The rise of a new Sunni extremist group in the Middle East has become a significant security threat in an already volatile region. Empowered by conflict and instability, the Islamic State in Iraq and Syria (ISIS), founded as Al-Qaeda’s regional affiliate in the Levant, became an independent entity, the split sealed when Al-Qaeda’s leader, Ayman al-Zawahiri, disavowed the group in early 2014. A few months later, ISIS made headlines when it began to seize control of territories beyond Syria, rapidly advancing in Iraq and even Lebanon, and brutally massacring civilians.

Reports of mass executions and rapes of Shi’is, Christians, and other ethnic and religious minorities, including the Yazidis in Iraq, and videos of beheadings, led to the formation of an international coalition, headed by the United States, to implement President Barack Obama’s four-point plan to ‘degrade and ultimately destroy’ ISIS.¹ This plan includes air strikes against ISIS targets, increased support to local forces on the ground, continuation of counterterrorism efforts to prevent future attacks, and humanitarian assistance to non-combatants in the region. Despite reports of US–Iran cooperation in the fight against ISIS, the two countries have issued conflicting statements on the matter. On the one hand, US and Iranian officials have stated that their countries could cooperate to defeat ISIS; on the other, the US Secretary of State argued that Tehran should not be invited to the international conference on ISIS held in France in September 2014, and Iran’s Supreme Leader Ayatollah Khamenei claimed that his country rejected Washington’s request for cooperation.² And yet, although to date Tehran has been excluded from the international coalition against ISIS, it is difficult to imagine a resolution of the crisis without some form of coordination between the United States and Iran, and also between Saudi Arabia and Iran. The mobilization of international players with divergent ideologies and strategic interests shows how gravely they all view the threat posed by ISIS.

For Iran, ISIS represents a different threat from other extremist Sunni groups at its borders. Many of these groups, such as Jaish al-Adl, are based in Pakistan

and operate in Iran’s south-eastern province of Sistan-Baluchistan. These groups have posed tactical, often minimal, threats to Iran, including the abduction of Iranian nationals and bombings in border regions. ISIS, however, stands out among them because of the considerable progress it has made in a short period of time, during which it has recruited tens of thousands of fighters from all over the world, accumulated resources and gained control of large geographical areas. The group’s progress surprised regional and international actors, including Iran. Unlike other terrorist organizations operating in Iran’s neighbourhood, ISIS has aims that go well beyond a separatist agenda: it seeks the annihilation of Shi’is and the establishment of an Islamic state in accordance with a fundamentalist reading of shari’a law.

The rise of ISIS, and in particular the group’s advance into Iraq, initially caught Tehran off guard. Since then, the dynamic of Iranian involvement in Iraq has changed. At first, Tehran minimized the threat from ISIS; then its strategy shifted as the group’s progress became more alarming, leading it to become involved ‘from behind’. Then, in the light of the progress made by ISIS fighters close to Iranian borders, Tehran changed its approach to the conflict again, further increasing its involvement in Iraq in the effort to pre-empt a potential spillover across its borders. The significance of the Iraqi strategic environment for Iran is such that Tehran is unlikely to maintain its current level of engagement in Syria should the crisis in Iraq worsen or endure because of competing priorities and resources.

The significance of Iraq

Iraq has historically been a significant regional actor for Iran. At various points over the past few centuries, it has been a foe, a rival and a strategic partner.

Prior to 1979, Iraq was not considered a serious threat to Iran. Iran’s strategic depth, robust military establishment and powerful allies, including the United States, made it more than a match for its western neighbour. However, the 1979 Islamic Revolution weakened the traditional armed forces in Iran in favour of paramilitary forces, including the Islamic Revolutionary Guard Corps (IRGC) and the Basij. Tehran also lost its western allies, leaving it surrounded by Arab states which, in addition to their historic rivalry with Iran, now felt threatened by its Shi’i revolutionary agenda. Seeing what it considered an opportune moment to attack Iran and seize its Khuzestan province, on 22 September 1980 Baghdad began its campaign against Iran.

The Iran–Iraq War lasted eight years, brought hundreds of thousands of deaths on each side, and became a stage for the use of chemical weapons (by Iraq, against Iran and its own Kurdish population).3 The war was perhaps the single most important event in contemporary Iranian history after the revolution itself. It strengthened the new regime, fostered Iranian officials’ deep distrust of international law and institutions, led to calls for the resumption of the Iranian civilian and

possibly military nuclear programme (suspended by the revolutionaries following the fall of the shah), and shaped the Islamic Republic’s image, as a reactionary and irrational actor, in the West. These implications have had a lasting effect on Iranian society and politics, and continue to play a role in shaping Tehran’s policy and discourse, domestically, regionally and internationally. The war continues to haunt the Iranian psyche and Iranians’ view of Iraq. Neither a strong Iraq nor a partitioned one is in Iran’s interest. The rise of ISIS, which has attracted many former Ba’athists, is a matter of concern to Iranians.

Religious ties

Iraq holds an important place in Iran’s revolutionary religious narrative and strategy. It is home to the second largest Shi’i population in the world after Iran. Around 60–75 per cent of Iraqis (roughly 20 million) are Shi’i. This Iraqi Shi’i population is a natural audience, ally and constituency for Tehran. It is also a strategic asset for Iran, given that the rest of the region is predominantly Sunni, and traditionally falls within the sphere of influence of Saudi Arabia and other key Sunni states.

Iraq is also home to two important Shi’i sites: Karbala and Najaf. The third imam or leader of Shi’i Muslims, Imam Hussein, is buried in Karbala, where his shrine is visited by Shi’is from across the globe. Karbala is crucial to the Iranian revolutionary narrative, the spirit of the Iran–Iraq War and the notion of martyrdom, which continues to play an important role in Iranian society and politics today. The first imam, the Prophet’s direct successor Ali ibn Abi Talib, is buried in Najaf, making it an important holy site for Shi’i Muslims. Najaf’s seminary is recognized around the world and over the years has produced and attracted many ulama (Islamic scholars). The founder of the Islamic Republic, Ayatollah Khomeini, lived and taught there before his exile to France and subsequent return to Iran.

Today, Iran continues to foster ties with the religious community in Iraq. Tehran is preparing the ground for the succession to Grand Ayatollah Ali Sistani, now 84. With Iran’s financial backing, the Iraqi-born cleric and Iranian government insider Ayatollah Mahmoud Hashemi-Shahroudi, aged 63, has been building support networks across Iraq in preparation for the selection of the new marja’. Iran has also spent over 420 billion rials (about US$13.5 million) on the reconstruction of holy shrines in Iraq during the past fiscal year—double the amount spent in the previous year.

4 Author’s interviews with Akbar Etemad, 6 Oct. 2014.
6 A marja’ is a Shi’i religious authority, who is deemed competent to interpret the prescriptions of the shari’a and make decisions. Manijeh (pl.) play a key role in Shi’i jurisprudence and are imitated by believers.
Economic interdependence

Tehran and Baghdad have been actively working to develop their economic ties, especially in the light of the sanctions regime imposed on Iran. In 2011, following the tightening of sanctions, Iran sought to replace its traditional trade partners in the region, Turkey and the United Arab Emirates, with Iraq. Today, Iraq is one of Iran’s top five trading partners. By the end of 2013, the volume of trade between the two countries had reached $12 billion and the two capitals are aiming to increase it to $20 billion by 2018. Tehran has also encouraged Iranian companies to invest in Iraqi infrastructure projects in order to increase the two countries’ interdependence.

The growth of trade was facilitated by the Iranian leadership’s good relations with the former Iraqi Prime Minister Nouri al-Maliki, smaller Shi’i clans and the Kurds. Iraq and Iran share 910 miles of porous border, which is poorly defended by the Iraqi police. Some of the border regions are predominantly Kurdish. In these Kurdish areas, people and goods circulate easily and without much oversight by the two governments. While today this presents problems in relation to the potential spread of ISIS, in the previous few years it fostered the growth of illegal trade and smuggling networks, which benefited both countries at a time when Iranian trade was being hampered by sanctions.

Recent relations

While Iran opposed the US-led invasion of Iraq in 2003, it saw the inevitable post-conflict reconstruction as an opportunity to increase its involvement in the country. As the new Prime Minister Maliki centralized power, he increased his reliance on Tehran, with which he had developed ties during his exile in Iran and Syria from 1979 until the fall of the Ba’thist regime in Iraq in 2003. Maliki shared Tehran’s fear of a strong Sunni faction in Iraq and was wary of including Sunnis in his government. In March 2008, Mahmoud Ahmadinejad became the first Iranian president to visit Iraq since the 1979 revolution, while Maliki led several visits to Iran. By January 2010, the two countries had signed more than 100 cooperation agreements. For the first time in almost half a century, Iraq was a friend, not a foe, to Iran. It goes without saying that not having strong enemies on its border is a significant strategic asset to any country, especially one in a neighbourhood as conflict-ridden as that of Iran. With the advent of ISIS, Tehran finds itself once more facing the prospect of sharing its borders with an adversary, and this time one vowing to eradicate Shi’is and establish an Arab, Sunni caliphate in the region.

Religious, economic and political interdependence between the two countries has deepened since the beginning of the Syrian crisis. In recognition of Iraq’s potential role as a bridge, official visits and cooperation agreements have increased significantly. Security relations have also intensified. In April 2013 the Iranian
intelligence minister, Heidar Moslehi, visited Iraq and pledged to share Iran’s experience in managing domestic terrorist activity, including through training and equipping the Iraqi police.

Manageable instability in Iraq gives Iran greater opportunity to exert its influence. Tehran thrives in unstable contexts, because they allow its leadership to make better use of available means to increase its influence, such as proxies. External threats also help strengthen the regime domestically, as was the case in the Iran–Iraq War. The crisis provoked by ISIS, however, goes beyond what Iran can cope with. Today, Tehran makes it no secret that the security and integrity of Iraq constitute a core foreign policy concern. Foreign Minister Zarif highlighted this during an August 2014 visit to Iraq, when he said that Iran regards Iraq’s security as its own.9

**Iran and the response to ISIS**

The Islamic Republic’s foreign policy is known for being reactive. While it may be guided by broad strategic principles such as striving for regional supremacy, Tehran more often than not develops its position in response to a crisis. This strategy, in which it is not alone, allows Iran to be both reactive and flexible. Contrary to what many in the West believe, Tehran has also generally demonstrated pragmatism in its foreign policy.10

The security threat notwithstanding, it could be argued that in the short term Iran stands to gain from ISIS advances in Iraq. Indeed, the gravity of the threat could provide an opportunity for Iran to act as a natural partner within the community of nations in pursuing order in the region against the group. In addition, following its unpopular engagement in Syria, an embattled IRGC Quds Force11 could improve its regional reputation by gaining a new image as the saviour of regional religious minorities targeted by ISIS. The public relations campaign conducted by the Quds Force Commander General Qassem Soleimani on social media, including photos of him in Iraq engaging with various groups, is evidence of these efforts and stands in stark contrast with the Force’s shadowy involvement in Syria.

ISIS advances in Iraq have forced Iran to re-examine some of its established positions, such as systematically condemning US involvement in regional affairs. Indeed, from mid-July 2014 Tehran revoked its longstanding support for Maliki, made only minimal condemnations of American re-involvement in Iraq through air strikes on ISIS positions, and began to engage with its regional rival, Saudi Arabia, on mitigating the threats posed by ISIS. Nevertheless, while its strategy towards Iraq has evolved, one interesting constant in Iran’s policy has been to remain resolutely opposed to partition of the country.

11 The Quds Force is an elite branch of the IRGC, tasked with intelligence-gathering, special operations, arms smuggling and influencing politics in order to protect the revolution.
Iranian reactions to the crisis

In June 2014, as ISIS was making substantial advances in Syria and Iraq, the Iranian state media downplayed the threat posed by the group and the progress it made. Iranian media even reported that the Iraqi army had successfully pushed ISIS back, and that the group’s fighters were confined to a small area in Iraq. On 16 June, Deputy Foreign Minister Amir Abdollahian stated that ISIS posed ‘no threat against the geographical borders of the Islamic Republic of Iran’. Even behind closed doors, Iranian government officials belittled the threat as one that would be dealt with rapidly.12

The Iranian population, however, inferred that the group had advanced into Iranian territory. ‘They have reached Kermanshah [a city in western Iran],’ said one young Iranian woman. In fact, ISIS fighters were neither confined to a small area in Iraq nor at the gates of Kermanshah, but the difference between the way the government portrayed the advance of ISIS and the population’s threat perception was significant.13 The public apprehensions illustrate the deep insecurity of Iranians and the persistence of a vivid memory of the devastating Iran–Iraq War; they also highlight the lack of trust in their government to effectively assess and respond to such threats. As ISIS made more substantial progress, the government’s attitude began to shift. Following a series of successful offensives in northern Iraq in mid-June by ISIS fighters, national news agencies, such as the conservative Fars News, began running minute-by-minute updates on ISIS advances and blaming foreign countries both for the group’s rise and for describing the conflict as sectarian.14

Tehran argues that the creation of ISIS can be attributed to western policies in the region. In the words of Zarif: ‘ISIS is the product of two things. First is the US invasion of Iraq, and the foreign presence that creates a dynamic of resistance. Second is the feeling of disequilibrium, which has prevailed in some countries in the region since the fall of Saddam. They are trying to change the status quo.’ To combat ISIS, Zarif argued, the ‘fertile ground’ provided by the group’s ideology ‘must be removed’ and ‘policies in the region need to be changed, especially regarding Palestine. They exacerbate this sense of resentment.’ In other words, ‘dealing with interests and abuses of inequalities’ will help combat the ideology of ISIS.15

The nightmare scenario: Iraq’s partition

Hossein Amir Abdollahian warned that Iraq’s partition would have repercussions.16 The Foreign Minister echoed this, stating: ‘if Iraq dissolves, there will be

12 Author’s interviews with officials in Tehran, 13–16 June 2014.
13 Author’s interviews in Tehran, 13–16 June 2014.
14 Fars News, like other Iranian media outlets, has a main section on its website covering ‘the developments in Iraq’. Unlike the events in Syria, the Iraqi situation has been deemed important enough to have a key section, similar to the country’s nuclear negotiations in Iranian media outlets, including Fars News, http://farsnews.com/iraq.
15 Author’s interview with Mohammad Javad Zarif, New York, 19 Sept. 2014.
16 'Iran warns of fallout from Iraq disintegration’, Press TV, Iran, 30 June 2014.
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chaos in the region. No one wants that." Tehran’s aim is to destroy ISIS while preserving the territorial integrity and national unity of Iraq. Zarif added that all Iranian support to groups in Iraq would be given within the framework of the country’s territorial integrity.

Iran’s insistence on the territorial integrity of its neighbour is a reaction to a resurgence of the debate, both in the region and in the West, on the viability of Iraq’s current borders. Some argue that the country should be split into three states: Sunni, Shi’i and Kurdish. From Tehran’s perspective, Iraq’s partition into three smaller states would shift power dynamics in the region and threaten regional stability. Iraq would no longer be a majority Shi’i state with a central government friendly to Iran; this would clearly diminish Iran’s area of influence. An independent Kurdistan would have implications for all three other regional states with Kurdish populations—Iran, Syria and Turkey—forcing them to reconsider their policies towards their Kurdish regions and populations. In Iran, since 1979, systematic short-sighted neglect of minorities has resulted in Kurdish areas being underdeveloped. Iraqi partition would therefore have an impact on Iran’s own Kurdish areas. An independent Sunni country would be likely to align itself with Saudi Arabia, and potentially to harbour many individuals affiliated to the former Ba’athist regime.

To preserve Iraq’s territorial integrity, Iran opted to arm proxy groups and provide political, military, economic and humanitarian aid to key stakeholders. These stakeholders are mainly Shi’i and Kurdish. According to Massoud Barzani, President of the Iraqi Kurdistan Region (IKR), Iran was ‘the first country to provide [the Kurds] with weapons and ammunition’. Among the groups that the West and Iran are empowering, the peshmerga, the Kurdistan Workers’ Party (PKK) and the PKK’s Syrian affiliate, the Democratic Union Party (PYD), stand out. The peshmerga is the IKR’s formal army and in political orientation stands in contrast to the PKK and PYD, which have a leftist and populist ideology. The PKK, in particular, is widely considered in the West to be a terrorist organization, identified as such by the EU, the United States and NATO. Its reputation stems from its decades of armed struggle against the central government in Turkey.

In addition, a number of Iranian Kurds, including some from the Kurdish Democratic Party of Iran, have reportedly joined Kurdish fighters from Iraq and Syria. It is unclear whether this is condoned by Tehran. Arming multiple groups allows Iran to maintain its influence in Iraq and pursue its goal of preserving Iraq’s territorial integrity, while downplaying the sectarian nature of the conflict by empowering both mainly Sunni Kurds on the one hand and Shi’i Arabs on the other.

17 Author’s interview with Mohammad Javad Zarif, New York, 19 Sept. 2014.
18 Author’s interview with Mohammad Javad Zarif, New York, 19 Sept. 2014.
20 ‘Iran provided weapons to Iraqi Kurds; Baghdad bomb kills 12’, Reuters, 27 Aug. 2014.
Iran’s growing involvement in the crisis

Tehran declared that the ‘fall’ of Karbala or Najaf would trigger its direct intervention. This declaratory policy placed the bar high, safeguarding Tehran against more direct involvement than it was willing to envisage. But the rapid advance of ISIS and Iranians’ fears of spillover led the leadership to progressively increase its involvement in the crisis in the second half of June. While Iran’s official declaratory policy concerned key Shi’i sites, it appeared that the fall of any of three specified strategic cities—Damascus, Baghdad or Irbil—would also trigger a robust Iranian response. According to Zarif, Iran has already played a key role in securing those cities, without intervening militarily.

Tehran’s strategy is to keep boots on the ground to a minimum and its participation as nearly invisible as possible. While it has not hesitated to become involved more directly when needed, to the extent that it is strategically viable, Tehran provides logistical and military assistance and advice to groups it views as viable counterweights to ISIS. At first, this ‘leading from behind’ strategy best served Tehran’s interest. It enabled Iran to avoid direct and obvious involvement in the conflict while continuing to strengthen its foothold in the country. During the early stages of the crisis, Iranian officials consistently denied the presence of forces and personnel in Iraq. In June, President Rouhani confirmed that ‘Iran has never dispatched any forces to Iraq and it is very unlikely it will ever happen’. This initial strategy was similar to that pursued by Iran in Syria, where its goals were to preserve Syria’s territorial integrity and keep Bashar al-Assad, who promoted Tehran’s interests, in power. Accordingly, Tehran led from behind by advising Assad, supporting him politically, militarily and financially, and by committing its elite forces to direct action when it viewed this as necessary. While being a drain on Iranian resources, Tehran’s commitment paid off as Assad’s rule has remained effectively unchallenged and is likely to have been reinforced by the advent of ISIS.

In responding to the Iraq crisis by empowering relevant groups in Iraq to fight ISIS, Iran could play an active role in combating it, while aspiring to restore Iraq’s national unity. Indeed, direct Iranian involvement would run the risk of triggering a nationalist Iraqi reaction, including among Shi’is, perhaps leading to stronger calls for Iraq to be dissolved into three separate states based on ethnicity and religion. However, completely outsourcing Iraq’s security to such groups would put in jeopardy Iran’s strong position both in its neighbour country and in the wider region. Tehran therefore took an intermediate position, assisting the Iraqi central government as well as Shi’i and Kurdish groups.

Tehran also sent security advisers to Iraq and provided the government and fighting groups with intelligence. On 17 June 2014, Qassem Soleimani, the man credited with devising the strategy that pushed the rebels back in Syria, was sent

21 ‘Vakonesh-e Rouhani be khabar-e emkan-e soghout-e Karbala o Najaf/Mahdoudiat-i dar amaliat nakhahim dasht’ [Rouhani’s reaction to the news of possibility of the fall of Karnataka and Naka], Mehr News, 25 Aug. 2014.
22 Author’s interview with Mohammad Javad Zarif, New York, 19 Sept. 2014.
23 ‘Iran sent soldiers to fight in Iraq’, Al Jazeera, 23 Aug. 2014.
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to Iraq. While Soleimani often visited Baghdad unannounced, this visit was public and the United States was reportedly notified of it,24 indicating the gravity of the situation for Iran. General Soleimani’s brief was to provide advice and assistance to Iran’s neighbour, while ensuring that the situation did not deteriorate. It was reported that following the arrival of 100 Quds Force members in mid-June, Soleimani planned to create a volunteer militia similar to the National Defence Force in Syria, to fight against ISIS alongside the weak and demoralized Iraqi army.

Politically, Iran’s strategy of ‘leading from behind’ allowed it to focus its public efforts on dialogue and rebuilding national unity in Iraq. This national unity, fragile to begin with, has suffered as a result of decades of sectarianism, both under Saddam Hussein, who subjugated Shi’is and Kurds, and since the end of Operation Iraqi Freedom (2003), which reversed the power dynamics. Initially, Tehran considered repeating its efforts of 2010 to persuade Shi’i factions to support Maliki, and began dialogue with Iraq’s multiple Shi’i factions with the aim of shoring up their unity, while also putting pressure on Maliki to form a more inclusive government to draw support away from the ISIS insurgency. When it became clear that Maliki would not oblige and that Iraq’s Sunnis were too alienated by his divisive government, Iran joined the United States, former Shi’i political allies and Iraq’s top Shi’i spiritual authority Grand Ayatollah Sistani in calling for him to step down. Maliki finally relinquished the premiership in early August 2014 in favour of Haidar al-Abadi.

Gradually, Iran’s intervention dynamic evolved in response to what it viewed as a growing threat. In November 2013, Tehran and Baghdad concluded an agreement for the provision to Iraq of Iranian equipment, including small arms, mortars, and tank and artillery ammunition. It is unclear whether the delivery was completed, owing to the sanctions regime prohibiting Iraqi acquisition of weapons from Iran. However, after the fall of Mosul, Iran publicly provided Iraq with Ababil surveillance drones, and following further advances by ISIS Tehran began to fly 140 tons of military equipment daily into Baghdad.25 One Iraqi intelligence official noted that these deliveries included rockets, heavy machine guns and multiple rocket launchers.26 In early July, Tehran reportedly delivered Su-25 aircraft (former Iraqi planes kept by Iran following the Iran–Iraq War) to Iraq.27 On 12 August, ISIS captured Jalawla—a town just 20 miles from the Iranian border. In response, Tehran reportedly assisted the Kurdish counter-offensive by sending in Iranian army units.28 Unverified pictures of the counter-offensive include M60 tanks in Iranian camouflage patterns, most likely drawn from the Iranian 71st Mechanized Brigade at Abuzar Garrison and/or the 181st Armoured Brigade at Eslamabad

Gharb. If verified, the direct involvement of Iranian army units in northern Iraq would constitute a significant increase in Iranian support to those fighting ISIS in that country.

Following weeks of ISIS victories, in September 2014 Tehran was openly credited with enabling small but notable victories against ISIS. In early September, Kurdish and Shi’i forces were able to push ISIS back from Amerli and Suleiman Beg in northern Iraq with Iranian help. According to a peshmerga commander, Iran offered military assistance, training and advice. Iran also facilitated cooperation and communication between the different groups operating in the area by setting up joint operations centres with the Iraqi military and the Kurds.

As ISIS fighters advanced further into Iraq, so Iran’s strategy in response to the crisis evolved. As it became clear that the group was making considerable progress near Iran’s borders, the Iranian army was reportedly sent in to push it back. If these reports are accurate, this would mark the first time that the Iranian army (as opposed to the IRGC) has been deployed for combat since the Iran–Iraq War. Clearly, Iran will not hesitate to increase its involvement in Iraq, including with boots on the ground, should the conflict endure, or worsen, or endure and affect its strategic environment and borders.

An opportunity for further cooperation with the West?

To advance its agenda, Tehran will inevitably have to coordinate its response with the West. Western leaders have already acknowledged the need for cooperation—or, at the very least, coordination—with Iran and expressed interest in doing so. Iranian officials have prudently suggested that this would be possible. Interestingly, and despite announcements by both sides that regional issues would not be part of the nuclear negotiations taking place between the five permanent members of the United Nations Security Council (the United States, the United Kingdom, France, China and Russia), Germany (P5+1) and Iran, US and Iranian officials reportedly discussed the ISIS crisis on the sidelines of the talks in Vienna in June 2014. However, in an attempt to avoid stirring the debate around any rapprochement between Iran and the West, and particularly between Iran and the United States, the Rouhani government has not openly and explicitly discussed ways of working together with the West to defeat ISIS. Instead, various Iranian officials have made vague statements about the possibility of such efforts. This reticence stems from the opposition expressed by a vocal minority in Iran to any possible thaw in relations between Iran and the West. Yet, unlike the nuclear issue, the prospect of cooperation with the West in Iraq has not become a major topic of debate in Iran. Iranian hard-liners have instead focused on fixing red lines for Rouhani’s administration on acceptable outcomes for Iran’s uranium enrichment programme, in

29 Author’s interview with Henry Boyd, Defence and Military Analysis Programme, IISS, 12 Sept. 2014.
30 ‘Iranians play role in breaking IS siege of Iraqi town’, Reuters, 1 Sept. 2014.
32 ‘Moshaver-e vazir-e khareje-ye Iran: Hamkari-e Iran o Amrica alayh-e DAESH momken ast’ [Iran’s Foreign Minister advisor: cooperation between Iran and the US to counter ISIS is possible], BBC Persian, 11 Aug. 2014.
the context of fast-moving negotiations. More importantly, defeating ISIS is a priority for all across the political spectrum in Iran.

There is, of course, a precedent for limited US–Iranian cooperation on regional issues. Despite the lack of diplomatic relations between the two countries, they cooperated in 2001 to rid Afghanistan of the Taliban. Today, Washington and Tehran share the same goals for Iraq: avoiding partition and a potentially devastating sectarian civil war, and defeating ISIS. While the two governments are clearly far from in-depth cooperation, they may coordinate their efforts on a tactical level. Some willingness on Iran’s part to consider coordination with the United States seems to be indicated by the marked lack of criticism of renewed US air strikes on ISIS targets in Iraq—indeed, some Iranian officials made statements welcoming them. In June 2014 the head of the Centre for Strategic Studies and adviser to President Rouhani, Hesameddin Ashna, noted that ‘Iran would not support a US ground intervention but airstrikes could help the “paralyzed” Iraqi air force’. A former Iranian government official publicly pointed to the Amerli counter-offensive as an example of coordination between the two capitals, stating that both the IRGC’s support for the peshmerga on the ground and US air strikes were vital in pushing ISIS back.

In September, after the announcement that Iran would not be included in the international coalition against ISIS, Supreme Leader Ayatollah Khamenei claimed that several US officials had approached their Iranian counterparts to discuss coordinating efforts against ISIS. He noted that while some Iranian decision-makers were not opposed to such cooperation, he himself had made the decision to reject the United States’ request. However, the Supreme Leader did not condemn US air strikes in Iraq. This is a far cry from the condemnation of the US presence in Iran’s backyard and its general involvement in the region consistently voiced by the Islamic Republic since the 1979 revolution. Today, US involvement in Iraq has helped take some of the pressure off Iran, by helping to degrade ISIS and constrain it geographically. International intervention also minimizes the need for Iran to have an active presence on the ground in Iraq.

Nevertheless, Ayatollah Khamenei was vocal in his dismissal of France’s invitation to Iran to join the Paris-based meeting on solidifying the US-led coalition in early September. This strong rejection was aimed at the domestic audience of hard-liners, increasingly worried that the P5+1 negotiations would trigger rapprochement with the West. Since the inauguration of President Rouhani, Tehran has been engaging with the West, including in bilateral talks with the United States, in the context of the nuclear negotiations. This is already a step too far for Iran’s hard-liners, who do not wish to see their country engage with the West. Rouhani must pick his battles carefully. Any indication of a public rapprochement with the West would undermine much of Tehran’s discourse and declared policy.

Tehran also sees itself as the leader of the Non-Aligned Movement. As such, it believes that if it were viewed as shifting away from its traditional revolutionary anti-western discourse and declared policy, it would lose a key constituency. On a practical level, the formation of the international coalition allows Iran to take a step back and let the Washington-led group of nations do the work to degrade ISIS. It further enables Tehran to refrain from stepping in unless and until its interests absolutely require it to do so.

A Saudi–Iranian rapprochement?

Saudi Arabia and Iran have generally found themselves in opposing camps on regional security issues in the past. Not only do the two countries have a long history of divergent strategic interests, fuelled by their 14-century-long Arab–Persian rivalry, they are also divided by religious and ideological factors. Iran is the most populous and powerful Shi’i country in the world, driven to some extent by its revolutionary ideas, while Saudi Arabia sees itself as the key Sunni power in the region. Iran empowers Shi’i and Sunni groups (including Hezbollah) that pursue agendas aligned with Tehran’s interests. Saudi Arabia has directly or indirectly funded a number of groups with Salafist ideals and agendas, a number of which have been active in Iran’s immediate neighbourhood, and some of which have ties to radical Sunni groups within Iran. These groups are mainly active in the border areas between Iran and Pakistan in the east and south-east, and Iran and Iraq in the west. ISIS, however, represents a threat to both Tehran and the Saudi monarchy. Zarif highlighted the importance of the Iranian–Saudi nexus in defeating ISIS in stating that he was meeting the Saudi Foreign Minister on the sidelines of the United Nations General Assembly annual conference in September. 36

As in past cases where Tehran has put ideology aside to focus on its strategic interests, now it seems to be doing so with regard to ISIS—quietly coming to terms with the prospect of coordinating with the West, or at the very least not condemning western intervention, in order to secure its regional environment. While it is unlikely that the ISIS episode will result in a dramatic improvement in US–Iranian relations, it may result in an improvement in the context in which Iran–US interactions take place. At the very least, even if Tehran does not coordinate with the Washington-led international coalition, the rise of ISIS has become an important factor in the relations between the United States and Iran.

Competing priorities: Syria vs Iraq

The emergence and advance of ISIS in Iraq put Iran in a difficult situation. For Tehran to take responsibility for, or even make a significant contribution to, security in Iraq was a daunting task. The alternative—a fragmented Iraq—is unthinkable for Iran. For a country struggling with the financial burden of several years of debilitating sanctions and economic mismanagement, maintaining

36 Author’s interview with Mohammad Javad Zarif, New York, 19 Sept. 2014.
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a significant presence in Syria and mounting large-scale resistance to ISIS in Iraq is an extremely demanding prospect, if not impossible to sustain in the long term.

Syria is a symbol and the means of Iranian influence in the region. Iran’s alliance with the Assad family enables it to extend its reach to the Mediterranean. For this reason, when civil war broke out in Syria, Tehran committed itself to funneling money, equipment and military assistance to the government. While initially this involvement was shrouded in secrecy, in September 2012 Iran admitted that the IRGC Quds Force was present in Syria to provide advice and economic assistance, and it was reported that Iran was shipping weapons and personnel to Syria via Iraq.

Iran has invested a great deal in Syria, and is concerned about the sunk costs and loss of political face if a key friendly government in the region were to finally fall. While many argue that Iran’s policy in Syria has succeeded so far, the political and economic cost, internationally, regionally and domestically, has been high. Iran’s regional popularity—brought to new heights by former President Ahmadinejad—has plummeted. Iranian involvement in Syria has resulted in Iran being increasingly perceived as a sectarian actor in the region. Previously, since the Islamic Revolution, only the Arab Gulf countries had viewed Iran as an ideological Shi’i actor, trying to promote its sectarian agenda in the Middle East; now, with the events in Syria, this view has become more dominant in the Arab world. Indeed, for many, it has become clear that Tehran was empowering Shi’i groups and entities throughout the region at the expense of the Sunni majority in order to diminish Sunni influence. Iran’s loyal and previously popular proxy group, Hezbollah, is progressively regarded with distrust and even disdain. Many Sunnis in the region view it as Tehran’s puppet—another vehicle to implement its sectarian agenda. Even within the Islamic Republic, differences in opinion among the ruling elite over the strategy in Syria have emerged, and have become increasingly obvious. This is a rare occurrence in the history of the regime. In addition to the internal disagreements, an increasing number of ordinary Iranians have also questioned Tehran’s investment in a brutal dictator. For many, the violent ways of the Assad regime were reminiscent of their own struggle against an unwanted ruler. Above all, Iran’s financial involvement in Syria is a serious drain on reserves at a time when Tehran is facing the most comprehensive and complex sanctions regime ever imposed on a sovereign state.

Iraq represents a different and more important challenge to Iran. The two countries share 910 miles of border, while Iran does not share any frontier with Syria. Therefore, events in Iraq, unlike those in Syria, can have a direct impact on Iran’s population and territory. The memory of the Iran–Iraq War—the last time Baghdad’s interests were fundamentally opposed to Tehran’s—is still fresh.

39 Author’s interviews in the region, 2012–14.
ISIS directly threatens Iran’s vast interests in its neighbour country and backyard. Economically, ISIS activities in Iraq put Iran’s multi-billion-dollar exports to the country at risk. This presents an opportunity cost for Iran, which is hopeful that a relatively peaceful Iraq would allow it to expand trade and help its economic recovery. Politically, Iraq, again unlike Syria, is home to a majority Shi’i population, which represents a real constituency for Tehran. Iran relies on this group to maintain and spread its influence. Any fragmentation of Iraq would threaten to awaken desires for independence among other minority communities, including in Iran. Not only would this create additional domestic problems, it would force Tehran to multiply its efforts and increase the resources it commits in order to maintain its current influence in Iraq. More importantly, the Iranian population’s concern over ISIS is much greater than its concern over the potential spillover of the Syrian crisis, which is still viewed as far from home. Rumours of ISIS operatives crossing into Iran, combined with the constant flow of horrific images of the group’s kidnappings and killings, have left many in Iran fearful.

While many Iranians question Tehran’s engagement in Syria, they support involvement in Iraq to stop the spread of ISIS. Syria is considered an optional war: a crisis in which Iran can increase or decrease its involvement based on its policy preferences, not an existential issue. However, ISIS activities in Iraq pose a threat to Iran’s regional influence and, in the eyes of some, raise a genuine concern about sovereignty such as Iran has not had to face since 1988. Iran can live without Syria, but considers Iraq fundamental to its national security. Given competing defence priorities and finite resources, Tehran will not be able to continue to pursue its interests in Syria at the same level if it is mired in Iraq as well.

**Next steps**

As noted throughout this article, Iran views ISIS as a great threat to its borders, as well as to its interests in Iraq. Its primary and preferred strategy to fight the group involves ‘leading from behind’, supporting various groups within Iraq by providing them with intelligence and weapons. This strategy serves Iran’s goals of empowering the Iraqis to preserve their country’s territorial integrity and national unity, while downplaying the sectarian nature of the conflict. However, Iran will follow this approach for only as long as it remains viable: its strategy will change to fit the nature, scale and stakes of the conflict, and its level of involvement will continue to change accordingly.

Nevertheless, while Iran’s strategy has evolved from ‘leading from behind’ to direct military assistance and tactical involvement, so far it has avoided committing large numbers of boots on the ground. Iran would prefer to avoid intervention on such a scale, because both its current resource distribution in the region and its domestic economic situation would not allow it to conduct such operations successfully in Iraq without endangering its position in the region.

Looking ahead, Iran has three options in Iraq. It can continue to pursue its current level of involvement against ISIS, and balance this with its involvement
Iran’s ISIS policy

in Syria. In other words, it could maintain its current level of engagement in Syria while continuing its efforts to arm and provide military assistance to proxy groups in Iraq. This presupposes that the crisis in Iraq does not worsen and that ISIS does not expand further, especially in areas close to the Iranian border. It also means that Tehran would have to rely on the western coalition’s operational success in Iraq. Iran would also hope for a solution to the crisis, namely the collapse of ISIS, independent of its own efforts to push the group back. While this option seemed most promising when the crisis first broke out, the rapid ISIS advance into Iraq made it increasingly unlikely. However, US air strikes on ISIS positions and the possibility of an international coalition assisting in pushing ISIS back have once again favoured this option, taking some of the pressure off Tehran.

Second, Iran could significantly increase the resources it has devoted to the Iraq crisis, without actually committing itself to providing boots on the ground. While participating in an international coalition to fight ISIS would reduce the share of the effort borne by Tehran, Ayatollah Khamenei dismissed the idea in September. Such an increase in Iranian resources committed to fighting ISIS could ensue if the crisis worsens, international efforts to push ISIS back are only moderately successful and ISIS does not pose a direct threat to Iran’s border.

Finally, should the conflict persist and significantly worsen, and should international efforts against ISIS be unsuccessful, Iran is the only international actor that would be prepared not only to increase its level of military involvement in Iraq but also to put boots on the ground. This would, however, be Tehran’s worst-case scenario in terms of involvement. Given its current level of engagement in Syria, the IRGC would face significant financial and physical constraints, while the Iranian military has not been involved in a conflict since the Iran–Iraq War and does not have the same resources as the paramilitary forces. Such involvement would either result in an unbearable burden on public finances in Tehran or result in a certain level of disengagement from Syria.

Since the Islamic Revolution, Tehran has often been described as an irrational, ideologically driven actor, impelled by the notion of martyrdom and an apocalyptic world-view. Yet Iran’s foreign policy proves that it is often driven by national and regime interests. The developments in Iraq and Syria and the Iranian leadership’s response to them illustrate this fact. Indeed, Tehran’s overall strategy, as well as its willingness to engage with Saudi Arabia and the United States, demonstrate that Iran’s foreign policy does not always follow its revolutionary rhetoric.

ISIS represents one of the most significant threats to Iranian national security since the end of the Iran–Iraq War. Unlike other conflicts in the Middle East, the territorial integrity and stability of Iraq are not optional for Iran. Consequently, Tehran is a key stakeholder in the crisis. While developments in Iraq will not result in a fundamental recalibration of US–Iranian or Saudi–Iranian relations, they will at the very least provide for less belligerent rhetoric and declaratory policy, which could be conducive to the building of trust between the two sides in each relationship.