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Russia: A Euro-Pacific Power?

Goals, Strategies and Perspectives of Moscow's East Asia Policy

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Russia has been working since the mid-2000s to expand the hitherto neglected East Asian pillar of its foreign relations. In view of the rise of China and America's "pivot to Asia", Russia risks politically marginalisation even as the region becomes increasingly important both globally and for Russia itself. If Russia wishes to survive as a major global power, it will have to establish a presence in precisely this "key region" of the twenty-first century. The East Asian nations are increasingly important for the Russian economy too: trade with them already exceeds Russia's trade volume with the post-Soviet states. Moscow's new concentration on East Asia is also driven by domestic political motives, as its underdeveloped eastern regions can only be modernised in cooperation with the East Asian nations.

Russia's new East Asia policy is pursuing ambitious goals. Seeking to establish itself as a "Euro-Pacific power" ultimately means regaining its role as a great power in the region. Initial successes are indeed visible, but the country also faces major obstacles that will prove insurmountable, at least in the medium term.

Militarily, Russia cannot avoid falling ever further behind the United States and China, efforts to modernise its Eastern Military District notwithstanding. In view of its lack of aircraft carriers and foreign bases, Moscow's very limited ability to project power beyond its immediate border region curtails its possibilities to operate as a stabilising power, especially in South-East Asia.

Politically Moscow is pursuing a dual strategy in East Asia. Firstly, it is developing its "strategic partnership" with China. But, secondly it has ceased to rely, as it did in the 1990s, solely on Beijing to act as its "door-opener" in East Asia. As the bilateral balance of power has shifted against it, the Kremlin has come to regard that approach as counterproductive. China is not prepared to accept Russia as an equal partner in East Asia, and willing to grant it at best the role of a junior partner. In order to secure and expand its options, Russia is therefore seeking to diversify its political relations and to join the most important regional institutions. Initial successes have been achieved: participation in the East Asia Summit, membership of the Asia-Europe

Meeting (ASEM) and closer political relations with Vietnam and Japan. Here Russia has profited from the changing strategic environment in East Asia, where China's striving for hegemony and jostling with the United States give cause for concern to many countries in the region. But seen overall, Russia's East Asia policy appears in many respects to be more a sum of bilateral relations than a coherent regional strategy. Another sign of this is that Moscow has yet to develop ideas of its own about how to involve the United States in its East Asia policy. Until that happens Moscow's diversification will remain incomplete. The deterioration of Russian-Western relations caused by the Ukraine crisis places the Kremlin under growing pressure, making it unlikely in the short to medium term that Moscow and Washington will develop an "Asian perspective" for one another or turn to forward-looking mutual interests and cooperation opportunities. The Ukraine crisis has also thrown a spanner into the rapprochement with Japan.

At a more fundamental level, Russia's East Asia policy lacks stable political, societal and economic foundations. Bilateral relations remain restricted to the highest political level and as such vulnerable to political mood-swings.

The Achilles' heel of Russia's East Asia ambitions, however, is the economic sphere. Although complementarities with the East Asian economic space do exist, including geographical proximity, transport routes to Europe and its wealth of resources, Russia has largely failed to leverage these qualitatively for its modernisation efforts. While at first glance impressive, the figures for growth in trade cannot hide the fact that the import/export structure is consolidating to Russia's disadvantage. In the first place its future appears to be as raw material supplier for East Asia. Nor has it to date succeeded – even in strategically important areas such as energy and arms sales – in turning economic cooperation into political influence.

Russia's turn to East Asia also raises questions for Germany and the European Union, such as the extent to which this is associated with a shift away from the Kremlin's traditional fixation on the Euro-Atlantic space. When Moscow began expanding its relations with East Asia in the second half of the 2000s, the move was conceived initially as no more than a supplement to its policy towards Europe and United States, in the sense of a long-mooted multi-vectoral foreign policy. But now during President Vladimir Putin's third presidential term, Russia's East Asia policy is increasingly presented as an alternative to rapidly deteriorating relations with the European Union and the United States. But Moscow is quickly discovering the limits of this approach. Its political and economic position in the east is too weak to successfully play an "East Asian card" against Europe. The nations of Europe remain the Russian economy's most important modernisation partners. Moreover, any turn away from Europe would risk Russia becoming sucked into a junior partnership with China.

In view of the tensions in Russian-Western relations, cooperation in relation to East Asia appears out of the question for the moment. But in the medium to long term the question will arise whether for example Russia, the European Union and the United States could work together there. Ultimately, on a more general level, they certainly share interests in a multilateral containment of growing Chinese power, in establishing a functioning regional security system, and in peaceful resolution of the North Korea conflict and the territorial disputes in the East and South China Seas. In order to explore the possibilities for practical cooperation in these fields, the political dialogue should first be intensified at both the expert level and the political.

Map
Regions of Asia

Russia's New East Asia Discourse: Backgrounds, Objectives, Roles

Geographically speaking, more of the Russian Federation is Asian than European. Despite three-quarters of its territory lying in Siberia and the Far East, Moscow long neglected Asia in its foreign policy thinking and actions. Much too dominant was the relationship with its own sphere of influence, the post-Soviet space, and with the West as the most important modernisation partner and central "other" in Russian identity discourse.

Only since the second half of the 2000s has Asia moved to the top of Russia's foreign policy priorities, although the 2013 foreign policy concept, like its predecessors from 2000 and 2008, names the region only fourth place, after CIS, European Union and United States.[1] But in many other pronouncements President Vladimir Putin accords precedence to Asia.[2] Especially in Moscow's foreign policy activities, a new eastward dynamism can be observed since mid-2000s. This is reflected in expanded bilateral relations, strengthened participation in multilateral regional institutions and the expansion of bureaucratic and academic resources. For example the Russian foreign ministry now has as many departments for Asia as for the CIS, while research centres for the Association of Southeast Asian Nations (ASEAN) and the Asia-Pacific Economic Cooperation (APEC) were set up at Russian universities in 2009 and 2010 respectively.[3]

In parallel to this, an intense debate on Asia policy began in Russia during the second half of the 2000s, and was given another boost by the Russian APEC presidency in 2012. But it was conducted less by regional scholars than by high-ranking politicians such as Vladimir Putin, Dmitry Medvedev and Sergey Lavrov and foreign policy experts like Sergey Karaganov, Fyodor Lukyanov, Vyacheslav Nikonov and Dmitri Trenin. That is indicative of the fundamental character of the debate, in the sense of a realignment of Russian foreign policy.[4]

The regional focus here is East Asia. The Russian Asia debate and policy have traditionally looked above all to North-East Asia (China, Japan and the Korean Peninsula), which is where both the most important trading partners and the biggest security challenges are to be found. But since the mid-2000s Moscow has also devoted greater attention to South-East Asia, meaning the ASEAN states. Growing trade relations play a role here, as do multilateral processes within and emanating from the sub-region, which Russia uses as a gateway for a greater presence in East Asia in general. The study acknowledges this prioritisation and concentrates on Russian East Asia policy.[5] Russia's

1 "Concept of the Foreign Policy of the Russian Federation", Ministry of Foreign Affairs of the Russian Federation, official website, 12 February 2013, http://www.mid.ru/brp_4.nsf/0/76389FEC168189ED44257B2E0039B16D.

2 In a programmatic essay shortly before the 2012 presidential election and a speech to Russian diplomats in July 2012, Putin in both cases moved straight from relations with the post-Soviet space to the relationship with Asia. Vladimir Putin, "Rossiia i menyayushchisiia mir" [Russia and the changing world], *Moskovskie Novosti*, 27 February 2012; "Meeting with Russian Ambassadors and Permanent Representatives in International Organisations", President of Russia, official website, 9 July 2012, http://eng.kremlin.ru/news/4145.

3 An ASEAN Centre was set up at the Moscow State Institute of International Relations (MGIMO) in 2009 (http://asean.mgimo.ru) and an APEC Centre at the Presidential Academy of National Economy and Public Administration in 2010 (http://www.apec-center.ru).

4 The most important academic and policy advice contributions are: Council for Security Cooperation in the Asia Pacific (CSCAP), "Going East: Russia's Pacific Strategy", *Russia in Global Affairs*, 25 December 2010, http://eng.globalaffairs.ru/number/Going-East-Russias-Asia-Pacific-Strategy-15081; "The Year 2010: Was Russia Looking to the East?", *International Affairs* (Moscow), 57, no. 2 (2011): 168–87; Oleg Barabanov and Timofei Bordachev, *Toward the Great Ocean, or the New Globalization of Russia* (Moscow, July 2012), http://vid-1.rian.ru/ig/valdai/Toward_great_ocean_eng.pdf; Dmitry Trenin, "Euro-Pacific Nation", *Russia in Global Affairs*, 24 March 2003, http://eng.globalaffairs.ru/number/n_639. The central contributions by leading politicians include: Sergey Lavrov, "The Rise of Asia, and the Eastern Vector of Russia's Foreign Policy", *Russia in Global Affairs*, 2006, no. 3, 68–80; Alexey Borodavkin, "Russia's Eastern Policy: Summing Up and Looking Forward", *International Affairs* (Moscow) 57, no. 2 (2011): 28–32; Dmitry Medvedev, "Russia Must Look East", *Financial Times*, 2 November 2012, http://blogs.ft.com/beyond-brics/2012/11/02/guest-post-by-dmitry-medvedev-russia-must-look-east/#axzz2Iz3gSf00.

5 As part of the post-Soviet space, Central Asia is bracketed out of Russia's Asia discourse. And although India is an important "strategic partner" and Afghanistan a crucial security factor, South Asia plays only a subsidiary role.

relationship to the United States, as the region's most important external actor, is also examined.

The origins of the new debate are to be found in two developments. The first of these is the already noted leap in the importance of East Asia, both globally and in relation to Russia. Geopolitically this is reflected primarily in the growing power of China and in the realignment of US foreign policy under President Obama. As well as asserting its regional power ever more confidently and playing a growing global role, Beijing it is also able to shift the balance of bilateral relations with Moscow in its favour. For the first time in its history Russia is now dealing with an eastern neighbour that threatens to become stronger than itself – or has already done so. In the words of Dmitri Trenin this represents an "earthquake" in foreign policy thinking.[6] In autumn 2011, Washington in turn initiated its "pivot" to Asia, which should be understood as an expansion of its political and military capabilities and its regional leadership role. Most Russian experts and politicians see the altered strategic circumstances as posing a central challenge for their own foreign policy, namely that Moscow could become even more politically marginalised in East Asia than it is already.[7] At the same time the Ukraine crisis has increased the importance of East Asia for Russian foreign policy. In a context of deteriorating relations with the European Union and the United States, good relations with key East Asian actors – Japan, South Korea and ASEAN as well as China – are crucial for the Kremlin to avert any appearance of international isolation.

In the economic sphere Russian politicians and experts likewise note the growing importance of East Asia. The region is lauded as the "powerhouse of growth"[8] or "vital center"[9] of the world economy. In the longer term economic power is expected to shift away from the traditional growth engines of the United States and Europe, which have been lastingly weakened by the economic and financial crisis, gravitating instead to the growing economies in the east.[10] The East Asian nations have become increasingly important for Russia since about 2000, and their share of Russian foreign trade now in fact exceeds that of the post-Soviet states. Economically, too, the Ukraine crisis increases East Asia's weight, with the threat of European and US economic sanctions spurring Moscow to intensify its search for economic alternatives to the east.

Secondly, the new Russian focus on East Asia is motivated by domestic pressures. The Kremlin views the situation in its own eastern territories – Siberia and the Far East – with rising concern.[11] Socio-economic and security problems such as depopulation, high unemployment, low productivity and great dependency on raw material exports intertwine in a specific manner here. And the economic orientation of the eastern regions has changed since the Soviet era. These days they look less to European Russia than to their East Asian neighbours. Therein lies an opportunity, but also a risk. Either there will be a "dual integration", in the sense of Russia's eastern regions successfully modernising through integration with the East Asian economic space and thus becoming an additional resource for a successful Asia policy. But it is also possible that Siberia and the Far East will collapse to become a "double periphery", leaving these regions functioning as nothing more than raw material suppliers for East Asia and economically (and in future potentially politically) decoupled from the rest of the country.[12]

Many participants in the Russian East Asia discourse criticise Moscow's failure to develop any coherent policy to address the region's increasing weight. They demand that better use be made of this neglected

6 Dmitri Trenin, "Challenges and Opportunities: Russia and the Rise of China and India", in *Strategic Asia 2011–12: Asia Responds to Its Rising Powers – China and India*, ed. Ashley J. Tellis, Travis Tanner and Jessica Keough (Seattle and Washington, D.C., 2011), 227–36 (227).

7 Sergey Karaganov, "Russia's Asian Strategy", *Russia in Global Affairs*, 2 July 2011, http://eng.globalaffairs.ru/pubcol/Russias-Asian-Strategy-15254; "The Year 2010: Was Russia Looking to the East?" (see note 4).

8 Dmitry Medvedev, "Excerpts from Transcript on Meeting of the Far East's Socioeconomic Development and Cooperation with Asia-Pacific Region Countries", President of Russia, official website, 2 July 2010, http://eng.kremlin.ru/transcripts/547.

9 Sergey Lavrov, "Towards Peace, Stability and Sustainable Economic Development in the Asia Pacific Region", Ministry of Foreign Affairs of the Russian Federation, official website, 5 October 2013, http://www.mid.ru/brp_4.nsf/0/D19A0531B380362544257BFB00259B9E.

10 "Concept of the Foreign Policy of the Russian Federation" (see note 1); "Meeting with Russian Ambassadors and Permanent Representatives in International Organisations" (see note 2).

11 "State Council Presidium Meeting", President of Russia, official website, 29 November 2012, http://eng.kremlin.ru/news/4680.

12 Natasha Kuhrt, "The Russian Far East in Russia's Asia Policy: Dual Integration or Double Periphery?" *Europe-Asia Studies* 64, no. 3 (2012): 471–93.

"reserve"[13] of foreign policy and call for a strategy to secure Russia a "worthy place" in East Asia, as Foreign Minister Sergey Lavrov put it.[14]

Out of the statements of experts and politicians involved in the discourse, it is possible to filter out fundamental objectives. The minimum objective is to prevent any further erosion and marginalisation of Russian power in East Asia, as this could lead to a loss of autonomy, for example through being forced into a "junior partnership" with China. The maximum goal discussed is a significant strengthening of the Russian position in the region, in economic, political and military terms.[15] In fact a new moniker has been coined to describe this: Russia should establish itself as a "Euro-Pacific power".[16]

Although the term is heard only in expert circles, it also highlights the Kremlin's regional ambitions. Unlike the post-Soviet space, the issue in East Asia is not regional dominance. Historically Moscow has never possessed a firm sphere of influence there and today it certainly lacks the material and immaterial wherewithal to justify any such claim. What Russia's leaders do strive for, however, is a position as an independent pole in a multi-polar regional system, as an equal with the other major powers of East Asia.[17] Here models and structures from the international level are transposed to the East Asian region. At the same time it is hoped that a better position in East Asia will reinforce Russia's claim to be a major global power. It is taken for granted that Moscow will only be able to maintain that status if it can establish itself as a decisive actor in what is seen as the key region of the twenty-first century, the Asia-Pacific.[18] This means that Moscow's East Asia policy is not only about pursuing concrete political, economic (and security) interests affecting the region, but also the superordinate objectives of international status and influence.

To what extent is Moscow in a position to realise its ambitions? What capabilities does it possess, what strategies and instruments does it apply? Where have successes been observed and what factors hinder implementation? In order to answer these questions, in the following Russian East Asia policy is analysed in three dimensions: the military, the political and the economic. The criteria of the great power role are the yardstick. To what degree can Russia fulfil this in East Asia? A great military power is characterised not only by the capacity to repel dangers and threats on its own, but also to project power at a regional scale. Politically great powers exert decisive influence in all the central questions affecting the region, either de facto or through membership of regional institutions. They are capable of influencing the regional order and the interactions of other states, and their status is acknowledged by the other actors. Finally, as far as the field of the economy is concerned, great powers account for a significant share of the foreign trade of the other countries in their region and are in a position to exert decisive influence on economic relations and regional economic processes.[19]

13 "Russian-Chinese Section of the Valdai Club Discussed Russia's Strategy in Asia", 4 December 2011, http://valdaiclub.com/event/33780.html.

14 Medvedev, "Excerpts from Transcript of Meeting" (see note 8).

15 "The Year 2010: Was Russia Looking to the East?" (see note 4); "Meeting with Russian Ambassadors and Permanent Representatives in International Organisations" (see note 2).

16 Dmitri Trenin first spoke of Russia as a "Euro-Pacific nation" in 2003. The term was adopted in the second half of the 2000s by experts close to the Kremlin, who united it with the concept of "power". This anchored the term "Euro-Pacific power" in Russia's Asia discourse as a vision for its role in East Asia. Trenin, "Euro-Pacific Nation" (see note 4).

17 Foreign Minister Lavrov emphasises that Russia seeks a "truly stable balance of power" in the Asia-Pacific region and must expand its role as a "important stabilizing factor" in the region. Lavrov, "Towards Peace, Stability and Sustainable Economic Development in the Asia Pacific Region" (see note 9); The Russian Embassy in Canada, "The Interview of Russian Minister of Foreign Affairs Sergey Lavrov 'Russia Will Become a Stabilizing Factor in the Asia-Pacific Region'", press release, 6 February 2012, http://www.rusembassy.ca/ru/node/656. Paradorn Rangsimaporn, "Russian Perceptions and Policies in a Multipolar East Asia under Yeltsin and Putin", *International Relations of the Asia-Pacific* 9, no. 2 (2009): 207–44.

18 Paradorn Rangsimaporn, *Russia as an Aspiring Great Power in East Asia: Perceptions and Policies from Yeltsin to Putin* (Basingstoke: Palgrave Macmillan, 2009).

19 These criteria represent the outcome of a synthesis prepared by the author on the basis of the research literature on great and regional powers. While Russia does not fit into the category of (regional) "emerging powers", studies on great powers often concentrate too strongly on the global level and lack detail on how they operate in regional contexts. Kenneth N. Waltz, *Theory of International Politics* (Reading, MA: Addison Wesley, 1979); John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York: Norton, 2001); Daniel Flemes, Dirk Nabers and Detlef Nolte, eds., *Macht, Führung und Regionale Ordnung: Theorien und Forschungsperspektiven* (Baden-Baden: Nomos, 2012); Detlef Nolte, "How to Compare Regional Powers: Analytical Concepts and Research Topics", *Review of International Studies* 36, no. 4 (2010): 881–901.

The Military Dimension: Threat Perceptions and Capabilities

Military power continues to play a central role in Moscow's strategic thinking. It serves not only to defend against military threats and dangers, but to some extent also to compensate the shrinking economic and political foundations of the claim to regional and global power.[20] What threats does Moscow see itself exposed to in East Asia? Are its military capabilities adequate to the dual challenges of protecting its eastern territories and expanding Russia's influence in East Asia?

With respect to potential risks, the Russian Military Doctrine of February 2010 distinguishes between less grave "military dangers", which may lead to "military threats" involving a real possibility of armed conflict.[21] Older official risk and threat analyses devoted little space to developments in East Asia. Traditionally their focus was directed towards Western actors, first and foremost NATO and the United States, and to conflicts in the post-Soviet space. But since the end of the 2000s, East Asia's generally heightened significance for Moscow accompanied by shifting power relations and heightened conflict potential have found the region featuring increasingly frequently in Russia's security discourse.[22]

Moscow's perception of risk and threat concentrates on North-East Asia and sees no exposure to direct military dangers in South-East Asia, where Russia is not immediately entangled in conflicts such as the territorial disputes in the South China Sea (even if repercussions such as Chinese military expansion have disadvantageous effects for Moscow).

The Unresolved Kuril Conflict

Security risks principally affect Russia's North-East Asian neighbourhood. The relationship with Japan is to this day burdened by an unresolved dispute over the five southern Kuril Islands, which Moscow annexed at the end of the Second World War. This is also the reason why the two sides have never signed a peace treaty. Although the Military Doctrine of 2010 classifies "territorial claims" against Russia as a "military danger",[23] nobody in Moscow's political or military leadership actually fears a military invasion of the Kuril Islands by Tokyo or therefore sees Japan as a genuine "military threat". The Japanese constitution restricts its armed forces to self-defence, their troop strength is only one quarter of the Russian, and primarily oriented against China. Nonetheless, Russia has been expanding its military presence in the Kuril Islands since 2011, and increasingly conducting shows of force against Japan. These include major exercises in the Sea of Okhotsk (September 2011) and on the Kuril Islands (February 2013, August 2014), the penetration of Japanese airspace by strategic bombers, and the establishment of additional military facilities on the Kuril Islands.[24] The show of military muscle

20 Vladimir Putin, "Being Strong: Why Russia Needs to Rebuild Its Military", *Foreign Policy*, 21 February 2012, http://www.foreignpolicy.com/articles/2012/02/21/being_strong#sthash.h8RFUqST.dpbs.

21 "Voennaya doktrina Rossiiskoi Federatsii" [Military Doctrine of the Russian Federation], Sovet Bezopasnosti Rossiiskoi Federatsii [Security Council of the Russian Federation], official website, 5 February 2010, http://www.scrf.gov.ru/documents/18/33.html.

22 "Concept of the Foreign Policy of the Russian Federation" (see note 1); "Meeting with Russian Ambassadors and Permanent Representatives in International Organisations" (see note 2).

23 "Voennaya doktrina Rossiiskoi Federatsii" (see note 21).

24 In February 2011 President Medvedev ordered "the modern weaponry required for guaranteeing the security of the islands" to be deployed to the southern Kurils. By 2015 two new garrisons are to be built and equipped with modern naval and air defence systems. Two of the cited manoeuvres coincided with significant historical anniversaries: the Soviet victory over Japan in the Second World War and the Japanese Northern Territories Day. The military exercise in August 2014 is an obvious attempt to dissuade Japan from stepping up its sanctions in the light of Ukraine crisis. Russia's symbolic demonstrations of military strength also include visits to the Kurils by high-ranking generals, and in February 2012 the first by a defence minister. Shinji Hyodo, "Russia's Strategic Approach towards Asia", in *Neighbourhood Watch: Japanese and Swedish Perspectives on Russian Security*, ed. Shinji Hyodo and Carolina Vendil Pallin (Stockholm, 2012), 28f.; Robert Bridge, "Russia to Beef up Military Presence on Contested Kuril Islands", *Russia Today*, 11 May 2011, http://rt.com/politics/russia-japan-kurils-military-modernization; "Russia to Build 150 Military Facilities on Kurile Islands", *RIA Novosti*, 18 April 2014, http://en.ria.ru/russia/20140418/189255401/Russia-to-

appears to be motivated less by any Russian need to strengthen it ability to defend the Kuril Islands, but instead directed towards wringing political and military concessions from Tokyo. In view of its economic and in some respects political weakness, a military show of strength is one of the few instruments alternatives available to Moscow to strengthen its hand against Japan. As well as underlining Moscow's negotiating position in the talks on the Kuril question, which resumed in 2013, it is also about ratcheting up pressure on Tokyo after Japan announced a deepening of the Japanese-American security alliance and plans to deploy missile radar systems.

North Korea's Nuclear and Missile Programme

The Russian leadership worries more about North Korea. Its Military Doctrine warns of two "military dangers", namely "proliferation of weapons of mass destruction" and military escalation.[25] Although Pyongyang's nuclear programme is not viewed as directed against Russia, geographical proximity (Vladivostok is only 150 kilometres from North Korea) and seventeen kilometres of shared border give Russia good grounds for concern. The threats are not only stray missiles but also the possibility of war or political implosion leading to loss of control over the nuclear weapons and large-scale refugee movements.[26]

In order to protect against such risks, Russia is stepping up preventive measures, expanding border security, holding exercises on preventing illegal immigration and modernising its strategic air defences. The first battalion of the latest S-400 surface-to-air missile launchers was deployed to Nakhodka, just 210 kilometres from the North Korean border.[27]

"Unnamed Danger" China

Relations with China are absolutely fundamental both to Russia's security and to its position in East Asia. Russian perceptions of its mighty neighbour to the east are contradictory. On one hand, the fear of direct military threat that shaped Moscow's relationship with Beijing from the 1960s has given way to a normalisation of bilateral relations initiated by Mikhail Gorbachev in 1989. Since then both sides have succeeded in building confidence and defusing some of the traditional conflicts and sources of military risk. Thus in 1994 they agreed on the demarcation of the 55-kilometre western border and in 2008 the same for the 4195-kilometre eastern section.

On the other hand, China's ever-growing military capabilities are viewed with concern. While Russian experts agreed until the mid-2000s that the People's Liberation Army was incapable of successful operations against Russia, this has now come to be regarded as only a matter of time.[28] The Chinese have massively expanded their arsenal in recent years, and already possess more operational warships, tanks and warplanes than the Russians. Moreover, China is modernising its military structures and weapons systems and expanding its ability to project power. Although the Chinese defence industry still lags technologically in certain fields, such as jet engines, ship turbines and naval weaponry, it has made a great leap forwards over the past ten decade.[29] Russia's military-industrial complex, on the other hand, is still relying on developments dating back to the Soviet era, with little prospect of making up the lost ground. In the medium

Build-150-Military-Facilities-on-Kuril-Islands.html; "Russia Says Begins Military Exercises in Pacific Islands Also Claimed by Japan", *Reuters*, 12 August 2014, http://www.reuters.com/article/2014/08/12/us-russia-japan-kuril-idUSKBN0GC0O020140812.

25 "Voennaya doktrina Rossiiskoi Federatsii" (see note 21).

26 North Korea's first underground nuclear test in October 2006 was conducted just 150 kilometres from the Russian border. That same year a North Korean Taepodong-2 missile crashed into the sea off Nakhodka, inside the Russian exclusive economic zone. Leszek Buszynski, "Russia and North Korea: Dilemmas and Interests", *Asian Survey* 49, no. 5 (2009): 809–30 (822); Michael Ludwig, "Moskau fürchtet strategische Gewinne für Amerika", *Frankfurter Allgemeine Zeitung*, 11 April 2013, 2.

27 Following North Korea's second atom bomb test in 2009, Russia deployed a bataillon of S-400s to its Far East. Chief of the General Staff Nikolai Makarov justified this explicitly in terms of protecting Russian territory from stray North Korean missiles. "Russia Deploys S-400 Air Defense Systems in Far East", *RIA Novosti*, 26 August 2009, http://en.rian.ru/military_news/20090826/155930246.html.

28 V. L. Sedelnikov, "China's Military-Economic Strategy and Its Armed Forces Restructuring", *Military Thought*, 1 July 2007; Alexander Khramchikhin, "Millioni soldat plius sovremennoe vooruzhenie" [Millions of soldiers plus modern weaponry], *Nezavisimoe Voennoe Obozrenie*, 9 October 2009.

29 Mikhail Barabanov, Vasiliy Kashin and Konstantin Makienko, *Shooting Star: China's Military Machine in the 21st Century* (Minneapolis: East View, 2012).

term Russia therefore finds itself facing a quantitatively and qualitatively equal neighbour on its eastern border (and quite possibly one day more powerful).

China's possible intentions also arouse suspicion in the Kremlin. Moscow naturally understands that Beijing's military expansion is directed primarily against the United States rather than Russia, and that it is supposed to serve the ends of Chinese hegemony in the East and South China Seas. But in the medium to long term a militarily stronger China could be tempted to adopt a more assertive stance in disputes with Russia. Russia's Far Eastern regions are a traditional source of potential conflict. In the 1990s nationalist currents and regional politicians warned of the danger of a "colonialization" of these territories through massive illegal immigration from China,[30] pointing to the demographic imbalance along the Russian-Chinese border, where fewer than seven million Russians face 120 million Chinese. Although fears of mass immigration have proved misplaced, worries about Chinese predominance in the border region continue unabated. Now they are directed towards a different issue, namely that a strengthened China could be tempted to challenge the current accepted border in order to gain access to energy resources in the Russian Far East. Russia is well aware that the eighteenth- and nineteenth-century treaties recognising its eastern expansion are described as "unjust" in Chinese school textbooks.[31] Fears were exacerbated in 2006 and 2009 by major People's Liberation Army land manoeuvres in military districts adjoining Russia.[32] These experiences have found their way into the Military Doctrine, which now classes "exercises with provocative objectives in Russia's neighbourhood" as a "military threat".[33] For some years Russian-Chinese conflict potential outside East Asia has also been growing. Beijing is undermining Moscow's hegemony in Central Asia, while China's military-backed Arctic ambitions provoke increasing nervousness in the neighbouring Russia.[34]

As far as Russian security assessments of East Asian countries are concerned, China's is the most ambivalent. Threat perceptions are particularly strong among parts of the liberal and nationalist opposition, and weakest in the business elite.[35] In the armed forces Beijing is valued as "strategic partner" and counterweight to the United States, but the large-scale Chinese exercises of 2009 in particular led high-ranking generals to speak unusually openly about a potential threat from the east.[36] Moscow's political leadership, on the other hand, observes restraint on China's military capabilities and intentions, proclaiming instead "an unprecedented level of trust and cooperation"[37] and claiming that the idea of a Chinese threat was Western mischief-making. One reason for such caution is that concerns over security coexist with strong interests in political and economic cooperation. Furthermore, any "new" fear of China is still overlain by the "old" fear of NATO and the United States. How openly Russia responds to military risks emanating from Beijing therefore depends in no small part on the state of relations with the West. When these are relatively relaxed, as was the case during the Russian-American "reset" of 2009/2010, open criticism of China

30 Mikhail Alexseev, *Parting with "Asian Balkans": Perceptions of Chinese Migration in the Russian Far East, 2000–2013*, PONARS Eurasia Policy Memo 319/2014 (Washington D.C.: Program on New Approaches to Russian Security, 2014); Sören Urbansky, "Ebbe statt Sturmflut: Chinesen in Russlands Fernem Osten", *Osteuropa* 62, no. 3 (2012): 21–40.

31 Andrei Piontkovsky, "China's Threat to Russia", *Project Syndicate*, 24 August 2007, http://www.project-syndicate.org/print/china-s-threat-to-russia; Dong Wang, *China's Unequal Treaties. Narrating National History*, Oxford 2005.

32 "Stride-2009" was the largest Chinese military exercise to date at the time. It was seen particularly clearly as testing offensive capabilities against Russia, as it involved a rapid northern mobilisation and long-distance deployments. Marcel de Haas, *Russian-Chinese Security Relations: Moscow's Threat from the East?* Clingendael Report 3/2013 (The Hague: Clingendael Institute, 2013), 22f.

33 "Voennaya doktrina Rossiiskoi Federatsii" (see note 21).

34 Moscow fears that Chinese vessels heading for the Arctic could cut through the Sea of Okhotsk, which it regards as Russian territorial waters, and that Beijing could develop the ability to avoid the Russian-controlled Northern Sea Route. The Russian military was put on full alert in summer 2012 when a Chinese ice-breaker passed through the Sea of Okhotsk for the first time and continued on a course to the north of the Northern Sea Route, and again one year later when the first Chinese warships entered the Sea of Okhotsk. One sign of the dimensions of the irritation is that Russian simultaneously held military exercises in the east. National Institute for Defense Studies, ed., *East Asian Strategic Review 2013* (Tokyo, 2013), 273ff.

35 Marcin Kaczmarski, *The Bear Watches the Dragon: The Russian Debate on China* (Warsaw: Centre for Eastern Studies, 2013).

36 When asked what war scenario Russia's army might be preparing for, Lieutenant-General Sergey Skokov, Chief of the Main Staff, replied that in the east this could be "multi-million-man army". Quoted from Simon Saradzhyan, "The Role of China in Russia's Military Thinking", *Russian Analytical Digest*, no. 78 (4 May 2010): 5–7 (6).

37 "News Conference of Vladimir Putin", President of Russia, official website, 20 December 2012, http://eng.kremlin.ru/transcripts/4779.

and demonstrations of military might are more likely. Russia's largest eastern military exercise to date, Vostok 2010, was held precisely during this period. But if relations with the United States and NATO are as tense as they have been since 2011, military risks in the east tend to be downplayed and security cooperation with Beijing is expanded. A series of Russian-Chinese naval manoeuvres began in April 2012 and have been repeated every year since (July 2013, May 2014), and in January 2013 Moscow and Beijing announced closer coordination of their responses to US missile defence plans.[38] Both these factors, interest in political/economic cooperation and dependency on the Russian-American relationship, make it difficult to formulate a coherent security strategy towards East Asia in general and China in particular.

Towards Beijing Moscow pursues a mixture of engagement and balancing, described in the literature as "hedging".[39] The uppermost objective is to avoid a situation where conflicts escalate into direct confrontation. The cooperation mechanisms include confidence-building and military-political dialogue, cooperation between the armed forces and defence industry cooperation. During the 1990s Moscow and Beijing already agreed a series of confidence- and security-building measures, for example demilitarising the border region and renouncing the nuclear first strike.[40] In the friendship treaty of 2001 they agreed to avoid alliances and activities that would violate the other's security, sovereignty or territorial integrity.[41]

38 Richard Weitz, "Assessing the Sino-Russian Naval Exercise 'Maritime Cooperation 2012'", *Second Line of Defense*, http://www.sld info.com/assessing-the-sino-russian-naval-exercise-%E2%80%9Cmaritime-cooperation-2012%E2%80%9D/; "Russia, China Plan to Boost Cooperation on Missile Defense", *RIA Novosti*, 9 January 2013, http://en.ria.ru/military_news/20130109/178663401/Russia_China_Plan_to_Boost_Cooperation.html; "Russian Battleships in Shanghai for Joint Naval Drills", *Russia Today*, 19 May 2014, http://rt.com/news/159912-russia-china-naval-drills/.

39 Evelyn Goh, *Understanding "Hedging" in Asia-Pacific Security*, Pacific Forum CSIS – PacNet 43 (Honolulu, 31 August 2006), http://csis.org/files/media/csis/pubs/pac0643.pdf.

40 Jing-dong Yuan, *Sino-Russian Confidence Building Measures: A Preliminary Analysis* (Vancouver, 1998).

41 "Dogovor o dobrososedstve, druzhbe i sotrudnichestve mezhdu Rossiiskoi Federacii i Kitaiskoi Narodnoi Respublikoi" [Treaty on good neighbourhood, friendship and cooperation between the Russian Federation and the People's Republic of China], Foreign Ministry of the Russian Federation, official website (Russian), 16 July 2001, http://www.mid.ru/bdomp/spd_md.nsf/0/15533E8A2D37C49044257D090027757B.

The political/military dialogue includes strategic consultations, for which representatives of the two general staffs have met regularly since 1997, while the first foreign trip by the new Russian Defence Minister Sergei Shoigu in November 2011 took him to Beijing. China and Russia began conducting joint military manoeuvres in 2005. These are both bilateral and multilateral in the framework of the Shanghai Cooperation Organisation (SCO), and have been expanded since the US "pivot" and the deterioration of Russian-American relations. Since 2011 Moscow and Beijing have also revitalised their defence industry cooperation, which had largely fallen into abeyance after 2006.

But the Russian leadership does not regard these intensified ties as adequate to guarantee its own security in the face of China's military rise. So in parallel Moscow is increasingly moving towards indirect balancing: activities and mechanisms that are not openly directed against the other state, as is the case with military alliances (external balancing) or an arms race (internal balancing), but which do offer a degree of military fall-back in the event of the bilateral relationship souring.[42] Moscow is consequently modernising its strategic nuclear arsenal especially in the east of the country and rejects any reduction in its tactical nuclear weapons. One important reason for this could be the growing conventional imbalance vis-à-vis China.[43] After all, under Moscow's Military Doctrine of 2010 nuclear weapons serve to deter not only nuclear attack but also large-scale conventional assault. Certain aspects of the military build-up in Russia's east can also be interpreted as insurance against Beijing. The reinforcement of strategic air defences in Eastern Siberia and the Russian Far East, for example, serves to protect the otherwise weakly guarded border with China in addition to its foremost purpose of intercepting North Korean and American aircraft and missiles. And China is the only logic for maintaining a capacity for major ground operations in the east of the country. Most of the army brigades, reserve units and artillery weapons are deployed in the Eastern Military District where (alongside the Southern District) reequipping with modern weapons is proceeding most rapid-

42 Goh, *Understanding "Hedging"* (see note 39).

43 Moscow also ensures it maintains its nuclear lead over China. In June 2012 President Putin demanded that future disarmament steps must also include the arsenals of "other nuclear powers". Quoted from Richard Weitz, "Can Moscow and Washington Join Hands in the Pacific?" *The Diplomat*, 3 October 2012, http://thediplomat.com/2012/10/can-russia-and-the-u-s-come-together-over-asia/.

ly.[44] Beyond that, the growing frequency of military exercises in the east must be understood, despite insistences to the contrary, as a show of strength not only against the United States and Japan, but also China. The two largest manoeuvres to date, Vostok 2010 and an unannounced major exercise reportedly involving up to 160,000 soldiers in July 2013, took place in the Asian part of Russia and included scenarios that could only relate to China.[45]

Moscow is also insuring against the risk of future deterioration in relations with China by placing qualitative restrictions on arms sales and refusing to supply the most modern systems. This is plainly driven by security concerns, given that Moscow demonstrates no such qualms about India.[46] But the balancing act between economic and security interests in defence industry cooperation with Beijing is likely to grow increasingly difficult as China's technological capacities grow. In order to maintain a presence in the Chinese defence market Russia must supply the latest weapons systems. Its willingness to do so appears to correlate with the state of Russian-American relations. Whereas Russia held back during the "reset" with the United States, it has since 2011 been willing for example to negotiate over sales of the most up-to-date multi-role (Sukhoi Su-35). This gives an indication of how dependent on economic and political interests – and thus fragile – Russia' hedging strategy towards China is.

44 Yoshiaki Sakaguchi, "Russia's Military Reform and Changes in the Russian Military in the Russian Far East", in *Neighbourhood Watch: Japanese and Swedish Perspectives on Russian Security*, ed. Shinji Hyodo and Carolina Vendil Pallin (Stockholm, 2012), (see note 24), 45–55 (49ff.); Vassily Kashin, "The Sum Total of All Fears: The Chinese Threat Factor in Russian Politics", *Russia in Global Affairs*, 15 April 2013, http://eng.globalaffairs.ru/number/The-Sum-Total-of-All-Fears-15935.

45 Vostok 2010 tested a broad spectrum of scenarios including counter-terrorism and anti-piracy, handling refugee movements in the North Korean border region, repelling a hostile landing on the Kurils, moving warplanes from west to east, major air-ground operations in Sibiria, and the deployment of nuclear-capable Tochka short-range ballistic missiles. The naval component of the major exercise in 2013 appears to have been directed against Japan, the land component against China. Jacob W. Kipp, "Vostok 2010 and the Very Curious Hypothetical Opponent", *Eurasia Daily Monitor* 7, no. 133 (12 July 2010); Roger McDermott, "Russia's Military Response to the Asia Pivot: Flexing Small Muscles", *Eurasia Daily Monitor* 10, 135 (23 July 2013); Zachary Keck, "Russia Holds Massive Military Drill Aimed at China, Japan", *The Diplomat*, 17 July 2013.

46 Mikhail Barabanov, "China's Military Modernization: The Russian Factor", *Moscow Defense Brief* 18, no. 4 (2009): 2–5.

The US Military "Pivot"

Russian perceptions towards the strongest military power in East Asia, the United States, are equally ambivalent. On the one hand, the region has seen very little in the way of Russian-American rivalry or earnest bilateral conflict since the end of the Cold War. The military dangers and threats named in connection with Washington in the Military Doctrine of 2010 concentrate on the global level and the Euro-Atlantic space. The Kremlin is also well aware that the expansion of US military power in connection with the "pivot" is directed primarily not against Moscow, but towards containment of Beijing and Pyongyang.

On the other hand, the growth in Washington's military capabilities in the Asia-Pacific region and the associated shift in the balance of forces to Moscow's disadvantage are registered with disquiet.[47] By 2020 the United States plans to increase the proportion of its Navy stationed in the region from 50 to 60 percent, increase the power projection capacities of the US forces, upgrade traditional alliances with countries like Japan and South Korea, and forge new partnerships for example with Vietnam.[48] Washington's plans to strengthen the Asian pillar of its strategic missile defence system are viewed especially critically.[49]

Unlike Beijing, Moscow relays its security concerns openly to Washington. One reason for this is that the image of a hostile, dominance-seeking United States remains firmly anchored among large parts of the Russian elites and is, moreover, regularly revitalised and instrumentalised by the Kremlin. Secondly, the moderating factor of economic interdependence is

47 In May 2013 the Secretary of the Security Council of the Russian Federation, Nikolai Patrushev, protested against the American military build-up in North-East Asia: "Appearance of Nuclear Arms in South of Korean Peninsula Unacceptable for Russia – Patrushev", *Voice of Russia*, 29 May 2013, http://voiceofrussia.com/2013_05_29/Appearance-of-nuclear-arms-in-in-south-of-Korean-peninsula-unacceptable-for-Russia-Patrushev-8146/.

48 "Remarks by Secretary Panetta at the Shangri-La Dialogue in Singapore", U.S. Department of Defense, official website, 2 June 2012, http://www.defense.gov/transcripts/transcript.aspx?transcriptid=5049.

49 Deputy Defence Minister Anatoly Antonov warned in June 2013 that US missile defence plans would lead to a "polarization of forces" in East Asia. "Speech by Deputy Minister of Defense of the Russian Federation Anatoly Antonov at the IISS Asia Security Summit Shangri-La Dialogue", Ministry of Defence of the Russian Federation, official website, 1 June 2013, http://eng.mil.ru/en/science/publications/more.htm?id=11764201@cmsArticle.

much weaker in the Russian-American relationship, leading to an asymmetry of perceptions. Whereas the Russian leadership concentrates above all on the economic opportunities in the relationship with China and downplays security risks, it sees the United States primarily through the lens of security risk and global rivalry. This bias also hinders the preparation of a coherent security strategy towards East Asia.

It is for these reasons that Russia neglects the opportunities that cooperation with the United States could open up in East Asia. As a result indirect balancing activities also dominate Moscow's East Asian hedging strategy towards Washington, whose essence is military cooperation with Beijing. By comparison, cooperation instruments are weak in the relationship with Washington. Although Russia and the United States are connected at the global level and in the Euro-Atlantic space by a series of security regimes and confidence-building measures, in relation to East Asia the lack of agreements on military transparency mitigates against trust and confidence. Cooperation between the Russia and American armed forces in East Asia, moreover, occurs only on an ad hoc basis, and not regularly as with China. So although the Russian Pacific Fleet participated in the biennial US-led RIMPAC exercise for the first time in summer 2012, that has remained a one-off event. Moscow did not join RIMPAC 2014.[50] For the moment, the Ukraine crisis is likely to have put a stop to these cautious feelers for ad hoc military cooperation between Moscow and Washington. In response to the Kremlin's actions concerning Ukraine, Washington suspended all joint military activities with Russia, such as exercises, port visits and conferences, in early March 2014.[51]

Limited Capacity for Regional Power Projection

If one examines the central parameters, Russia appears to be one of the leading military powers of East Asia. With 845,000 troops it comes in fourth behind China, the United States and North Korea; its defence budget of $68 billion was third-largest in 2013, but a long way behind Washington and Beijing (see Table 1). Here it must be remembered that Moscow only has part of its forces permanently based in the Eastern Military District. Although the Eastern Military District enjoys top priority, alongside the Southern, for provision of modern weaponry, the technology gap is likely to be unbridgeable vis-à-vis the United States and its East Asian allies, and will come into play with respect to China in coming years.[52] Only in nuclear warheads is Russia still on a level with Washington with a clear lead over China and the other countries of East Asia. Together with expanded early warning and air defence capabilities, nuclear deterrence therefore represents the main insurance against potential dangers and threats on Russia's eastern borders.

In the military sphere a great power is characterised not only by its ability to guarantee its own security but also its capacity to project power beyond its own borders. Here Moscow's record is considerably weaker. This applies above all in the naval sphere, which is decisive in this region. Moscow's Pacific Fleet possesses fewer tactical submarines and large vessels than China, Japan or even South Korea (see Table 1), and not all of them are operational. Moscow is now moving to modernise its Pacific Fleet, which is due in 2014 to begin receiving its first new warships since the end of the Soviet Union, including several corvettes, support vessels and a Mistral class helicopter carrier ordered from France.[53] But even if the modernisation programme is successfully implemented, Moscow will still lack two decisive elements required to project power on a grand scale across the Russian-Chinese land border: aircraft carriers and foreign bases. The only Russian aircraft carrier dates from the Soviet era,

50 Ilya Kramnik, "RIMPAC: Are Moscow and Washington Forging a Naval Shield?", *Voice of Russia*, 6 August 2012, http://english.ruvr.ru/2012_08_06/RIMPAC-are-Moscow-and-Washington-forging-a-marine-shield/; William Cole, "China to Debut at RIMPAC while Russia Bows Out", *Stars and Stripes*, 16 April 2014, http://www.stripes.com/news/pacific/china-to-debut-at-rimpac-while-russia-bows-out-1.278293.

51 "DOD Puts Military-to-Military Activities with Russia on Hold", U.S. Department of Defense, official website, 3 March 2014, http://www.defense.gov/news/newsarticle.aspx?id=121759.

52 Margarete Klein and Kristian Pester, *Russia's Armed Forces on Modernisation Course: Progress and Perspectives of Military Reform*, SWP Comments 9/2014 (Berlin: Stiftung Wissenschaft und Politik, January 2014).

53 Dmitry Boltenkov, "The Russian Pacific Fleet", *Moscow Defense Brief* 33, no. 1 (2013): 24–27; John C. K. Daly, "Russia's Pacific Fleet Receives New Ships, Missions", *Eurasia Daily Monitor* 11, no. 47 (12 March 2014).

Table 1
Military capabilities in East Asia, 2013

	Russia	*China*	*Japan*	*United States*	*North Korea*	*South Korea*
Active military personnel	845,000	2,333,000	247,150	1,492,200	1,190,000	655,000
Defence budget ($ billion)	68	112	51	600	?	32
Main Battle Tanks	2,550	6,940	777	2,338	3,500	2,414
Tactical submarines	45 (18 in the Pacific Fleet)	66	18	58	72	23
Principal surface vessels	33 (9 in the Pacific Fleet)	70	47	107	3	22
Aircraft carriers	1	1	0	10	0	0
Aircraft	1,389	2,193	552	1,438	603	568

Source: Based on figures from International Institute for Strategic Studies, ed., *The Military Balance 2014: The Annual Assessment of Global Military Capabilities and Defence Economics* (London: Routledge, 2014).

belongs to the Northern Fleet and is not fully operational. Washington, by comparison, plans to deploy six of its eleven carriers in the Pacific,[54] while China put its first aircraft carrier into service in 2012 and appears to intend to develop more. After giving up its Vietnamese naval facility at Cam Ranh Bay in 2002, Moscow now possesses no foreign bases at all in East Asia. For this reason Russia plays almost no role as a military actor, especially in South-East Asia. Unlike China and the United States it cannot use its armed forces to back up its claims in the region. Nor can Russia be expected to massively expand its forces in South-East Asia, where there are neither serious threats nor allies to protect that would justify the enormous expenditure involved.[55]

54 "Remarks by Secretary Panetta at the Shangri-La Dialogue in Singapore" (see note 48).

55 Russia has been working for some years to strengthen its naval presence in South-East Asia. According to Defence Minister Sergei Shoigu, talks are in progress with Vietnam about shared use of Cam Ranh Bay as a logistical base and with Singapore about expanding port visits. Although both would allow Russia to keep naval vessels in the region for longer periods than currently possible, such arrangements are no substitute for proper military bases. "Russia Seeks Several Military Bases Abroad – Defense Minister", *RIA Novosti*, 26 February 2014, http://en.ria.ru/military_news/20140226/187917901/Russia-Seeks-Several-Military-Bases-Abroad–Defense-Minister.htm.

The Political Dimension: Russia as a Great Power in East Asia?

After the demise of the Soviet Union, Moscow's influence in East Asia evaporated and it declined to the status of "distant neighbour" in regional perceptions.[56] Russia's new self-image as a "Euro-Pacific power" is associated with efforts to prevent further marginalisation and re-establish Russia politically as a great power in the region.

Russia and China: "Strategic Partnership" with a Weak Regional Pillar

Since the end of the Soviet era the focus of Russian East Asia policy has been on expanding relations with China. After the collapse of the Soviet Union, Gorbachev began a gradual normalisation of the Sino-Soviet relationship, which continued under Yeltsin. In the subsequent period Russia and China successively upgraded their political relations, from "constructive partnership" (1994) through "strategic partnership of coordination" (1996), codified in the friendship treaty of 2001, to a "comprehensive strategic partnership of coordination" (2010). Thus, over the course of time, a network of regular dialogue formats has been spun on different levels, with the strategic security consultations initiated in 2005at its heart.[57]

Even if political relations with Beijing are the closest Moscow maintains with any East Asian country, it is questionable whether the "strategic partnership" actually helps Russia to expand its position in the region. Firstly, their cooperation in East Asia is weak. Whereas an easing of bilateral conflicts like border demarcation was central to the "normalisation" of the 1990s, global motives were decisive in the upgrade to "strategic partnership" in the guise of shared criticism of the US-dominated world order. In contrast, political cooperation specifically in relation to East Asia has to date been sporadic and largely restricted to condemning Washington's claim to regional leadership and coordinating individual aspects of Russian and Chinese North Korea policy in the UN Security Council.

Secondly, China demonstrates little interest in functioning as a "door-opener" or "force multiplier for Russia's ambitions in East Asia.[58] The reason for this lies in diverging ideas about regional order and roles and in the asymmetrical balance of power. Moscow's wish to be an equal participant in a multi-polar regional order is at odds with the Chinese claim to leadership in East Asia. Even joint initiatives, such as one for an "open, transparent and equal security and cooperation architecture in the Asia-Pacific region" that the two sides first formulated on 27 September 2010, cannot disguise the fundamental differences. In it Russia and China call on states in the region to agree on shared principles such as territorial integrity, non-interference in internal affairs, non-alignment and equal and indivisible security.[59] Leaving aside the

56 Tsuneo Akaha, "A Distant Neighbor: Russia's Search to Find Its Place in East Asia", *Global Asia* 7, no. 2 (2012): 8–22.

57 Annual meetings of the two heads of government have been held since 1996, and there are also more than twenty different intergovernmental committees and sub-committees. Victor Larin, "Russia and China: New Trends in Bilateral Relations and Political Cooperation", in *From APEC 2011 to APEC 2012: American and Russian Perspectives on Security and Cooperation in the Asia-Pacific*, ed. Rouben Azizian and Artyom Lukin (Honolulu and Vladivostok, 2012), 178–88 (180).

58 Leszek Buszynski, "Overshadowed by China", in *The Future of China-Russia Relations*, ed. James A. Bellacqua (Lexington: The University Press of Kentucky, 2009).

59 These principles encompass respect for sovereignty, independence and territorial integrity; non-intervention in the internal affairs of other states, including avoiding acts directed towards overthrowing governments or creating internal destabilisation; equal and indivisible security, understood as respect for states' legitimate interests; renunciation of threat or use of force; non-alignment; and renunciation of cooperation directed against third parties. The Russian-China initiative also calls for intensified cross-border cooperation between the countries of the Asia-Pacific region and greater collaboration on non-traditional threats. "Sovmestnoe zayavlenie Rossijskoi Federatsii i Kitaiskoi Narodnoi Respubliki o vsestoronnem uglublenii rossiisko-kitaiskikh otnoshenii partnerstva i strategicheskogo vsaimodeistviia" [Joint declaration of the Russian Federation and the People's Republic of China on the new stage of comprehensive partnership and strategic cooperation between the two countries], President of Russia, official website (Russian), 27 September 2010, http://news.kremlin.ru/ref_notes/719. The joint initiative of September 2010 formed the basis of a proposal for an Asia-Pacific security architecture, put forward by Russia and China together with Brunei at the East Asia Summit in November

extremely brief and vague nature of the Russian-Chinese initiative, the two sides also grant it different weight. Moscow is very keen on implementation. Alongside the prestige associated with being the initiator of a regional security architecture, it would profit from a real gain in power if the latitude of the stronger regional actors, first and foremost the United States and China, were reined in by broad and enforceable principles such as "equal and indivisible security". It is therefore Moscow that works hardest to promote the joint proposal to the regional audience.[60] For Beijing, on the other hand, the initiative appears to possess a more tactical value extending no further than cultivating the outward image of a peaceful power and coopting Russian support to delegitimise Washington's military alliances in the region. That is the point of the demand for non-alignment.

A third reason why its "strategic partnership" with China offers little to further Russia's ambitions in East Asia is that there have been few issues where Beijing depended on Moscow's support. China undertook correspondingly little to involve Russia more strongly in the resolution of regional problems. Thus it was not Beijing, but Pyongyang, that in 2006 insisted on Moscow's participation in the newly established six-party talks.[61] China also sought first and foremost to strengthen regional institutions in which there was no place for Russia (or the United States), such as the ASEAN Plus Three. The situation has changed somewhat since 2011, with the US "pivot" and Beijing's escalating territorial dispute with Japan over the Senkaku/Diaoyu Islands increasing China's interest in keeping Russia close in East Asia. But for the Chinese this seems to mean a Russian junior partnership in selected fields rather than a comprehensive relationship of equals.

That is reflected in Beijing's expectation that Moscow subordinate its interests in the event of conflict. In 2012 it became known that Gazprom was planning a joint venture with its Vietnamese partner PetroVietnam to develop offshore oil and gas fields in waters disputed between Beijing and Hanoi. The Chinese leadership immediately threatened not only to pull out of lucrative Russian-Chinese energy deals, but also demanded in unusually acerbic terms that a "company from a third country that is not related to the South China Sea, stay away from the disputed areas, and not to participate in their development before the territorial issue will be resolved".[62] When the fronts hardened in the Chinese-Japanese territorial dispute over the Senkaku/Diaoyu Islands from 2011, Beijing urged Moscow to take a clear stance in support of its "strategic partner".[63] As far as Chinese territorial conflicts in the South and East China Seas are concerned, the Kremlin attempts a balancing act. While supporting Beijing by opposing the internationalisation of conflict resolution demanded by the United States and others, it resists cooptation by emphasising Russia's neutrality on the issue.[64]

In these ways, Russia is cautiously edging away from its previously Sinocentric course. Nobody in the Russian debate is calling for a complete turn away from Beijing, but the growing asymmetry in the bilateral relationship is leading experts and politicians to argue for any expansion of the "strategic partnership" with Beijing to be supplemented with a policy of expanding Russia's own latitude and securing broader recognition as a regional power. To that end, they argue, Moscow should diversify its political relations in East Asia, demonstrate greater engagement in solving regional conflicts and participate more energetically in multilateral processes.[65]

2013. "Comment by the Russian Foreign Minister Sergey Lavrov Regarding the Eighth East Asia Summit", Ministry of Foreign Affairs of the Russian Federation, official website, 10 October 2013, http://www.mid.ru/bdomp/brp_4.nsf/e78a48070f128a7b43256999005bcbb3/b6a8e653f104751544257c0800496fcd!OpenDocument.

60 The principle of "indivisible security" is understood as meaning that no party will take action that substantially impairs the security of another. For example, Moscow could demand that the United States cease its planning for a missile defence system in East Asia. "Comment by the Russian Foreign Minister Sergey Lavrov Regarding the Eighth East Asia Summit" (see note 59).

61 Seung-Ho Joo and Tae-Hwan Kwak, eds., *North Korea's Second Nuclear Crisis and North East Asian Security* (Aldershot and Burlington, VT, 2007), 148.

62 Quoted from Dmitry Mosyakov, "Policy of the Soviet Union/Russia in Asia-Pacific and in the Conflict over the Islands of the South China Sea in the Past and Present", Hoi Nghi Hoi Thao, http://hoinghihoithao.com/scs/panel5/V,3%20-%20Dmitry%20Mosyakov.pdf.

63 In August 2012 Moscow turned down Beijing's offer of cooperation on their respective territorial disputes with Tokyo. National Institute for Defense Studies, ed., *East Asian Strategic Review 2013* (see note 34), 272.

64 Stephen Blank, "Russia Plays Both Sides against the Middle on Senkaku Islands", *Eurasia Daily Monitor* 9, no. 209 (14 November 2012). Moscow recognises China's "core interests" to Tibet, Xinjiang and Taiwan, and has agreed to refrain from supplying arms to Taiwan.

65 Anna Kireeva, "Russia's East Asia Policy: New Opportunities and Challenges", *Perceptions* 17, no. 4 (2012): 49–78 (71);

Russia and the United States in East Asia: Untapped Cooperation Potential

Better relations with the United States are indispensable for any successful Russian diversification strategy in East Asia. The biggest advocates of close regional cooperation with Washington are the rather small and politically increasingly marginalised group of "Westernizers" who have been arguing since the 1990s that the integration into the Western community that the country seeks should also be reflected in its East Asia policy. The issue here is not a formal alliance with the United States, as even the "Westernizers" accept the necessity of good neighbourly relations with China for economic and security reasons. But they urge for the United States and its allies Japan and South Korea to be granted clear priority as Moscow's "strategic partners" in East Asia.[66] In a context of growing asymmetry in the Russian-Chinese relationship, increasing numbers of mainstream "realist" experts have also been arguing since the end of the 2000s for greater cooperation with Washington in East Asia. However, unlike the "Westernizers" these latter regard this not as a clear prioritisation but only a supplement to a continuing close relationship with China. Russia's "realists" hope that this would position their country as a sought-after "swing state" between China and the United States. By playing the "China card" against Washington and the "American card" against Beijing they hope to position Moscow to gain concessions and recognition as a regional power from both sides and to expand its regional leeway.[67]

To date, however, Washington and Moscow have largely ignored one another as potential East Asian partners. Political dialogue and practical cooperation occur almost exclusively in the multilateral framework, for example in the six-party talks, while the region is more or less absent from the bilateral agenda. The "reset" (2009–2011) correspondingly lacked any East Asian component.[68]

The two sides have different reasons for minimising political interaction. The Kremlin looks at the United States through the lens of global and Euro-Atlantic rivalry and sees it more as a regional problem than a part of any solution. Thus in January 2014 Foreign Minister Sergey Lavrov accused the United States of using the "pretext" of the North Korean nuclear programme "to build up a proportionless [sic] military potential in this region".[69] In his third presidential term, Putin is also increasingly stirring anti-American sentiment for domestic political reasons.

In Washington's eyes Russia in East Asia is not so much a problem as a *quantité négligeable*, which can neither contribute actively to the resolution of regional problems nor possesses (outside the UN Security Council) sufficient disruptive potential to hinder the pursuit of American interests.[70] It is thus no surprise that Secretary of State Hillary Clinton made absolutely no mention of Russia in her programmatic "America's Pacific Century" of October 2011.[71] Isolated criticism is also heard in American expert circles to the effect that marginalising Russia leads Moscow to lean closer to Beijing, which in view of China's growing power cannot be in US interests. To avoid that, the critics say, a strategic dialogue should be initiated with Moscow on central East Asian issues, followed by intensified practical cooperation, for example on the North Korean question or in the development of regional institu-

Dmitri Trenin, "Moscow-Tokyo Anti-China Alliance Not Real", *Global Times*, 27 April 2013; Fyodor Lukyanov, "The Secret to North Koreas's Survival", *Russia in Global Affairs*, 12 April 2012, http://eng.globalaffairs.ru/redcol/The-Secret-to-North-Koreas-Survival-15518.

66 Thomas E. Graham and Dmitri Trenin, "Why the Reset Should be Reset", *New York Times*, 12 December 2012.

67 Igor Zevelev, "A New Realism for the 21st Century: U.S.-China Relations and Russia's Choice", *Russia in Global Affairs*, 27 December 2012, http://eng.globalaffairs.ru/number/A-New-Realism-for-the-21st-Century-15817; Karaganov, "Russia's Asian Strategy" (see note 7); Artyom Lukin, "Russia: Between the US and China", *East Asia Forum*, 24 July 2012, http://www.eastasiaforum.org/2012/07/24/russia-between-the-us-and-china-2/.

68 Furthermore, the few initiatives for political dialogue on East Asia are low-level. A security dialogue involving Russian, Japanese and American think-tanks was launched in 2010, but ceased after being elevated from "track 2" to "track 1.5" (with official government representatives joining the experts) in July 2012. Hideki Asari, Alexander Dynkin and Andrew Kuchins, "Japan-Russia-US Trilateral Conference on the Security Challenges in Northeast Asia" (Tokyo: Japan Institute of International Affairs, July 2012), http://www2.jiia.or.jp/pdf/report/20120621e-JA-RUS-US.pdf; National Institute for Defense Studies, ed., *East Asian Strategic Review 2013* (see note 34), 282.

69 "Speech by the Russian Foreign Minister Sergey Lavrov and his Answers to Questions from the Mass Media during the Press Conference Summarising the Results of the Activities of Russian Diplomacy", Ministry of Foreign Affairs of the Russian Federation, official website, 21 January 2014, http://www.mid.ru/BDOMP/Brp_4.nsf/arh/9ECCD0C0F39435F344257C6A003247B2?OpenDocument.

70 Bobo Lo, *Russia, China and the United States. From Strategic Triangularism to the Post-Modern Triangle* (Paris, 2010), 23f.

71 Hillary Clinton, "America's Pacific Century", *Foreign Policy*, 11 October 2011.

tions.[72] In view of the deterioration in relations in the course of the Ukraine crisis, however, President Obama is unlikely to seek greater cooperation with Moscow in East Asia. Anyway, while such cooperation would be unlikely to produce much in the way of short-term successes it would offer more ammunition to Obama's critics, who are already applying pressure over the failed "reset". At least in the medium term there is therefore little prospect of Russia being able to position itself as a courted "swing state" between China and the United States. After losing the "American option", the extent to which Moscow can avoid being forced into a political junior partnership with Beijing in East Asia now will depend more strongly than ever on its success in diversifying its political relations with the other regional actors.

New Dynamism in the Russian-Japanese Relationship

In that respect, relations with Japan play a decisive role. And here Moscow's diversification efforts have shown more progress during President Putin's third term. Although bilateral relations continue to suffer from the ongoing Kuril conflict and the absence of a peace treaty, they passed their low point during Dmitry Medvedev's presidency. Although his modernisation agenda should actually have made Japan the more interesting partner in East Asia, Medvedev not only ignored Tokyo but burdened the relationship through provocations and a closing of ranks with Beijing. In November 2011 he was the first Russian to visit the Kuril Islands, drawing a sharp rebuke from Tokyo, and in the relationship with Japan in general stressed the traditional interpretation of a relationship between "victors and vanquished". For example, on Medvedev's initiative the Duma declared 2 September, the anniversary of Japan's capitulation in the Second World War, a national day of remembrance. In a joint declaration with Beijing in September 2010 he also declared that the cooperation between the two sides in the Second World War represented a "solid basis" for today's "strategic partnership".[73] Such harking back to past glory served not only to placate domestic conservative nationalist critics, but also to underline regional ambitions (not only) vis-à-vis Japan.

Whereas short-term tactical thinking driven by both domestic and foreign policy concerns dominated Medvedev's policy towards Japan, a more strongly strategic line can be observed since Putin returned to the presidency. Tokyo is now seen as an important potential partner: politically to expand autonomy in East Asia and economically for the modernisation of Siberia and the Far East. In order to smooth the way Putin announced in March 2012, following his re-election, that it was time for "hajime" (the command to begin in judo) for new talks on the Kuril Islands question, to seek a "hikiwake" (a compromise acceptable to both sides).[74] At the same time Japan's strategic environment worsened as the nuclear conflict with North Korea and its territorial dispute with China both escalated. In Tokyo this generated renewed interest in upgrading cooperation with Moscow and seeing a more independent Russian role in East Asia.[75] The "relaunch" of the Russian-Japanese relationship announced by Prime Minister Shinzo Abe is intended to prevent Moscow facilitating China's drive for regional dominance as its junior partner.[76]

The Russian-Japanese rapprochement has achieved rapid successes since 2012. During the first visit to Russia by a Japanese prime minister in ten years, in April 2013, the two sides agreed not only to resume talks on the Kuril question and a peace agreement,[77]

72 Jeffrey Mankoff and Oleg Barabanov, *Prospects for U.S.-Russia Cooperation in the Asia-Pacific Region* (Cambridge, MA, July 2013), http://us-russiafuture.org/publications/working-group-papers/prospects-for-u-s-russia-cooperation-in-the-asia-pacific-region/; Graham and Trenin, "Why the Reset Should Be Reset" (see note 66).

73 Akaha, "A Distant Neighbor" (see note 56), 11; "Sovmestnoe zayavlenie Prezidenta Rossiiskoi Federatsii D.A. Medvedeva i Predcedatelia Kitaiskoi Narodnoi Respubliki Chu Tsintao v sviazi s 65-letiem okonchaniia Vtoroi mirovoi voini" [Joint declaration of the President of the Russian Federation, D. A. Medvedev, and the State President of the People's Republic of China, Hu Jintao, marking the 65th anniversary of the end of the Second World War], President of Russia, official website (Russian), 27 October 2010, http://news.kremlin.ru/ref_notes/720.

74 Quoted from Hideki Soejima and Akiyoshi Komaki, "Putin Proposes Starting over in Negotiations over Northern Territories", *Asahi Shimbun*, 2 March 2012, http://ajw.asahi.com/article/behind_news/politics/AJ201203020054.

75 Céline Pajon, *Japan-Russia: Toward a Strategic Partnership?* (Paris, September 2013).

76 "Meeting with Prime Minister of Japan Shinzo Abe", President of Russia, official website, 18 June 2013, http://eng.kremlin.ru/news/5603.

77 "Press Statements and Answers to Journalists' Questions Following Russian-Japanese Talks", President of Russia, official website, 29 April 2013, http://eng.kremlin.ru/transcripts/

but also established a new regular discussion format for their foreign and defence ministers ("2+2"). This is significant to the extent that such formats are normally reserved for close allies. At the first 2+2 meeting in November 2013 the two sides demonstrated their willingness to expand dialogue and practical cooperation beyond bilateral issues and to address regional and security questions. They agreed that their navies would hold joint search and rescue exercises and cooperate on fighting terrorism and piracy. A joint conference on cyber-security is planned for 2014.[78]

Despite these advances, any improvements in the Russian-Japanese relationship are still fragile and not free of contradictions. President Putin has also continued the policy of demonstrating strength against Tokyo, as evidenced by violations of Japanese airspace by Russian warplanes and the Russian-Chinese naval manoeuvre Joint Sea 2013 in the Sea of Japan. It is difficult to judge how willing the two sides might be to compromise in the territorial question.[79] The annexation of the Crimea and the associated wave of nationalist propaganda in Russia raised doubts over the Russian stance in Japan,[80] but both sides were keen to limit the damage to bilateral relations wrought by the Ukraine crisis. Although Japan joined the other Western states in imposing sanctions on Russia, they were only moderate in scope.[81] The crisis has highlighted their mutual interest in continuing the rapprochement for strategic reasons, namely to preserve and expand their independence toward China. However, the crisis also made it clear that for any lasting improvement in relations Moscow will have to convince Tokyo of its reliability by participating in confidence-building measures, refraining from provocations, and avoiding instrumentalising the bilateral relationship for domestic political ends. Only then can the Russian leadership use its relations with Tokyo to expand its political options in East Asia.

5339. The first round of talks on the Kuril question at the level of deputy foreign minister was held in August 2013 in Moscow, the second in January 2014 in Tokyo.

78 "'A New Page': Russia, Japan Hold First 2+2 Talks, Aim to Boost Military Cooperation", *Russia Today*, 2 November 2013, http://rt.com/news/russia-japan-first-talks-134; Fiona Hill, "Gang of Two: Russia and Japan Make a Play for the Pacific", *Foreign Affairs*, 27 November 2013, http://www.foreignaffairs.com/articles/140288/fiona-hill/gang-of-two.

79 Although Putin promised a compromise acceptable to both sides ("hikiwake"), it remained unclear whether this went any further than the Soviet offer of 1956. This involved only the return of two smaller islands and is rejected by Japan as unacceptable. Akihiro Iwashita, "The Northern Territories and Russia-Japanese Relations", *Russian Analytical Digest*, no. 132 (11 July 2013): 2–4.

80 Tokyo also fears that the annexation of Crimea could create a precedent for territorial conflicts in East Asia, including China's claim to the Senkaku/Diaoyu Islands. Dmitri Trenin, "Will Japan and Russia Escape the New Cold War?" *Eurasia Outlook*, 21 April 2014, http://carnegie.ru/eurasiaoutlook/?fa=55384.

81 Although Japan sharply condemned the annexation of Crimea, imposed travel restrictions on twenty-three prominent Russians and suspended talks over visa facilitation and a new investment agreement, it has not to date joined financial sanctions such as freezing assets.

Russia and the Two Koreas: Russia as Regional Conflict-Solver?

A new dynamic can also be detected in Russia's foreign policy towards the Korean Peninsula since the end of the 2000s. Here Moscow is interested in more than just expanding bilateral relations in the frame of the diversification strategy. In order to be recognised as a great power in the region Russia must prove that it can contribute to resolving the central conflicts in East Asia. These include the dispute over the North Korean nuclear programme.

Every Russian leader since the conflict began has sought to be included in the multilateral negotiations. They were excluded in the 1990s partly because President Yeltsin had largely abandoned the close relationship with North Korea forged during the Soviet era. Instead he concentrated primarily on developing relations with South Korea, which were only established in 1991. The one-sidedness of Moscow's Korea policy turned out to be counterproductive, because without channels for influencing Pyongyang, involving Moscow offered no benefits to Seoul, Washington and Tokyo. For that reason Russia was involved in neither the Korean Peninsula Energy Development Organisation set up in 1995 by the United States, South Korea and Japan, nor in the four-party talks of 1996 to 1999.[82]

The coordinates of Russia's Korea policy shifted after Putin took office in 2000, with Moscow pursuing a combination of two approaches. The first of these

82 In 1994 the Russian foreign ministry was already proposing a six-party conference involving the two Koreas, the United States, China, Japan and Russia, as well as possibly the IAEA and the United Nations. Georgy Toloraya, "The Six Party Talks: A Russian Perspective", *Asian Perspective* 32, no. 4 (2008): 45–69 (45f.); Leszek Buszynski, "Russia and North Korea: Dilemmas and Interests", *Asian Survey* 49, no. 5 (2009): 809–30 (811f.).

lies in continuing the efforts begun in the 1990s to achieve Russian participation in multilateral conflict-resolution formats. The second comprises acquiring leverage over both Korean states by stepping up bilateral relations and promoting trilateral cooperation. Here Putin has integrated the lessons learned during the 1990s. While continuing to develop political relations with the South, which is an attractive partner for economic modernisation especially given that its political relations with Russia (unlike Japan's) are not burdened by territorial disputes, Putin at the same time also revitalised the bilateral relationship with North Korea. In February 2000 he signed a new friendship treaty with Pyongyang and in July of the same year travelled to North Korea, as the first Russian head of state to do so. North Korean President Kim Jong-Il made return visits to Russia in 2001 and 2002.[83] Putin's new line paid off in 2003, when Pyongyang insisted on including Moscow in the new six-party talks. Even if Moscow was unable to convincingly follow through on its asserted role as major regional power during the subsequent negotiations, simply participating represented a significant prize.[84]

The collapse of the six-party talks in 2009 was therefore a setback not only for Russia's Korea policy, but also for its East Asia ambitions in general. The Kremlin is now concentrating on the second pillar of its Korea strategy, pushing bilateral relations and trilateral cooperation projects with Seoul and Pyongyang. Even if the goal of a "strategic partnership"[85] agreed with Seoul in 2008 remains unfulfilled, both sides have expanded political dialogue and cooperation. Examples include the Russia-Republic of Korea Dialogue with high-ranking politicians, held annually since 2010, and the "defense strategic talks" at the level of deputy defence minister, held for the first time in March 2012.[86] In parallel the Kremlin has intensified its relations with Pyongyang, staging the first Russian-North Korean summit in nine years in August 2011. But above all Moscow has been pushing for progress on the planned trilateral projects: a gas pipeline, electricity lines and a rail link, all from Russia via North Korea to the South.[87] Their realisation would reap more than economic rewards for Moscow: Russia could expand its political influence into the Korean Peninsula and show itself to be a power capable of making an independent contribution to conflict containment. But although Moscow has invested growing political and economic capital in trilateral projects since 2011,[88] it finds itself still unable to overcome US and Chinese resistance and incapable of fulfilling the central precondition: guaranteeing the reliability of transit through North Korea.

Expansion of Political Relations with South-East Asia: Focus on Vietnam and ASEAN

Since the second half of the 2000s Moscow has been seeking to expand its political options in South-East Asia too. Russia's almost complete withdrawal from that region in the 1990s increasingly transpired to be a drag on its new "Euro-Pacific" ambitions. Ultimately, South-East Asia has not only become an important arena of American-Chinese rivalry, but also the driving force for the development of multilateral institutions in East Asia as a whole, including the ASEAN Regional Forum (ARF), the East Asia Summit and ASEM. If Russia wished to be involved in these and recognised as a regional power, it had to present itself as a valuable partner in the eyes of the South-East Asian nations.

Russia's record to date is mixed. Although Moscow has been able to intensify diplomatic relations with all South-East Asian countries through summit meetings or talks at ministerial level, the substance of the political dialogue varies enormously from country to coun-

83 Unlike the 1961 Treaty of Friendship, Cooperation and Mutual Assistance, which expired in 1991 but was automatically extended until 1996, the new agreement includes no military assistance clause.

84 Joo and Kwak, eds., *North Korea's Second Nuclear Crisis* (see note 61), 148.

85 "Interview to South Korean Media", President of Russia, official website, 9 November 2010, http://eng.news.kremlin.ru/news/1277/print.

86 "S. Korea, Russia to Hold First Defense Strategic Talks on Exchanges", *Bahrain News Agency*, 12 March 2012, http://www.bna.bh/portal/en/news/498275?date=2012-03-28; "Russia-Republic of Korea Dialogue Forum", President of Russia, official website, 2 November 2011, http://eng.kremlin.ru/news/3012/print.

87 Buszynski, "Russia and North Korea" (see note 82), 817f.; Dong-Ki Sung, "Putin's Strategy on the Trans-Korean Gas Pipeline: In the Context of Pragmatic Realism", *Pacific Focus* 28, no. 1 (2013): 43–61.

88 In September 2012 Moscow cancelled 90 percent of Pyongyang's outstanding $11 billion Soviet-era debts, sent 50,000 tonnes of food aid to North Korea and entirely financed the rebuilding of the Russia-North Korea rail link from Chasan to Rajin. Beom-Shik Shin, *Russia's "Return" to Asia: How Should South Korea Respond?* (Seoul: East Asia Institute, 30 December 2011), http://mercury.ethz.ch/serviceengine/Files/ISN/135859/ipublicationdocument_singledocument/b19c6175-082b-4360-899c-f1b32e3a430b/en/2011123011132391.pdf.

try. The dialogues are weakest with Singapore and Brunei and with the US allies Thailand and the Philippines. Relations are broader with Malaysia, Indonesia and Myanmar, where regional and international as well as bilateral issues are discussed. Moscow profits from these countries' scepticism regarding the expanding power of both the United States and China their desire for a multi-polar regional order. Malaysia, Indonesia and Myanmar regard stronger involvement of external forces such as Russia in regional affairs as a possible route to achieving that objective.[89]

The political relationship has blossomed most with Vietnam, where Moscow can build on traditionally close relations dating from Soviet times. The "strategic partnership" with Hanoi proclaimed in 2001 was upgraded in July 2012 to a "comprehensive strategic partnership" similar to that with Beijing.[90] Vietnam is the one South-East Asian country with which broad-based cooperation in fact assumes a strategic character. Here energy and defence industry cooperation are not merely economically driven, but also intended to strengthen the political autonomy of both countries vis-à-vis Beijing. For example, Gazprom is involved in developing offshore oil and gas fields located close to waters whose ownership is disputed between China and Vietnam while the delivery of six Russian submarines coincided with the escalation of Vietnamese-Chinese territorial disputes.[91] The partnership proves advantageous for Moscow at the regional level too, for Vietnam is the most active of all the South-East Asian nations in arguing for Russia to be accepted in the regional institutions where these countries coordinate some of their policies. For example Moscow and Hanoi argued jointly for the East Asia Summit to devote greater attention to security issues.[92]

As well as developing bilateral relations with the states of South-East Asia, Russia has also been working since the mid-2000s to expand its relationship with ASEAN, the most important regional organisation. Already in 1996 it became ASEAN dialogue partner, meaning that consultation formats were established from expert to ministerial level.[93] After Russia joined the Treaty of Amity and Cooperation in Southeast Asia in November 2004, both sides expanded their institutional and substantive cooperation. The first Russia-ASEAN Summit in 2005 agreed a "progressive and comprehensive partnership" covering "political and security, economic and development cooperation". At their second summit in 2010, the two sides also agreed to collaborate more closely to build a security and cooperation architecture.[94]

Even if Russia's overtures to ASEAN enabled it to join ASEM in 2010 and the East Asia Summit in 2011, the cooperation suffers – as it does with all South-East Asian countries apart from Vietnam – from the form being more advanced than the substance. Activities concentrate on prestigious summits, while the political and social foundations and concrete joint projects remain weak.[95] For example there are precious few medium-level political contacts, and their number will shrink yet further when politicians and civil servants trained in Soviet times enter retirement.

89 Paradorn Rangsimaporn, "Russia's Search for Influence in South East Asia", *Asian Survey* 49, no. 5 (2009): 786–808; Victor Sumsky, Mark Hong and Amy Lugg, eds., *ASEAN-Russia: Foundations and Future Prospects* (Singapore, 2012); Elizabeth Wishnick, *Russia: New Player in the South China Sea?* PONARS Policy Memo 260 (Washington D.C.: PONARS, 2013).

90 "Press Statements Following Russian-Vietnamese Talks", President of Russia, official website, 27 July 2012, http://eng.kremlin.ru/transcripts/4225.

91 The sale of six Kilo-class submarines was agreed in 2009; the first vessel was delivered in 2013. Frigates (Gepard), fighters (Sukhoi Su-30MK) and mobile coastal defence missile systems (Bastion-P) are also on order or already delivered. Carl Thayer, "The Bear Is Back: Russia Returns to Vietnam", *The Diplomat*, 26 November 2013, http://thediplomat.com/2013/11/the-bear-is-back-russia-returns-to-vietnam/.

92 Carlyle A. Thayer, "The Russia-Vietnam Comprehensive Partnership", *East Asia Forum*, 9 October 2012, http://www.eastasiaforum.org/2012/10/09/the-russia-vietnam-comprehensive-partnership/.

93 Russia participates for example in the "Post-Ministerial Conferences", which ASEAN holds regularly with its dialogue partners, and since 2010 has also attended the meetings between ASEAN defence ministers and dialogue partners. See ASEAN, "Joint Declaration on Partnership for Peace and Security and Prosperity and Development in the Asia Pacific Region", June 2003, http://www.asean.org/news/item/joint-declaration-of-the-foreign-ministers-of-the-russian-federation-and-the-association-of-southeast-asian-nations-on-partnership-for-peace-and-security-and-prosperity-and-development-in-the-asia-pacific-region.

94 ASEAN, "ASEAN-Russia Dialogue Relations", June 2012, http://www.asean.org/news/item/asean-russia-dialogue-relations.

95 One indication of this is the scant funding of cooperation projects. A joint fund was established in 2005, to which Russia has been contributing $1.5 million annually since 2011. Rodolfo Severino and Moe Thuzar, "ASEAN Regionalism and the Future of ASEAN-Russia Relations", in *ASEAN-Russia: Foundations and Future Prospects*, ed. Sumsky, Hong and Lugg (see note 89), 25f.

Moreover, China, Japan, South Korea and the United States are much more important partners for the ASEAN states. This is reflected not least in the depth and breadth of topics addressed in the ASEAN Plus Three with Beijing, Tokyo and Seoul and at the ASEAN-United States summits held annually since 2009. Russia is thus still far from its goal of achieving recognition as a major regional power, rather than being regarded as merely an "also ran" in South-East Asia.[96]

Russia's Multilateral Efforts: More Status than Substance

In order to expand its political influence in East Asia, Russia is also motivated to participate in all significant multilateral institutions and to contribute to shaping the regional cooperation architecture. The first objective has already been achieved. Back in 1994 Russia was accepted in the newly founded ASEAN Regional Forum (ARF), which discusses security issues at foreign minister level. In 1998, three years after applying for membership, it joined the Asia-Pacific Economic Cooperation (APEC), which dedicates itself above all to trade liberalisation and economic cooperation. Russia participated from the outset in the six-party talks initiated in 2003 and in 2010 was permitted to join the Asia-Europe Meeting (ASEM), where European and Asian states have discussed discuss political, economic and social questions since 1996.[97] Since 2011 Russia has also been represented at the East Asia Summit, a strategic discussion forum on political and economic questions at the level of heads of state and government founded in 2005. Today Russia thus belongs to the most important regional economic, political and security institutions.

This in itself already represents a gain in prestige for Moscow, as it ultimately implies formal acceptance as an integral part of East Asia and the Asia-Pacific region.[98] But if it is to be acknowledged as an important actor in the region, Russia will have to back up its membership of the institutions with greater substance. Although it operates quite decisively in certain areas and bodies,[99] Russian engagement is extremely selective in timing and substance. Russia demonstrated its strongest presence in 2012, chairing the APEC summit in Vladivostok.[100] While that meeting gave Moscow an opportunity for public presentation, it was not an expression of a long-term strategy for deepening multilateral engagement; after the summit Russia massively scaled back its APEC activities and showed scant interest in following up its initiatives.[101] Russia's actions in the two regional institutions it most recently joined reveal a similar mixture of status-seeking and lack of strategy. In ASEM, where it has yet to put forward an initiative, Moscow's interest appears to exhaust itself in the status associated with membership.[102] While Moscow may be more assertive at the East Asia Summit, pushing proposals of its own in the fields of food security, energy policy and regional security architecture, it has at the same time sent a vexing message to the South-East Asian states that argued particularly hard for its acceptance. Since Russia's accession in 2011 neither its president nor prime minister have attended any of the summits. The Kremlin apparently fears having to take a clear position on China's territorial conflicts with

96 Quoted from William Kucera and Eva Pejsova, *Russia's Quiet Partnerships in Southeast Asia: Russia-Malaysia Strategic Partnership through Sabah Case Study* (Bangkok, 2012), 8.

97 Russia's accession to ASEM was delayed by unclarity over its classification. It originally sought membership as a "European country", then as an "Asian country", generating resistance among alternately among European and Asian members. Only after the introduction of a new category of "Asian Europeans" was Russia able to join (along with Australia and New Zealand). When the category was abandoned in 2012 Russia was put in the Asian regional group. Dmitry Kosyrev, "Russia Makes Its Debut at ASEM", *RIA Novosti*, 7 October 2010, http://en.ria.ru/analysis/20101007/160866120.html.

98 Only states that enjoy "substantial" relations with ASEAN and/or strong economic ties to the Asia-Pacific region may join APEC and the East Asia Summit.

99 In the ASEAN Regional Forum Russia launched successful initiatives for greater cooperation on counter-terrorism, disaster relief and cyber-security. "Speech of Russian Foreign Minister Sergey Lavrov at the Ministerial 'Retreat' of the 20th Session of the ASEAN Regional Forum for Security", Ministry of Foreign Affairs of the Russian Federation, official website, 2 July 2013, http://www.mid.ru/brp_4.nsf/0/B3BACB4BA3CF6F1F44257B9E00503410.

100 At the 2012 APEC summit in Vladivostok, Russia put on the agenda issues of importance to its own eastern regions (food security, transport) and to its East Asian ambitions (regional economic integration, innovation for growth). Carlos Kuriyama, "Russia's Economic Relations with the APEC Region", in *ASEAN-Russia: Foundations and Future Prospects*, ed. Sumsky, Hong and Lugg (see note 89), 227.

101 Katherine Magalif, "From Vladivostok to Bali: What Went Wrong?" *Russia Direct*, 9 October 2013, http://russia-direct.org/content/vladivostok-bali-what-went-wrong.

102 A review of *Summit Statements* and *Ministerial Statements* since 2011 on the ASEM website produced no evidence of any Russian initiative. http://www.aseminfoboard.org/see-all/itemlist/.

other South-East Asian states there.[103] While a reduced presence might evade that issue, it undermines Russia's own efforts to be recognised as a valuable political partner especially by the countries of South-East Asia.[104]

These actions also weaken the credibility of Russian attempts to play an active role in the formation of a regional security and cooperation architecture. Moscow has been complaining since the 1990s that East Asia possesses no functioning mechanisms for consultation, cooperation and conflict resolution. While its own initiatives have changed over time, their goal has always been to secure Russia a place in East Asia commensurate with its ambitions. Until the mid-2000s Russia's proposals – like its whole East Asia policy – concentrated on North-East Asia and consisted in seeking to transform the six-party talks into a permanent and legally binding regional security arrangement. That would have made Russia part of a "concert of great powers" in the region.[105] When the six-party talks stalled in 2009 and South-East Asia rose up Moscow's foreign policy agenda, this shifted the focus of the Russian proposals. Proposals for a regional security and cooperation architecture now related to the entire Asia-Pacific region and shifted away from the goal of a single new institution to the approach of a "network" of existing formats.[106] Together with China and Brunei, Russia introduced a first concrete proposal at the East Asia Summit in October 2013. Even if the participating states did agreed to start a dialogue process on these questions, Moscow's prospects of realising its own ideas here are poor. On the one hand the proposal is too vague and leaves unanswered the decisive questions of what mechanisms will enforce the principles and how the existing institutions can work together more effectively. On the other hand, precisely where it is most concretely formulated the initiative could encounter stiff resistance from the United States and its East Asian allies. For Moscow's proposal amounts to a de facto Russian veto. In the words of Foreign Minister Lavrov, the core principle of "indivisible security" rules out attempts by individual countries to expand their own security at the expense of other states.[107] Under that interpretation the Kremlin (or Beijing) could demand that the United States terminate its missile defence planning or abandon its naval expansion in East Asia. Further, the principle of non-alignment would mean the dissolution of Washington's bilateral military alliances. If Russia wishes to garner support for its proposals it will have to prove that they represent a substantive contribution to solving real problems in the region, rather than merely serving its own particular interests.

Russia's Weak "Soft Power"

In order to be recognised as a great power in East Asia, Russia must develop "soft power" as well as "hard power". Here it continues to exhibit great deficits. Russia's economic, political and social trajectory since the end of the Cold War exercises no attraction for other countries in the region. Instead it is China that is becoming the alternative to the Western model. President Putin may be attempting especially hard in his third term to push Russia as the conservative alternative to the liberal democracies of Europe and the United States, and seeking to present it on the international stage as a defender of traditional principles of international law against Washington's supposedly aggressive unilateral interventionism.[108] But considerable doubts remain as to whether these methods can actually expand Russia's "soft power" in East Asia. The Ukraine crisis demonstrated that Russia will also violate central principles of international law, such as non-use of force, non-intervention in the internal affairs of other states, and territorial integrity. Here Russia

103 Just a few days later Prime Minister Medvedev participated in the more economically focussed APEC summit in Indonesia. Artyom Lukin, "Russian President Skipped East Asian Summit – Again", Russian International Affairs Council blog, 13 October 2013, http://russiancouncil.ru/en/blogs/dvfu/?id_4=745; Wishnick, *Russia: New Player in the South China Sea?* (see note 89), 6.

104 Surin Pitsuwan, former ASEAN secretary-general, described Putin's absence from the 2013 East Asia Summit as "disappointing". "Putin Is Latest Asia Summit No-show to Raise Eyebrows", *Rappler Latest News*, 10 September 2013, http://www.rappler.com/world/regions/asia-pacific/40968-putin-east-asia-summit.

105 Toloraya, "The Six Party Talks" (see note 82), 64; Gilbert Rozman, "Russian Strategic Thinking on Asian Regionalism", in *Russian Strategic Thought toward Asia*, ed. Gilbert Rozman, Kazuhiko Togo and Joseph P. Ferguson (Basingstoke: Palgrave Macmillan, 2008), 229–54 (238f.).

106 "Concept of the Foreign Policy of the Russian Federation" (see note 1).

107 "Interview by Russian Foreign Minister Sergey Lavrov to Interfax News Agency", Ministry of Foreign Affairs of the Russian Federation, official website, 21 December 2013, http://www.mid.ru/brp_4.nsf/0/3C263964184AA8E744257C4E005A647F.

108 "Meeting of the Valdai International Discussion Club", President of Russia, official website, 19 September 2013, http://eng.kremlin.ru/news/6007.

revealed that it follows the logic of power rather than the framework of norms. Additionally, Putin's conservative political ideology lacks any attractive economic component.

Moreover Russia, although geographically Eurasian, is perceived culturally as clearly belonging to Europe rather than East Asia,[109] and none of Moscow's attempts to strengthen cultural exchange with East Asia can alter its image as a "distant neighbor".[110] Numerous events have been staged, for example the 2009 Year of the Russian Language in China or the Russian Cultural Festival held annually in Japan since 2006. In the sphere of education, student exchanges have been especially encouraged. China and Vietnam are the two biggest countries of origin, with about 20,000 Chinese and 6,000 Vietnamese studying at Russian universities in 2013.[111] Beyond that Russia has upgraded its university infrastructure in its Far East, for example by expanding the Far Eastern Federal University in Vladivostok. But Russia still comes far down the list of East Asian students' preferences. By comparison there were 194,000 Chinese and 15,500 Vietnamese studying in the United States in 2012.[112]

Apart from student exchanges and tourism, societal ties between Russia and the East Asian countries tend to be weak. This also affects political relations. Above all at the middle level there is a lack of individuals with knowledge of the languages and cultures. This applies to Japan and South Korea, which cannot draw on contacts from the Cold War era, but equally to China and Vietnam, which always maintained close relations with Moscow, also in the field of education. Even in the 1990s many senior positions in China and Vietnam were still occupied by politicians and economists trained in the Soviet Union. Those connections are now becoming increasingly rare.[113]

109 Akaha, "A Distant Neighbor" (see note 56).
110 Ibid.
111 "Russia Expects to Attract More Chinese Students", *People's Daily Online*, 16 May 2013, http://english.peopledaily.com.cn/203691/8246261.html; "Number of Overseas Vietnamese Students in Russia Continues to Rise", *Communist Party of Vietnam Online Newspaper*, 27 December 2013, http://cpv.org.vn/cpv/Modules/News_English/News_Detail_E.aspx?CN_ID=628381&CO_ID=30184.
112 "International Students in the United States", *Project Atlas*, http://www.iie.org/Services/Project-Atlas/United-States/International-Students-In-US.
113 Peter Ferdinand, "Sino-Russian Relations: An Analytical Overview", in *Russia-China Relations: Current State, Alternative Futures, and Implications for the West*, ed. Arkady Moshes and Matti Nojonen (Helsinki, 2013), 22–37 (36f.).

The Economic Dimension: Achilles' Heel of Russian East Asia Policy

Alongside security challenges and political ambitions, Moscow's turn towards East Asia is strongly motivated by economic interests. In Russia the region is perceived as an economic opportunity: as a market for exports and as a potential modernisation partner, especially for its own eastern territories. The Kremlin is well aware that Russia will only be recognised as a major regional power in East Asia if it can back up that claim economically.

Since 2000 Moscow has succeeded in substantially increasing its trade volume with the East Asian states. Between 2000 and 2013 trade with Japan increased almost tenfold, with the ASEAN states elevenfold, with China twelvefold and with South Korea fourteenfold. In comparison the growth rates for trade with the European Union and the other CIS states have been comparatively modest (fivefold and four-and-a-half-fold respectively; see Table 2).

East Asia is becoming increasingly important for Russia's foreign trade. From 2000 to 2013 the share of Moscow's foreign trade accounted for by this region rose from 9.4 percent to 19.0 percent. China stands out particularly, its share growing from 4.9 to 10.3 percent over the same period.[114] East Asia has thus become Russia's second regional trade partner after the European Union. Although the European Union's share of Russian foreign trade is two-and-a-half times that of the East Asian states, it declined slightly from 51.8 percent in 2000 to 49.1 percent in 2013. In economic terms East Asia has already overtaken Russia's two most important geopolitical reference regions, namely the post-Soviet space and the United States. The CIS countries' share of Russian foreign trade has fallen from 18 percent in 2000 to 14.4 percent in 2013, while the already small figure for the United States contracted especially sharply, from 5 percent in 2000 to 3.6 percent in 2013.[115]

However, increasing trade with East Asia has been associated with changes in composition that pose great challenges for Russia's economic position there. Firstly, while the region's economies are becoming increasingly important for Russia's foreign trade, the converse is much less the case. The imbalance is most conspicuous in Sino-Russian economic relations. In 2010 China replaced Germany as Russia's most important trade partner. However, while China's share of Russian foreign trade was 10.3 percent in 2013, Russia accounted for only 2.2 percent of Chinese foreign trade and is thus only a secondary trade partner for China. Growing political asymmetry in the Russian-Chinese relationship is exacerbated by the economic trends. While China's economy was about the same size as Russia's at the beginning of the 1990s, it had grown three times as large by 2013, with a GDP of $8,230 billion (compared to $1,899 billion).[116] The same applies to other East Asian countries: Russia is a less important trading partner for them than they are for Russia, and more or less negligible compared with trade within the region or with the European Union and the United States. Russia accounts for just 2.2 percent of Japanese foreign trade, 2.1 percent of South Korean and 0.8 percent of ASEAN's.[117]

Moscow's economic ambitions in East Asia are further burdened, secondly, by its balance of trade problems. Although its trade balance is still positive in relation to Japan, South Korea and the ASEAN states, only with South Korea has Russia been able to maintain its export share over the past decade. With all other East Asian partners the trade balance shifted to Russia's disadvantage. From 2000 to 2013 the share of Russian exports in its overall trade with Japan fell from 81 to 64 percent, with the ASEAN countries from 70 to 63 percent and with China from 73 to just 40 percent, which representing the largest drop.[118] The increase in trade volume, it can be concluded, thus stems less from Russian firms opening up new markets in East Asia than from East Asian businesses improving their position on the Russian market.

114 Based on figures from UNCTADStat Database, http://unctad.org/en/Pages/Statistics.aspx (viewed 14 July 2014).
115 UNCTADStat Database (viewed 14 July 2014).
116 Trading Economics, "Russia GDP", http://www.tradingeconomics.com/russia/gdp; "China GDP", http://www.tradingeconomics.com/china/gdp.
117 UNCTADStat Database (viewed 14 July 2014).
118 Based on figures from UNCTADStat Database, http://unctad.org/en/Pages/Statistics.aspx (viewed 14 July 2014).

Table 2
Russia's trade with East Asia ($ million)

Trade partner	*Russian imports from/exports to*	*2000*	*2005*	*2010*	*2013*
China	Imports	1,972	11,763	34,336	51,964
	Exports	5,248	13,048	19,783	35,229
	Total	7,219	24,811	54,119	87,193
Japan	Imports	645	5,359	9,192	11,690
	Exports	2,764	3,740	12,494	20,718
	Total	3,409	9,099	21,685	32,408
South Korea	Imports	706	4,204	7,851	11,109
	Exports	972	2,359	10,408	12,551
	Total	1,678	6,563	18,259	23,660
ASEAN	Imports	478	1,982	4,376	6,513
	Exports	1,120	2,159	6,514	10,962
	Total	1,598	4,141	10,889	17,475
EU 28	Imports	20,371	64,203	106,836	148,060
	Exports	56,252	139,149	184,669	266,448
	Total	76,623	203,352	291,506	414,508
CIS	Imports	12,847	19,417	31,218	44,807
	Exports	13,781	32,252	48,591	76,294
	Total	26,628	51,669	79,809	121,101

Source: Based on figures from UNCTADStat Database, http://unctad.org/en/Pages/Statistics.aspx (viewed 14 July 2014).

The negative impact is further amplified, thirdly, by the changing composition of traded goods. Russia imports growing volumes of manufactured goods from East Asia. Between 2000 and 2013, for example, the share of machinery and vehicles in Russian imports from China grew from 8 to 40 percent, from Japan from 66 to 83 percent, from South Korea from 26 to 73 percent and from the ASEAN countries from 25 to 43 percent.[119] Russia by contrast is able to sell ever fewer finished products in East Asia. During the same period the share of machinery and vehicles in Russian exports to China shrank from 11 to 3 percent, to South Korea from 11 percent to 2 percent, and to the South-East Asian states from 10 to 7 percent, while the share in exports to Japan remained negligible at 1 percent. Even in semi-finished goods Russia lost market share in East Asia. By 2013 sales of iron and steel to China, which still made up 17 percent of Russian exports to China in 2000, had almost completely dried up. The comparable figure for South Korea fell from 13 and 3 percent and for ASEAN from 36 to 11 percent, while the figure for Japan again remained negligible at 1 percent.[120]

Energy and Arms: Ambivalently Competitive

The very few areas where Russia is competitive in East Asia and has been able to position itself as a significant trading partner include first and foremost the energy and defence sectors.[121] Because both are also strategically important, Moscow hopes not only to derive economic profits from East Asian demand but also prospectively to convert that into political influence. However, such concentration on exporting arms and energy involves economic and security risks for Russia.

119 UNCTADStat Database (viewed 14 July 2014).

120 Based on figures from UNCTADStat Database, http://unctad.org/en/Pages/Statistics.aspx (viewed 14 July 2014).

121 Russia also cooperates with certain East Asian states in the space sector.

Energy Cooperation

The energy hunger of the East Asian states is especially noticeable in oil and gas, but also includes electricity. In all three sectors Russia is an interesting partner: it supplies electricity to China and is building hydroelectric and nuclear plants jointly with China, Vietnam and Laos.[122] Cooperation is most advanced in the oil sector. Whereas Russia initially had to export oil by train or ship, eastward export potential has been expanded to 80 million tonnes/year by the completion of the Eastern Siberia-Pacific Ocean (ESPO) pipeline.[123] A spur to the Chinese city of Daqing was completed in January 2011, while the main route to the Russian Pacific port of Kozmino, from where oil is shipped to Japan, South Korea, certain ASEAN states and the United States, followed in December 2012.[124] Moscow has also expanded gas deliveries to East Asia, but more slowly and on a smaller scale than with oil. The only place in the Russian Far East where gas is extracted is the island of Sakhalin, since 2009 also the location of the only LNG plant in the east of the country, shipping 10 million tonnes of liquefied natural gas (LNG) annually above all to Japan and South Korea.[125] China has to date been largely and notably absent as a Russian gas customer, because despite years of negotiations the two sides were unable to agree on prices. That changed in May 2014, when Gazprom and China National Petroleum Corporation (CNPC) signed a thirty-year gas contract for 38 billion cubic metres/year. In the wake of the Ukraine crisis Russia found itself forced to accept a lower price than it would have been able to achieve on the European market.[126]

Although Russia has been able to expand its position in East Asian energy markets, its share there is still small. In 2011/12 deliveries from Russia still accounted for just 8 percent of Chinese and 4 percent of Japanese oil imports and for 10 percent of Japanese and 8 percent of South Korean gas imports.[127] In order to expand its market position, however, Russia would first have to invest heavily in the largely undeveloped oil and gas fields in the east of the country and build new pipelines, refineries and LNG plants. The investment requirement is vast in view of the difficult climatic, geographical and socio-economic conditions, and practically insurmountable without foreign capital. That in turn would inevitably increase the negotiating power of the potential East Asian financiers, first and foremost China and Japan, with respect to pricing and pipeline routing. It is also more urgent for Russia to increase its energy exports to East Asia than it is for the East Asian countries to source oil and gas

122 A power transmission line from Russia's Amur Oblast to Heilongjiang in China was completed in 2012. "China Completes Power Transmission Project with Russia", *Xinhua*, 2 January 2012, http://www.china.org.cn/china/2012-01/02/content_24309649.htm. The construction of two nuclear power plants and a research reactor has been agreed with Vietnam, and with Laos the building of a hydroelectric plant. "Vietnam Pushing Ahead with Nuclear Power Expansion", *Thanh Nien News*, 11 November 2013, http://www.thanhniennews.com/index/pages/20131107-vietnam-pushing-ahead-with-nuclear-power-expansion.aspx; "Russian Firm Steps Up Dam Deal," *Radio Free Asia*, 2 June 2013, http://www.rfa.org/english/news/laos/hydropower-02062013151208.html.

123 Under the agreement Russia will supply 15 million tonnes crude oil to Daqing annually for twenty years, starting in 2011. In March 2013 the two governments agreed to double the volume to 30 million tonnes between 2018 and 2030. The annual capacity of the ESPO section to Kozmino could potentially be expanded from 30 to 50 million tonnes. Ewa Fischer, *Completion of the ESPO Oil Pipeline Connects Siberia to the Pacific Ocean* (Warsaw: Centre for Eastern Studies [OSW], 9 January 2013), http://www.osw.waw.pl/print/20310.

124 30 percent of the oil supplied through ESPO goes to Japan, 29 percent to South Korea, 16 percent to the United States, 11 percent to Thailand, 8 percent to China, 3 percent to the Philippines, 2 percent to Singapore and 1 percent to Taiwan. Platts, *Russian Crude Oil Exports to the Pacific Basin – An ESPO Update*, February 2011, 2, http://www.platts.com/im.platts.content/insightanalysis/industrysolutionpapers/espo0211.pdf.

125 Numerous plans exist for developing gas exports to East Asia: Japanese investment to build an LNG plant in Vladivostok or supplying LNG from the Yamal Peninsula in northwestern Siberia to the Asian market. There is also discussion of an underwater pipeline to Japan and South Korea or an overland route from North to South Korea. Marcin Kaczmarski, *Activation of Russian Policy towards the Korean States* (Warsaw: OSW, 9 November 2011), http://www.osw.waw.pl/print/20161; Szymon Kardaś, *Russia Activates the LNG Sector* (Warsaw: OSW, 16 January 2013), http://www.osw.waw.pl/print/20313.

126 The exact price has not been published. Experts estimate it will be about $350 per 1,000 cubic metres, well short of the $400 originally demanded by Moscow. As well as the Gazprom/CNPC deal, a twenty-year agreement to supply three million tonnes of LNG annually from Yamal was also signed at the Sino-Russian Summit in Shanghai in May 2014. Witold Rodkiewicz, *Putin in Shanghai: A Strategic Partnership on Chinese Terms* (Warsaw: OSW, 21 May 2014), http://www.osw.waw.pl/print/22174.

127 US Energy Information Administration, "Japan", 29 October 2013, http://www.eia.gov/countries/cab.cfm?fips=JA; "South Korea", 17 January 2012, http://www.eia.gov/countries/cab.cfm?fips=KS; "China", 22 April 2013, http://www.eia.gov/countries/cab.cfm?fips=CH. Figures for ASEAN countries are not available.

from Russia on a grand scale. In view of falling demand for oil and gas in the European Union, as its main customer, Russia will be reliant on expanding its foothold in East Asia. The Russian Energy Strategy for 2030 foresees 22 to 25 percent of the country's oil exports and 19 to 20 percent of its gas exports going to the Asia-Pacific region by 2030.[128] And because the Russian state derives half its revenues from the energy sector, developing the East Asian markets is also politically crucial for the Kremlin. In contrast to the exporter, Russia, however, the importers China, Japan, South Korea and the ASEAN states have already successfully diversified their energy relationships.[129] Other developments in the energy sector, such as the US fracking revolution, global exploitation of new (un)conventional reserves and an LNG terminal construction boom, further exacerbate the competition. Russia will therefore remain only one of many suppliers, a situation that generates little in the way of economic influence, still less political.

This was illustrated very clearly in connection with the nuclear meltdown at Fukushima. While the Kremlin was able to use the prospect of boosting oil and gas deliveries to revive the deadlocked political dialogue with Japan, it was not able to secure major Japanese investment in the eastern Russian regions. With respect to China there is even a risk that expanded energy cooperation could weaken rather than improve the Russian position. For example in 2008 Russia found itself compelled to agree a supply contract with China that involved conceding major concessions. The financial and economic crisis had embroiled Russia's Transneft and Rosneft in liquidity difficulties, and they were bailed out by the China Development Bank with loans of $25 billion. In return the ESPO spur from Skovorodino to Daqing was completed before the main route to Kozmino near Nakhodka on the Russian Pacific coast.[130] Since the Skovorodino to Kozmino section opened in 2011 Beijing has been pushing to increase the capacity of the Daqing spur. In March 2013 Rosneft agreed additional deliveries of 365 million tonnes of oil over the coming twenty-five years.[131] Both of these developments endanger Russia's energy export diversification strategy and strengthen Beijing's hand as the main customer for Russian oil in East Asia.

Expanding energy relations thus does little to further Russia's regional ambitions in East Asia. On the contrary, it endangers the economic pillar of Russian ambitions more than supporting it. Russia is also cooperating with certain South-East Asian countries to develop and exploit their oil and gas reserves (Vietnam, Myanmar) and to build hydroelectric and nuclear power plant (Laos, Vietnam),[132] and thus functions as a modernisation partner for these countries in particular niches. But the bulk of Russian energy cooperation, above all with the financially strong economies of China, Japan and South Korea, consists in supplying raw materials. Between 2000 and 2012 the share of oil and gas in Russian exports to South Korea grew from 12 to 69 percent, to China from 0 to 67 percent, to Japan from 1 to 74 percent and to the ASEAN states from 38 to 61 percent.[133] Russia is thus integrating itself into the regional economy of East Asia primarily as a raw material supplier.

Arms Exports

The defence industry is one of the rare high-tech sectors where Russia remains competitive. For certain East Asian countries Russia has become an important defence modernisation partner. This applies especially to states that lack or have lacked alternative suppliers because of Western arms embargoes (such as China, Myanmar and Indonesia), and for countries worried about the growing regional power of China and the United States (such as Vietnam and Malaysia). East Asia has become an important market for Russia's

128 Ministry of Energy of the Russian Federation, *Energy Strategy of Russia for the Period up to 2030* (Moscow, 2010), http://www.energystrategy.ru/projects/docs/ES-2030_%28Eng%29.pdf.
129 Elena Shadrina and Michael Bradshaw, "Russia's Energy Governance Transitions and Implications for Enhanced Cooperation with China, Japan, and South Korea", *Post-Soviet Affairs* 29, no. 6 (2013): 461–99; Shoichi Itoh, *Russia Looks East: Energy Markets and Geopolitics in Northeast Asia* (Washington, D.C., 2011).
130 Itoh, *Russia Looks East* (see note 129), 32; Linda Jakobson, Paul Holtom, Dean Knox and Jiangchao Peng, *China's Energy and Security Relations with Russia* (Stockholm, October 2011), 26, 39f.
131 Stephen Blank, "Russia's Energy Deals with East Asia: Who Wins?", *The Diplomat*, 3 July 2013, http://thediplomat.com/2013/07/russias-energy-deals-with-east-asia-who-wins?/allgap.
132 "Russia's Bashneft Wins Contract for Onshore Energy Block in Myanmar", *Reuters*, 11 October 2013, http://de.reuters.com/article/idUKL6N0I11TC20131011; "Russian Firm Steps Up Dam Deal" (see note 122); Roberto Tofani, "Russia Rebuilds Ties with Vietnam", *Asia Times*, 20 November 2013, http://www.atimes.com/atimes/Southeast_Asia/SEA-02-201113.html.
133 Based on figures from UNCTADStat Database.

arms manufacturers. With a share of 18 percent of Russian exports the region took second place in 2013 behind India (47 percent) and thus ahead of the Middle East (12 percent) and the post-Soviet space (2 percent).[134]

Nonetheless, however, the prospects for turning defence industry cooperation into political influence are none too rosy. That said, particularly in South-East Asia arms exports have served as a door-opener to interest regional leaders in military cooperation with Russia, while formats for military staff exchanges and security dialogue have often originated in defence industry cooperation. When the territorial disputes in the South and East China Seas escalated, the political import of arms sales increased. In the eyes of certain South-East Asian states, this increased Russia's attractiveness as a potential security partner for a hedging strategy. This was most noticeable in the relationship with Vietnam. The diplomatic upgrade to "comprehensive strategic partnership" in 2012 was preceded by major arms deals. But this did not generate direct Russian political influence.

That applies all the more so to defence industry cooperation with China, which has in fact come to have negative economic and security repercussions for Russia. Until 2005 Beijing was Moscow's most important arms buyer, taking up to 60 percent of all Russian arms exports.[135] In the 1990s exports were vital for the survival of Russia's defence industries, so Beijing was able to secure favourable conditions. Russia's arms manufacturers not only supplied finished products but also involved Chinese partners in manufacturing through joint ventures and licensing. Together with product piracy this led to a massive technology transfer to Russia's detriment.[136] China subsequently became a rival in the global arms market and was able to slash its import requirements. Since the second half of the 2000s China has only been interested in importing niche products such as jet engines or state-of-the-art weapons systems. Given that security concerns had previously led the Kremlin to refuse to sell the latest defence products to China, the March 2013 deal to supply twenty-four Sukhoi Su-35 fighters must be regarded as more a success for the Chinese than the Russians.[137] Even in the 1990s Moscow was incapable of deriving political capital from Beijing's then still significantly greater reliance on cooperation in the defence sector. Its future prospects will be even poorer. Moscow must now ensure that the security costs of defence industry cooperation do not outweigh the economic benefits.

The Limits of Economic Integration

If its economic role in East Asia is to extend beyond energy and arms, Russia will have to accomplish a twofold integration in the region. Firstly to tie its own eastern regions more closely to the adjacent economic space; secondly to ensure that it is not excluded from the region's economic cooperation processes. Both can only succeed if Russia modernises economically, across the board and specifically in the Far East and in Siberia. Here the Kremlin hopes for support from East Asia.

Russia's Eastern Regions: Opportunity and Achilles' Heel

Having three quarters of its territory in Asia should theoretically be an advantage for Russia's East Asian economic ambitions. The geography produces opportunities to expand cross-border trade with its North-East Asian neighbours and to position Russia as a transport route connecting Asia and Europe by land or prospectively even by the Northern Sea Route. But the problematic socio-economic situation in Russia's eastern regions means that these potentials cannot currently be fully exploited. Since the beginning of the 1990s the eastern regions have lost about 25 percent

134 The figures relate to identified arms exports in 2013, of which Vietnam and China each received 9 percent. In terms of arms deals concluded in 2013, East Asia shared first place with India (26 percent each), well ahead of the Middle East (15 percent), Latin America (14 percent) and Africa (10 percent). In terms of new contracts, Vietnam accounted for 18 percent, Indonesia for 8 percent. Andrey Frolov, "Identified Russian Export Deliveries in 2013", *Moscow Defense Brief* 34, no. 2 (2014): 14–21 (15, 17).

135 Konstantin Makienko, "Russian Exports to China: What the Future Holds", *Moscow Defense Brief* 18, no. 4 (2009).

136 The most infamous incident of Chinese product piracy was the Russian Sukhoi Su-27 fighter, manufactured under licence in China in the 1990s and later marketed as the Chinese clone JB-11. Even if Beijing and Moscow signed an agreement on protection of intellectual property in 2008, anxieties over ongoing product piracy continue to weigh especially heavily on cooperation over state-of-the-art weapons systems. Jakobson, Holtom, Knox and Peng, *China's Energy and Security Relations with Russia* (see note 130), 16, 21.

137 "China Signs Arms-sales Deal with Russia", *United Press International*, 25 March 2013, http://www.upi.com/Top_News/World-News/2013/03/25/China-signs-arms-sales-deal-with-Russia/UPI-29041364269020/.

of their population and 90 percent of their heavy industry, while their already weak infrastructure has steadily deteriorated.[138]

The Kremlin has been proclaiming the centrality of developing Siberia and the Far East since the second half of the 2000s, launching numerous development programmes and in 2012 even establishing a dedicated Ministry for the Development of Russian Far East. But the measures and funds have turned out to be inadequate or been channelled above all into headline-grabbing prestige projects. For example Vladivostok was spruced up to the tune of $21 billion for the APEC summit and received a new airport, three new major bridges and a new university. At the same time, infrastructure investment in the rest of the eastern regions remained woefully inadequate.[139]

This increases the necessity to rely more heavily on foreign investment and cross-border economic cooperation for developing the Far East and Siberia. Today Chinese firms are already investing more in Russia's eastern regions than their Russian counterparts.[140] Parts of the investment fund established in 2013 with Japan and South Korea are to be used for joint projects in the Far East and in Siberia.[141] Vladimir Putin's idea of an "Iron Silk Road", connecting the Trans-Siberian Railway through to Busan in South Korean, has especially caught the eye of South Korean President Park Geun-Hye, who is pursuing her own "Eurasia Initiative".[142] Russia's eastern regions have already aligned their external economic relations with East Asia. China is the most important economic partner of the immediate border regions. Cross-border trade between the two countries has increased almost eightfold between 2000 and 2011 from $1.1 to $8.0 billion.[143] For the eastern regions bordering on North Korea rather than China, South Korea is the most important trading partner.[144]

Yet the close economic integration of the Far Eastern and Siberian regions with their North-East Asian neighbours has not to date yielded the expected modernisation effects. Especially in trade with China, economic structures disadvantageous to Russia tend to be perpetuated rather than overcome. This is demonstrated by a glance at the cooperation programme agreed in 2009 between the eastern Russian and north-eastern Chinese border regions. Of the projects planned for the Russian areas, 70 percent relate to joint development and exploitation of natural resources such as oil and timber, while 90 percent of the projects planned in the Chinese regions are industrial in nature.[145] This contradicts the objectives formulated by the Russian leadership. In December 2013, President Putin called for the Far East to develop above all high-tech sectors such as space, biotech and robotics.[146] Some Russian experts see the concentration on utopian dreams as one cause of the lack of success to date, and demand that Russia restrict itself to more realistic goals such as developing the agricultural and forestry sectors. That way, they assert, Russia could fill a niche in the East Asian countries, whose demand for food is growing.[147] As long as Russia cannot even secure investment in such processing industries and critical infrastructure projects, its eastern regions will remain its Achilles' heel rather than offering opportunities for its East Asia ambitions.

138 Kuhrt, "The Russian Far East in Russia's Asia Policy?" (see note 12), 479; Rensselaer W. Lee, *The Far East between Russia, China, and America* (Philadelphia: Foreign Policy Research Institute, July 2012), http://www.fpri.org/print/247.

139 "Vladivostok Holds Its Breath for Life after APEC", *Moscow Times*, 5 September 2012, http://www.themoscowtimes.com/business/article/vladivostok-holds-its-breath-for-life-after-apec/467625.html.

140 Andrew S. Bowen and Luke Rodeheffer, "Is Russia Losing Control of Its Far East?" *The Diplomat*, 1 October 2013, http://thediplomat.com/2013/10/is-russia-losing-control-of-its-far-east/.

141 "South Korea and Russia Launch $500m Fund to Boost Economic Ties", *Financial Times*, 13 November 2013; "Russia and Japan Create Joint Investment Pot with $1bn Entry Ticket", *Russia Today*, 29 April 2013, http://rt.com/business/russia-japan-investment-plans-576/.

142 In September 2013 Russia completed the rail link from the Trans-Siberian to the ice-free North Korean port of Rajin, which is planned to serve as an export to Europe. A South Korean consortium wishes to participate. Sabine van Ameijden, "Peacemaker or Political Hostage? Prospects for the Moscow-Busan 'Iron Silk Road Express'", *Sino-NK*, 11 November 2013, http://sinonk.com/2013/11/11/peacemaker-or-political-hostage-prospects-for-the-moscow-busan-iron-silk-road-express/.

143 Victor Larin, "Russia and China: New Trends in Bilateral Relations and Political Cooperation", in *From APEC 2011 to APEC 2012*, ed. Azizian and Lukin (see note 57), 178–88 (182).

144 Sergei Blagov, "Russia Mulls Far Eastern Economic Revival", *Eurasia Daily Monitor* 9, no. 83 (2 May 2012).

145 Lee, *The Far East between Russia, China, and America* (see note 138), 4.

146 "Presidential Address to the Federal Assembly", President of Russia, official website, 12 December 2013, http://eng.kremlin.ru/news/6402.

147 Karaganov, "Russia's Asian Strategy" (see note 7).

Economic Integration: Russia Out on a Limb

In order to be perceived as an important actor in East Asia, Russia would also have to participate more strongly in the economic cooperation processes occurring there, in the sense of participating in the drafting and negotiation of bilateral and multilateral free trade agreements. In 2010 ASEAN signed free trade agreements with China and South Korea. In November 2012 ASEAN, China, Japan, South Korea, Australia, New Zealand and India agreed to begin talks to create the world's largest free trade area (Regional Comprehensive Economic Partnership, RCEP). At the same time, Washington is pushing on with its Trans-Pacific Partnership (TPP) with Australia, Brunei, Chile, Malaysia, New Zealand, Peru, Singapore, Vietnam and possibly Japan, but excluding China.

Participation in these processes would promote Russia's economic integration in East Asia, because import duties would fall and foreign investment would become easier. But Russia remains largely an onlooker in these processes. Although it has signalled interest in a free trade agreement with ASEAN and a cooperation between RCEP and Russia's customs union with Belarus and Kazakhstan,[148] only with Vietnam have discussions about a free trade area actually been taking place, since December 2010. The proposed area would also include the other members of Russia's customs union,[149] demonstrating that the Kremlin is not interested only in concrete economic benefits but also in political prestige: Russia's recognition as the leading power in the post-Soviet space.

148 Tatyana Edovina, "Rossiia predloshit Azii tamozhennii soyuz" [Russia proposes customs union for Asia], *Kommersant*, 20 November 2012.

149 "Customs Union in Free Trade Zone Talks with Non-EU Europe – Lavrov", *RIA Novosti*, 14 December 2013, http://en.ria.ru/russia/20131214/185550683.html.

Conclusions

Examination of the three dimensions of Russian East Asia policy reveals a mixed picture. To date Moscow has been unable to back its ambitions in the region with corresponding capacities. Although Russia maintains a large primarily nuclear deterrent, its capacity to project military power is too weak to make any significant contribution to regional security beyond its own borders. Moscow's predilection for demonstrations of military strength have more to do with the lack of alternatives than any success of this strategy. Politically Russia is neither in a position to influence the interaction of the East Asian states with one another or with the United States nor to assist with the resolution of regional problems. Although Moscow has developed its own initiatives on the North Korea problem and resisted cooptation by Beijing over territorial disputes, it lacks the political strength to lend weight to its demands or to fill a mediating role. The most fragile pillar of its Euro-Pacific ambitions is the economic. With the exception of energy and arms Russia's economy is largely uncompetitive, and not even cooperation in those two strategically important areas has expanded Moscow's political influence.

The power fixation of Russian East Asia policy often leads Moscow to seek gains in status over substance. This is confirmed by its actions in certain regional organisations and its policy towards Siberia and the Far East. Instead of investing in a sustainable modernisation of the eastern regions, scarce resources are channelled into prestigious events such as the APEC summit in Vladivostok.

The emergence of a coherent East Asia strategy is also hindered by a Russian leadership that still thinks too little in regional terms. This is particularly noticeable in its relationships with China and the United States, both of which Moscow continues to perceive from a traditional global perspective. Although Moscow regards Beijing as a valuable partner with which to counterbalance Washington, it appears predestined to become the junior partner in its "strategic partnership" with China in East Asia, which yields it little benefit. As long as the Kremlin fails to develop ideas about how to involve the United States in its East Asia policy, its plans for diversification or a role as "swing state" will remain unfulfilled.

Even if Russia is still a long way from becoming a central actor in East Asia, it has been developing the eastern pillar of its foreign policy in earnest since the mid-2000s – for the first time. A comparison with the 1990s demonstrates the progress made. Whereas at that time Russia's East Asia policy exhausted itself in a "strategic partnership" with China, it has since been able to expand its relations with all countries in the region, albeit to different degrees. In South-East Asia Moscow has succeeded above all in consolidating its relationships with Vietnam and ASEAN; success in joining all the major regional institutions is a direct outcome of this policy. As far as North-East Asia is concerned, the rapprochement with Japan stands out, revealing President Putin's more strongly strategic thinking in relation to East Asia. At least in the diplomatic sphere the foundations have been laid for a larger Russian role in East Asia.

What are the consequences of Moscow's new East Asia policy for Germany and Europe? Few in the Russian discourse call for a fundamental reorientation to East Asia in the sense of a turn away from the Euro-Atlantic space, still less a balancing. But the proposal to expand political and economic relations with the East Asian states and institutions was from outset based on the intention to relativise a hitherto Eurocentric foreign policy. The European Union and Russian-European relations had, as many Russian experts and politicians say, reached their limits. The theory of the decline of Europe is widespread in the Russian debate: here the European Union with its internal problems, there East Asia as the icon of dynamic growth. If Russia wants to be on the winning side, many Russian experts and politicians assert, it must look more strongly eastward.[150] The turn to the east is also justified by the crisis in Russian-European relations: stagnating growth rates in foreign trade, crucial security regimes like conventional arms control deadlocked and the political relationship steadily deteriorating. Criticisms of the domestic situation in Russia and of the Kremlin's influence in the post-Soviet space in general and Ukraine policy in particu-

150 Bobo Lo, *Russia's Eastern Direction – Distinguishing the Real from the Virtual* (Paris, January 2014), 10.

lar leave, they say, little room for an expansion of relations with Europe. By contrast, the East Asian actors represent an untapped "reserve".[151] Altogether the orientation towards East Asia is seen as the realisation of a demand that has been a mantra of the foreign policy debate since the 1990s: Moscow must pursue a multi-vectoral foreign policy.

Even if a new East Asia policy makes Russia's foreign policy less Eurocentric, the pillars of its putative multi-vectoral foreign policy will continue to differ in strength in the short to medium term. Moscow will therefore be in no position to play the East Asia card against Europe. Economically the states of the European Union remain Russia's most important modernisation and trade partners. Politically Moscow's position in Europe is stronger, the depth and breadth of its relationships with the EU member-states and the European Union firmer than with East Asia. Nor can the close cultural, historic and social ties with the rest of Europe be substituted by any equivalent in East Asia. Possible restrictions of political, military and economic contacts triggered by the Ukraine crisis do nothing to fundamentally change that. Interestingly, identity issues play virtually no role in the Russian East Asia discourse. The concept of the "Euro-Pacific power" assumes that Russia is historically and culturally an inseparable part of Europe and that the turn to the east springs in the first place from pragmatic interest-driven politics.

In economic, security and political terms, Russia and the European Union have in the past largely ignored each other's East Asia policy. Although Russia considers the European states as possible investors in the Far East and Siberia, the European Union is scarcely noticed as a political actor in East Asia.

In its guidelines on foreign and security policy in East Asia of June 2012 the European Union similarly defines Russia as an "extra-regional" actor with which it would like to conduct a political dialogue on East Asia.[152] There is in fact a sectoral dialogue format, under which representatives of the Russian foreign ministry and the European External Action Service meet twice a year.[153] But the political exchange is still in its infancy.

In view of troubled relations in the wake of the Ukraine crisis, the European Union and Russia are unlikely to intensify their exchange on East Asia in the short term. If the Russian-European relationship relaxes, however, that would make sense in the medium term.

The first priority would be to define fields of shared interest in the first place. Starting points for this can be found at a general level. Both sides are interested in containing the rise of China and its growing rivalry with the United States with the help of multilateral institutions. The establishment of a functioning regional security and cooperation architecture is therefore a shared interest for Moscow and Brussels. Both can draw on shared experiences, for example confidence-building measures, the OSCE or the NATO-Russia Council.

Peaceful resolution of the North Korea problem and the territorial disputes in the East and South China Seas would also be in the mutual interest of Moscow and Brussels. The Russian approach of using economic incentives to encourage a thaw between North and South Korea possesses certain potential, even if it will not be able to be realised in the near future. Brussels in turn must be interested in avoiding Russia's decline to become China's political and economic junior partner. In economic respects it is relevant for Europe to develop Russia as an east-west transport corridor.

Building on such a dialogue, joint initiatives could be developed and practical cooperations staged. In the longer run this might eventually represent a possibility to introduce a new positive agenda to counter increasingly tense relations in the Euro-Atlantic and post-Soviet spaces. But the chances of such a venture should not be overestimated. As long as Russia and the European Union are only political marginalia in East Asia and their mutual relations are troubled, both the incentives for cooperation and the rewards thereof will be small.

151 Valdai Club, "Russian-Chinese Section of the Valdai Club Discussed Russia's Strategy in Asia", 4 December 2011, http://valdaiclub.com/event/33780.html.

152 Council of the European Union, *Guidelines on the EU's Foreign and Security Policy in East Asia* (Brussels, 15 June 2012), 8, http://eeas.europa.eu/asia/docs/guidelines_eu_foreign_sec_pol_east_asia_en.pdf.

153 European Strategic Partnerships Observatory, "Dialogues", http://strategicpartnerships.eu/pays/eu-russia/.

Abbreviations

APEC	Asia-Pacific Economic Cooperation
ARF	ASEAN Regional Forum
ASEAN	Association of Southeast Asian Nations
ASEM	Asia-Europe Meeting
CIS	Commonwealth of Independent States
CNPC	China National Petroleum Corporation
CSCAP	Council for Security Cooperation in the Asia Pacific
ESPO	Eastern Siberia-Pacific Ocean (pipeline)
IAEA	International Atomic Energy Agency
LNG	Liquefied Natural Gas
MGIMO	Moskovskii Gosudarstvennii Institut Mezhdunarodnykh Otnoshenii (Moscow State Institute of International Relations)
NATO	North Atlantic Treaty Organisation
OSCE	Organisation for Security and Cooperation in Europe
OSW	Ośrodek Studiów Wschodnich (Centre for Eastern Studies, Warsaw)
PONARS	Program on New Approaches to Russian Security
RCEP	Regional Comprehensive Economic Partnership
RIMPAC	Rim of the Pacific
SCO	Shanghai Cooperation Organisation
TPP	Trans-Pacific Partnership
UNCTAD	United Nations Conference on Trade and Development