



ANALYSIS

# Once more with feeling: Russia and the Asia-Pacific

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LOWY INSTITUTE

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## EXECUTIVE SUMMARY

The rise of Asia is the central challenge of Vladimir Putin's foreign policy. No other continent will have a greater impact on Russia's international prospects in the coming decades. The Asia-Pacific, in particular, is already the principal region of global growth, geopolitical rivalry, and clashing values. Moscow's long-time Westerncentrism is increasingly obsolescent, and the need for a fundamental reorientation of Russian foreign policy has become compelling.

Recent developments point to a new level of commitment in Russia's engagement with the Asia-Pacific. Moscow has moved beyond platitudes about a 'turn to the East' and is pursuing a multi-dimensional approach towards the region: reinforcing the partnership with China; reaching out to other major players; and promoting itself as a significant security and economic contributor. Yet Russia's emergence as an Asia-Pacific power is far from assured. The obstacles are formidable and the limitations of its influence are profound. And it remains unclear whether the Kremlin is ready to treat the region as more than just another theatre in a larger contest for global order and governance.

The rise of Asia is the central challenge of Russian foreign policy. The past few years have seen an unrelenting focus on Moscow's troubled relations with the West, dominated by themes of betrayal, mistrust, and the flouting of international norms. Yet amid the sound and fury, a new reality has nevertheless emerged: effective engagement with Asia holds the key to Russia's prospects in the twenty-first century world — as a regional actor, global player, and good international citizen.

Most immediately, Asia is transforming the physical environment in which Russia must operate. The Asia-Pacific, in particular, is emerging as the primary region of global economic growth, geopolitical rivalry, and normative contestation. Meanwhile, the so-called 'rules-based international order' is giving way to an increasingly anarchic state — a new world disorder.<sup>1</sup> US-led liberal internationalism is a receding speck in Donald Trump's eyeline, transatlantic consensus has become an oxymoron, and Europe — for three centuries Russia's main inspiration and nemesis — is more divided than since before the collapse of the Berlin Wall.

Policymakers in Moscow now face a radically different set of circumstances. Many of the assumptions underpinning Russian foreign policy even just a few years ago no longer apply. The world has changed, and so must Russia. The requirement to adapt goes beyond simply showing greater interest in once neglected parts of the planet. It also entails an internal transformation. Successive generations of leaders have acted on the premise that Russia is a timeless great power. However, being a great power in an Asia-Pacific-centred world involves a conceptual leap of imagination, a re-examining of core principles and how they are to be implemented in an ever more demanding context.

The big question is whether Moscow is up to the task. Is it ready and able to move away from the almost obsessive Westerncentrism that has historically defined Russian foreign policy? Is the Kremlin finally getting serious about engagement with the Asia-Pacific, and reinventing Russia as a regional and global actor? Or is the current emphasis on Asia merely the 'latest thing', a reflexive response to events — principally the crisis in relations with the West — and therefore reversible?

This Analysis argues that real changes are taking place, both in Moscow's approach towards the Asia-Pacific and in Russian foreign policy more generally. There is a demonstrably greater appetite to reach out to the countries and institutions of the region. This reflects an appreciation that the old familiarities of interaction — 'business as usual' — with the United States and Europe are no longer fit for purpose or sustainable. The Asia-Pacific is the future.

However, there are significant doubts about Russia's commitment to the region. We have, after all, been here before. Nearly three decades ago,

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President Boris Yeltsin announced his intention to pursue a “full-scale foreign policy with multiple vectors”, and of working “with equal diligence” to develop relations with the East and West.<sup>2</sup> More recently in 2010, Moscow proclaimed a “turn to the East” (*povorot na vostok*).<sup>3</sup> And yet the ‘Asianisation’ of Russian foreign policy has often flattered to deceive, highlighting a gulf between visionary statements and underwhelming substance. At times, the Asia-Pacific has appeared to be just another theatre in a larger game of contesting American global leadership and the liberal world order.

Russia is only at the beginning of what will be a long, uneven, and often painful process of adjustment, one riven with contradictions. We can expect the Kremlin to devote increasing attention and resources to Asia-Pacific affairs, yet the United States will still loom largest in its worldview. The Sino-Russian partnership will continue to play a central role in President Vladimir Putin’s foreign policy, but Europe will retain a powerful economic and cultural pull on the Russian elite. Putin — and his successors — will strive to recast Russia as a responsible international citizen, but geopolitical imperatives and old-fashioned power projection will never be far away in the Kremlin’s calculus.

### WHAT’S IN A NAME?

Before turning to the detail of Russian policy on the Asia-Pacific, we should address the issue of nomenclature. Moscow is unequivocal in subscribing to the description ‘Asia-Pacific region’ (*Aziatsko-tikhookeanskii region* — ATR). It has no truck with the concept of ‘Indo-Pacific’,<sup>4</sup> which it regards as a politically loaded term. This is especially so in the current climate, when Indo-Pacific has become associated with US efforts to push back against the rise of China. For Moscow, the central importance of the Sino-Russian partnership makes it imperative to avoid giving gratuitous offence to Beijing and being implicated in perceived attempts to contain China. Language is critical.

In any case, Indo-Pacific would be misleading in the context of Russian policy. The Kremlin is far more interested in the Asia-Pacific than it is in the Indian Ocean or Indian subcontinent. That means engagement with China in the first place, but also with Japan, the two Koreas, the United States as a Pacific power, and security in Northeast Asia. India figures in the larger geopolitical picture, but regionally Russians tend to view it as a supernumerary member of the Asia-Pacific community and not of equal weight to China.

The narrower scope of the Asia-Pacific has implications in other directions as well. When Russian policymakers and thinkers speak of the region, they emphasise its ‘Asia’ (continental) rather than ‘Pacific’ (maritime) dimension. This is one reason why, for example, the American security presence in Northeast Asia is seen as lacking legitimacy. The United States does not ‘belong’ — at least not like China or Russia. It is an outside (super)power

whose presence is intrusive and increasingly destabilising. Similarly, Moscow identifies Australia as a Western rather than Asian ally of the United States, and considers it something of an outsider in Asian affairs. Consistent with this Asia/Pacific dichotomy, relations with Pacific Island countries, such as Fiji, do not form part of Moscow's 'turn to the East'.

## THE ASIA-PACIFIC IN RUSSIAN FOREIGN POLICY

Putin approaches the Asia-Pacific from a global perspective. The region matters principally to the Kremlin because it is central to world order — and disorder — in the twenty-first century. It is in the Asia-Pacific where geopolitical rivalries will be most intense, as exemplified by the growing strategic confrontation between the United States and China. The Asia-Pacific will be at the heart of global economic growth and competition. And it is there where the battle of ideas, norms, and institutions will rage at its fiercest. If Russia is to make good on its ambitions to be a resurgent global power, it has no choice but to be actively involved in the region.

Inseparable from the objective requirement for Russia to engage with the Asia-Pacific is the status that comes with this. There is an emerging consensus in Moscow that if Russia is to be taken seriously by others, it will need to do more than just be the 'anti-West', a spoiler of American and European aims. It will have to develop a positive agenda of its own, and assume a prominent profile as an independent player.<sup>5</sup>

The Asia-Pacific also holds another kind of symbolic importance. Moscow sees the countries of the region as dynamic, in contrast to a declining, tired Europe.<sup>6</sup> This is not to say that the Russian elite have shed their Eurocentric outlook. Trade with the European Union is still more than two-and-a-half times that with China.<sup>7</sup> Europe is the number one market for Russian oil and gas exports. It contains several of the most popular country destinations for Russian tourists.<sup>8</sup> And senior figures in the Putin regime continue to invest in Europe and send their children to European (mainly British) schools and universities.

However, in many respects Europe is seen as passé. The 2008 global financial crisis, the agonies of the eurozone, a collective inability to manage the refugee crisis, divisions within the European Union have all conveyed an impression of growing dysfunctionality and weakness. Add to this Russia's long-standing feeling of being marginalised by the West, and association with an energised, non-Western world has never seemed more attractive.

The Asia-Pacific is something of a blank canvas for Russian foreign policy — a legacy of past neglect and Eurocentric bias. At one level, this presents formidable challenges. Russia's lack of standing in the region, and its great power sense of entitlement, have previously constrained engagement. Moscow has struggled to convince others that it has something worthwhile to offer.

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Lately, though, there has been an observable shift in regional attitudes towards Russia, whose prospects have, paradoxically, been strengthened by its relatively low profile. In marked contrast to Soviet times, and to the case in Europe, few countries in the Asia-Pacific identify Russia as a threat or a malign actor. Moscow has been careful to manage expectations — both its own and those of others. It does not pretend to be a big hitter in the region, but instead portrays itself as ‘one of the guys’, merely wishing to make a useful contribution. It has benefited here from the rise of China, for good and for ill. Their partnership has added ballast to Russia’s presence in the Asia-Pacific. Conversely, mounting concerns over Beijing’s behaviour have encouraged other regional parties, such as Japan, India, and Vietnam, to reach out to Moscow.

In short, circumstances favour a more active Russian involvement in Asia-Pacific affairs. It helps that its relations with nearly all states in the region are comfortable, while the main exceptions to the rule — Japan and the United States — regard China as a greater threat than Russia. All this has created a sense of opportunity in Moscow. Far from being inhibited by the deterioration of relations with the West, and Russia’s unimpressive track record in the Asia-Pacific, Putin’s actions reveal a new purposefulness. No longer content with uttering the usual banalities about engagement, Moscow is vigorously pursuing several goals. These include:

- reinforcing the “comprehensive strategic partnership” with China,<sup>9</sup> both for its own sake and as a critical element in regional and global power balances
- maximising Russia’s strategic flexibility (and minimising its China-dependence) by strengthening ties with other Asian powers — Japan, India, both Koreas, Vietnam, and other ASEAN states
- positioning Russia as a visible *and* constructive player in regional security-building — not just on specific issues such as denuclearisation on the Korean Peninsula, but in Northeast Asia more broadly
- promoting Russia as a major economic contributor in areas where it has significant comparative advantages, such as the energy sector and arms
- rebooting Russia as a good regional and international citizen through expanded engagement in multilateral structures, such as APEC, the East Asia Summit, the Shanghai Cooperation Organization, and the Asian Infrastructure Investment Bank.

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## THE BUILDING BLOCKS OF PUTIN’S ASIA-PACIFIC POLICY

Aspiration is one thing, performance quite another. Putin envisages Russia playing a more influential role in Asia-Pacific affairs, but is such optimism justified? Moscow is certainly more responsive to developments

in the region than it has been for some decades, but how much progress has it achieved? And if indeed Russia emerges as a significant player, what will be the nature of its influence?

To answer these questions, we need to examine the principal elements of Putin's Asia-Pacific policy, and look at how they feed into his dual vision of Russia as a key regional player and global great power. As its objectives indicate, the Kremlin's approach rests on five building blocks: the partnership with China; the quest for strategic flexibility; a renewed activism in security-building; an expanding economic agenda; and the promotion of Russia as a constructive actor in the region.

### THE CHINA–RUSSIA PARTNERSHIP

The Sino-Russian partnership is the cornerstone not just of Moscow's engagement with Asia but of Putin's foreign policy in general. No relationship matters more to the Kremlin. China is much more than a bilateral partner; it is crucial to Putin's grand enterprise of positioning Russia at the forefront of global affairs, the great middle power between the United States and China. For Moscow, the partnership is a force multiplier for Russian influence and status around the world, and is in large part the reason Russia enjoys an international prominence not seen since the fall of the Soviet Union.

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Admittedly, this enhanced profile is not always a positive. The United States National Defense Strategy and National Security Strategy identify Russia, along with China, as the two greatest threats to American interests and the liberal world order.<sup>10</sup> Yet for Putin and the ruling elite, such attention, however unfavourable, is better than being ignored. The partnership with China gives Russia geopolitical leverage vis-à-vis the United States and Europe, as well as political weight and normative gravitas — the 'axis of authoritarians' talked up by some US commentators.<sup>11</sup> It reinforces a conviction in Moscow that Russia, not the West, finds itself "on the right side of history"<sup>12</sup> and that, as Putin has put it, "the liberal idea has become obsolete".<sup>13</sup>

In some respects, the relationship with China represents the greatest success of Putin's foreign policy. The current level of cooperation is unprecedented. Putin and Chinese President Xi Jinping have met each other more frequently than any other two international leaders.<sup>14</sup> Bilateral trade has passed the US\$100 billion mark,<sup>15</sup> China has become Russia's leading country economic partner, and Russia has overtaken Saudi Arabia to be the number one source of Chinese oil imports.<sup>16</sup> Military cooperation has reached new heights. There have been several landmark arms deals, along with a series of high-profile military exercises at sea and on land.<sup>17</sup> In July 2019, the two sides conducted their first-ever joint air patrol, and a new comprehensive military agreement is in the works.<sup>18</sup>

The two sides agree on most international issues. They seek to constrain US 'hegemonic' power. They oppose liberal interventionism and have



exercised their veto power in the UN Security Council to this purpose — most conspicuously on Syria. They hold convergent views on North Korea and cyber-sovereignty.<sup>19</sup> And even in potentially contentious areas, such as Central Asia and the Arctic, they have found a *modus vivendi*.

True, the Sino-Russian relationship is increasingly unequal. China's economy is more than eight times the size of Russia's,<sup>20</sup> and the gap is likely to widen further in coming years. But so far this inequality has been fairly well managed. Both sides continue to pretend that theirs is an equal, if asymmetrical, partnership: China's economic dominance being counterbalanced by Russia's superiority in nuclear weapons, geopolitical reach, and diplomatic experience. Besides, for the Kremlin it is much more important to counterbalance the United States — a 'clear and present danger' — than it is to fret about China's ascent, which is a longer-term and still uncertain process.

Yet this picture is less perfect than it looks. The Sino-Russian partnership, for all its dividends, comes at a price. So close do Moscow and Beijing seem that Russian policy in the Asia-Pacific often appears to be a mere extension of its relationship with China. Moscow speaks of pursuing an independent foreign policy, but dutifully follows Beijing's lead on many issues — from South China Sea territoriality to North Korea to development of the Belt and Road Initiative (BRI). The irony is that the Kremlin has 'succeeded' too well in ramming home the message of Sino-Russian convergence. Their public displays of affection have had the effect of persuading others that the relationship is much closer than it is, that it amounts even to an authoritarian alliance.<sup>21</sup> This has limited Moscow's options elsewhere in the region, and diminished its leverage with Beijing.

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In fact, Russia and China are separate actors whose perspectives, interests, and priorities can diverge significantly. For example, although they agree that the post-Cold War international system is unsatisfactory in many respects, they draw different conclusions. The Kremlin has long taken the view that it offers Russia very little and should give way to a more 'democratic' order that would centre on a *de facto* Big Three — the United States, China, and Russia.<sup>22</sup>

Beijing, by contrast, hopes to reform rather than replace the international system. Although Xi has pursued a more ambitious foreign policy than his predecessors, his vocal support for global free trade and combating climate change<sup>23</sup> suggests that he still sees the current framework, despite its flaws, as the only one available.<sup>24</sup> It is also apparent that Beijing's vision of a future world order centres on a Big Two — the United States and China.<sup>25</sup> The subtext is that Russia would occupy a lower rung along with other major, but secondary, powers, such as the European Union, Japan, and India.

For the time being, such differences are not critical. It suits Moscow and Beijing to make common cause when their respective relations with the

United States are so difficult, and when both regimes are under some democratic pressure.<sup>26</sup> However, we should not assume that they view the world in the same way, or that they are willing, let alone able, to coordinate on grand strategy or to establish post-Western norms and institutions. The recent joint air patrol points to growing tactical cooperation at the military level, but is scarcely evidence of a broader alliance-type relationship.

#### THE QUEST FOR STRATEGIC FLEXIBILITY

The Kremlin recognises the pitfalls of becoming captive to a Beijing-first agenda. Recent semi-official publications note the potential for a domineering China, and a marginalised Russia, in the context of Greater Eurasia and the proliferation of the BRI.<sup>27</sup> More concretely, there has been a surge in Russian diplomatic efforts to expand relations across Asia. In addition to continuing discussions with Tokyo over a possible resolution of their long-running territorial dispute, Moscow is reaching out to both North and South Korea,<sup>28</sup> while injecting new energy into its once moribund links with Southeast Asia. It is also working beyond the Asia-Pacific region: reinforcing ties with the Central Asian republics; taking an active interest in Afghanistan; stepping up security cooperation with Pakistan; pursuing intergovernmental and second-track diplomacy with India; and, farther afield, re-engaging with the political mainstream in Europe, and sustaining a personal rapport between Presidents Putin and Trump.

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The rationale behind these wide-ranging initiatives is clear enough. However strong the partnership with China, it is unhealthy for Russia to rely on its good intentions or assume that their interests will invariably converge. The Kremlin is not so naïve as to think that better relations with Japan or India will help contain the rise of China, and it is especially careful to avoid giving Beijing this impression. Still, it understands the importance of expanding its options, while gently reminding Beijing not to take Russia for granted. Although cooperation with China will remain the bedrock of policy towards the Asia-Pacific, the quest for strategic flexibility is critical to promoting Russia as a major player in the region.

Yet if the logic of diversification is straightforward, implementing it has proved anything but. Moscow labours under several handicaps. The most significant is Russia's shallow footprint in the Asia-Pacific, which leaves it heavily reliant on the goodwill and forbearance of others. This limitation is accentuated by the grim state and poor prognosis of relations with the United States. Washington's hostility to Russian involvement in Asia-Pacific affairs is a formidable obstacle in itself. But it also has a 'contagion' effect in that it influences the behaviour of America's many allies and partners in the region. The upshot is that while the Kremlin is keen to dilute Russia's China-dependence, there are few practical ways in which this can be achieved.

The difficulties are illustrated by the tortuous course of Russia's relations with **Japan**. Ostensibly, the main sticking point between Moscow and Tokyo is the dispute over the sovereignty of the South Kuril Islands/Northern Territories, taken over by the Soviet Union in 1945.<sup>29</sup> At various times, the two sides have looked close to a settlement, based on the 1956 'Khrushchev formula' that would return the two smallest islands to Japan in exchange for a formal peace treaty concluding the Second World War. However, on each occasion negotiations have stalled.

In recent years, determined efforts by Japanese Prime Minister Shinzo Abe have offered fresh hope of a rapprochement. Abe, whose father Shintaro was one of the prime movers behind earlier attempts to finalise a peace deal, has adopted a pragmatic line premised on the (unspoken) belief that it is more important to reach an accommodation with Moscow than it is to obtain the full return of the islands.<sup>30</sup> For Tokyo, China's growing assertiveness makes it imperative to ensure that the Sino-Russian partnership does not evolve into a full-blown alliance. That means finding some kind of face-saving arrangement over the islands. Abe has also soft-pedalled on G7 sanctions against Russia, and hosted Putin for a state visit to Japan in the face of American objections.<sup>31</sup>

Abe's conciliatory approach would seem to present a real opening to Putin, who has the opportunity to secure an advantageous peace treaty, hold on to most (93 per cent) of the disputed territory, improve the prospects of a substantial influx of Japanese investment, and maximise Russia's strategic flexibility in the Asia-Pacific. And yet there has been no meaningful progress. Territorial negotiations are deadlocked, with Moscow making any deal contingent on a review (read: downsizing) of US–Japan military ties.<sup>32</sup> New issues, such as Japan's deployment of the US Aegis ballistic missile defence system, have intruded to sour the atmosphere. And although the two countries have re-established their 2+2 high-level dialogue (involving the respective foreign and defence ministers), this has brought no tangible results.

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In fact, the main stumbling block in Russia–Japan relations is not the territorial dispute, but sharply divergent threat perceptions. For Tokyo, the rise of China represents the all-encompassing challenge, while the US alliance continues to be the centrepiece of Japan's national security. To Moscow, however, China is Russia's strategic partner in the Asia-Pacific and globally, while the United States is the 'chief enemy', one that poses a direct threat to its interests. While Russian policymakers might ideally like to have Japan counterbalance Chinese power in the Asia-Pacific, they attach far greater importance to cultivating the partnership with China as a *global* bulwark against American 'hegemonism'. This will remain the case as long as the triangular dynamic between Washington, Beijing, and Moscow is central to the Kremlin's worldview.

Russian attitudes are reinforced by the conviction that Japan will inevitably prioritise its relationship with the United States. In practice, that means

Tokyo toeing Washington's line (however reluctantly) on sanctions against Moscow; siding with the United States on North Korean denuclearisation; and deploying US missile defence systems on its territory. Viewed from the Kremlin, such a Japan has little to offer, certainly by comparison with China. Maintaining a tough line towards Tokyo is therefore more logical than at first sight. Over time, the Japanese may become more nervous, wracked by uncertainties over the US security commitment to Northeast Asia and the rise of Chinese military power, and consequently more amenable towards Russia.<sup>33</sup>

Similar considerations apply to **India**. In theory, there is considerable scope for Moscow and New Delhi to develop a multifaceted partnership. India is already the largest market for Russian arms exports.<sup>34</sup> It is a significant customer of civilian nuclear reactors and technology. And major Indian energy companies such as ONGC (Oil and Natural Gas Corporation) and Essar have invested heavily in Russian oil ventures.<sup>35</sup>

There are also no particular bilateral difficulties. Russia may be a soft authoritarian regime, and India a democracy, but such differences have scarcely impinged on their relationship. New Delhi, like Moscow, opposes Western liberal interventionism, supports the idea of a multipolar world, and criticised the imposition of sanctions against Russia following the latter's annexation of Crimea and occupation of southeast Ukraine.<sup>36</sup> The Russian Government paved the way for Indian accession to the Shanghai Cooperation Organization, and has worked closely with New Delhi within the BRICS (Brazil, Russia, India, China, South Africa) framework, notably over the creation of the New Development Bank.

Like Japan, India appears a natural candidate to be one of the pillars of a diversified Russian policy in Asia. And yet things have not worked out that way — and for largely the same reasons. The most influential is the overriding importance of the Sino-Russian partnership. Against the background of continuing strategic tensions between Beijing and New Delhi, the Kremlin finds itself having to pick sides. On the BRI, for example, it has had little choice but to back Xi's flagship policy over Indian objections.

The growing warmth of US–India ties is another major impediment to an effective policy of diversification. Given that relations with Washington are at their worst in three decades, the Kremlin can hardly be expected to view a US-friendly New Delhi as a reliable partner, much less an alternative to Beijing. While India is certainly no enemy, it sides with the United States on several crunch issues — freedom of navigation, countering the BRI, and containing the projection of Chinese naval power in the western Pacific and Indian Oceans. In the circumstances, the most Moscow can realistically hope for is that India adheres to a benign neutrality.

There is a third problem. The Russia–India relationship is limited. Beyond arms and energy cooperation, New Delhi has little to offer. India is a secondary actor in the Asia-Pacific region. Economically, it ranks well down the list of Russia's trading partners.<sup>37</sup> And in Central Eurasia it is a

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largely peripheral player. It is symptomatic of Moscow's relative disregard for India's strategic utility that it is increasingly reaching out to Islamabad. Pakistan ticks many of the right boxes: its relationship with the United States is deteriorating rapidly; it is close to China; and it wields considerable influence in Afghanistan, where Russia is once again actively involved.<sup>38</sup>

#### SECURITY-BUILDING: CARVING OUT A NICHE

One of the big challenges facing Russia in the Asia-Pacific is to prove that it can make a positive contribution. The most plausible area is in security-building, where it has many of the tools to be a serious player: significant military capabilities; geopolitical reach; permanent membership of the United Nations Security Council; and a rich tradition of high-level diplomacy.

The stalemate over **North Korea's** nuclear program would appear to offer Moscow a promising opportunity. Donald Trump's showy summitry, including his June 2019 impromptu meeting with Kim Jong-un in the demilitarised zone (DMZ),<sup>39</sup> has yet to result in concrete outcomes. Pyongyang has no intention of giving up its nuclear weapons, while Washington is equally unwilling to ease sanctions without clear quid pro quo in the form of some disarmament. China, North Korea's chief patron, is content with a status quo whereby North Korea retains its nuclear weapons but does not test them. However, the continuing existence of this arsenal has become yet another sore in the US–China relationship, with the two sides trading accusations of bad faith and provocative behaviour. Meanwhile, there remains the constant threat of Pyongyang upping the ante, whether as a negotiating tactic or out of frustration at the absence of sanctions relief.<sup>40</sup>

Enter Russia. As his April 2019 summit with Kim Jong-un in Vladivostok showed, Putin aspires to play the part of honest broker, whose intentions are noble: to achieve a peaceful resolution of the Korean nuclear issue and facilitate the creation of a stable security environment in Northeast Asia.<sup>41</sup> The cost-benefit equation is very attractive to Moscow. Putin — and Russia — would stand to gain considerable credit in the event of a successful diplomatic initiative. And if such diplomacy should fail, blame would lie not with Russia but with the major protagonists — North Korea, the United States, and China.

Moscow's calculus, however, is flawed. Russia is not a neutral party, and the Kremlin's attempts to pretend otherwise convince no one. Its earlier espousal of the 'freeze-for-freeze' proposal — suspension of US–South Korean military exercises in return for a moratorium on North Korean nuclear tests — bound it tightly to the Chinese position. Despite the Kremlin's depiction of 'freeze-for-freeze' as a joint Sino-Russian initiative, it was evident that Russia was not acting as an independent or neutral party but was following China's lead. The Putin–Kim meeting in

Vladivostok highlighted this. The lack of substance at the summit exposed it for what it was: an opportunistic public relations exercise, in which Russia was accorded the appearance of influence, while being careful not to exceed its (Beijing-dictated) brief.

Such contortions underscore three realities about Russia's engagement in the Korean nuclear issue, and in Asia-Pacific security-building more broadly. First, there is a substantial disconnect between ambition and performance. The Kremlin aims to re-establish Russia as a significant security actor on the Korean Peninsula and in Northeast Asia but lacks the capacity to make this happen. Although some observers see Russia as a rising military power in the Asia-Pacific, its projection capabilities there remain modest, especially compared to those of the United States and China.<sup>42</sup> Politically, too, it has next to zero influence on the main parties to the Korean conflict.

Second, much as Moscow would like to pursue a more independent line in Northeast Asia, it is wary of stepping on Beijing's toes and risking harm to the Sino-Russian partnership. It recognises that North Korea is at least as important to Beijing as Ukraine is to itself. Instead, Putin has used the Korean question to reinforce the message of Sino-Russian convergence — criticising the large American military presence in the region, the conduct of joint US–ROK (Republic of Korea) military exercises, and Seoul's deployment of the THAAD (Terminal High Altitude Area Defense) missile system.<sup>43</sup>

Third, Russia's limited capacities and the need to proceed cautiously dictate a temporising, conservative approach in which the accent is on status. The Kremlin's main priority is to ensure that Russia is included in the decision-making group of powers,<sup>44</sup> even if its actual influence is negligible. In the meantime, it can live with the status quo on the Korean Peninsula, and would welcome a face-saving arrangement to freeze North Korea's nuclear program in return for the lifting of sanctions.<sup>45</sup> Although it would prefer full denuclearisation, a US–DPRK (Democratic People's Republic of Korea) deal of *any* kind could lead to a substantial downsizing of America's military presence in Northeast Asia — a most desirable result from Moscow's standpoint. Conflict, on the other hand, between Washington and Pyongyang would cement the US position on Russia's Pacific doorstep for decades.<sup>46</sup>

## RUSSIA AS ECONOMIC ACTOR

Russia's best chance of projecting itself as a significant player in the Asia-Pacific may lie as an economic contributor. Although the countries of the region are inclined to see Russia as backward, undynamic, and overly reliant on natural resources, it nevertheless has a notable impact in several areas.

The most important is the **energy** sector, where there is a natural complementarity between Russia as the world's largest exporter of oil and

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gas, and the ever-expanding requirements of the fast-growing but energy-poor economies of the Asia-Pacific. Attention has focused mainly on Sino-Russian cooperation, in particular the 2013 oil deal between Rosneft and the China National Petroleum Corporation (CNPC),<sup>47</sup> the 2014 Power of Siberia gas agreement between Gazprom and CNPC,<sup>48</sup> and the sizeable Chinese investments in Novatek's LNG (liquefied natural gas) projects on the Yamal and Gydan Peninsulas in the Arctic.<sup>49</sup>

Still, Moscow is keen to reduce its dependence on China by developing new markets in Asia. It has encouraged Japanese interest in various LNG ventures, building on the already substantial involvement of Mitsui and Mitsubishi in the Sakhalin-2 oil and gas development. It has brought Indian energy companies into the Vankor oil and gas field in Eastern Siberia. Rosneft is also conducting oil exploration with Vietnam in the South China Sea, despite Chinese opposition.<sup>50</sup> And with the recent improvement in inter-Korean relations, there is renewed talk of a trans-Korean gas pipeline.<sup>51</sup>

*Moscow is keen to reduce its dependence on China by developing new markets in Asia.*

So far much of this is speculative. Russia faces considerable obstacles in realising its ambitions to become a major energy supplier to the Asia-Pacific region. These include American sanctions, which have discouraged participation by Japanese and South Korean companies;<sup>52</sup> fluctuations in oil and gas prices, which have previously raised doubts about the viability of several high-cost ventures;<sup>53</sup> the impact of US shale gas; and the expansion of renewables, both in key markets (China) and globally. However, these difficulties are not insuperable, especially as Asia-Pacific demand for fossil fuels is forecast to grow strongly for some decades yet. For example, as China shifts from coal to natural gas in response to environmental pressures, its annual gas import requirements are expected to more than triple — from 91 billion cubic metres (bcm) in 2017 to 340 bcm by 2030.<sup>54</sup> And Russian gas exports to China could grow from almost nothing today to more than 100 bcm annually by the mid-2030s.<sup>55</sup>

Russia appears to enjoy an enviable **geo-economic location**. It is a potential bridge between Europe and Asia, the China–Mongolia–Russia corridor being one of six designated routes for the BRI. It is the pre-eminent Arctic power, whose Northern Sea Route could, in time, become a major transportation artery linking Asia and Europe. And the Russian Far East lies at the crossroads of northeast China, Japan, and the Korean Peninsula.

Putin has taken every opportunity to talk up Russia's assets. In addition to the Northern Sea Route and Arctic energy projects, he has laid out a vision for a Greater Eurasia, extending from the Pacific Ocean to Europe.<sup>56</sup> He has also instituted the annual Eastern Economic Forum (EEF). The EEF combines pitching for investment from Asian companies with political representation at the highest level. Xi, Abe, and many other Asian leaders have attended in recent years.

As in other areas, though, there are considerable practical difficulties in translating Kremlin aspirations into reality. In the first place, Russia is less a bridge between Europe and Asia than a secondary route for the BRI. It is telling that Moscow's attempts to obtain Chinese funding for Eurasian Economic Union (EEU) infrastructural projects have been almost entirely unsuccessful — this despite a much-publicised EEU–SREB (Silk Road Economic Belt) agreement in May 2015. If there is to be a Greater Eurasia, it will materialise on Chinese, not Russian, terms.<sup>57</sup>

Russia's prospects look more promising in the Arctic. The speed of global warming and melting of the polar ice cap suggests that commercial shipping there could become a reality sooner than expected, a development the Kremlin has welcomed enthusiastically.<sup>58</sup> The Chinese are also sinking huge resources into Arctic research and development. However, the opening up of the Arctic may turn out to be a mixed blessing for Moscow. Far from being able to project Russian geoeconomic influence, it could struggle to retain sovereign control. Crucially, the Russian and Chinese positions on 'ownership' of the Arctic diverge substantially. Moscow regards the Arctic Ocean as, in effect, Russian coastal waters, while Beijing views it as part of the global commons, much like Antarctica.<sup>59</sup> Such tensions are not yet acute. Sino-Russian polar cooperation is good, if limited, and Beijing has generally minded Moscow's sensitivities. But there is possible trouble ahead. Russian officials already bristle at Beijing's moniker for the Northern Sea Route, 'the Polar Silk Road', and the implication that it falls within the purview of the BRI.<sup>60</sup>

The notion of the Russian Far East as a transport and trading hub for Northeast Asia is implausible today. This vast territory comprises more than a third of the Russian Federation but has a population of barely six million and wholly inadequate infrastructure.<sup>61</sup> The Russian Government's record here is not encouraging. Over the past two decades, it has initiated several development programs for the subregion, but these have been undermined by bad planning, uncertain funding, inept administration, and poor project completion.<sup>62</sup> As a result, the Russian Far East continues to lag behind the rest of the Russian Federation, never mind its Asia-Pacific neighbours (with the exception of North Korea). This fate underlines the point that territory alone does not equate to meaningful geoeconomic influence.

Moscow faces somewhat different challenges in the area of **arms exports**. On the face of things, there is ample scope to expand existing markets and open up new ones. Following the annexation of Crimea, Western sanctions against Russia encouraged the Kremlin to relax restrictions on the export of top-end military equipment to China. Several major arms deals were expedited, notably of the S-400 anti-aircraft missile system and the Su-35 multipurpose fighter. Elsewhere, India remains Russia's biggest arms customer, Vietnam has risen to fifth position,<sup>63</sup> and Southeast Asia has become a major growth market.<sup>64</sup>

*...the opening up of the Arctic may turn out to be a mixed blessing for Moscow.*



In the short term, the future for Russian arms exports is bright. Russian companies, unlike their Western counterparts, are unencumbered by normative restrictions about the end use of their products. They are also well-gearred to meeting the specific requirements of mid-level Asian customers. And even at the higher end of the market — China, India — Russia's technological superiority in certain operating systems, such as avionics and engines, is highly prized. All these advantages give Moscow a handy tool to project influence in the Asia-Pacific, especially when it can play on regional tensions, for example between China and Vietnam.<sup>65</sup>

Longer term, however, the outlook is uncertain. Both Beijing and New Delhi are committed to developing their indigenous arms industries on the back of rapid economic growth and modernisation. Imports from Russia fill a technological gap for the time being, but it is unclear for how long. Given the speed at which China is reverse engineering Russian designs, the window of commercial opportunity may be quite limited.<sup>66</sup> Similarly, Indian Prime Minister Narendra Modi's determination to reduce and diversify Indian dependence on imports suggests that Russian companies will find it difficult to maintain, let alone expand, their largest market.<sup>67</sup>

There are other potential problems, too. Although Russia is a much bigger arms exporter than China, the latter is making inroads at the lower end of the market. Over the past five years, an estimated 70 per cent of Chinese arms exports went to Asia and Oceania, and we can expect intensified competition here as Beijing further develops its arms industry.<sup>68</sup>

In these circumstances, it is questionable whether arms exports are a sustainable means of projecting Russian soft power in the Asia-Pacific. Countries in the region will continue to buy Russian arms, but they will look increasingly to other sources as well. Russia would then become just one among many suppliers, operating in a buyers' market, and with limited capacity to parlay its arms sales into a wider strategic influence.

#### RUSSIA AS GOOD REGIONAL CITIZEN

In the five years since Russia's annexation of Crimea, Putin has cut a defiant figure in response to Western condemnation and sanctions. At times, he has seemed to derive a perverse pleasure from this, regarding it as confirmation that he is getting things right — advancing Russia's domestic and foreign policy interests despite the best efforts of its enemies. Yet playing the international 'hard man' is debilitating. Much as Putin appears to enjoy poking the West, he also craves a wider respectability. He is busily engaged in recrafting Russia's image, most obviously in the Middle East, where Moscow has had some success in converting its military victories in Syria into region-wide reputational dividends.

The Kremlin aspires to achieve something similar in the Asia-Pacific, although the conditions are very different. Russia is far less influential there than in the Middle East. The cast of regional players is much more

*...it is questionable whether arms exports are a sustainable means of projecting Russian soft power in the Asia-Pacific.*

formidable. And the stakes are considerably higher, with little margin for error. Unsurprisingly, then, Moscow has trod carefully. There have been no flamboyant initiatives or insistence on Russia's 'rights' as a great power. Instead, the thrust has been to portray Russia as a good regional citizen, pragmatic and tolerant. To this purpose, Moscow has played the 'non-ideological' card. Unlike the proselytising West, it proclaims the right of all countries to follow their individual paths, and advocates cooperation irrespective of differences in political systems.

Identifying with 'Asian' traditions of mutual tolerance is attractive above all because it reinforces the idea of an alternative legitimacy and moral consensus to the West. Ever since the annexation of Crimea, Putin has been keen to disprove claims that Russia is diplomatically isolated.<sup>69</sup> Initially, he sought comfort in the form of an enhanced 'strategic partnership' with China. But he has since emphasised a larger convergence with the non-Western world, and in particular with the Asia-Pacific region.<sup>70</sup> Rebooting Russia as a good international citizen is all the more appealing to highlight the contrast with a delinquent, rule-busting America.

Accordingly, the Russian Government has become more active in Asian regional organisations. Its interest in multilateralism is no longer confined to those bodies where it has a leading role (the Shanghai Cooperation Organization, the BRICS, and post-Soviet entities such as the Eurasian Economic Union and the Collective Security Treaty Organization). Instead, it has shown a willingness to get involved in organisations where Russia occupies only a secondary position, such as APEC, the East Asia Summit, and the Asian Infrastructure Investment Bank. In November 2018 Putin attended the East Asia Summit in Singapore for the first time since Russia joined in 2011. His participation reflected both a new appreciation for Asia-Pacific institutions, and a heightened commitment to engagement with the ASEANs — not just Russia's former client-state Vietnam, but also Indonesia (a major purchaser of Russian weapons, most recently the Su-35), Singapore, the Philippines, Malaysia, and Thailand.<sup>71</sup>

Recasting Russia as a good regional citizen, however, means overcoming an ingrained mindset. The issue is not Moscow's history of rule-breaking. Its annexation of Crimea, after all, barely resonated with many Asia-Pacific countries.<sup>72</sup> The challenge is rather to reconcile the pursuit of good regional citizenship with more instinctive habits of power projection.<sup>73</sup> To put it another way, can Russia be at once virtuous *and* influential? Part of the problem here lies in its limited tools of influence. Russian 'soft power' in the Asia-Pacific is minimal, particularly compared to that of major players such as the United States, China, and Japan. There is consequently little prospect that it can be a norm-setter in any emerging regional order. It can follow, but it cannot lead. That is psychologically hard for any Russian leader — and most likely impossible for Putin.

*Identifying with 'Asian' traditions of mutual tolerance...reinforces the idea of an alternative legitimacy and moral consensus to the West.*

The difficulty is compounded by a strategic culture centred in the belief that great powers decide and smaller states abide. When Russian policymakers call for “a fair and democratic international system that addresses international issues on the basis of collective decision-making”,<sup>74</sup> they really mean that authority should devolve from a ‘hegemonic’ United States to a de facto Concert of Great Powers.<sup>75</sup> There is little suggestion that decision-making should be shared beyond that. Such an elitist attitude places significant constraints on the expansion of Russia’s relations with the ASEANs, and its commitment to more inclusive multilateral forums such as APEC and the East Asia Summit.

## PROSPECTS AND CHALLENGES

The Asia-Pacific region has become a critical testing ground for Putin’s foreign policy. Whereas Russia’s relations with the United States and Europe are largely static and give little reason for optimism, the situation in the Asia-Pacific is fluid and dynamic. Moscow has the opportunity to make a difference. Although Russia starts from a much lower base than in Europe or the Middle East, this is in some respects an advantage. It enjoys a relatively clean slate, with most players in the region being less jaundiced in their attitudes than in the West, and therefore more willing to give it the benefit of the doubt.

It helps, too, that expectations are modest, and that the sense of great power entitlement so palpable in the Kremlin’s interactions with the United States, Europe, and the ex-Soviet republics is somewhat muted. No one in Moscow anticipates that Russia will magically transmute into an Asia-Pacific power anytime soon. There is an appreciation that it is only at the beginning of a very long and demanding process.<sup>76</sup>

## THE KEYS TO SUCCESS ... AND FAILURE

The success of Putin’s Asia-Pacific enterprise, or ‘turn to the East’, will depend on a number of factors. Arguably, the most positive step has already been made — recognition of the Asia-Pacific as a region of the first importance, no longer ‘second-class’ compared to Europe. This alone should ensure that Russian policymakers devote increasing attention and resources to its affairs in coming years.

At the same time, old habits die hard. The Kremlin continues to see the Asia-Pacific as a geopolitical arena first and foremost. This reflects a certain strategic culture, the great power mentality (*derzhavnost*) that has driven Russian leaders from Tsarist times to the present.<sup>77</sup> Such predispositional influences have been strengthened by circumstances — the gathering confrontation between the United States and China, the ongoing deterioration in Russia–West relations, strategic tensions across Asia, and the uncertain situation on the Korean Peninsula.

Against this backdrop, it is unrealistic to expect Russian policymakers to shed their atavistic urges entirely. The real test is whether they are

*Whereas Russia’s relations with the United States and Europe are largely static... the situation in the Asia-Pacific is fluid and dynamic.*

prepared to moderate such instincts, not just in the short term and as a tactical or opportunistic response to individual situations, but as part of a committed choice towards a more balanced and versatile Russian foreign policy.

They will need to resist two temptations in particular. The first is the crude triangularism that over the past three decades has consistently undermined Russia's engagement with the Asia-Pacific. Moscow must show that it is in for the long haul, that engagement is valued on its own merits rather than as leverage in some global Great Game involving the United States and China. Should Russia one day be reconciled with the West — admittedly, not an early prospect — it is vital that this does not come at the cost of a loss of momentum in cooperation with the Asia-Pacific. Otherwise, Russia will struggle to escape the boom-bust cycle of alternating interest and neglect that has so far characterised its approach towards the region.

The second trap is the delusion of a Sino-Russian authoritarian alliance directed against the United States. Although this fiction is largely the product of overwrought imaginations in Moscow and Washington (but not in Beijing<sup>78</sup>), it has hindered Kremlin efforts to develop a bona fide Asia policy, as opposed to a China-plus approach in which all other relationships are contingent on the Sino-Russian partnership.<sup>79</sup> A shift towards a more rounded and comprehensive engagement with the Asia-Pacific would afford Moscow greater possibilities. It would be consistent with one of the primary goals of Putin's foreign policy: to project Russia as an independent and indispensable centre of global power. But it would also require the Kremlin to go against some basic instincts: the habit of seeing the United States as 'chief enemy'; the desire to counterbalance the global 'hegemon'; fear and loathing of Western liberal values; and visceral anxieties about the stability of the Putin regime. By comparison, strategic and normative convergence with China offers a convenient authoritarian simplicity, leaving untouched long-standing principles of Russian domestic and foreign policy.

This leads to the question of whether Russia can fulfil a constructive role in Asia-Pacific affairs, or whether it will live up to the stereotype of being a malign actor. The answer is tied to its great power identity, and willingness to reinvent this. In recent years, the image of a resurgent Russia has been based on a return to its traditional strengths as a hard power. The Kremlin has operated on the premise that popularity is overrated, and that it is more important to uphold Russia's 'rights', virtually regardless of the consequences. The course of events in Ukraine and Syria has tended to confirm this judgement. Crucially, Putin's quest to recast Russia's image in no way implies an admission that he might have handled things better. The packaging may change, but the fundamentals remain the same: a belief in Russia's essential rightness; an abiding faith in its unique identity and mission; and the conviction that it should exploit its comparative

*A shift towards a more rounded and comprehensive engagement with the Asia-Pacific would afford Moscow greater possibilities.*

advantages, such as military might and energy resources, to the maximum.<sup>80</sup>

That said, the conditions prevailing in the Asia-Pacific may bring about a rethink, although not soon. It is highly problematic for Russia to deploy hard power there; its capacities are limited, the obstacles much greater, and the risks huge. Playing the part of a responsible regional citizen therefore becomes more attractive. The trend of more active participation in regional multilateral structures may indicate that Moscow is beginning to learn what it takes to be a respected player in the Asia-Pacific. Yet such a course means coming to terms with a more modest, less influential Russian role for some time. This is counter-intuitive to the Putin elite. Is the Kremlin prepared to exercise strategic patience and great power restraint in the hope of eventual gains? Or will it revert to type as soon as it feels able?

*...the future of Russia in the Asia-Pacific is a global rather than a regional question.*

Much will depend on developments beyond the region. If Putin — or a successor — feels that Russia is doing well at home and abroad, the temptation to throw its weight around may be easier to resist. The Kremlin might conclude that time is on its side and there is no need to rush. It could work on steadily expanding Russia's relationships, presence, and influence in the Asia-Pacific. It could play to its comparative advantages in areas such as energy development and, in the longer term, food and water security.

However, if Russia's relations with the West should deteriorate further, its domestic situation were to become difficult, or it became frustrated at a lack of progress, then it could regress to the historical mean of being a self-entitled great power. For in the end the future of Russia in the Asia-Pacific is a global rather than a regional question. The Kremlin's mission is not about Russia becoming 'Asian', but rather a transcendent global power with all the attendant privileges. Unfortunately, it is precisely this kind of mentality that has undermined previous attempts at an Asia-Pacific strategy. To break the cycle, then, will require not just a new attitude towards Asia, but a changed mindset about the larger conduct of international relations. And that represents an entirely different order of challenge.

## NOTES

<sup>1</sup> See Bobo Lo, *Russia and the New World Disorder* (London; Washington DC: Chatham House and Brookings, 2015).

<sup>2</sup> Boris Yeltsin, “Chto skazal Eltsin rossiiskim diplomatam [What Yeltsin Said to Russia’s Diplomats]”, address at the Ministry of Foreign Affairs, *Rossiskie vesti*, 29 October 1992, 1.

<sup>3</sup> Fyodor Lukyanov, “Povorot na vostok [Turn to the East]”, Council on Foreign and Defense Policy, 15 February 2010, <http://old.svop.ru/mm/2010/mm25.htm>; see also CSCAP (Russian National Committee of the Council for Security Cooperation in the Asia-Pacific), “Going East: Russia’s Asia-Pacific Strategy”, *Russia in Global Affairs*, 25 December 2010, <https://eng.globalaffairs.ru/number/Going-East-Russias-Asia-Pacific-Strategy-15081>.

<sup>4</sup> See, for example, Melissa Conley Tyler, “The Indo-Pacific Is the New Asia”, *The Interpreter*, 28 June 2019, <https://www.lowyinstitute.org/the-interpreter/indo-pacific-new-asia>.

<sup>5</sup> See, for example, Dmitri Trenin, “It’s Time to Rethink Russia’s Foreign Policy Strategy”, Carnegie Moscow Center, 25 April 2019, <https://carnegie.ru/commentary/78990>.

<sup>6</sup> Sergei Karaganov, “A New Epoch of Confrontation”, *Russia in Global Affairs*, 19 March 2018, <https://eng.globalaffairs.ru/number/A-New-Epoch-of-Confrontation-19433>.

<sup>7</sup> Despite China–Russia trade exceeding US\$100 billion for the first time, and a substantial drop in EU–Russia trade since 2014, in 2018 the European Union still accounted for 42.8 per cent of Russia’s total external trade, compared to China’s 15.8 per cent: European Commission, Directorate-General for Trade, “European Union, Trade in Goods with Russia”, 3 June 2019, [https://webgate.ec.europa.eu/isdb\\_results/factsheets/country/details\\_russia\\_en.pdf](https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_russia_en.pdf) (accessed 21 July 2019).

<sup>8</sup> “Tourism in 2018: Where Are Russians Travelling?”, Moscow International Travel & Tourism (MITT) Exhibition, 10 September 2018, <http://www.mitt.ru/en-GB/Media-centre/News/Tourism-in-2018-where-are-Russians-travelling.aspx>.

<sup>9</sup> Vladimir Putin, speech at the gala dinner marking the 70th anniversary of China–Russia diplomatic relations, Moscow, 5 June 2019, <http://en.kremlin.ru/events/president/news/60674>.

<sup>10</sup> The 2018 US National Defense Strategy (NDS) asserts that the “central challenge to US prosperity and security is the reemergence of long-term strategic competition by ... revisionist powers. It is increasingly clear that China and Russia want to shape a world consistent with their authoritarian model”: US Department of Defense, “Summary of the 2018 National Defense Strategy of the United States of America”, 19 January 2018, 2, <https://dod.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>.

<sup>11</sup> Richard Ellings and Robert Sutter (eds), *Axis of Authoritarians: Implications of China–Russia Cooperation* (Seattle and Washington DC: National Bureau of Asian Research, 2018).

- <sup>12</sup> Sergei Karaganov, "Russia's Victory and a New Concert of Nations", *Russia in Global Affairs*, 31 March 2017, <https://eng.globalaffairs.ru/pubcol/Russias-Victory-new-Concert-of-Nations-18641>.
- <sup>13</sup> Vladimir Putin interview with *Financial Times* editor Lionel Barber and Moscow bureau chief Henry Foy, The Kremlin, Moscow, 27 June 2019, <http://en.kremlin.ru/events/president/news/60836>.
- <sup>14</sup> According to Putin, he and Xi have met "almost 30 times in the last six years". See their press statements following Russia–China bilateral talks, Moscow, 5 June 2019, <http://en.kremlin.ru/events/president/news/60672>.
- <sup>15</sup> "No US, No Problem! Russia–China Trade Set to Double & Reach \$200 Billion Soon", RT, 11 June 2019, <https://www.rt.com/business/461577-russia-china-trade-turnover/>.
- <sup>16</sup> "Russia Remains China's Largest Crude Oil Source for 3rd Year: Report", *Global Times*, 24 March 2019, <http://www.globaltimes.cn/content/1143223.shtml>.
- <sup>17</sup> In recent years, Russia–China military exercises have included 'Joint Sea', 'Peace Mission' (within the framework of the Shanghai Cooperation Organization), and Vostok-2018, when some 3000 Chinese troops joined Russia's largest military exercise since the Cold War.
- <sup>18</sup> Vassily Kashin, "Joint Russian–Chinese Air Patrol Signifies New Level of Cooperation", Carnegie Moscow Center, 30 July 2019, <https://carnegie.ru/commentary/79587>.
- <sup>19</sup> Evgeny Morozov, "Reasserting Cyber Sovereignty: How States Are Taking Back Control", *The Guardian*, 7 October 2018, <https://www.theguardian.com/technology/2018/oct/07/states-take-back-cyber-control-technological-sovereignty>.
- <sup>20</sup> World Population Review, "GDP Ranked by Country 2019", <http://worldpopulationreview.com/countries/countries-by-gdp/>.
- <sup>21</sup> Graham Allison, "China and Russia: A Strategic Alliance in the Making", *The National Interest*, 14 December 2018, <https://nationalinterest.org/feature/china-and-russia-strategic-alliance-making-38727>.
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- <sup>23</sup> "China's Xi Jinping Says Paris Climate Deal Must Not Be Allowed to Fail", *The Guardian*, 19 January 2017, <https://www.theguardian.com/world/2017/jan/19/chinas-xi-jinping-says-world-must-implement-paris-climate-deal>; see also President Xi Jinping's keynote address at the 2017 World Economic Forum in Davos, 17 January 2017, <https://www.weforum.org/agenda/2017/01/full-text-of-xi-jinping-keynote-at-the-world-economic-forum/>.
- <sup>24</sup> Yan Xuetong, "The Age of Uneasy Peace", *Foreign Affairs*, January/February 2019, 42.
- <sup>25</sup> Jinghan Zeng and Shaun Breslin, "China's 'New Type of Great Power Relations': A G2 with Chinese Characteristics?", *International Affairs* (London) 92, No 4 (2016), 775.

<sup>26</sup> See “Moscow Protests: Opposition Rally ‘Largest Since 2011’”, BBC, 10 August 2019, <https://www.bbc.co.uk/news/world-europe-49305129>; and Farah Master and James Pomfret, “Hong Kong Facing Worst Crisis since Handover: Senior China Official”, Reuters, 7 August 2019, <https://www.reuters.com/article/us-hongkong-protests/hong-kong-facing-worst-crisis-since-handover-senior-china-official-idUSKCN1UX089>.

<sup>27</sup> Sergei Karaganov warns that “Beijing is moving towards creating a Sino-centric system in Asia. We risk remaining on the periphery, albeit friendly, unless we propose our own ideas”: “How to Win a Cold War”, *Russia in Global Affairs*, 4 September 2018, <https://eng.globalaffairs.ru/pubcol/How-to-Win-a-Cold-War--19732>.

<sup>28</sup> Moscow welcomed in 2017 the election of President Moon Jae-in as a notably easier interlocutor than his predecessor, Park Geun-hye.

<sup>29</sup> At Yalta, Stalin agreed that the Soviet Union would enter the war against Japan three months after the final defeat of Germany. He took the opportunity to take over the South Kuril Islands/Northern Territories, which have since remained part of the Russian Federation.

<sup>30</sup> “Dying Father’s Dream Drives Abe to Seek Peace on Putin’s Terms”, *Bloomberg*, 20 December 2018, <https://www.bloomberg.com/news/articles/2018-12-20/dying-father-s-dream-drives-abe-to-seek-peace-on-putin-s-terms>.

<sup>31</sup> “Japan Defies US Opposition to Next Week’s Putin Visit”, RT, 12 December 2016, <https://www.rt.com/news/370071-putin-abe-japan-us/>.

<sup>32</sup> “Vladimir Putin Says US Presence in Japan Complicates Signing of Peace Treaty”, *Japan Times*, 21 December 2018, <https://www.japantimes.co.jp/news/2018/12/21/national/politics-diplomacy/vladimir-putin-says-u-s-presence-japan-complicates-signing-peace-treaty/#.XOfNDqR7m00>.

<sup>33</sup> The ongoing row between Japan and South Korea has further weakened Tokyo’s position relative to Moscow. For background to the crisis, see Simon Denyer, “Japan–South Korea Dispute Escalates as Both Sides Downgrade Trade Ties”, *The Washington Post*, 2 August 2019, [https://www.washingtonpost.com/world/asia\\_pacific/japan-downgrades-south-korea-as-trade-partner-as-bitter-dispute-escalates/2019/08/01/6a1d83ec-b4cc-11e9-8e94-71a35969e4d8\\_story.html](https://www.washingtonpost.com/world/asia_pacific/japan-downgrades-south-korea-as-trade-partner-as-bitter-dispute-escalates/2019/08/01/6a1d83ec-b4cc-11e9-8e94-71a35969e4d8_story.html).

<sup>34</sup> From 2013 to 2017, Russia supplied 62 per cent of India’s arms imports, while India accounted for 35 per cent of Russian arms exports in the period 2008 to 2017. See Aaditya Dave, “India and Russia: Ties that Bind”, Royal United Services Institute (RUSI), 12 November 2018, <https://rusi.org/commentary/india-and-russia-ties-bind>.

<sup>35</sup> M Rajshekhar, “The Curious Case of Russian Oil Deals that Benefited Essar, Hurt ONGC”, *Scroll.in*, 4 February 2019, <https://scroll.in/article/910862/the-modi-putin-effect-russian-oil-deals-benefited-essar-hurt-ongc-say-experts>.

<sup>36</sup> “India Opposes Western Sanctions against Russia”, *Economic Times*, 20 March 2014, <https://economictimes.indiatimes.com/news/politics-and-nation/india-opposes-western-sanctions-against-russia/articleshow/32308186.cms>.



<sup>37</sup> In the financial year 2017/18, Russia–India trade was US\$10.69 billion, amounting to 1.6 per cent of Russia’s total external trade: “Bilateral Relations: India–Russia Relations”, Embassy of India in Moscow, <https://indianembassy-moscow.gov.in/bilateral-relations-india-russia.php> (accessed 22 July 2019).

<sup>38</sup> Andrew Korybko, “Russia–Pakistan Relations: Towards a Strategic Partnership?”, *Global Research*, 10 August 2018, <https://www.globalresearch.ca/russia-pakistan-relations-towards-a-strategic-partnership/5650190>; see also Michael Peck, “Pakistan Is Russia’s New Best Friend”, *The National Interest*, 22 September 2018, <https://nationalinterest.org/blog/buzz/pakistan-russias-new-best-friend-31767>.

<sup>39</sup> Anna Jones, Ashitha Nagesh and Saira Asher, “As It Happened: Trump and Kim’s Symbolic DMZ Meeting”, BBC, 30 June 2019, <https://www.bbc.co.uk/news/live/world-asia-48815700>.

<sup>40</sup> The DMZ summit was followed by a series of North Korean missile tests — stark proof that Kim, unlike Trump, would not be satisfied with symbolic gains. See “North Korea Tests ‘Short-range Ballistic Missiles’”, BBC, 10 August 2019, <https://www.bbc.co.uk/news/world-asia-49301767>; also Julian Borger, “Why Trump’s ‘Maximum Pressure’ Foreign Policy Yields Minimum Results”, *The Guardian*, 11 August 2019, <https://www.theguardian.com/us-news/2019/aug/11/trump-foreign-policy-venezuela-north-korea-iran-results-2020>.

<sup>41</sup> Georgy Toloraya, “Symbolic Meaning of Putin–Kim Summit”, Valdai Discussion Club, 26 April 2019, [http://valdaiclub.com/a/highlights/symbolic-meaning-of-putin-kim-summit/?sphrase\\_id=686099](http://valdaiclub.com/a/highlights/symbolic-meaning-of-putin-kim-summit/?sphrase_id=686099).

<sup>42</sup> Alexey Muraviev, “Russia Is a Rising Military Power in the Asia-Pacific, and Australia Needs to Take It Seriously”, *The Conversation*, 30 October 2018, <http://theconversation.com/russia-is-a-rising-military-power-in-the-asia-pacific-and-australia-needs-to-take-it-seriously-105390>. The Russian military presence in Central Eurasia, however, is a different story. There Russia remains the pre-eminent security actor.

<sup>43</sup> “China, Russia Share Opposition to US THAAD in South Korea: Xi”, Reuters, 3 July 2017, <https://www.reuters.com/article/us-china-thaad-russia/china-russia-share-opposition-to-u-s-thaad-in-south-korea-xi-idUSKBN19O0N8>. See also Putin–Xi press conference, 4 July 2017, <http://en.kremlin.ru/events/president/news/54979>.

<sup>44</sup> Russia’s desire to be included is reflected in its lobbying to revive the Six-Party Talks (the United States, China, North and South Korea, Japan, and Russia). See Putin press conference following the Vladivostok summit with Kim Jong-un, 25 April 2019, <http://en.kremlin.ru/events/president/news/60370>.

<sup>45</sup> “Kim–Trump Meeting Presages US Climbdown”, Oxford Analytica Daily Brief, 10 July 2019, <https://dailybrief.oxan.com/Analysis/DB245087/Kim-Trump-meeting-presages-US-climbdown>.

<sup>46</sup> Alexander Gabuev, “Bad Cop, Mediator, or Spoiler: Russia’s Role on the Korean Peninsula”, Carnegie Moscow Center, 24 April 2019, <https://carnegie.ru/commentary/78976>.

<sup>47</sup> “Russia and China Agree \$270bn Oil Deal”, *Financial Times*, 21 June 2013, <https://www.ft.com/content/ebc10e76-da55-11e2-a237-00144feab7de>.

<sup>48</sup> “Russia Signs 30-year Deal Worth \$400 bn to Deliver Gas to China”, *The Guardian*, 21 May 2014, <https://www.theguardian.com/world/2014/may/21/russia-30-year-400bn-gas-deal-china>.

<sup>49</sup> “China Acquires 20 Percent Stake in Novatek’s Latest Arctic LNG Project”, *High North News*, 29 April 2019, <https://www.highnorthnews.com/en/china-acquires-20-percent-stake-novateks-latest-arctic-lng-project>.

<sup>50</sup> “Beijing Warns Rosneft over Drilling in South China Sea”, *Newsbase*, 23 May 2018, <https://newsbase.com/topstories/beijing-warns-rosneft-over-drilling-south-china-sea>.

<sup>51</sup> Jane Chung, “Trans-Korea Gas Pipeline Project Reappears, but Challenges Remain”, *Reuters*, 29 June 2018, <https://www.reuters.com/article/us-northkorea-southkorea-gas-russia-expl/trans-korea-gas-pipeline-project-reappears-but-challenges-remain-idUSKBN1JP0UN>.

<sup>52</sup> Maria Shagina, “Under Pressure: Russian Energy Cooperation with Japan and South Korea since Western Sanctions”, *Russia Political Economy Project*, 7 February 2019, 10–11, <https://www.fpri.org/wp-content/uploads/2019/02/shaginarpe2.pdf>.

<sup>53</sup> One project that is particularly dependent on buoyant energy prices is the proposed Altai gas pipeline, now called ‘Power of Siberia 2’.

<sup>54</sup> James Henderson, “Russia’s Gas Pivot to Asia: Another False Dawn or Ready for Lift Off?”, *Oxford Institute for Energy Studies*, November 2018, 7–8, <https://www.oxfordenergy.org/wpcms/wp-content/uploads/2018/11/Russias-gas-pivot-to-Asia-Insight-40.pdf>.

<sup>55</sup> *Ibid.*, 16.

<sup>56</sup> Vladimir Putin, address at the 2016 St Petersburg International Economic Forum, 17 June 2016, <http://en.kremlin.ru/events/president/news/52178>.

<sup>57</sup> Bobo Lo, “Greater Eurasia: The Emperor’s New Clothes or an Idea whose Time Has Come?”, *Russie.NEI.Reports* No 27, Ifri, July 2019, 36, <https://www.ifri.org/fr/publications/etudes-de-lifri/russieneireports/greater-eurasia-emperors-new-clothes-or-idea-whose>.

<sup>58</sup> See Putin’s speech at the 5th International Arctic Forum, St Petersburg, 9 April 2019, <http://en.kremlin.ru/events/president/news/60250>.

<sup>59</sup> Pavel Gudev, “Arkticheskie ambitsii Podnebesnoi [The Arctic Ambitions of the Heavenly Kingdom]”, *Rossiia v globalnoi politike*, 14 September 2018, <https://globalaffairs.ru/number/Arkticheskie-ambitsii-Podnebesnoi-19751>.

<sup>60</sup> Author’s private conversation with a senior Russian official in 2019.

<sup>61</sup> Jacopo Maria Pepe, “The ‘Eastern Polygon’ of the Trans-Siberian Rail Line: A Critical Factor for Assessing Russia’s Strategy toward Eurasia and the Asia-Pacific”, *Asia-Europe Journal* (forthcoming in 2019).

<sup>62</sup> Ivan Zuenko, “A Chinese–Russian Regional Program Ends with a Whimper”, *Carnegie Moscow Center*, 26 September 2018, <https://carnegie.ru/commentary/77341>. See also Helge Blakkisrud, Elana Wilson Rowe and Roman Vakulchuk, “Russia’s Far East Initiatives in Troubled Geopolitical Times”, *Valdai Discussion Club Report* No 92, August 2018, 7–8, <http://valdaiclub.com/files/19177/>.

<sup>63</sup> Daniel Brown, “The Top Ten Countries that Bought Russia’s Most Powerful Weapons in 2017”, *Business Insider*, 6 October 2018, <https://www.businessinsider.com/russia-weapons-sales-top-countries-2018-4?r=US&IR=T>.

<sup>64</sup> Matt Bartlett, “Russian Arms Flood Southeast Asia”, *The Interpreter*, 8 February 2019, <https://www.lowyinstitute.org/the-interpreter/russian-arms-flood-southeast-asia>.

<sup>65</sup> Alexander Kruglov, “Business Booming for Russia’s Arms Traders”, *Asia Times*, 22 April 2019, <https://www.asiatimes.com/2019/04/article/business-booming-for-russias-arms-traders/>.

<sup>66</sup> It is conceivable that the artificial intelligence (AI) revolution in China could even end up reversing the direction of its arms trade with Russia within a couple of decades — comment by an anonymous reviewer.

<sup>67</sup> “Russian Arms Exports to India Fell by 42 Percent between 2014–18 and 2009–2013: Report”, *Economic Times*, 11 March 2019, <https://economictimes.indiatimes.com/news/defence/russian-arms-exports-to-india-fell-by-42-percent-between-2014-18-and-2009-13-report/articleshow/68352681.cms>.

<sup>68</sup> Lu Zhenhua, “China Sells Arms to More Countries and Is World’s Biggest Exporter of Armed Drones, Says Swedish Think Tank SIPRI”, *South China Morning Post*, 12 March 2019, <https://www.scmp.com/news/china/military/article/2189604/china-sells-weapons-more-countries-and-biggest-exporter-armed>.

<sup>69</sup> “Obama Says Russia Isolated, Putin ‘Scaring’ Neighbors”, Radio Free Europe/Radio Liberty, 3 December 2014, <https://www.rferl.org/a/obama-says-russia-isolated-putin-scary/26723673.html>.

<sup>70</sup> See, for example, Putin’s speech at the Eastern Economic Forum on 12 September 2018, <http://en.kremlin.ru/events/president/news/58537>.

<sup>71</sup> Ian Storey, “What Did Russian President Putin Achieve in Singapore?”, ISEAS Yusof Ishak Institute, 27 November 2018, <https://www.iseas.edu.sg/medias/commentaries/item/8612-what-did-russian-president-putin-achieve-in-singapore-by-ian-storey>.

<sup>72</sup> United Nations General Assembly Resolution 68/262 of 27 March 2014 affirmed the territorial integrity of Ukraine by a vote of 100 to 11, with 58 abstentions and 24 absentees. Asia-Pacific countries featured heavily in the latter two categories. China, India, Vietnam, Myanmar, Cambodia, and Brunei abstained, while Laos and Timor-Leste were among those who absented themselves: <https://undocs.org/en/A/68/PV.80>.

<sup>73</sup> The tension between virtue signalling and more traditional power projection was highlighted by Russia’s joint air patrol with the Chinese in July 2019. An A-50 Russian surveillance plane drew warning fire from the South Korean air force after entering the airspace around the Dokdo/Takeshima Islands. See “Russia and South Korea Spar Over Air Space ‘Intrusion’”, BBC, 24 July 2019, <https://www.bbc.co.uk/news/world-asia-49091523>.

<sup>74</sup> Foreign Policy Concept of the Russian Federation, 30 November 2016, [https://www.rusemb.org.uk/rp\\_insight/](https://www.rusemb.org.uk/rp_insight/).

<sup>75</sup> This attitude is reflected in Moscow's consistent opposition to meaningful reform of the UN Security Council and, in particular, any dilution of the veto powers of the Permanent Five members.

<sup>76</sup> Leonid Blyakher et al, "Toward the Great Ocean – 6: People, History, Ideology, Education – Rediscovering the Identity", Valdai Discussion Club Report, September 2018, 57, <http://valdaiclub.com/files/19357/>.

<sup>77</sup> Bobo Lo, *Going Legit? The Foreign Policy of Vladimir Putin*, Lowy Institute Analysis (Sydney: Lowy Institute, 2018), <https://www.lowyinstitute.org/publications/going-legit-foreign-policy-vladimir-putin>.

<sup>78</sup> In a recent month-long visit to China, I found near-unanimous opposition among scholars to the idea of a Sino-Russian alliance against the United States. Indeed, some of them expressed concern that Washington might succeed in drawing Moscow away from Beijing — an even more improbable scenario.

<sup>79</sup> Bobo Lo, *A Wary Embrace: What the China–Russia Relationship Means for the World* (Melbourne: Penguin Random House Australia, 2017), 58–61.

<sup>80</sup> Lo, *Going Legit? The Foreign Policy of Vladimir Putin*.

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