

Deepening Economic and Security Ties between Russia and Iran

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Russian dependence on Iran has deepened over the past few months, reflected in a variety of developments in security, foreign policy, and economic realms, in which Moscow increased its support for Iranian interests. Tightened relations, and especially Iranian assistance to Russia in the framework of Moscow's campaign in Ukraine, indicate that the cooperation between the two countries is not just tactical; rather, it reflects a strategic decision by both sides. This development not only directly impacts Iranian force buildup and increases the potential threat that Tehran poses to Israel; it may also lead to Russian attempts to limit Israeli freedom of action in Syria. Israel must therefore rethink its relationship with Moscow.

Over the past few months, strategic ties between Russia and Iran have continued to deepen, primarily through the massive assistance Iran has given Russia in its campaign in Ukraine. This assistance is manifested in the dispatch of Iranian UAVs to Russia, after adapting them to Russian war needs; there is even a plan underway [to build a drone factory in Russia](#) able to manufacture at least 6,000 drones of various models in the coming years. In addition, it appears that Iran began to send Russia [massive quantities](#) of mortars (300,000), shells (around one million), and a variety of weapons; it is also possible that [Iran will supply Russia](#) with its locally manufactured ballistic missiles.

Alongside Iran's continued assistance to Russia, in the past few weeks Moscow has increased its own military aid to Iran, as part of the deepening bilateral ties. In this context it was reported that [Iran purchased Sukhoi SU-35 fighter planes](#) from Russia, and that [the first three planes](#) have already arrived in Iran. The report states that Iran is preparing an underground

base ahead of the arrival of the planes and that they represent the “payment” for the drones supplied to Russia.

At the same time, Iran continues to advance negotiations with China and Russia for the [purchase of missile fuel](#), and for a chemical component used to launch ballistic missiles. In addition, various reports state that Iran is also receiving Western-manufactured arms from Russia, found on the battlefield in Ukraine, so that Iran can re-engineer them; one example cited was [US-made Javelin anti-tank missiles](#). Iran is also continuing its naval maneuvers in the Persian Gulf with China and Russia, including a maneuver during the week of March 15, 2023.

Assistance likewise extends to the cyber realm. According to various reports, in the framework of Russian assistance to Iran, Moscow committed to transfer advanced cyber weapons that would improve Iran’s defense capabilities in this dimension and [even allow it to enhance its offensive weapons](#). The results of this aid may already have been reflected in the [wave of attacks](#) that Iran launched against Israeli websites during the most recent Iranian Jerusalem Day. In addition, Russia transferred to Iranian intelligence [advanced surveillance systems](#) and systems for censoring content on social media, in order to assist Iran in addressing its increasing domestic challenge of ongoing demonstrations against the regime across the country.

Likewise, Russia and Iran are tightening their political ties; one illustration is that Russia agreed to add Iran to the Astana process on the future of Syria. At the same time, the countries are investing significant efforts in tightening their economic ties. Russia and Iran have committed [to link their banking systems](#), as a way to bypass sanctions against their use of the SWIFT system. Russian oil companies are also exporting oil and gas to Iran by train, due to the high fees that maritime exports entail. As a rule, the countries have made extensive efforts on reaching agreements that relate to the energy sector, and recently [they even agreed](#) to increase their cooperation on electricity production, gas production, and all matters related to nuclear energy.

A [recently leaked document](#) revealed that intelligence sources believe that in parallel to the convergence between Tehran and Moscow, the strengthened ties still face challenges. The two countries are competing on the same market in the context of their oil exports; Russia fears that Iran is exploiting its dependence on Iranian arms; some Iranian media use anti-Russian rhetoric; Russia has not supported Iran in the efforts to return to the nuclear agreements, and there are conflicts regarding Russian assistance to the reactor in Bushehr. Nonetheless, the current scale of cooperation between the two countries is unprecedented.

The closeness between Iran and Russia will likely deepen the challenge Israel faces relating to freedom of action in Syria. In the past, it appeared that it was convenient for Russia that Israel attacked the Iranian presence in Syria, [so long as Russian soldiers and interests were not harmed](#). Today this is not the case. In spite of the Israeli desire to refrain from steps that “challenge” Russia, the rapprochement between Russia and Iran is likely to harm [Israel’s security coordination with Russia in Syria](#), which allows Israel’s continued “campaign between the wars” activity. That is, in spite of extreme Israeli caution regarding Russia, especially in the Ukrainian context, it seems that Russia’s military convergence with Iran has substantially improved Moscow’s capabilities in a variety of areas, and may lend it [a “free hand”](#) for action in Syria.

Ties between Russia and Iran are likely to continue deepening. Despite the challenges before them, these countries are both under sanctions and face political isolation from the US and Europe. Continued close cooperation thus allows both important achievements. Over the past few months it was even reported that additional arms deals between the two are in the works, including the possible sale of [the S400 aerial defense system](#) to Iran. Should this deal be carried out, it would make it more difficult for Israel to operate in Iran, should it wish to do so.

Because of its increasing dependence on Iran, Russia is ignoring Israeli concerns entirely; it is arming Iran with capabilities it knows will naturally

improve Iran's capabilities of contending with Israel. Consequently, Israel must reassess the elements of its ties with Moscow, with an emphasis on Israeli arms exports to Ukraine. Russian conduct proves that whether Israel exports arms to Ukraine or not, Moscow will not change its policy on Iran. [Israel is paying a substantial political price](#), especially with the administration in Washington, for its cautious policy on Ukraine – an unnecessary price given Russian conduct toward Iran. Furthermore, the more concerned the US administration is about the close ties between Moscow and Tehran, which it views as a direct threat against it and its interests, the less ability Israel will have to “hold the stick at both ends” and maintain its present relationship with Russia.

Editors of the series: Anat Kurtz, Eldad Shavit and Judith Rosen