. The attempts of Russia and the United States to influence the political, economic, and military situation in the area and the presence of other actors such as Israel and Turkey will continue to cast a shadow on the relations between Iran and Azerbaijan in the long term. Even if there are policy shifts in Iran, the United States, and Israel, as well as in their relations toward each other, the region, Iran and Azerbaijan included, will be unable to steer clear of an ideological struggle. Aside from these ideological conflicts, the geopolitical and geostrategic reality in the region in terms of economic and financial opportunities leads us to assume there will be no reduction in the conflicts in the Caucasus in general or in the crisis between Iran and Azerbaijan in particular.

³⁰ See: U. Chaboki, "Iran and Azerbaijan Relationship Challenges," *Central Eurasian Studies*, Vol. 2, Issue 6, 2009, p. 75.