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Understanding the Baku-Tehran Relationship

Nina Miholjčić

Even though Azerbaijan and Iran have maintained cordial ties over the years, this has been punctured by evidently turbulent periods of constrained diplomatic and political rhetoric, which has produced occasional volatility in the bilateral relationship. Ever since Azerbaijan regained its independence in 1991, Baku and Tehran have remained cautious and circumspect in their interactions whilst managing to avoid open conflict. Such vigilance is due for the most part to the effects of contrasting foreign policies, divergent choices of allies and foes, different constitutional arrangements, and contrary ethnic- and identity-based per-

ceptions and postures. Such and similar points of friction explain why Azerbaijan and Iran continue to be wary of one another in their bilateral communication and diplomatic relations.

That being said, the two countries share some common religious and cultural values. The majority of Iranians as well as Azerbaijanis are Shia Muslims.

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The two countries are members of some of the same regional organizations such as the Organization of Islamic Conference and the Economic Cooperation Organization, which indicates that both nations pursue some common religious and economic interests. They are

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also both members of the Non-Aligned Movement. However, the history of relations between Azerbaijan and Iran has shown that even shared geographical, religious, and economic elements are insufficient to prevent occasional diplomatic and political discord, which has made the relationship somewhat disruptive. The conduct and outcome of the Second Karabakh War added additional layers of complexity to already complex bilateral ties: the new geopolitical status quo has had an impact on border, security, and transportation policies between the two neighboring states, with Iran in particular having manifested a great deal of anxiety with respect to the new reality. Such implications have also caused periodic tensions in Iran-Azerbaijan political discourse and heightened rhetoric between high officials from both countries.

However, recent developments also reveal that the relationship between Azerbaijan and Iran has witnessed a thawing of sorts due to strong diplomatic efforts made by both capitals to overcome or at least reduce tensions. High officials from both countries have reiterated their dedication to continue with the development of healthier bilateral relations.

Contrasting Foreign Policies

Since regaining its independence, Azerbaijan has successfully developed a multifaceted and multivectoral foreign policy. During the 1990s, the need for building strong regional and global relationships was even more prominent, especially due to the fact that Azerbaijan wanted to abandon the omnipresent Soviet legacy and strengthen its own national and cultural identity—but also to establish itself as a resilient, independent country in the South Caucasus. Azerbaijan's current foreign policy remains multivectoral and is put in the service of completely restoring its territorial integrity whilst continuing to expand its international influence.

Azerbaijan possesses considerable oil and gas reserves, which contribute to faster economic growth and the development of modern defensive capabilities. However, this relatively small state in the South Caucasus is surrounded by influential regional powers and remains entangled in an underlying conflict with Armenia that has been for the most part but not completed resolved. The constant security threat this poses to Azerbaijan, coupled with regional games conducted by

surrounding powerful states, force Azerbaijan to seek strong alliances, develop regional collaboration networks, and promote its interests internationally.

To that end, Azerbaijan has established strategic bilateral relations with, inter alia, Israel and Turkey over the years. However, such relationships are a source of consternation in Iran, since both Israel and Turkey have very delicate relationships with Tehran—to speak euphemistically. Iran and Israel have had a deeply troublesome relationship since the 1979 Iranian Revolution overthrew a regime that had been quite friendly to the Jewish State. Both countries continue with proxy warfare campaigns and are in constant alert regarding each other's political and military moves. Tehran strongly disapproves of Azerbaijan's rapprochement with Israel, especially since it perceives this relationship to constitute a direct security threat whereby, so the narrative goes, Israel has open access to Iran's northern border from where it is free to spread its influence in Iran itself and its immediate neighborhood.

The end of the Second Karabakh War saw Azerbaijan recover control over the entirety of its southern border (i.e., the border with Iran). The length of the liberated border with Iran is some 138 kilometers—that's how much borderland had been occupied by Armenian forces during the First Karabakh War. In other words, Azerbaijan is once again the sole guardian of its border with Iran, which—to repeat—has made Teheran very wary due to its perception of potential Israeli interference. The Iranian authorities are concerned that Israeli intelligence might surface on Azerbaijan's border with Iran, which would constitute a serious security threat from their point of view.

While Iran continues to harshly criticize Azerbaijan-Israeli cooperation, Baku has made it clear that it will entertain no plan to stop investing in its relationship with Tel Aviv. The two countries have already developed energy, technology, and arms agreements that have proven to be mutually beneficial. For instance, Azerbaijani oil accounts for about 40 percent of Israel's total consump-

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tion, while Israel continues to be one of Azerbaijan's major arms suppliers. However, Azerbaijan has not been especially vocal about its good relationship with Israel because, in general, this is not Baku's style, but also, in this particular case, because Israel is not exactly everyone's favorite UN member state, as it were. This includes Iran, obviously, but also other states in some parts of the neighborhood they share. This explains, for instance, why Azerbaijan still has not opened a fully-fledged embassy there (although Israel has had one in Baku since 1993).

Iran's recent military maneuvers close to its border with Azerbaijan have been interpreted as, inter alia, a preemptive response to a possible threat from some sort of Israeli presence in the liberated areas. Iran is gravely concerned that Israel might take advantage of the newly developed geopolitical reality on its northwestern border. Tehran believes that such changes endanger Iran's regional posture and influence whilst concurrently providing to its mortal geopolitical enemy more access and advantage in a possible future conflict between the two, via Azerbaijan.

Iranian officials have been warning the Azerbaijani leadership about possible repercussions caused by Israel-Azerbaijan co-

operation. For instance, a high Iranian military official stated in September 2021 that Iran would not “tolerate its neighbors coming under the influence of third-party countries”—a reference to the perception of Israel's rising influence in Azerbaijan. Moreover, Iran's Supreme Leader, Ali Khamenei, stated in October 2021 that “those who dig a hole for their brothers will be the first to fall into it”—also a reference to enhanced cooperation between Azerbaijan and Israel, but also between Azerbaijan and Turkey.

Indeed, the Iranian authorities are anxious about the strategic partnership Azerbaijan has forged with Turkey as well as with Ankara's growing influence in the region. Turkey provided active and unconditional support to Azerbaijan during the Second Karabakh War, which heightened Tehran's suspicions of Turkey's role in the development of postwar relations amongst the South Caucasus states. Iran cannot overlook the fact that Turkish officials (and their Azerbaijani counterparts) have been promoting a “one nation, two states” narrative. Tehran perceives this as a celebration of pan-Turkism, which Iran perceives as being disruptive to its sovereignty—particularly in terms of provoking separatist movements in the northern part

of the country inhabited by ethnic-Azerbaijanis—a topic that will be discussed in some detail below.

Iran perceives Turkey as a serious rival in the region and is discontented by the fact that Ankara already has gained significant influence in the South Caucasus, especially regarding the linguistic and cultural ties Turkey enjoys with Azerbaijan. And Tehran is not wrong: Turkish soft power is very prominent in Azerbaijan. Moreover, Turkey has been expanding its influence internationally at a significant pace recently. Turkish involvement in the Syrian conflict and in Libya's affairs are two examples of Turkey's foreign policy strategy aimed at building a strong global presence and becoming an important player in the international arena. On the other hand, Iran's reach is limited due to the extensive sanctions imposed by the United States that have brought the Iranian economy to the brink of collapse. In addition, numerous internal social and cultural crises prevent Iran from making a bigger regional and international impact. Its influence is most strongly felt in the Levant.

Iran has maintained friendly relations with Armenia ever since this South Caucasus country regained its independence in 1991.

The two states have been involved in a swap energy agreement that helps both overcome the hardship of sanctions and closed borders. This key agreement involves the exchange of Iranian gas for Armenian electricity, which is based on a 1-kilowatt hour of electricity per 3 cubic meters of gas scheme.

Before the Second Karabakh War, Iran and Armenia maintained a direct and unimpeded land route that was beneficial for both countries, with Armenia gaining access to another country besides Georgia with which to trade directly—a much-needed boost for the Armenian economy given the fact that Armenia's borders with neighboring Azerbaijan and Turkey are closed. On the other hand, Iran could exercise geopolitical advantage and maintain its leverage in the region by establishing closer trading relations with Armenia and making its territory a necessary land transit route between Azerbaijan and its landlocked exclave, the Nakhchivan Autonomous Republic, on the one hand, and Azerbaijan and Turkey, on the other. However, the outcome of the Second Karabakh War has resulted in a possible reduction in Iran's regional influence. With the newly-established framework of border politics in the South Caucasus, Iran has lost a significant part of its direct transportation line

to Armenia—especially to the part of Karabakh that is presently part of the Russian peacekeeping zone.

Tehran managed to maintain a more or less balanced approach during the Second Karabakh War and generally refrained from making incendiary statements during the war in order not to irredeemably spoil its relationships with either Azerbaijan or Armenia. It is also important to note that during the war, Iran tried to play the role of neutral mediator between the warring sides by offering to host peace talks on more than one occasion. Moreover, Iran repeatedly issued statements in support of Azerbaijan's territorial integrity and did not publicly call into question the legitimacy of Baku's attempt to reclaim its internationally recognized borders and territory.

In the aftermath of the Second Karabakh War, diplomatic tensions between Azerbaijan and Iran were raised over detained Iranian truck drivers who were said to be transporting goods and material to Armenia and/or the ethnic-Armenian-populated Russian peacekeeping zone in Karabakh. Azerbaijan accused the drivers of illegally entering Azerbaijan from Armenia. Also, Azerbaijan has started to charge fees to Iranian trucks on a road through southern

Armenia that passes through some parts of Azerbaijani territory. These diplomatic incidents have now been overcome: Azerbaijan released the detained drivers and both sides agreed to settle issues through dialogue and restrain from harmful rhetoric on the basis of the principle of mutual respect. Eventually, Iran adjusted its transportation policy to accord with new realities. Still, not everything has gone back to normal.

Secular vs. Theocratic Government

Iran and Azerbaijan are the only majority Shia Muslim nations in the world. However, their official political establishments differ significantly. Azerbaijan is a secular state in which religious practices are largely relegated to private areas of social life and sovereignty is vested in the people according to its constitution; Iran is an “Islamic republic” in which sovereignty is constitutionally vested in God and whose political system blurs the line between politics and religion, elected authorities and religious leaders.

During the period in which Azerbaijan was a part of the Soviet Union, a doctrine of state atheism

was enforced more or less harshly by the authorities. However, even after regaining its independence in 1991, when the question of identity and religion became a major concern for Azerbaijan's policymakers, the country's political forces preserved a sturdy dedication to the idea of secularism—an idea that served as the backbone of the first period of Azerbaijan's independence, during the short-lived era of the Azerbaijani Democratic Republic. According to the country's constitutional framework, Azerbaijan is a secular state that respects the freedom of religion. Article 18 of the Constitution states that “religion in the Republic of Azerbaijan is separate from the state. All religions are equal before the law.” Although it is difficult to measure the extent to which Azerbaijanis actively practice their religion, representative studies show that the percentage of people regularly attending religious ceremonies is far lower than the percentage of those that officially declaring themselves to be believers.

The most up-to-date official data regarding religious demography is from 2011. According to the State Committee on Religious Associations in Azerbaijan (SCWRA), an estimated 96 percent of Azerbaijan's population is Muslim, of which approximately

65 percent is Shia and 35 percent Sunni. The remaining 4 percent include Russian Orthodox Christians, Georgian Orthodox Christians, Armenian Orthodox Christians, Jews, and others.

A minority of Muslim Azerbaijanis, however, attend religious ceremonies on a regular basis; the same applies to keeping the various other tenets of Islam, including fasting during the month of Ramadan. Despite the fact that religious observance has somewhat increased in Azerbaijan since the early 1990s, the country preserves a steady secularist approach in public life—for instance, fewer Azerbaijani women wear any form of veil than their counterparts in, say, Turkey or, for that matter, many Western European cities. Even though there is no law that bans wearing a veil, schools, many companies, and governmental institutions unofficially discourage the practice.

Azerbaijan's constitution allows individuals to express their religious beliefs and to practice religious rituals freely so long as these do not disturb public order or public morality. According to the law, the state is prohibited from interfering in the religious activities of its citizens unless there is a justified fear of “religious extremism” and “radicalism” that requires special measures to

be implemented by the government in order to prevent or combat dangerous acts and tendencies that misuse religion. The government has the right to ban religious organizations whose activities “humiliate human dignity and contradict the principles of humanism.” That being said, Azerbaijan's secularism is tolerant of moderate Islam whilst concurrently remaining vigilant against Islamist extremism and the threat of terrorist.

Unlike its secular neighbor, Iran is a theocratic republic that promotes a legal and political system largely based on Islamic law. The Iranian constitution proclaims that “all civil, penal, financial, economic, administrative, cultural, military, political, and other laws and regulations must be based on Islamic criteria.” The Supreme Leader, who is elected by a religious body of Islamic scholars and clerics (and, therefore, not by the people), is the most powerful figure in Iran, tasked with executing an extended scope of activities, which makes the position highly respected and important. Even though the political framework of Iran includes an elected president, the office is constitutionally subordinate to the Supreme Leader. There is also an elected parliament, but two largely unelected councils—the Guardian Council and the Expe-

diency Discernment Council—can together overturn any piece of legislation passed in that assembly on the grounds of incompatibility with “the criteria of Islam and the Constitution.” In a political system where religion plays an enormously important role, citizens are not only encouraged but oftentimes pressured to practice their religious beliefs.

Iran's 2016 census estimated that 99.5 percent of the country's population is Muslim. However, a 2020 online survey conducted by the Group for Analyzing and Measuring Attitudes in Iran (GAMAAN), working in cooperation with Dr. Ladan Boroumand, cofounder of the Abdorrahman Boroumand Center for Human Rights in Iran, showed that only 40 percent of Iranians identified as devout or practicing Muslims, although a majority stated that they believed in God (about 78 percent). Moreover, even though the state propaganda apparatus quite explicitly depicts Iran as a Shia nation, only 32 percent explicitly identified as such, while only 5 percent said they were Sunni Muslim and 3 percent Sufi Muslim according to the same survey. Regardless of the veracity of the 2020 survey, it seems that both belief and observance may be trending downwards—that is to say, it may show an increase

in secular sentiments among citizens. Still, the Iranian authorities are without question faith-based, and religious dogma greatly affects the country's domestic and foreign policy.

Both Azerbaijan and Iran maintain a cautious stance toward the topics related to religion in their bilateral relations. On the one hand, Baku is concerned about the possible influence of extreme Islamism coming from its southern neighbor. Tensions between the two countries were especially visible during the 2018 Iranian nuclear crisis. After Washington withdrew from the nuclear deal with Iran and re-imposed sanctions, many Iranians started looking for refuge abroad, including in neighboring Azerbaijan. However, concerned that a massive influx of refugees from Iran would inevitably involve the arrival of untold numbers of Islamic extremists, Baku decided to close its border with Iran temporarily. On the other hand, Tehran disapproves of Azerbaijan's strategic partnership with Turkey for a number of reasons including the possible growth of the influ-

ence of Sunni Islam in the country. Moreover, as discussed above, Iran criticizes Azerbaijan because of its alleged pro-Western approach that favors cooperation with the U.S. and Israel. Differences along the secular/theocratic axis do cause some bilateral pressure; when these are combined with other points of tension, they make the Baku-Tehran relationship complex and never quite peaceful.

Still, it would be incorrect to say that religious affairs have ever been a predominant area of tension between the two countries. In other words, the religious issue has never been a sufficient factor in and of itself to produce a downturn in the bilateral relationship; if other misunderstandings come up, then differences having to do with the role of religion in public life can serve as an aggravating factor. After all, as Brenda Shaffer wrote in a previous edition of *Baku Dialogues*, "Tehran almost always puts pragmatic interests above ideology in instances where Islamic solidarity conflicts with primary geopolitical interests." It therefore seems quite unlikely that any future political

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dispute between Azerbaijan and Iran will be based solely on differences having to do with religion and ideology.

Ethnic Ties and Identity Politics

Ethnic-Azerbaijanis comprise Iran's largest minority, making up somewhere between one-fifth and one-third of the total population of the country. Their presence is concentrated mostly in the northern and northwestern regions of the country. Links to the majority of the inhabitants of the Republic of Azerbaijan through ethnic ties abound. This considerable ethnic group of Turkic origin was divided in the nineteenth century by the 1813 Treaty of Gulistan and the 1828 Treaty of Turkmenchay, which made the Araz River the state border between two empires, and thus left a portion of ethnic-Azerbaijanis under Persian rule and the rest under Russian rule.

Being predominantly Shia in the country with a Shia majority has helped Iranian Azerbaijanis to better integrate into the country's broader social fabric. Even though ethnic-Azerbaijanis have historically proven to be Iran's most loyal ethno-linguistic minority, any rise

in tensions involving neighboring Azerbaijan or any rapprochement between Azerbaijan and Turkey might be interpreted as possibly dangerous or separatist-inducing in the eyes of Tehran.

After the dissolution of the Soviet Union, the newly independent countries experienced an increase of nationalist sentiments and some were involved in bloody conflicts over territorial issues—most relevantly for present purposes, the conflict between Armenia and Azerbaijan. Both Karabakh Wars were seen by Tehran as potentially compromising to the security of the Islamic Republic due to the possibility of hostilities spilling over into Iran's majority-ethnic-Azerbaijani provinces. The conflict between Azerbaijan and Armenia, which involves the question of ethnicity and identity, is a serious concern for the Islamic Republic, given that Iran's large ethnic-Azerbaijani minority might be susceptible to the Republic of Azerbaijan's increased nationalism, which, in turn, could invoke separatist ideas among Iran's ethnic Azerbaijani community.

Although it is highly unlikely for separatism to take a serious course in Iran's ethnic-Azerbaijani-majority provinces in the near future, Tehran remains very vigilant re-

garding any developments in the South Caucasus that are close to its northern borders, especially if those are related to a resurgence of identity politics.

In terms of linguistics and education, the second-most widely-used language in Iran is Azerbaijani. However, formal education in Iran does not recognize any other language except Farsi. Moreover, both spoken and written Azerbaijani in Iran is overly influenced by Farsi vocabulary and, in addition, can only be used completely freely in domestic contexts and, to a limited extent, in some public settings at local levels: public services, for example, are not provided in the Azerbaijani language. Even though this means that ethnic-Azerbaijanis in Iran cannot exercise their right to education in their native language, many do not find it especially concerning. Some may support the idea of introducing the Azerbaijani language in schools with majority ethnic-Azerbaijani pupils, but few would want to provoke any social tension over such an idea.

From the Republic of Azerbaijan's point of view, a huge ethnic-

Azerbaijani group concentrated just across the border with Iran might become an issue of grave concern only in the event that this ethno-linguistic group decides to pursue a more aggressive political approach permeated by the idea of separatism or unification. The reason is simple: there are more ethnic-Azerbaijanis in Iran than there are in the Republic of Azerbaijan; thus, in the unlikely event a serious separatist movement is born in

What would be the ideal form of self-governance, one that serves both the interests of the central government in Baku and the future residents of Nagorno-Karabakh?

Iran's ethnic-Azerbaijani heartland, the Republic of Azerbaijan would become overshadowed and potentially overwhelmed: no definitive answer is presently forthcoming to the question of how Baku would deal with the hypothetical decision by Iranian Azerbaijanis to truly pursue national-oriented politics based on the notion of separatism and pan-Turkic enthusiasm. What seems clear is that neither Iran nor Azerbaijan favor a separatist-oriented movement by Iranian Azerbaijanis; rather, both Baku and Tehran are entirely on the same page with respect to the desirability of the preservation of the present border between Azerbaijan and Iran. This is highly unlikely to change in the future.

Modus Vivendi

Although the present Azerbaijan-Iran relationship is partially characterized by what can be called occasional saber-rattling behavior and heightened rhetoric, the likelihood of open conflict is quite low—certainly, there is nothing in the history of this relationship that would suggest either Baku or Tehran would see it as being in their respective interests to cross the line into fully-fledged armed confrontation.

Certainly, the two states pursue diverging foreign and domestic policies. And these have in turn both created greater geopolitical gaps between them and amplified existing points of friction. However, Azerbaijan and Iran have been capable of managing serious disagreements in a diplomatic manner, even though they still experience serious political rows periodically. The *modus vivendi* reached between the two states at the end of 2021 has provided new space for boosting bilateral coopera-

tion and developing effective mechanisms for resolving and diluting diplomatic and political disputes between Baku and Tehran.

This is not to say that all will be smooth sailing from here on out. The continued strengthening partnership between Baku and Ankara coupled with the maintenance of friendly relations between Azerbaijan and Israel remain sources of antagonism between Azerbaijan and Iran—at least from the perspective of Tehran, which remains fixated on these as each representing threats to its security. Iran views both Israel and Turkey through zero-sum lenses: the greater leverage and influence each is perceived to have secured in Azerbaijan (and the rest of the South Caucasus), the greater Iran's concern. This is unlikely to change.

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Differences in governance systems remain possible areas of tension between Azerbaijan and Iran, which adds a layer of complexity to an already complicated relationship. There is always a possibility

that Iran might encourage pro-Iranian irredentist sentiment in Azerbaijan, mainly through outreach to Shia religious organizations operating in the country. After all, such a policy had been pursued in the past. However, that course of action failed then and would certainly remain unsuccessful now—especially because of the danger that such a political move by Tehran would quite likely produce a strong response by Baku (in the form of some sort of encouragement of irredentist ideas in the Iranian Azerbaijani community), which could rock an Iranian system already beset with serious internal difficulties.

Thus, the most likely scenario in the complex game being played by Baku and Tehran is for both to continue with a

cautious stance in bilateral cooperation while refraining from causing serious provocations and yet accepting the possibility that tensions and diplomatic rows will arise but not slip out of control. Still, there now seems to be a greater political determination to invest additional efforts into resolving problems that may come up through diplomatic channels. This is hardly cause for imprudent optimism; on the other hand, it would not accord with the truth to deny that the situation has gotten a bit better. Indeed, the understandings reached at the end of 2021 may signal the onset of a more stable and predictable period in bilateral relations—to the enduring benefit of both states. **BD**

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Held annually in July, in partnership with the State Oil Company of the Azerbaijan Republic (SOCAR) and BP in Azerbaijan, the Baku Summer Energy School (BSES) is our flagship two-week certificate program. It brings together world-renowned scholars, academics, and policymakers to examine and gain a better understanding of the energy and environmental issues with a particular focus on the Caspian region.

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