

# BEAR TRAP:

## RUSSIA'S SELF-DEFEATING FOREIGN POLICY IN THE MIDDLE EAST

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BY INNA LAZAREVA  
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RUSSIA STUDIES  
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This paper is written in the authors' personal capacities and the views expressed are theirs alone.

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# Executive summary

- Russia's foreign policy in the Middle East/North Africa (MENA) region has traditionally been explained in one of three ways:

- 1 AS A ZERO-SUM GAME - I.E. WHATEVER IS GOOD FOR THE WEST IS BAD FOR RUSSIA AND VICE VERSA;**
- 2 AS A VEHICLE FOR PROMOTING AND SUPPORTING ITS ENERGY INTERESTS; AND**
- 3 AS AN OPAQUE COMPROMISE AMONG VARIOUS ELITE INTERESTS.**

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- Russian policy towards Libya, Syria and Iran has exemplified all of these strands, and is likely to ultimately undermine Russian interests in the region in each case.
  - Although Moscow may, in some cases, act as a "spoiler" in intentionally seeking to undermine Western interests, such a policy will not yield long-term dividends, domestically or internationally.
  - **IN LIBYA**, the Russian government based its policy primarily on perceived economic interests and a zero-sum analysis of the West's putative interest in regime change. Russia abstained from the UN Security Council Resolution 1973 enforcing a no-fly zone over Libya, and subsequently condemned the 2011 NATO intervention in Libya, despite Gaddafi's violent crackdown on civilians. Unsurprisingly, Gaddafi's removal from power and demise has undermined Russia's energy, arms, infrastructure and diplomatic interests in the country.
  - **IN SYRIA**, the Kremlin's desperate attempts to preserve its alliance with the Assad regime will likely prove counter-productive. Russia has supported and armed a regime in a country where over 17,000 people have been killed since March 2011, and has obstructed peacemaking efforts on the international stage, including three vetoes against action on Syria at the UN Security Council. Whether Assad remains in power or is deposed, the Kremlin is risking economic and diplomatic losses in Syria and the region by following this strategy.
  - **IN IRAN**, Russia's current policies serve its interests both as a negotiator in the EU 3 + 3 (UK, France, Germany plus Russia, United States and China) and an economic partner to the Islamic Republic. However, all four possible outcomes to the nuclear question – whether Iran obtains the bomb, reaches a negotiated agreement with the West, suffers a pre-emptive strike or continues to negotiate indefinitely – are set to be detrimental to Russian strategic interests in the long-term.
  - Ultimately, Russian policy in relation to these three countries represents a worrying predilection for sacrificing concrete long-term interests for the sake of achieving dubious short-term goals.

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# Introduction

## RUSSIAN STRATEGIC INTERESTS IN THE MENA REGION

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Russia's foreign policy in the MENA region has traditionally been explained in one of three ways: as a zero-sum game – i.e. whatever is good for the West is bad for Russia and vice versa; as a vehicle for promoting and supporting its energy interests; and as an opaque compromise between various elite interests.

The unifying element in these assessments is a fundamentally cynical attitude towards a region in crisis. Analysing Russian policy towards Libya, Syria and Iran, this report contends that the Russian government's approach<sup>1</sup> to those countries will ultimately undermine the Kremlin's long-term ability to exert economic and political influence in the MENA region. Although Moscow may, in some cases, act as a "spoiler" in undermining the interests of other powers, this strategy ultimately will not yield dividends domestically or internationally.

Russian policy towards Libya demonstrates how Russian energy, arms, infrastructure and diplomatic interests were prejudiced by the zero-sum "spoiler policy" approach, as manifested by Moscow's strong stand against NATO's actions in 2011. In Syria, the Kremlin's desperate attempts to preserve the economic and political benefits it derives from the Assad regime will likely prove counter-productive, regardless of whether Bashar al-Assad remains in power. In Iran, Russia's current policy is arguably one of "controlled-tension,"<sup>2</sup> where economic interests clash with its support of UN Security Council nuclear sanctions.

Ultimately, it is clear from the analysis of Russia's conduct in Libya, Syria and Iran that the Kremlin conducts its foreign policy on the basis of misconceived short-term calculations, which will potentially cause significant damage to its long-term interests.



# Libya

## HISTORICAL BACKGROUND: RUSSIAN-LIBYAN COOPERATION

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Russia has a longstanding interest in Libya, dating from the Soviet period through the presidencies of Vladimir Putin and Dmitri Medvedev. The Gaddafi regime collaborated with the Soviet Union after the former overthrew Libya's pro-Western monarchy in 1969. The two countries shared a natural alliance: the Kremlin sought to undermine American influence in the region, and the Libyans sought arms and trade from the Soviet superpower, and also shared the Soviet hostility to Western interests.<sup>3</sup> By the 1970s, the trade volume between the Soviet Union and Libya reached approximately \$100 million per year. This increased after the US banned imports of Libyan oil in 1982 and embargoed supplies of high-tech equipment to the country.<sup>4</sup> At this time, 90 per cent of the total arms in the country were supplied by Moscow, giving Gaddafi's armed forces the highest ratio of military equipment to manpower in the world.<sup>5</sup>

Tripoli accumulated a large debt to Moscow over the years, which played a significant role in the Libyan-Russian rapprochement under Putin. In 2008, \$100 million of the \$4.6 billion owed to Russia was cancelled, while the remaining \$4.5 billion was forgiven in exchange for signing lucrative contracts, including the construction of railways and the sale of weapons in Libya. In the same year, the Russian state-controlled gas company, Gazprom, offered to buy all of Libya's oil and gas exports, raising concerns about Russia's ambition to dominate the European gas market. This did not go ahead, but the close economic cooperation between the two countries continued.

Russia based its policy in Libya primarily on economic factors and the countries' shared interest in undermining Western influence in the region.<sup>6</sup> During the Libyan uprising in 2011, Russia abstained from the UN Security Council Resolution 1973 enforcing a no-fly zone over Libya. The Kremlin then condemned NATO's military intervention. After Gaddafi was removed from power and killed, Moscow's energy, arms, infrastructure and diplomatic interests were harmed by the zero-sum "spoiler" policy.

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## ENERGY

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Libya holds Africa's largest proven crude oil reserves. Russia's own reserves are the second largest in the world. However, the existing reservoirs in Russia are dwindling as a result of under-investment in technological development, and a lack of exploration of new oil fields, while the cost of extraction is rising. According to

the Economist Intelligence Unit's recent Russia report, the Kremlin's budget's reliance on oil "has increased greatly."<sup>7</sup> It is clear that Russia needs to secure additional oil contracts in order to expand at a rate commensurate with the demands of its energy-dominated economy.

At present, Russian energy investment in Libya appears to be under threat. The Libyan National Transitional Council (NTC) has announced that all the countries

that joined the NATO effort to help remove Gaddafi from power will be rewarded, but Russia's lack of support for the intervention has made it likely that the country will miss out of this lucrative opportunity. Abdeljalil Mayouf, information manager at Libyan rebel oil firm AGOCO, was quoted in August 2011 as saying, "We don't have a problem with Western countries like the Italians, French and UK companies. But we may have some political issues with Russia, China and Brazil."<sup>8</sup> This sentiment was re-iterated by the Libyan National Oil Company's acting production manager, Musa Ahmed, in July 2012: "All the countries that stood beside Libyans during the war should have a chance. I feel not happy with Russia and China."<sup>9</sup>

While the NTC has acknowledged that previous contracts will be honoured, the extent to which Russian companies will be allowed to operate remains uncertain. As of July 2012, the oil company Tatneft has not been able to resume operations in Libya, where it has assets worth 5.707 billion rubles.<sup>10</sup> Other potential losses could include Libya's Elephant oil field, where Gazprom was set to acquire a 33 per cent share, a deal which remains suspended.<sup>11</sup> The project was credited with holding recoverable reserves of around 700 million barrels, and the deal held jointly with Italian energy company ENI was evaluated at \$180 million.<sup>12</sup>

According to Vladislav Senkovich, an expert from the International Economic Cooperation Department of the Russian Chamber of Commerce and Industry, "The bulk of construction contracts that might be offered to Russian companies [in Libya] would be in the non-energy sphere"<sup>13</sup> – a far less lucrative option. Furthermore, a large part of Russian infrastructure remains in Libya. Diplomatic sources revealed to the author that Russian energy companies invested \$265 million in 14 oil drills, and recovery

or compensation has yet to be settled. In May 2012, Kommersant noted that the majority of the contracts signed with Libya in return for Russia's cancellation of its debt received the personal guarantee of Gaddafi, leaving the future of the contracts today very much in doubt.<sup>14</sup>

## TRADE

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Russian-Libyan trade has been demonstrably harmed by Russia's cynical stance towards the Libyan uprising. In March 2012, the Libyan Prime Minister Abd al-Rahim al-Keib stated that the Russian contracts signed under the rule of Muammar Gaddafi will be re-examined, blaming Moscow's unsympathetic stance towards the opposition during the uprising.<sup>15</sup> Russian Foreign Minister Sergey Lavrov stated in April 2012 that Libya's governing NTC is "...difficult to negotiate with,"<sup>16</sup> fueling speculation of a potentially long-term breakdown in trade relations between the two countries.

Russian trade experts are pessimistic about the resumption of relations with Libya. In August 2011, the head of the Russian-Libyan Business Council, Aram Shegunts, told Reuters: "We have lost Libya completely. Our companies won't be given the green light to work there. If anyone thinks otherwise they are wrong. Our companies will lose everything there because NATO will prevent them from doing their business in Libya."<sup>17</sup>

Vladislav Senkovich was similarly pessimistic, commenting that "Most Russian companies will not be able to recover their position in Libya, despite Russia's recognition of the legitimate authority of the NTC."<sup>18</sup> While special privileges are likely to be accorded to American, British and French companies, Senkovich predicts that "...their Russian competitors (OAO "Stroytransgaz", ZAO "Monolitspetsstroy", et cetera) will be driven off the Libyan market."<sup>19</sup>

## INFRASTRUCTURE

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Some of the Russian infrastructure contracts in Libya have been suspended and may be cancelled. Russian Railways signed the largest construction project in the company's history, with plans to build a 550km high-speed railroad between Sirte and Benghazi in 2008 at a cost of \$3.5 billion.<sup>20</sup> The future of the contract is now unclear. The CEO of the company, Vladimir Yakunin, was quoted as saying in July 2012: "We've frozen there at least 20 billion roubles (\$610 million). We invested and didn't get the money back."<sup>21</sup>

## ARMS

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The arms embargo imposed upon Libya has cost Rosoboronexport, Russia's largest state-run arms exporter, \$4 billion dollars.<sup>22</sup> The Kremlin has also been disgraced in the international community over its arming of the Gaddafi regime. According to a report by the Centre for Strategic and International Studies, Russia supplied Libyan loyalist forces with the SA-24 Grinch missile system, which has been described as "...one of the few weapons that can actually pose a threat to NATO aircraft operating within an 11,000 feet ceiling."<sup>23</sup> The Russian supplier, arms manufacturer KBM, insisted it only sold the truck-mounted version, and claimed that Libya lacked the triggering mechanisms to convert the device into a man-portable system.<sup>24</sup>

## DIPLOMATIC LEVERAGE

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Russia now lacks diplomatic leverage with the post-Gaddafi Libyan government in many areas, including issues that affect Russian citizens. For example,

two Russians were among the 24 Commonwealth of Independent States (CIS) nationals put on trial by the Libyan government in April 2012. They were charged with aiding the Gaddafi forces by repairing their military hardware,<sup>25</sup> with one of the individuals receiving a life sentence, and the other receiving a ten-year sentence.<sup>26</sup> Moscow's Ambassador to Libya, Ivan Molotkov, has described the sentence as "unreasonably harsh."<sup>27</sup> In a sign of Russia's mounting desperation, in March 2012 the Russian Ambassador to the United Kingdom asked the British government—with which Russia has suspended key diplomatic channels since the murder of Russian dissident Alexander Litvinenko—to "...assist with their [the Russian citizens] release through contacts with the Libyan authorities"<sup>28</sup>.

## CONCLUSION

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The case of Libya demonstrates how Russian interests have been prejudiced by the zero-sum "spoiler" policy, as manifested by Moscow's stand against the NATO intervention in 2011. As a consequence of this short-sighted approach, Russian infrastructure, trade and energy contracts in Libya have suffered, diplomatic relations between Russia and Libya have become decidedly frosty, and two Russian citizens have been prosecuted by the new Libyan government.

# Syria

## HISTORICAL BACKGROUND: RUSSIAN-SYRIAN COOPERATION

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During the Cold War, the Soviet Union used Syria as an anchor for its Middle Eastern policy, particularly after Anwar Sadat distanced Egypt from the Kremlin and difficulties arose in Moscow's relations with the Ba'athist regime in Iraq. Damascus became a proxy for Soviet interests; for example, the decision to arm Syria for the 1973 Arab-Israeli war was driven by Brezhnev's desire to undermine an American ally, Israel, and to bring Soviet troops into the heart of the region via the deployment of a peacekeeping mission.

Following the collapse of the Soviet Union, the Russia-Syrian alliance experienced a brief hiatus before once again developing a close economic and strategic partnership under the leadership of Vladimir Putin. In 2005, Russia agreed to forgive \$9.8 billion of Syria's Soviet-era debt in exchange for a host of trade, energy, infrastructure and arms contracts. In the same year, Russian-Syrian trade increased by one third, to \$460 million. By 2009, Russian investment in Syria was estimated to have reached \$19.4 billion.<sup>29</sup>

Since the popular uprising against the Assad regime began in March 2011, Russia has pursued a policy of strongly backing the regime. Historian Andrej Kreutz describes this policy tradition as "...cautious and marked by self-interested pragmatism."<sup>30</sup> In the short-term, Russia has even gained from the uprising through increased arms sales, and some maintain that Russia will benefit further from its loyalty to Assad if the regime is able to retain its grip on power.

However, Russia's support of Assad seems set to backfire against its interests in Syria and the region. Moscow has supported and armed a regime widely held responsible for the deaths 17,000 people since March 2011. In May 2012, Russia joined other UN Security Council members in condemning the Houla massacre in Syria where 108 people, mainly women and children were killed, but insisted on a watered down version of the statement indicating an equivalency between the actions of the pro-regime forces and those of rebel groups. Russia has also impeded international efforts to bring the violence in Syria to an end, obstructing efforts by the UN Security Council (i.e. imposing a veto on three successive Resolutions on Syria), as well as regional actors including the Arab League and the European Union.

It is also worth noting that Russia has pushed for Iran—the Assad regime's most steadfast

regional ally— to occupy a key role in a negotiated settlement to the Syrian crisis. Moreover, Russia's third veto on Syria at the UN Security Council on 19 July 2012 came less than 24 hours after a bomb attack on the Syrian government compound, where four of Assad's top security chiefs were killed. Russia's continued support of Syria, even at this watershed moment in the conflict, demonstrates a gross miscalculation on the part of the Kremlin, and further entrenches Russia in the unsavoury role of propping up the Assad regime. While Russia may draw short-term dividends from its stance on Syria for now, its support for Assad is likely to harm its interests in the region in the long run, regardless of whether Assad remains in power or is ousted.

In this section, the viability of Russia's interests in Syria is analysed in the context of three potential outcomes of the Syrian uprising.

## **SCENARIO A: THE SYRIAN UPRISING FADES AND VIOLENCE CEASES**

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Russia's strategic and commercial interests in Syria suggest that the best outcome from the Kremlin's perspective would be for the uprising to end, one way or another. This hope is unlikely to come to pass given the intensity of the violence since the beginning of 2012. As the uprising and massacres continue and defections increase, the Annan peace plan has been declared a failure by the special envoy to Syria Kofi Annan himself.<sup>31</sup> As a consequence, the international community is facing ever-increasing pressure to halt the violence.

Russia's unyielding support for the Assad regime has been rejected by much of the community of nations, with countries including Saudi Arabia and Qatar supplying arms and financial support to the Free Syrian Army (FSA).<sup>32</sup> Turkey has played perhaps the most significant role thus far by permitting the establishment of a command center in Antakya to coordinate the supply of weapons to the rebel fighters in Syria.<sup>33</sup>

The evidence indicates that the Syrian regime is rapidly losing strength: the

government is running out of resources with which to procure more arms and support its payroll, and the economy is in tatters and headed for collapse. The aforementioned 18 July attack on the Syrian government resulted in the death of the deputy head of the armed forces (and Assad's closest security advisor), the minister of defence and a crisis management chief, and signals the clearest sign yet that the Assad regime is falling apart. The conflict has also become increasingly sectarian – with anti-Shia violence rising in the Sunni-majority country, and many Syrians left with personal scores to settle. As one Syrian analyst interviewed for this report commented, "Everyone knows someone who has been killed—a friend, a neighbour, or a member of the family. The struggle is now personal."<sup>34</sup> The consensus amongst observers on all sides is that there is no way the regime can recover from the uprising after demonstrating such brutality.

## **SCENARIO B: ASSAD STEPS DOWN OR IS REMOVED FROM POWER**

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If Assad steps down or is removed from power in the next 12 months (i.e. by July 2013), Russia is likely to lose a substantial

economic and political foothold, both in Syria and in the wider Middle East.

## TRADE AND INVESTMENT

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Russian-Syrian trade has only ever comprised a small component of the Russia's global trade interest: according to the most recent European Union (EU) statistics, Syria was Moscow's 27th biggest trade partner, generating only 0.2 per cent of the total trade revenue.<sup>35</sup> However, Russian investment in the Syrian economy is not insignificant, and the impact of losing lucrative infrastructure projects will be felt keenly if and when they are cancelled.

## ARMS TRADE

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The arms trade is a crucial component of the Russian-Syrian economic relationship. According to Dr Stefan Meister, the military industry constitutes the core of Vladimir Putin's conception of what is needed for the modernisation of Russia.<sup>36</sup> For the Assad regime, Russia is undoubtedly a key source of weaponry: according to the Stockholm International Peace Research Institute (SIPRI), 78 per cent of Syria's imports of major conventional weapons between 2007 and 2011 were supplied by Russia.<sup>37</sup>

SIPRI's database of Russian arms exports further demonstrates that deliveries to Syria increased from \$7 million in 2005 to \$294 million in 2010.<sup>38</sup> In February 2012, *Nezavisimaya Gazeta* estimated the latest bilateral contracts for the delivery of arms at \$4 billion.<sup>39</sup> A regime defector, who served as a military auditor at the Syrian Ministry of Defence until January 2012, reported in an interview with the *Christian Science Monitor* that prior to the Syrian uprising, Russian arms

accounted for 50 per cent of all military contracts (alongside 30 per cent for China and North Korea and 20 per cent for Iran). He also reported that the Syrian defence budget in 2011 doubled and deliveries of Russian arms increased to a monthly basis.<sup>40</sup> According to a June 2012 report by the Russian think tank CAST, Russia is expected to deliver air defence systems, reconditioned helicopters and fighter jets to Syria this year in contracts worth nearly \$500,000,000.<sup>41</sup>

Russia's arms sales to Syria have increased in importance as demand from other traditional clients has decreased. Trade with Russia's most significant clients, China and India, is declining as the Chinese, and to a lesser extent Indian, markets have become increasingly saturated.<sup>42</sup> The Czech Republic did not import any arms from Russia at all in 2011, while Sudan and Yemen have also substantially decreased their orders.<sup>43</sup> In 2011, Russian arms exports fell for the first time since the late 1990s.<sup>44</sup> As discussed in the previous section, Russia also lost \$4 billion in arms contracts to Libya in 2011, and an estimated \$1 billion in weapons sales to Iran following Russia's acceptance of international sanctions against Tehran in 2010.<sup>45</sup> In the event that Bashar al-Assad is removed from power, it is unlikely that the new Syrian government will be prepared to import weapons from a country which armed the previous regime.

## NAVAL AND MILITARY PRESENCE

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Russia's naval base in Tartus—the country's sole remaining military base in the Middle East—is also likely to be lost if Assad is removed from power. The Tartus base enables Russia to repair, refuel and

restock Russian ships. Although experts such as Pavel Felgenhauer refer to the Tartus base as a "...vestige of a lost empire [...] with zero military significance,"<sup>46</sup> the importance of its loss as both a strategic asset and as a symbol of Russia's geopolitical influence should not be underestimated.

To date, the Syrian National Council (SNC)—the primary umbrella group for the Syrian opposition—has offered to continue contracts with Russia and allow it to maintain its naval base at Tartus, in exchange for Moscow's cooperation at the UN. Thus far, Moscow has refused this offer.

Russia has also maintained a high-level contingent of military advisers in Syria since the Cold War era. Damascus has provided Russian military intelligence with its primary foothold in a volatile region, with mutual training facilities and agreements. According to many analysts, thousands of Russian experts reside in Syria—some working on civilian projects, while others advise the Syrian army on the use of up to date technology and intelligence equipment.<sup>47</sup> If Assad were to relinquish power, Russia's military and intelligence services would also lose this core presence in the Middle East region.

## INTERNATIONAL POLITICAL STANDING

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The Kremlin's international standing has been brought into disrepute by its support for the Assad regime, and its downfall would only increase the damage wrought by this approach. As Dr Ekaterina Stepanova of Moscow's Institute of the World Economy and International Relations noted:

"The series of protests at the Russian

embassies in several Arab countries provoked by Moscow's stance on Syria has been unprecedented. The phenomenon was unheard of since the demonstrations that took place in Cairo in 1967 in the wake of Egypt's defeat in the six-day war, as a sign of the 'Arab street' anger about "insufficient" Soviet support."<sup>48</sup>

In a region undergoing political and social upheaval against corrupt and undemocratic governments, support for countries with ties with the Assad regime is unlikely to bring Russia significant trade and economic contracts, and has already almost certainly reduced its regional influence.

## DOMESTIC POLITICAL IMPACT

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If Assad is ultimately removed from power, this will also diminish Putin's domestic standing in Russia. Indeed, Putin's waning popularity is arguably one of the factors motivating his strong stance in defence of Assad, whom he sees as similarly under threat from domestic enemies. For example, on 4 February 2012—the same day that Russia vetoed a UN Security Council Resolution calling on Assad to step down—Russia's domestic opposition activists held a rally of thousands. The timing of the veto may have been coincidental, but it was almost certainly designed to communicate a hard-line commitment to the perceived Russian "sphere of influence"—a classic trope of Putin's strongman-style politics. According to Stefan Meister, this is an example of Putin using foreign policy as a means of legitimising his domestic position.<sup>49</sup>

Dr Bobo Lo, a veteran Russia analyst and former diplomat, has argued that Putin is exploiting the fact that it would be

politically difficult for President Obama to approve a military intervention in Syria ahead of the US presidential elections in November, as well as the European Union's preoccupation with the Eurozone crisis. According to Lo, "The case of Egypt and Syria is instructive. Russia contrasts its steadfast support for Assad with America's dropping of Mubarak and is saying 'we are a reliable ally, we will not turn our back on you.'"<sup>50</sup> By doing so, the Kremlin has calculated that it will bolster its leverage and influence as an ally whilst projecting an image of unshakeable strength at home and abroad.

Taken at face value, such a strategy could be interpreted as a clever, if ruthless, example of *realpolitik*. Yet upon further examination, it is clear that this approach is less a product of logical calculations; rather, it is indicative of a policy apparatus that has become increasingly paranoid, due in part to a fear of losing power at home and abroad.

## IMPACT ON THE NORTH CAUCASUS

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The Kremlin is known to be anxious about the effect the Arab Spring could have on its volatile, and predominantly Muslim, North Caucasus region. If Assad falls, the North Caucasus could be inspired to once again challenge Kremlin control. As Mark N. Katz, Professor of Government and Politics at the George Mason University, has noted:

"Medvedev warned about the rise to power of 'fanatics' in the Middle East, and warned of 'fires for decades and the spread of extremism' there. He even suggested that 'foreign elements' were fomenting these uprisings, and that their ultimate intention was to bring political change to Russia. Prime Minister Vladimir Putin warned that 'external interference' could lead to the rise of Islamists, and that their rise in North

Africa could negatively affect other regions, including Russia's North Caucasus."<sup>51</sup>

The situation in the North Caucasus has been persistently unstable, and in recent years, Islamist insurgents have spread from Chechnya to other areas of the North Caucasus. According to the Economist Intelligence Unit (EIU), "After the bombing of Moscow Metro in March 2010 and the city's busiest airport in January 2011, there is a risk of further high-profile attacks. These would threaten to increase already serious inter-ethnic tensions to destabilising levels."<sup>52</sup> As reported by the Ponard Eurasia Institute at the George Washington University, in the North Caucasus violent conflicts have escalated since 2008, creating "...a theatre of non-stop combat operations stretching from Dagestan to Kabardino-Balkaria." As a consequence, the increased flow of funds from the Russian government has financed clan warfare amongst the local elites, while the population has suffered. This is generating popular discontent that could manifest in the spread of Islamism and the creation of a potentially revolutionary situation.<sup>53</sup>

If Assad relinquishes power, neither a democratic nor a Sunni fundamentalist regime in Damascus is likely to be as sympathetic to Moscow's stance on Chechnya. In June 2012, the Secretary of the Russian Security Council, Nikolay Patrushev, reported that the council has "...sufficient grounds to believe that Islamisation and radicalisation of certain Middle Eastern and North African countries after the Arab Spring may convert them into a 'nest' of terrorism that could threaten the Russian Federation," leading to "...an increase in terrorist activity and the number of militants in several Russian regions."<sup>54</sup>

Patrushev added that such militants could include "...those from the ranks of Islamists from foreign countries,"<sup>55</sup> noting that the "bandits" killed in North Caucasus in 2012 received "...insurgency training in the



Lebanese Republic and fought on the side of the international terrorist organisation Fatah al-Islam.”<sup>56</sup> He also cited the “...uncontrolled proliferation of conventional arms from Syria” as “...a particular threat to Russia.” Such a development would be ironic, given the fact that there is concrete evidence that Hamas and Hezbollah are in possession of Russian arms, though Moscow has always claimed that these were purchased on the black market. Indeed, Patrushev’s observation demonstrates the inadvertently self-defeating position Russia has placed itself in: if the Assad regime falls, the outflow of weapons may very well end up arming anti-Russian insurgents.

However, some analysts argue that the link between the North Caucasus and the situation in Syria is not as strong as the Russian government has maintained, and that the supposed connection is being exploited to justify Russia’s continued support of the Assad regime. “Even if this is normally a big issue for Russia because of the rise of radical Islamism in the North Caucasus and Central Asia, it is not the big issue in the case of Syria,” said Stefan Meister. “Syria is about losing influence in a region where the US and the West might win more influence. It is about the international prestige of Russia which can be used for domestic policy. Finally, it is about the fact that Russia cannot accept any foreign intervention, and guarantees the sovereignty of a state, because it is afraid that one day, the same could happen to Russia.”<sup>57</sup>

## SCENARIO C: STALEMATE

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In the event of a protracted stalemate in Syria, the stress of international demands on Bashar al-Assad could shift from regime change to simply halting violence or minimising bloodshed. In such a scenario, Assad could remain in power

nominally, but would most likely lack credibility. If Assad remains in power, it is difficult to imagine any conditions under which peace, stability or economic health could be restored to Syria—making a partnership with the country far less of an appealing prospect to Russia than it once might have been.

## ECONOMIC IMPLICATIONS

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Economically, post-conflict Syria will be in tatters and will no longer be a profitable trade partner for Russia. Syria’s oil sector, an artery of the economy, has lost around 4 billion Syrian pounds since March 2011. While Russia may have printed banknotes for Damascus,<sup>58</sup> it is unlikely to see any financial dividends or indeed payment for its arms supplies in the near future—and, as with Libya, may never see a return on its investment. In June 2012, the UN’s head of peacekeeping confirmed for the first time that Syria is in a state of civil war, and it is well-established that the Assad government has lost control of “large chunks” of cities.<sup>59</sup> This is not a fertile climate for any investor, but even less so for Russia, which faces an increased risk of reprisal attacks on its facilities due to its support of Assad.

## DOMESTIC POLITICAL IMPLICATIONS

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The Russian-Syrian relationship in the past has included instances of political support and reciprocity. Most notably, in 2008, Syria was one of the few countries to support Russia’s war with Georgia. Assad even went as far as to say that the conflict represented “...the culmination of attempts to encircle and isolate Russia.”<sup>60</sup>

However, with a disgraced Assad clinging to power, Syria will not afford Russia any political advantages. In fact, the value of Assad's political support to Russia could even be detrimental to Russia, in light of the country's own recent protests against Putin. Moscow is unlikely to seek out political legitimisation from a leader dubbed "butcher" in the region.

## RUSSIA'S REGIONAL PRESENCE

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If Assad remains in power, Syria's diminished capacity as a power broker would significantly lessen the rewards of a partnership for Russia. Even before the uprising began, Damascus' attempts to position itself as a diplomatic broker in the region had begun to falter, diminishing the value of the alliance for Russia. For example, in 2002 Syria refused to take part in an otherwise pan-Arab peace initiative for the Israeli-Palestinian conflict. Syria also failed to reconcile the rival Palestinian factions Hamas and Fatah. In a further blow to Syria's power and prestige, Hamas recently abandoned its headquarters in Damascus, no longer willing to support the regime's violence against protestors. Moreover, Syria's relationship with neighbouring Lebanon remains problematic following the Assad regime's suspected involvement in the murder of Rafiq Hariri and Damascus' long history of meddling in Lebanese internal affairs.

Syria's relations with neighbouring Jordan are also tense; King Abdullah was the first Arab leader to call for Assad to step down since the beginning of the Syrian uprising. Syria's ally in Lebanon, Hezbollah, is facing opposition in northern Lebanon over its support of Assad, and Assad's popularity has further been damaged by several

kidnapping and assassination attempts within Lebanese territory attributed to which have been attributed to Syrian regime forces.<sup>61</sup> Association with Syria hardly lends Russia credibility with these important regional powers, and could further undermine Russia's regional influence as a consequence.

Russian relations with the wealthy Gulf States have already been damaged by its support for the Assad regime, and a protracted stalemate is unlikely to be looked upon favourably by those key powers. This was already evident in March 2012, when the Gulf Cooperation Council (GCC) humiliated Russia by turning down its request for a meeting, due to Russian obstruction of the UN Security Council resolution on Syria. Moreover, while Russia is providing arms to the Syrian regime, Saudi Arabia and Qatar have facilitated arms transfers and funding to the Syrian opposition. The potential repercussions for this are substantial: Russia's position on Syria (and on Iran, as will be demonstrated in the following section) brings it into direct collision with the Arab world's wealthiest countries. Saudi Arabia, for example, is the world's largest crude oil exporter, a regional heavy weight and a potentially lucrative market for Russia. By aligning itself with Syria, Russia has antagonised the Gulf States and other regional powers. In the event of a continued stalemate, this is only likely to increase.

## CONCLUSION

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Russia has been keen to provide itself with escape routes to deal with the spiraling crisis in Syria. As the Institute for National Strategic Studies (INSS) senior analyst and former Ambassador to Moscow, Zvi Magen, observed: “In order to preserve its future status in this country, Russia has been active on two levels: on the level of public diplomacy, it has transmitted public messages to the Syrian regime calling for it to avoid excess violence, while on the practical level it has been in contact with Syrian opposition leaders.”<sup>62</sup> However, talks with the Syrian opposition have not yielded substantive returns, and Russia has failed to temper the brutality of the Assad regime.

Russia has recently begun to at least appear to rein in its ties with Syria—although its continued obstructionism in taking steps to halt the violence in that

country puts the sincerity of these efforts in doubt. In July 2012, Foreign Minister Sergey Lavrov met with Abdulbaset Sayda, head of the Syrian National Council, while Vyacheslav Dzirkaln, deputy director of Federal Service for Military Technical Cooperation announced that the company was halting a supply of Yak-130 jet trainers to Syria.<sup>63</sup> However, at a recent session of the Russian-Syrian intergovernmental commission, Syria offered Russia a whole range of economic contracts, covering everything from the exportation of agricultural products to the contracts for the construction of a nuclear power plant. Russia has also announced it will not sign new arms contracts with Syria while the fighting continues, although the fulfillment of existing contracts will go on.<sup>64</sup> Whether or not the Kremlin has decided to trade its steadfast support for Assad for a strategy of playing both sides of the issue, history appears to be on the move in Syria—and whatever the outcome, it is unlikely to benefit Russia.

# Iran

Russia's historical rivalry with Iran remains a source of tension and hostility between the two countries. Territorial losses to the Russian Empire in the nineteenth century, Russian military interventions at the beginning of the twentieth century, Russian occupation during World War II, and Russia's support of Iraq in the Iran-Iraq war 1980-1988 have all caused significant tension between Iran and Russia over the past two centuries.

Despite intermittent periods of antagonism, the Soviet Union and post-revolutionary Iran developed substantial economic ties. In the post-Soviet era, parts of the Russian establishment focused on the economic benefits to be reaped from cooperation with Iran, particularly in three principal areas: arms sales, atomic energy and oil.<sup>65</sup> However, US pressure not to sell arms to Iran induced Russia to conclude the Gore-Chernomyrdin agreement in 1992, described as "A secret agreement in which Russia effectively stifled the conclusion of further arms agreements between Russia and Iran in order to satisfy American concerns over the Russian-Iranian relationship."<sup>66</sup> This distance ended with the advent of Vladimir Putin, who indicated his readiness to strengthen ties with Iran by repudiating Gore-Chernomyrdin in 2001. That same year, Iran became the third largest importer of Russian arms, and Russia renewed its commitment to complete the Bushehr reactor.

According to Dr Pete Duncan, Senior Lecturer in Russian Politics and Society at the School of Slavonic and Eastern European Studies (SSEES), Russia does not view the current stand-off between Iran and the international community over nuclear weapons in zero-sum terms.<sup>67</sup> To this extent, Russia's policy towards Iran may be best described as "controlled-tension."

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**RUSSIA DOES NOT VIEW THE CURRENT STAND-OFF BETWEEN IRAN AND THE INTERNATIONAL COMMUNITY OVER NUCLEAR WEAPONS IN ZERO-SUM TERMS. TO THIS EXTENT, RUSSIA'S POLICY TOWARDS IRAN MAY BE BEST DESCRIBED AS "CONTROLLED-TENSION."**

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On the one hand, Russia has played a strong part as a member of the EU 3 + 3 (United Kingdom, France, Germany, plus China, Russia and the United States) negotiating team, conducting talks with Iran in a bid to persuade it to abandon its suspected nuclear weapons programme. In this capacity, Russia has offered several proposals to resolve the key areas of contention, and has acceded to the adoption of the United Nations Security Council resolutions (1696, 1737, 1803, 1835, 1929), which enable punitive measures against Tehran, including the cancellation of S-300 air defence systems contract.

On the other hand, Russia continues to enjoy a bilateral economic relationship with Iran, building and operationalising a nuclear reactor at Bushehr, and engaging in a range of infrastructure and trade projects. As a result, Israel's former Ambassador to Russia, Anna Azari, commented, "The current situation in Iran is the best possible one for Russia,"<sup>68</sup>

inasmuch as Russia is reaping the benefits of high global oil prices produced by regional uncertainty and profiting directly from economic relations with Iran.

However, this scenario can only work in Russia's favour temporarily. Ultimately, it is unlikely that the Kremlin actually wants to see Iran obtain nuclear weapons, as this would threaten its own regional strategic and security interests. At the same time, Russia does not want to sacrifice its economic assets in Iran—particularly its valuable foothold in the Iranian energy market. The following section outlines four potential scenarios which could develop in relation to Iran's nuclear ambitions—none of which will deliver the type of benefits that Russia has enjoyed thus far from its strategy of “playing both sides” in its relations with Iran.

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## SCENARIO A: IRAN OBTAINS THE NUCLEAR BOMB

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Based on the evidence gathered by the International Atomic Energy Agency (IAEA), it appears highly likely that Iran is taking steps to develop nuclear weapons.<sup>69</sup> If it were to happen, this would be a negative development for Russia in several respects.

### STRATEGIC DEFENCE

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The Russian Deputy Foreign Minister, Sergey Ryabkov, has stated that the threat of a nuclear Islamic Republic of Iran “...is even more alarming for Russia than for some other countries. We are in direct proximity to Iran, and Iran possessing a nuclear weapon is not an option for Russia.”<sup>70</sup> Such a development would dramatically alter the balance of power in the region, with unpredictable consequences.

Iran is Russia's close neighbour, positioned just south of the Caucasus. As a result, any regional conflict in Iran could trigger serious instability in the already volatile area, threatening Russian control over

the region. Ambassador Zvi Magen notes that the Kremlin worries that Iran would “...leverage nuclear weapons to position itself as a superpower with all of the geopolitical ramifications this has for the region, including damage to Russia's standing.”<sup>71</sup> A nuclear-armed Iran would give unprecedented leverage to Iranian-sponsored terrorist groups Hamas and Hezbollah—an extremely dangerous prospect. Moreover, a nuclear Iran is also likely to trigger a regional arms race, which could have incredibly destabilising implications for international security.

### DISCREDITING RUSSIA AS AN INTERNATIONAL MEDIATOR

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A nuclear-armed Iran would likely undermine Russia's role and credibility as an international mediator, as the country could be blamed for the failure of the Iran-EU 3+3 negotiations. Bobo Lo likens this to Russia's influence in the lead up to the Iraq war in 2003, when Russia “...played up its international standing—as a member of the UN P-5, as part of the ‘coalition of the unwilling,’ and as a self appointed mediator in negotiations with Saddam Hussein. Although its real impact was minimal, for a time it was able to

assume the guise of a major player.”<sup>72</sup> This influence, says Lo, evaporated as soon as Iraq was invaded.<sup>73</sup>

Russia's capacity to secure concessions from Iran has already been undermined by its failure to convince the Islamic Republic to accept any of the Russian proposals offered between 2005 and 2009 on the nuclear issue—finally provoking Moscow to support UN sanctions against Iran.<sup>74</sup> Russia's standing was diminished by Iran's apparent deception and manipulation: in September 2009, when a second enrichment facility in Qom was exposed, Russia was sidelined by both Iran and Western intelligence services. Iran also rejected a nuclear swap deal negotiated in part by Russia, intended as a confidence-building measure.<sup>75</sup>

## **SCENARIO B: DIPLOMATIC SOLUTION TO THE NUCLEAR QUESTION**

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Arguably, Russia's primary aim is to find a diplomatic solution to the nuclear question, and avoid upheaval in the region and military strikes on Iran's nuclear facilities. To this end, Russia has hosted negotiations in Moscow, and has actively initiated several models for an eventual diplomatic compromise. Such a solution could benefit both the international community and Russia.

A diplomatic settlement would bolster Russia's "Great Power," and could be manipulated by the Kremlin to project an image as a power that can succeed where the US and other "Great Powers" have failed. Ambassador Azari describes this as "...a form of 19th century traditional Russian diplomatic thinking about the

division of power in the world: the world is divided into spheres of influence, and Russia needs to be one of them. This is partly what characterises Russian interests.”<sup>76</sup>

Such an outcome would also be seen to bolster Moscow's case for the importance of non-intervention in state sovereignty. Russia is wholly opposed to a military attack on Iran as means of curbing its nuclear programme, and views suggestions of such a path with suspicion—particularly when mooted by Western powers. From the Russian point of view, the NATO intervention in Kosovo, the second Iraq War, the NATO intervention in Libya, and even the revolutions of Ukraine, Georgia and Kyrgyzstan and protests on the streets of Moscow are all examples of foreign interference by the West.

This somewhat paranoid perception of the West as a threatening Russian sovereignty is consistent with the Soviet mindset of encirclement by hostile capitalist powers, and has been nurtured by Vladimir Putin since his rise to power. As Ambassador Azari pointed out, "The Russian leadership, for the most part, do not believe that the events of the 'Arab Spring' could have been caused by ordinary people - they see American, or at the very least foreign, influence behind it.”<sup>77</sup> Part of the reason Russia will not support such popular uprisings is out of concern that it will be next to be challenged.<sup>78</sup>

Although a diplomatic solution to the Iranian crisis would likely yield the aforementioned benefits for Russia, it is important to note that it could also have significant drawbacks for its Russian interests.

## **ECONOMIC LOSSES**

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In the event of a diplomatic resolution to Iran's nuclear ambitions, oil prices could decrease as a result of the de-escalation

in regional tensions. This would prove detrimental to the Russian economy, which depends heavily on high oil and natural gas prices. The current Russian budget dependence on oil and gas revenues amounts to almost 50 per cent, with the budget calculations based on maintaining oil prices at \$100 per barrel. In the event the price drops below this level, *Nezavisimaya Gazeta* has argued that this could lead to a new economic crisis and a decline of living standards.<sup>79</sup> More ominously, the Economist Intelligence Unit has reported that Russia would require "...an oil price of about \$120 per barrel to balance its budget in 2012, up from only \$55 per barrel in 2007."<sup>80</sup>

Even the government has admitted vulnerability in this area: Putin has called for contingency plans in the event of a drop in the price in oil, and Deputy Prime Minister Igor Shuvalov has said that if oil prices fall below \$90 per barrel, Russia would be forced to pursue serious budgetary consolidation.<sup>81</sup> In light of widespread reports that the country is ill-prepared for another economic crisis, such a development could be highly damaging to Russia's economic health.

## ENERGY: PROSPECT OF LONG-TERM LOSSES

In the event of a diplomatic settlement to the nuclear stand-off, a Western rapprochement with Iran could also break down Russia's near-exclusivity as the main energy supplier to Europe. This would significantly undercut Moscow's current dominance of European energy market, with Russian exports to the EU currently constituting 70 per cent of Russia's total gas exports.<sup>82</sup> Diversification would likely be welcomed by EU countries currently dependent on Russia for 25 per cent of

gas supplies—particularly as Russia has often used its energy dominance in a coercive manner in the past with Ukraine and Belarus.

Russia could also suffer from the fact that its current "...governmental and private ventures in Iran are largely driven not by current profits, but by expectations for the future,"<sup>83</sup> in the estimation of the former Russian envoy to Tehran, Nikolay Kolzhanov. While Iran is unable to export its gas to the EU, Russia has established energy links and contracts with Iranian gas fields, in a bid to keep Iran away from any potential future deals with its own clients. Examples of such efforts include Gazprom's meetings to explore cooperation through the Gas Exporting Countries Forum in April 2012, and the July 2010 bilateral roadmap for cooperation on energy signed by the Iranian and Russian energy ministers.

Of course, the potential dividends of this strategy depend on Iran's willingness to honour these commitments. Iran has acted directly against Russian energy interests in the past. For example, Tehran attempted to join the Nabucco project<sup>84</sup>—a European pipeline which was planned to provide an alternative to Russian gas supplies to Europe, potentially sidelining Russia altogether. Moscow may try and establish Russian-Iranian cooperation on energy projects in order to re-direct potential gas flows to markets that do not threaten Russia's dominance in the EU, but common wisdom would suggest that Iran, hampered by decades of sanctions and antagonised by Russia's duplicitous stance on its nuclear programme, is unlikely to stick with Moscow once it has the option of working with other, more lucrative, partners.

Finally, if Iran were to normalise relations with the EU, the US and other countries, Russia's role and influence would necessarily be weakened, as it

would no longer be relied upon as a key intermediary.

## **SCENARIO C: MILITARY STRIKE ON IRAN**

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Iran has maintained that it is prepared to close the Strait of Hormuz in retaliation against a military strike. While analysts disagree on whether Iran can or cannot feasibly accomplish this, the Strait of Hormuz is the gateway for 20 per cent of the world's oil exports, and such an action would naturally prove disastrous to the global economy. Sergey Pravosudov, director of the Russian National Energy Institute, commented that "Oil and gas will stop reaching the world market (or deliveries will be greatly reduced) from Saudi Arabia, Bahrain, Iraq, Qatar, Kuwait, and the United Arab Emirates,"<sup>85</sup> resulting in shortages and rapid price increases. In such an event, Pravosudov predicts that while Russia will not be equipped to sharply increase its oil production, it will be able to do so with natural gas production: "...since Russian gas pipelines currently only go to Europe and Turkey, it may be expected that these countries will be able to increase purchases of Russian gas. Incidentally, that is precisely what happened when the gas pipeline linking Libya to Italy stopped working."<sup>86</sup>

According to a recent report by Moscow's Skolkovo Business School, in the event of a military strike on Iran, in the short-term "All the oil-producing countries, including Russia, would benefit from higher prices for oil and gas." However, the authors warn that this gain may be short-lived, as a prolonged period of high oil prices would fuel a global economic recession. Such a result would promote further investment in energy sources outside the Persian Gulf, as well as in alternative energy technologies,

all of which "...would inevitably lead to the increased competition in the Russian oil and gas export markets, and, in the long run, to the fall in the prices."<sup>87</sup>

## **SCENARIO D: CONTINUED STALEMATE**

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A continued stalemate over Iran's nuclear ambitions is presumably Moscow's preferred option. In that scenario, Russia can continue to enjoy energy dominance in Europe and the revenue streams that result from high oil prices, whilst retaining the prestigious and powerful position of diplomatic broker between Iran and the West. However, in light of the current intelligence from the IAEA, it seems clear that Iran's nuclear ambitions are proceeding apace,<sup>88</sup> and that the stalemate must eventually end in one way or another.

## **SHORT-TERM GAINS**

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In the short-term, this scenario benefits Russian interests somewhat. As outlined in the previous section, Russia has profited from the unilateral and EU sanctions imposed on Iran, as the US and EU pressure for countries not to trade with the Islamic Republic has created opportunities for Russian firms to strengthen its involvement in the country. For example, Iran entered into contracts with Russian companies Rosneft, Gazprom Neft and Tatneft after oil, gas and petroleum sanctions were imposed in 2010, despite Russia's backing of the UN Security Council Resolution 1929 in the same year.<sup>89</sup> Today, the Russian company Power Machines has replaced Italian Ansaldo, and Russian automotive companies now operate in Iran instead of European manufacturers like Daimler, Volvo and Scania.



Russia's stance towards Iran has played into its "Great Power" narrative, particularly by affording the country diplomatic leverage over the United States. For example, in 2010, Russia was suspected of trading its cooperation in passing UN Security Council Resolution 1929 on Iran for a promise from the US to abandon the US-Poland-Czech Republic defence shield.

One of Russia's key policy concerns is US and NATO military presence near Russia's borders or perceived sphere of influence. Moscow has pursued "asymmetrical retaliatory measures" in an attempt to secure its desired outcome—for instance, intensifying cooperation with US enemies such as Iran. As Kolzhanov has observed, "One can always trace the linkage between periods of improved Russian-Iranian relations and periods of difficulty in Moscow's dialogue with the West."<sup>90</sup> However, the effectiveness of the strategy is undermined as Russia's credibility as a mediator with Iran continues to be eroded. Much also depends on the outcome of the US elections in November 2012: the Republican Presidential candidate Mitt Romney has pledged to adopt a much tougher approach towards Moscow, which could have important implications for Russia's ability to secure future conciliatory measures from the United States.

## LONG-TERM LOSSES

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It is highly unlikely that Russia will benefit from an Iranian stalemate in the long-term. Russia's limited and qualified support for the UN Security Council resolutions on Iran, its foot-dragging over the completion of the Bushehr reactor and the cancellation of the S-300 contract has managed to antagonise both Iran and the West.

In fact, Russia has already suffered from attempts to play both sides of the Iranian

game. Since signing on to UN Security Council Resolution 1929, Russia has lost approximately \$1 billion worth of arms contracts with Iran. In addition to its suspended \$610 million project in Libya, Russian Railways has also endured the freezing of its project to build a railroad between Tabriz and Azarshahr in Iran, as a consequence of UN Security Council sanctions.<sup>91</sup> More recently, Russia's second biggest oil company, Lukoil, has had to halt its supplies of gas to Iran.<sup>92</sup> In July 2012, Iran has announced that it will launch legislation against the Russian S-300s exporter, claiming \$4 billion in compensation.<sup>93</sup> By supporting both sides in half measures, Russia has set itself up for future economic and reputational losses.

## CONCLUSION

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The July 2012 EU 3 +3 and Iran negotiations held in Moscow illustrated the precarious nature of Russia's Iran strategy. Predictably, the talks have failed to produce any substantive resolution, which has arguably diminished the Western perception of Russia as an indispensable power broker in relation to Iran. At the same time, Russia is suffering economic losses as a result of Iranian sanctions and its damaged relationship with Iran. By playing both sides, it appears that—no matter what scenario develops—Russia could suffer heavy losses in relation to Iran.

# Conclusion: The folly of short-termism in Russian foreign policy

The Kremlin's policy in Libya, Syria and Iran is on course to damage Russia's regional influence, diplomatic prestige and long-term economic interests. Analysing the case studies of Russian policy towards Libya, Syria and Iran, this report has argued that Russia's foreign policy approach in the MENA region is driven by short-term thinking and often hindered by a fundamentally flawed perception of its own interests.

**IN LIBYA**, the Russian government based its policy primarily on perceived economic interests. Russia condemned the 2011 NATO intervention in Libya, despite Gaddafi's violent crackdown on civilians. The dictator's downfall has undermined Moscow's energy, arms, infrastructure and diplomatic interests in Libya, as Russia is now viewed with suspicion by the new Libyan government.

**IN SYRIA**, the Kremlin's desperate attempts to preserve its alliance with the Assad regime will likely prove damaging in the long-term. If Assad steps down or is removed from power in the next twelve months, Russia is likely to lose a substantial foothold both in Syria and in the wider Middle East. This could include the loss of lucrative trade contracts exchanged for the relief of \$9.8 billion of Syrian Soviet-era debt. If Assad retains control, he will remain in control nominally, but will lack domestic and international credibility, undermining the value of an alliance for Russia, as well as the latter's reputation regionally and internationally. The fact that less than 24 hours after an attack on the Syrian government compound—an event which represents a watershed moment in the 16-month conflict—Russia was still prepared to veto a third UN Security Council Resolution on Syria indicates the gross miscalculation on the part of the Kremlin, and further entrenches Russia in the unsavoury role of propping up the Assad regime as it appears ever more likely to fall.

**IN IRAN**, Russia risks falling between the rails of its dual track policy with Iran and the West. Russia's current policies serve its interests both as a negotiator in the EU 3 + 3 and an economic partner to the Islamic Republic. However, all four possible outcomes to the nuclear question – whether Iran obtains the bomb, reaches a negotiated agreement

with the West, endures a military strike or continues to negotiate indefinitely – are likely to prove detrimental to Russian strategic interests in the long-term.

Ultimately, Russian policy in relation to these three countries demonstrates the motivations and misconceptions underpinning the Kremlin's perceptions of its strategic interests in the MENA region. All states aspire to a perfect correlation between the pursuit of economic, state and foreign policy interests. Yet Moscow's strategic choices in the Middle East seem set to backfire against its regional standing in the long-term. The Kremlin's support for discredited dictators such as Gaddafi, Assad and Ahmadinejad are not only a PR disaster for this supposedly-modernising BRIC country, but may also cause irreversible damage to Russia's future in the region.

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**ALL STATES ASPIRE TO A PERFECT CORRELATION BETWEEN THE PURSUIT OF ECONOMIC, STATE AND FOREIGN POLICY INTERESTS. YET MOSCOW'S STRATEGIC CHOICES IN THE MIDDLE EAST SEEM SET TO BACKFIRE AGAINST ITS REGIONAL STANDING IN THE LONG-TERM.**

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# Endnotes

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