
Iran Is Prepared To Buy Up The Trans Caucasus

by Yuri Simonjan

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Tehran's investments are political

Iran develops bilateral relations with Georgia and Armenia; Iran is considering investing \$1 billion in the Georgian economy and an equal amount in Armenia. Russian investment in Georgia amounted to only \$30 million in 2006. If Tehran goes ahead with this, it would become the most influential player in the region.

The IRNA news agency (Iran) and Georgian media quote Georgian Ambassador to Iran Levan Asatiani as saying that Iranian companies are prepared to invest \$1 billion in Georgian economy. "And the Iranian market looks quite attractive. That's a large country with a population of 70 million," he said, and commented on apparent progress in Georgian-Iranian relations. The diplomat mentioned President Mikhail Saakashvili's official visit to Iran in 2004, meeting of the Georgian-Iranian government economic commission in Tbilisi in 2005, and business forum in Tbilisi in November 2006 attended by representatives of 80 Iranian and Georgian companies.

Tehran's plans with regard to Georgia upset the United States, which hopes to keep Georgia in its own sphere of influence. For the time being, Washington's criticism is restricted to Armenia alone. US Charge d'Affaires in Armenia Anthony Godfrey expressed Washington's concerns over the rapidly developing Armenian-Iranian contacts.

"Armenia's relations with all countries are quite transparent. There is nothing about them to cause worry," Armenian Foreign Minister Vardan Oskanian retaliated.

Vaan Ovanissjan, deputy speaker of the Armenian parliament, believes that Washington is sending a message to Yerevan to be more discerning. "Armenia is a member of the Nuclear Nonproliferation Treaty," he said. "Yerevan has never interfered in other countries' conflicts or domestic affairs by selling weapons. Armenia is beyond criticism from this standpoint... And if it is something else that irks the United States, then it should recall that Armenia is a sovereign state that determines its own foreign policy."

"The United States is trying to expand international support for its actions with regard to Iran," said Armenian political scientist Levon Zurabian. "It cannot help understanding that economic relations with Tehran are very important for Armenia. Godfrey's words are just wishful thinking."

Yerevan's relations with Iran are developing at a rate that makes the United States uneasy. Prime Minister Serge Sarkisian met with Iranian Ambassador Alireza Hakikian the other day to discuss the forthcoming meeting of the Armenian-Iranian government commission. A free trade regime agreement may be signed at the meeting; cooperation between the two countries will be discussed.

"In Georgia Iran does have more room for maneuver than in Armenia," Georgian expert Giya Khukhashvili said. "However, Tehran will be kept at a distance from strategic sectors of the Georgian economy because of Tbilisi's drift to the West. It follows that Iranian companies may

only buy real estate in Georgia or invest in travel industry, light industry, and so on. The Georgian authorities had better remember that Iranian investments are political and therefore should be treated with care."

"Georgian relations with Iran may be viewed as a litmus paper from the standpoint of Washington's recent contacts with Tehran," Paata Zakareishvili, Director of the Development and Cooperation Center (Tbilisi), said. "Georgia will accept no investment from Iran without Washington's approval. If the investments are permitted, it will mean that the United States eases off with regard to the Iranian regime..."

Iran is clearly after the status of a serious regional player.

Moreover, it is trying to ameliorate the situation in connection with itself acting through America's closest allies."

"No, I don't know anything about any investment offers from Iran," said Oskanian's spokesman Vladimir Karapetian. "No offers were made through diplomatic channels."
