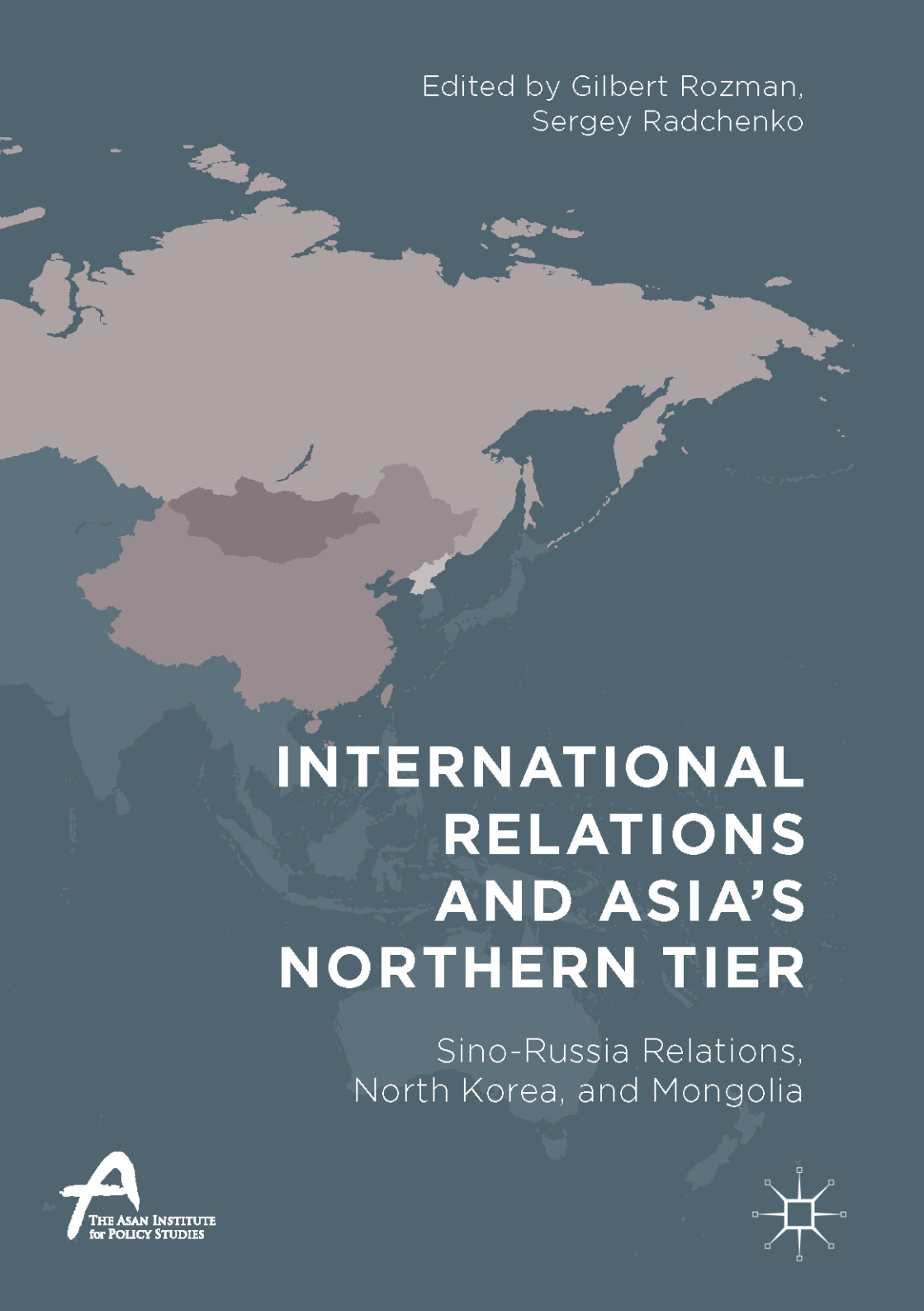


Edited by Gilbert Rozman,
Sergey Radchenko



INTERNATIONAL RELATIONS AND ASIA'S NORTHERN TIER

Sino-Russia Relations,
North Korea, and Mongolia



Asan-Palgrave Macmillan Series

Series Editor

James Kim

Asan Inst Policy Studies

Seoul, Korea (Republic of)

More information about this series at
<http://www.springer.com/series/14779>

Gilbert Rozman • Sergey Radchenko
Editors

International Relations and Asia's Northern Tier

Sino-Russia Relations, North Korea, and Mongolia

palgrave
macmillan

Editors

Gilbert Rozman
The Asan Forum
Washington, DC, USA

Sergey Radchenko
Department of International Relations
Cardiff University, Cardiff, UK

Asan-Palgrave Macmillan Series

ISBN 978-981-10-3143-4

ISBN 978-981-10-3144-1 (eBook)

<https://doi.org/10.1007/978-981-10-3144-1>

Library of Congress Control Number: 2017949526

© The Editor(s) (if applicable) and The Author(s) 2018

This work is subject to copyright. All rights are solely and exclusively licensed by the Publisher, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilms or in any other physical way, and transmission or information storage and retrieval, electronic adaptation, computer software, or by similar or dissimilar methodology now known or hereafter developed.

The use of general descriptive names, registered names, trademarks, service marks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use. The publisher, the authors and the editors are safe to assume that the advice and information in this book are believed to be true and accurate at the date of publication. Neither the publisher nor the authors or the editors give a warranty, express or implied, with respect to the material contained herein or for any errors or omissions that may have been made. The publisher remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.

Cover illustration © kosmozoo / Getty Images

Printed on acid-free paper

This Palgrave imprint is published by Springer Nature

The registered company is Springer Nature Singapore Pte Ltd.

The registered company address is: 152 Beach Road, #21-01/04 Gateway East, Singapore 189721, Singapore

CONTENTS

1	Introduction: Asia's Northern Tier	1
	Gilbert Rozman and Sergey Radchenko	
 Part 1 Sino-Russian Strategic Relations		
2	The Russian Pivot to Asia	13
	Gilbert Rozman	
3	Evolution of Sino-Russian Defense Cooperation since the Cold War (Part 1+ Part 2)	27
	Paul Schwartz	
4	Russia's Policy Toward China: Key Players and the Decision-making Process	59
	Alexander Gabuev	
5	Russia, China, and the Emerging Greater Eurasia	75
	Alexander Lukin	
6	Russo-Chinese Relations in Strategic Perspective	93
	Stephen Blank	

Part 2 Sino-Russian Relations and Mongolia

- | | | |
|-----------|---|------------|
| 7 | Sino-Russian Competition in Mongolia | 111 |
| | Sergey Radchenko | |
| 8 | Mongolia Hangs in the Balance: Political Choices and Economic Realities in a State Bounded by China and Russia | 127 |
| | Sergey Radchenko | |
| 9 | A Stronger Korea-Mongolia Link in a Changing Northeast Asia | 147 |
| | Mark Minton | |
| 10 | Mongolia's Dilemma: A Politically Linked, Economically Isolated Small Power | 157 |
| | Mendee Jargalsaikhan | |
| 11 | Mongolia's Place in China's Periphery Diplomacy | 175 |
| | Jeffrey Reeves | |

Part 3 The Russian Far East and Northeast China

- | | | |
|-----------|--|------------|
| 12 | The Russian Far East: Positive Scenarios and Negative Scenarios | 193 |
| | Artyom Lukin and Gilbert Rozman | |
| 13 | Northeast China and the Russian Far East: Positive Scenarios and Negative Scenarios | 215 |
| | Gaye Christoffersen and Ivan Zuenko | |

Part 4 Strategic Thinking toward North Korea

- | | | |
|-----------|---|------------|
| 14 | Chinese Strategic Thinking Regarding North Korea | 241 |
| | Cheng Xiaohe | |

15	China's Interests, Actors, and the Implementation of Sanctions against North Korea	253
	Catherine Jones	
16	Russian Strategic Thinking Regarding North Korea	267
	Alexander Lukin	
17	Making Sense of the Russo-North Korea Rapprochement	283
	Stephen Blank	
18	North Korea's Place in Sino-Russian Relations and Identities	301
	Gilbert Rozman	
	Index	315

Introduction: Asia's Northern Tier

Gilbert Rozman and Sergey Radchenko

The four countries on the northern fringe of Asia went their separate ways after the end of the Cold War, but strengthening Sino-Russian relations and what may be the looming endgame in North Korea's strategy of threats and isolation are signs that we now need to think about this area also through its connections. Mongolia still is rather aloof in its foreign policy, but geography leaves it no escape from dynamics particular to the Northern Tier. South Korea (outside of our conception of the tier) has struggled to prevent a revival of the Northern Tier, but its leverage is proving limited. Looking back to what existed in an earlier incarnation of the Northern Tier and focusing on Chinese and Russian views of North Korea, we are able to explore the implications of increasingly close Sino-Russian relations. Tensions with North Korea have grown more serious after its provocative moves throughout 2016, but that does not mean that we should dismiss the strategic reasoning in 2014–15 about how China and Russia have been approaching not only the immediate challenge

G. Rozman (✉)
The Asan Forum, Washington, DC, USA

S. Radchenko
Department of International Relations, Cardiff University, Cardiff, UK

coming from the North, but, more significantly, where they would like it to head from here.

There was a Northern Tier until the end of the Cold War. For the decade after 1949, it was unambiguously the Red Bloc of the Soviet Union, China, Mongolia, and North Korea. Stalin and Mao chose to support Kim Il-sung's plan to unify the peninsula by force, making this the front line in the Cold War. The Korean War reflected thinking that the "east wind prevails over the west wind." Dressing the attack on South Korea in terms of the end justifies the means (lies about who started the war, who was fighting in it, and what was taking place), Soviet and Chinese commentaries set a pattern for narratives on the Korean Peninsula and Northeast Asia that remained highly distorted during the "cold peace" through the 1980s. They refused even to recognize North Korea's continued belligerence destabilizing the peninsula. The defensive character of the US alliance with Tokyo—no thought being given to any sort of aggressive behavior—was finally acknowledged in China after it found common cause against the Soviet Union. Yet, its support for North Korea remained steadfast, as did Moscow's. The Sino-Soviet split did not mean the end of shared (competitive) support for North Korea and its role in opposing US alliances. In this sense, the Northern Tier survived until the early 1990s, leaving a lasting legacy.

Northeast Asia was an unlikely focus of great power maneuvering following the end of the Cold War. There were plans for turning it into the centerpiece of great power coordination for a new regional and world order: multilateral energy cooperation in the Russian Far East and Eastern Siberia, cross-border regionalism around the Sea of Japan, and, above all, collective security assurances to steer North Korea into a regional framework conducive to reduced tensions on the Korean Peninsula but also to great power trust. That Pyongyang would balk at such plans—demilitarization, loss of its ability to play one great power against another, reforms that threatened to shake the legitimacy of a hermit dictatorship afraid to unseal its chamber of horrors, and a Tumen River development project opening the country to transit movement—should have come as no surprise. More unexpectedly, strategies to use North Korea to rekindle splits between great powers rather than to facilitate trust as well as cooperation defied hopes for putting the Cold War in the past. While no country's blueprint for the future of North Korea was realistic, its revival as the nexus of contestation was the predictable outcome of great power dynamics from the 1990s.

The US posture toward North Korea has repeatedly been perceived in Beijing and Moscow as overriding potential bilateral concerns. This was the case for Beijing in 2003 when it feared that the “axis of evil” speech and the invasion of Iraq would be a prelude to a push for regime change in North Korea, and it was true again in the fall of 2005 when unilateral US sanctions against Banco Delta Asia revived the charge that regime change was being aggressively pushed.¹ Only when North Korea defied both China and Russia in late 2006 by brazenly testing both a long-range missile and a nuclear weapon did Beijing pressure Pyongyang, resulting in the February 2007 Joint Agreement. Yet, after similar tests in the spring of 2009, Beijing’s response was different, encapsulated in its three euphemisms: “maintaining domestic stability in North Korea, peace on the Korean Peninsula, and social stability in China.” These were invoked in 2009–10 for “enabling North Korea’s misdeeds,” before China in late 2010 may have restrained the North from military retaliation against planned South Korean military exercises, and they are used to justify putting blame on US aggressiveness more than North Korea’s belligerence and overlooking China’s own passivity, acquiescence, or enablement of the North Korean regime’s conduct.²

THE CHINESE NARRATIVE ON NORTH KOREA IN THE 2010s

Discordant voices were heard in 2004 when a journal was closed for its coverage, in 2006 and 2013 after nuclear tests by North Korea, and occasionally at other times as well. Yet, the prevailing tone was in sharp contrast to what these voices had to say. In 2002–03, when Pyongyang broke away from the IAEA regime set by the Joint Agreement, again in 2008–09, when it abandoned the Agreed Framework set by the Six-Party Talks, in 2010, when North Korea twice attacked South Korea, and finally in 2014–15, when many thought China’s dissatisfaction with Kim Jong-un meant a sharp shift in policy, Chinese publications overwhelmingly reaffirmed a narrative of little comfort to those arguing for 5 vs. 1 or for reunification led by South Korea.

The Special Forum article in June 2015 of Cheng Xiaohe characterizes China’s stance toward the Korean Peninsula as a “drawn-out competition,” in which China is taking an increasing interest to the point it may tip the balance on the peninsula, which has been tilting toward South Korea. Treating North Korea’s nuclear weapons program

as a means to reverse the trend and South Korea's prospect of achieving unification on its own terms as very unlikely, Cheng calls for resuming the Six-Party Talks as a way to change North Korea's calculus. His perspective draws equivalence between the North and the South, treats the standoff as a struggle over the security interests of the great powers, and assumes that balance between North and South and among the great powers is the pathway to unification. To persist in South Korea's current approach to unification as a "bonanza" is an illusion, he adds, neglecting only to note directly that China does not view this outcome as in its interest. Without praising the North's nuclear program, Cheng credits it with helping Pyongyang turn the tables in its competition with Seoul. Thus, it makes China's goal of pursuing a path to reunification based on equality easier. He argues that whether Seoul can go forward with efforts aimed at reunification depends heavily on China's cooperation, which, in turn, depends on Seoul not supporting the US rebalance targeted against China.

The obvious conclusion is that Seoul faces a zero-sum great power clash, and its ties to Pyongyang, as influenced by Beijing, depend on how it balances the two powers. Deterrence and trust building are at odds. China can help with the latter, but efforts to bolster the former that play into the US rebalancing will not win China's support.

Cheng's article in English is but the tip of the iceberg of Chinese writings insisting that Seoul must abandon its current strategy and change course for reunification. Even if Sino-DPRK ties are strained, Beijing sees an alignment versus US alliances.

China appears to be seeking regime reorientation as the path to domestic stability in North Korea. This means its readiness to work with China on diplomacy, economic reform, and regime revitalization. China also seems to be in pursuit of peace on the peninsula through a balance of North and South security concerns with input from China and other powers, but there is reason to expect that China's input will carry the greatest weight, given its likely impact on the North and the South's awareness that China has far more levers to shape the process than any other country. Finally, success as the host of the reconvened Six-Party Talks and the protector of the North would give a boost to the legitimacy and stability of the Communist Party in China. In the background, the Sino-Russian partnership in August 2015 conducting military exercises at sea near the Korean Peninsula is a reminder of their bilateral interests.

THE RUSSIAN NARRATIVE ON NORTH KOREA IN THE 2010s

The Russian narrative on the Korean Peninsula closely parallels the rhetoric found in China. In the December 2014, Special Forum Rozman analyzed the Russian “turn to the East,” emphasizing China’s central role, but, increasingly, North Korea’s salience is also being emphasized. Blaming the United States for trying to destroy the regime in North Korea while also finding merit in the argument that the September 19, 2005 agreement was violated by the United States, South Korea, and Japan, provoking North Korea to resume its nuclear activity, Valerii Denisov was paraphrased in *The Asan Forum* as suggesting that the real danger to peace in the region comes from the US-ROK alliance, not North Korea. He justifies Russia’s warming to North Korea, mentioning the souring of Sino-North Korean relations without putting much blame on either party. The burden is placed on Washington and Seoul to win the confidence of Pyongyang, leading to the resumption of the Six-Party Talks, notably of the 5th working group headed by Russia to address a regional security framework, which Denisov puts foremost in his analysis of what is needed to resolve the crisis.

A strong China and a close Sino-Russian partnership are decisive factors in reaching the kind of arrangement Denisov, and most other Russian writers on the peninsula are seeking. They focus on reassuring North Korea, bolstering it, transforming the US-ROK alliance, and developing a regional economic program for a north-south corridor from Russia through South Korea. In light of the expected hesitation of Seoul to embrace this agenda, Russians lean more to pressure than persuasion. Strengthening bilateral ties to North Korea both makes the North a more viable force and puts Russia in a less marginal position. Behind the facade of cooperative Russo-ROK relations—Park Geun-hye’s Eurasian Initiative was still being pursued—Park offended Putin by not attending the 2014 Sochi Olympics ceremonies and the May 9, 2015 celebration of the 70th anniversary of victory on Red Square. Relations have cooled, as high officials visit less often. Yet, discretely Seoul strives to sustain relations, recognizing that it needs Russia to manage North Korea. As long as Russia affirms its support for the non-proliferation treaty and denuclearization of North Korea and suspicions are not confirmed that it is, through official or unofficial ties, assisting the North’s missile programs, Seoul is likely to avoid giving further offense. In these circumstances, Russia has

considerable room to boost ties with Pyongyang, using the possibility of closer military ties and arms transfers as a kind of blackmail.

Georgy Toloraya noted in his June 11, 2015 paper for the Korean Economic Institute that Russia “is increasingly less interested in a momentous Korean unification under the ROK’s guidance which would result in a sudden shift of balance of power in the region.”³ He added that the nuclear issue is less urgent now. What really matters are security guarantees to North Korea and for Washington and Seoul to offer those, the regime must be more resilient. Russian support for economic projects and appeals for Seoul to lift sanctions and back trilateral projects serve that end. Toloraya notes neither Moscow nor Pyongyang would accept any deterioration in the strategic balance, which leaves Seoul in the position of no prospects for unification unless it defies Washington, puts aside denuclearization for the distant future, and engages Pyongyang as well as Moscow and Beijing on a massive economic program treated as the foundation of reconciliation, while simultaneously refocusing away from the US alliance and security ties with Japan in order to forge the kind of power balance in Northeast Asia conducive to regional diplomacy and regime reassurance.

Russia could be marginalized by China and wants to capitalize on arguments aimed at Pyongyang and Seoul that the only realistic alternative to China’s dominance is a triangular arrangement with it that accommodates China, to a degree. Yet, on both the meaning of peace and stability and the reinforcement of the Pyongyang regime, Moscow is close to Beijing in its posture, albeit with more support for the status quo in the regime and wariness about reform, which could play into Beijing’s strategy. It is no less obsessed with preventing a blow to legitimacy at home from a new “color revolution.” Moscow and Beijing differ somewhat, but their overlap is substantial.

THE SINO-RUSSIAN-NORTH KOREAN TRIANGLE

Over the past decade, Chinese and Russian sources have rarely had a critical word to say about each other’s approach to the crisis and to talks over North Korea. There is silence also about the triangular implications of their overlapping logic on both the nature of the problem and the steps needed to address it. This serves to conceal prospects for a northern triangle as well as points of contention that are anticipated.

After bolstering Pyongyang to face Seoul from strength and supporting its regional role in a competition among great powers, Moscow and

Beijing have reason to cast doubt on each other's long-term intentions. Russian sources are prone to describe an ideal partnership of their country and a united Korea, as if Russia is the natural partner and China may have in mind some sort of sinocentric arrangement about which Koreans should be wary. They envision a north-south corridor, strengthening the Trans-Siberian railway and making Busan the terminus, bypassing the east-west corridor through China. Filling the void somewhat left by China's tougher posture toward North Korea in 2014, Russia appeared to be communicating to Kim Jong-un that it is an alternative that allows him to avoid the heavy dependence on China that he fears. In these respects, it is not simply reinforcing China's approach to the North.

Chinese sources often appear to overlook Russia's role on the peninsula. China has the stronger presence in North Korea. Its transportation corridors are far ahead of Russia's with access to much greater funding, independent of what Seoul decides to support. The Korean Peninsula is a symbol in China of Tsarist Russia's imperialist conduct in the 1890s–1900s. Russia situates Korea in the postwar order from 1945 to justify its approach, but China has two millennia of sinocentric reasoning to back its preferred outcome. While coordination is more doubtful in fast-changing circumstances than in today's slow-moving efforts just to restart diplomacy with North Korea, this does not mean that divergent national interests are likely to negate the prospects for triangularity. As long as unification is perceived as an ideological threat (one more “color revolution”); a historical travesty (reversing the outcome of 1945 if not the harmonious order prior to Western imperialism), a civilizational defeat (the Western approach to democracy and human rights would be boosted); and a loss of equilibrium in the regional balance of power (even a neutral Korea would not be trusted to remain so), China and Russia will agree on supporting North Korea as a matter of national identity and national interest. Given the shared obsession with identity gaps with the West, above all the United States, there is little reason to anticipate that Sino-Russian differences will take priority.

In 2015, Kim Jong-un refused to take the diplomatic track, preferring unilaterally to boost his military might and threaten other states. The focus on finding a path for restarting the Six-Party Talks centered on coordinating to put denuclearization in the forefront; however, negotiations would proceed once the September 19, 2005 Joint Statement was reaffirmed. South Korea had turned its focus to reunification led by it, asking for the support of others. China found it useful to emphasize cooperation with

South Korea and the United States, aware that no issue serves this purpose better than the North's nukes. Russia too, however much it views the world through the prism of a new cold war, repeated its support for the non-proliferation treaty. All of these circumstances had distracted attention from the way China and Russia are looking at North Korea as a factor in regional security, a reunification process on the peninsula, and the construction of national identity to serve regime legitimation.

CONTENTS OF THIS VOLUME

In the first part, we focus on Sino-Russian relations, looking at Russia's "turn to the East," and divergent views (by Russians and an American) of the geostrategic context of this pairing. The lengthiest coverage is devoted to how military relations between Moscow and Beijing have been changing, combining what were originally two articles by Paul Schwartz that show the evolution of this relationship. The second part of the book devotes as many as five chapters to the little-studied case of Mongolia, including two by Radchenko putting that country in the Sino-Russian context. The third part of the book focuses on ties between the Russian Far East and Northeast China, presenting two exchanges of views. Finally, the book concludes with five chapters on North Korea in the context of thinking in China or Russia or both. Chinese and Russian authors review the strategic thinking in their countries toward North Korea. Outside analysts approach each of these countries' thinking in a different manner.

These chapters are snapshots over about two years of how specialists perceived the Northern Tier or parts therein taking shape. This was a pivotal period when this northern arena in Asia acquired a different geopolitical form through strengthened Sino-Russian relations, more open geopolitical rivalry among the great powers over how to manage North Korea, and new realities facing Mongolia. The trends taking shape at this time were soon to intensify.

NOTES

1. Thomas J. Christensen, *The China Challenge: Shaping the Choices of a Rising Power* (New York: W.W. Norton & Co.), p. 227.
2. *Ibid.*, pp. 258, 271–277.

3. Georgy Toloraya, "Korean Security and Unification Dilemmas: A Russian Perspective," Korea Economic Institute of America, Academic Paper Series, June 11, 2015.

Gilbert Rozman is the editor-in-chief of The Asan Forum and the Emeritus Musgrave Professor of Sociology at Princeton University. He specializes on Northeast Asia, including mutual perceptions and bilateral relations as well as national identities and the quest for regionalism.

Sergey Radchenko is Professor of International Politics at Cardiff University and Global Fellow at the Woodrow Wilson Center for International Scholars. He specializes in the history of the Cold War, and has written extensively on Sino-Soviet relations, as well as contemporary foreign policies of China and Russia.

PART 1

Sino-Russian Strategic Relations

The Russian Pivot to Asia

Gilbert Rozman

Vladimir Putin's "turn to the East" (*povorot na Vostok*) greatly intensified in 2014. Of the various pivots to Asia, it is one of the most controversial, but, at various times, was encouraged by all countries active in the region. Compared to the others, it has the most diversified objectives, but also the greatest contradictions among them. In the context of multiple pivots, this one has the greatest urgency and, perhaps, the most immediate ramifications. To appreciate its significance, we need to grasp not only its stated objectives, but also the intended impact on bilateral relations with the other states in Northeast Asia and likely fallout from clashes with other pivots.

Russia's "departure from Europe and entrance into Asia"—a reversal of the slogan used in Japan in the late nineteenth century—has the following objectives: 1) *civilizational*, to clarify that Russia rejects the "universal values" of the West and insists on its own distinctive civilization, which is shared through "Eurasianism"; 2) *geopolitical*, to forge a multilateral security framework, which stands in contrast to the US-centered alliance system; and 3) *geoeconomic*, to become an integral part of Asia's dynamic economy, developing the Russian Far East and Eastern Siberia as a

G. Rozman (✉)
The Asan Forum, Washington, DC, USA

manufacturing hub, transforming its transportation infrastructure to realize Eurasianism, and also supplying energy primarily to Asia rather than to European states. The gateway to Asia for all three of these objectives is China, with which relations, geographically, must cover the Asia-Pacific region or the maritime zone; cross-border areas or the eastern zone; and Central Asia with extensions to South and Southwest Asia or the western zone. Other countries in Asia—North Korea, South Korea, India, Japan, and Vietnam, topping the list—are often viewed through a triangular prism with China.

Within Russia the overall direction of the “turn to the East” has deviated from what many expected before the spring of 2014, and business interests are raising doubts about overdependence on China. The battle lines in the fall of 2014 are between the Putin-led establishment, which insists that everything is going smoothly in Russia’s full-scale reorientation to Asia, and the rare voices raising concerns—not about the general wisdom of Putin’s leadership in this process, but about overdependence on China as an economic strategy. The mainstream refuses to acknowledge tradeoffs, which are discussed below, which are needed if the current strategy long persists. As long as there remains optimism that Abe Shinzo is eager for a breakthrough and Park Geun-hye will also defy Obama’s pressure over Ukraine, Russians are reluctant to reconcile insistence that a new cold war is taking shape in East Asia as elsewhere with their predictions that multipolarity involving US allies is also within its reach.

PAST WELCOMING OF THE RUSSIAN PIVOT

The United States long encouraged Russia to turn its attention to the Asia-Pacific region and to modernization of the Russian Far East. It was assumed that national interests overlap most fully in this vector of Russian interest. Whereas to the west tensions existed over NATO and EU expansion and to the south Russians worried about friendly dictatorships being undermined by NGOs and “color revolutions,” the Russian Far East and the Korean Peninsula appeared to be ideal environments for multilateral cooperation.¹ US allies, Japan and South Korea, were considered to be positive influences, whose partnership would steer Russia toward integration into the global economy based on market principles and support for regional stability without leaning heavily on China or reverting to close ties with North Korea. The greatest needs were: openness, after more than

a half century of closing the area, including Vladivostok, to the outside world; capital, to develop a cornucopia of natural resources, especially oil and gas; and diverse foreign partners, in order to avoid one-sided dependence on China with its vast population of potential migrants and longstanding resentment over the “humiliation” of territorial losses to Russia. Both economic complementarity and balance of power favored the interests of the United States, it was assumed. As recently as 2010–2011 when Russia was planning for the Vladivostok APEC summit—seen as boosting integration into the Asia-Pacific region guided by Dmitry Medvedev’s “modernization” ideals—, many thought that its regional initiatives would breathe increased life into the Russo-US relationship.

South Korea has long been depicted as deeply interested in triangular cooperation with Russia and North Korea as well as in investment in the Russian Far East. There was often a lack of candor in Russia about its reasons for caution and its inclination to give Russia hope in order to sustain cooperation in trying to change North Korea, but Park Geun-hye’s Eurasian initiative led to further optimism about her country’s encouragement of Russia being welcomed as it expands its openness to East Asia. In Vladimir Putin’s November 2013 visit to Seoul, this theme drew wide attention.

Japan’s position has vacillated between giving the cold shoulder to Russia as if it had little value for Japan’s hoped-for economic revitalization and raising high hopes that a bilateral breakthrough would result in a close partnership beneficial to Russia’s economic and geopolitical aspirations. Regardless of how much Russia’s obsession with energy and investment in the Russian Far East and beyond was viewed as an afterthought in order to satisfy Japan’s obsession with the return of territory, in 2013 much was written in both Japan and Russia about Abe’s interest in reaching an energy agreement that would substitute Russian gas for closed nuclear reactors. The message that Japan needs Russia was reinforced by a view of China besieging Japan.²

By late 2014, the picture had changed with accusations that the United States seeks to contain Russia in Asia, as elsewhere, and is pressuring its allies to do so as well. In this atmosphere, discussions of South Korea and Japan mainly stress their defiance. Meanwhile, emphasis is now placed on China and also North Korea’s eager welcome. South Korea has beckoned Russia to become a closer partner in Northeast Asia since *nordpolitik* was launched a quarter century ago. Russian writings optimistically note prospects for a spurt in economic cooperation, even in the new climate of

2014. The quest for a breakthrough in relations with Japan, which is still underway at the end of 2014, is interpreted as Abe's recognition that many advantages would ensue for his country by partnering with Russia in Asia. North Korea is depicted as very eager for Russia to pursue this turn away from the West and toward Asia, embracing it as the North's closest partner. China appears as extremely welcoming to Russia's "turn to the East" also and most vital for its success. In contrast, the United States appears in Russian publications as intent on blocking Russia's entry into Asia, continuing to view it as an enemy and to contain it in order to reinforce US hegemony here too.³

LOSING FOCUS ON THE IDEAL RUSSIAN "TURN TO ASIA"

The ideal Russian "turn to Asia," which was repeated as if it were within reach over many years, now seems to have been sacrificed in the sharp tilt to China and away from the United States. It had at least six components. First, it secured multipolarity by developing the Russian Far East and Eastern Siberia as a manufacturing hub not just a natural resource supplier, by building up the coastal area with access to many markets; limiting Chinese investments in most non-manufacturing pursuits through informal controls; limiting Chinese traders and migrants to the point of insisting on others filling the urgent needs in preparing for the Vladivostok APEC summit; and investing heavily in this region to attract migrants from various parts of Russia and make it a beacon of development under its own economic tsar able to cut through red tape. The global financial crisis in 2009, the slowdown in the economy of Russia in 2013, and the sanctions by the West in the spring of 2014 led to throwing caution to the wind on all of these points, raising the grave risk of Chinese monopoly power.

Second, Russia sought to use the SCO and other institutional and bilateral linkages to Central Asia to control China's presence in Central Asia, keeping the countries of this region primarily in Russia's orbit. Moscow blocked an FTA and other economic integration through the SCO. It tried to monopolize security in the region through the CSTO and bilateral arrangements, limiting China's role to counterterrorism in opposition to Islamic separatists. Culturally, elites were assumed to be Russianized and efforts were made to keep this orientation. Finally, financial, energy, and other infrastructure were to remain dependent on Russia. When the Eurasian (Economic) Union was announced in 2011–2012,

many assumed that it would be a counterweight to China's growing presence in Central Asia. In 2014, Russia bowed to new realities by agreeing that Xi's Silk Road Economic Belt and Putin's Eurasian Union are joining together and Central Asia is becoming part of a larger framework, not as solely the bailiwick of Russia. Long-expressed reservations about China's role there had faded.

Third, the myth of a "troika" of continental behemoths—Russia, India, and China—in which Russia enjoyed the pivotal position, was exploded as Russian-Indian ties lost even a semblance of special closeness and Sino-Russian relations intensified. As India became more strategic in its thinking and more pragmatic in expanding ties of economic advantage, Russia's relevance declined. This was quietly acknowledged in the far scantier references to India in Russian commentaries about turning to Asia.

Fourth, the United States stopped being included in discussions of Russia's pursuit of multipolarity in Asia. The notion of Asia-Pacific regionalism had been replaced by the theme of Eurasianism. Somehow other states in Asia would have to suffice for providing the necessary balance of economic ties and power. In apparently echoing Xi's 2014 call of "Asia for the Asians," with the twist of including Eurasians, Russia was leaving itself vulnerable—economically, geopolitically, and even culturally.

With Northeast Asia, its primary concern, Russia had long maintained the pretense of promising relations with South Korea expected to pay big economic dividends. It had raised the profile of Japan after its 3/11 tsunami and especially after Putin and Abe announced their joint effort for a breakthrough in relations. The two developed economies represented a kind of reassurance that balance in the region and large-scale investment were within reach, but in the fall of 2014, supposedly due to new pressure from the United States, continued talk of megaprojects funded by either of these states seemed illusionary. This dealt a fifth blow to Russia's optimistic claims.

Finally, the November 2014 EAS revealed Russia's marginal place in Southeast Asia. After once heralding Russia's inclusion in the EAS and its strong ties to ASEAN, Putin did not even bother to attend the gathering between his stops at APEC in Beijing and the G20 in Brisbane. Instead, increasingly dire reports of Russian troop movements into Ukraine cast a shadow on the assembly. While observers were still mentioning Russia's special relationship with Vietnam, especially arms sales, in defiance of China, the idea of balancing China in this way was absent from Russian publications.

The “turn to the East” has been subjected to diverse geographical interpretations. At one end of the spectrum is the view that it is a broadly oriented refocusing away from Europe to Asia as a whole—no longer with emphasis on the Asia-Pacific region. This includes South Korea and Japan, which value improved ties to Russia despite US pressure. It involves Southeast Asia, the countries of which have been encouraged to boost exports of agricultural goods to fill the hole left by countersanctions aimed at the West. A sharp contrast is drawn between the anti-Russian West and the states of Asia, which are only seeking economic cooperation and regional stability.

At the other extreme is the argument that not only is the “turn to Asia” concentrated on China, which is a full-fledged partner unlike many other states in the region, but that North Korea is second on the list of partners, as an enemy of the United States, Russia’s principal opponent. Closing ranks with another country subject to unfair treatment by the United States is, we are told, an appropriate step in containing US aggression.⁴ The ideal path to regionalism is now replaced with what is regarded as the necessary path, with blame centered on US containment and pressure on allies.

On November 10, 2014, at the APEC summit in Beijing, Putin explained his thinking on economic regionalism, stressing three points: the importance of bilateral Sino-Russian relations, the linkage between his Eurasian Economic Union and China’s plans for the Silk Road Economic Belt and an FTA of the Asia-Pacific, and the need for the Russian Far East to become a manufacturing hub for the Asia-Pacific region. Given the recent free-fall in the ruble and rapid increase in capital flight from Russia, Putin’s speech to the assembled CEOs first had to offer reassurance that his country is a stable and reliable partner. On Russia’s relations with China, agreement to build a second western gas pipeline after the USD 400 billion deal announced in May for an eastern gas pipeline showcased continued momentum. Putin announced too that the two countries had started implementing their agreement to use national currencies in economic transactions. In the face of avoidant relations with Barack Obama and Australia’s Tony Abbott and global speculation about the state of Russia’s economy, Putin made his meeting with Xi and talk to the CEOs centerpieces of his Beijing visit.

The main arguments he made in his speech were that opportunities abound for new investment in Russia, especially in manufacturing in the Russian Far East, and that Russia’s plan for the Eurasian Economic Union,

including Kazakhstan, is compatible with China's proposal for an FTA of the Asia-Pacific. In Beijing and a week later at the G20 in Brisbane, Putin was the most divisive figure, pressing Russia's own pivot.

TARGETING THE KOREAN PENINSULA

Some in Russia argue that the Korean Peninsula is a major target of Russia's "turn to the East." Rather than emphasizing relations with South Korea, with which Russia has substantial economic ties, they give priority to relations with North Korea, with explanations that the result will be triangular economic cooperation, drawing on South Korea's financial strength. The assumption is that Russia is marginal to South Korea and others active in diplomacy concerning the peninsula unless it uses North Korea as its entry point. This was proven in 2000–2003 when Russia's standing rose appreciably due to Putin's personal ties to Kim Jong-il, and after their connection stagnated as a result of North Korea's nuclear tests, Russia failed to gain any further boost. Georgy Toloraya explains that it was Medvedev's 2011 summit with Kim Jong-il that put things back on track. Kim Jong-un, seeking to decrease his country's dependence on China, has offered better terms to Russian firms, and Putin in 2014, when communists and "national patriots" have become part of the mainstream, has sought closer relations as the discourse on North Korea is turning more favorable.⁵

Toloraya points to an upsurge in contacts with North Korea in 2014, beginning with Kim Yong-nam, the nominal head of state, attending the Sochi Olympics, at which Park Geun-hye was conspicuously absent. The high point came in October when the North Korean foreign minister visited Russia for 11 days, including travel to four regions in the Russian Far East. Already Russia's FDI through the Rajin-Khasan line is the largest foreign investment and Russia has been exporting coal. By year's end, the Rajin terminal will be used to send transit shipments onward to Pohang in South Korea, Russians anticipate. When Foreign Minister Ri Su Yong met with officials in Russia, he stressed projects aimed at increased production rather than assistance. Following forgiveness of the North's USD 11 billion debt, apart from about USD 1 billion to be put in a fund for humanitarian and energy projects, Russia has insisted that the North must pay for purchases and investments with such items as coal, rare earth elements, and other minerals. The North is seeking long-term bilateral agricultural projects, as well as investments in infrastructure

such as for transportation. This leaves room for Russia to buy coal and sell it in the international market, assisting in modernizing the North's mineral industry, while playing an active role in building new roads and modernizing railroad lines and investing in special economic zones. If Russia's plans exceed its financial resources, hope turns to South Korean investors.

EMBRACING CHINA

Russian sources recognize that China is not interested in recreating a Cold War atmosphere with the West, but they argue that it views the sanctions imposed on Russia as aimed at holding back its development, much as the sanctions against China in 1989 were intended. It also agrees that Ukraine is an example of a "color revolution" and made clear to Russia in the spring that it would work to nullify the effect of the sanctions. At the same time, China is seen as welcoming the impact of the Ukraine crisis in distracting the United States from its pivot to Asia and from containing China to containing Russia. Russia's tilt toward China as its strategic orientation is also welcome,⁶ as is the reinforcement being offered to China's efforts to change the world order. Despite some Chinese restraint regarding a precedent for separatism in Tibet and Xinjiang, Russians appear confident that the way the Chinese view the confrontation with the West is very similar to how Russians perceive it.

As Alexander Gabuev explains, Russia cannot fully compensate for losses from the West, even with China's best intentions, whether credits, technology, or markets.⁷ Moreover, he observes, Russia's elite is not clear on its strategic intentions toward Russia. Many think it wants to colonize Russia and get control over the resources of Siberia and the Russian Far East. Memories of the 1969 conflict and impressions of the rise of nationalism in China raise doubts that it may seek tight control over a weaker partner. Demographic factors, often filtered through the eyes of Westerners, fuel these concerns along with misinformation on how many Chinese are present now. The fact that Russia's move into Crimea was triggered by the declaration led by an ethnic group of a people's republic and its desire to unite with Russia leads some in conversations to suspect that China could do the same in parts of Russia's east. Another risk is the absence of alternative Asian partners. As a result, Russia is obliged to select a variant that maximally ties it to China, depriving it of other options. Before the sanctions, Japanese and South Korean entrepreneurs were discussing many projects, but now they have turned away or, at least,

paused. With companies weakened by sanctions and zero-economic growth, those in need of proceeding can turn only to China. The Ministry for the Development of the Far East and the heads of administration in the region sought diversification before, but now only have China. Plans to develop infrastructure on the Pacific allowing multiple export destinations, such as Vladivostok SPG, are in turmoil, since the signing of the massive gas deal with China in May leaves supplies in doubt. Japan and South Korea could not provide necessary credits even if they wanted to make the purchases, fearing the US reaction. Russia has left itself in a market with a monopoly purchaser.

Making the absence of diversification more dangerous is the distinct feature of China's legal culture, Gabuev adds. A classic example of this occurred in 2011 when the Chinese side lowered the price of oil being sent by pipeline by USD 10 per barrel, contending that lower transport expenses justified a lower price than for oil piped all the way to the port of Kozmino. When Rosneft and Transneft appealed, citing the fixed price in the contract for all oil on the pipeline, the Chinese court made it clear that the contract could be voided, requiring Russia to repay in cash the entire loan. After all, China could get by without the oil. In the end, Russian companies were in luck because the Arab Spring and instability in the Middle East led China to decide that stable oil supplies by land (the only others coming from Kazakhstan) must be preserved and to agree to only a USD 1.50 a barrel discount at a loss to Russia of USD 3.5 billion over the course of the agreement. Another problem is the impossibility of securing financing in China on as favorable terms as in London and New York. Russian businessmen all complain about the tough stance of Chinese bankers, especially in long-term and complex transactions. Only the big Russian companies can count on a government guarantee. Because of sanctions and the caution of both bankers and investors in other Asian states, Chinese creditors are more advantaged.

The anticorruption campaign in China is shaking up the bank sector. In light of the ties of Zhou Yongkang, Xi's opponent, to the energy sector, it and the banks that gave it credit are being scrutinized closely, leading to tougher conditions for new loans. Another problem is the longstanding conservatism of private funds in China with regard to investments in Russia. Aware of negative ratings for doing business in Russia and the 2009 precedent of billions lost to Chinese companies in the raid on Moscow's Cherkizovskii market, Russians also face the exclusion of foreign firms from the Shanghai and Shenzhen stock markets and a bad

reputation from a faulty initial public offering of Rusal aluminum in 2010 in the Hong Kong stock market. There is palpable fear that agreements in which Chinese insist on the use of Chinese technology on Russian soil will undercut Russian industry. There is fear for local automobile production, maintenance of the Russian gauge for railroads, a shift from Western telecommunications with built-in spyware to uncontrolled espionage by Chinese telecommunications, and copying and exporting with regard to intellectual property rights of no concern. Economic dependence appears fraught with dangers.

The answer is that Russia must modernize its economy, making sure that it has the budgetary resources to spend on this, including on education and healthcare. Given that Russia is a nuclear power and the PLA already has at least achieved parity with Russian forces in the Far East, Russia needs to analyze the geopolitical risks, notes Gabuev, from the angle of concentrating funds on development. Attracting Chinese labor should be done under conditions that they return to China, following the positive example of construction workers for the 2011 APEC summit, and steps for effective border control. By identifying niches in the developing Chinese market, it would be possible to diversify Russian exports. The most obvious path is to grow the urban middle class, while opening fertile areas of Primorskii krai for food exports. In another recommendation, Gabuev calls for working with Japan and South Korea as well as the United States, playing on fears of close Sino-Russian relations, while also diversifying to Southeast Asia. To realize all of these goals, it is necessary quickly to expand expertise on East Asia, including through deepening international higher education cooperation and integration of business in the process of preparing new experts. The final appeal is for farsighted policies to the region, which will retain its strategic significance for a future Russia even after accommodation with the West.

RETAINING HOPE IN JAPAN

Japan's reliance on the United States is not conducive to a strategic breakthrough with Russia. Its economic promise for Russia falls far short of China's. Also, its values do not resonate well in a country prioritizing the recovery of historic identities, not least the legacy of the Soviet Union. Yet, Japan's quest for a diplomatic breakthrough in Asia and its obsession with recovering territory leaves an opening for Putin, who has found Abe Shinzo to be the ideal partner in keeping talks alive despite pressure.

Putin appreciated Japan's potential in 2000–2001 when bilateral diplomacy was at a high pitch and never lost hope, although Russia's tactics ranged from encouraging a new round of talks to hardball moves to warn Japan of the price it must pay for its rigidity. In 2013, Putin recognized Abe's particular promise, in light of new tensions with China, new assertiveness about national identity, and a negotiating record of special interest in reaching an accord with Putin. While in the late summer of 2014, Russian publications issued warnings that Japan was crossing the line with another round of sanctions in league with the G7, they repeated a hint that Abe still had time to reverse course. When Abe sent former Prime Minister Mori to deliver a personal letter to Putin in September, such a reversal began. The road to an APEC meeting in November can be traced to an exchange of birthday telephone greetings and a brief meeting on the sidelines of ASEM in Italy on October 17, where the warmth in the "Vladimir-Shinzo" relationship was on display.⁸

In October 2014, Iurii Raikov wrote optimistically of the surprising possibility of Russia and Japan achieving full-scale cooperation.⁹ Driving them are images of playing an active and important role in the history of Asia, but being relegated to a secondary role in relation to the United States and China and searching for a pathway to draw close to each other. Harsh geopolitical realities and internal quests are making them natural partners in East Asia, Raikov adds. Having failed in its attempt to establish a unipolar order, the United States has left a less manageable order, especially in the Asia-Pacific region, in which Russia and Japan both aspire to multipolarity. While praising China's positive leadership role in the region, Raikov observes that it has narrowed Japan's options, which is eager to restore its leading role in the economic integration and political process of the region. As a new cold war between China and the United States becomes increasingly evident and China's military modernization gains in momentum, Japan has no choice but to stay close to its ally. Yet, it sees Russia as a vital partner in the struggle against Chinese hegemony and is casting aside existing problems between the two countries. Russia, Raikov explains, is a great power with vast resources and military potential, which could strongly tip the scales in regional affairs if it joined forces with one side or the other in East Asia. In addition, drawing close to it has advantages for Japan's economy and its access to natural resources and energy in the competition with China and South Korea, Raikov notes. Moreover, it is a large market. Finally, Japan must preempt China, the United States,

and a unified Korea from strengthening and can make use of a stronger Russia, boosted by the modernization of Siberia and the Russian Far East. This analysis presumes Russia's great value to other countries and a fiercely competitive, zero-sum environment to its advantage. Japan is depicted as in need of Russia, not the other way around.

Raikov explains that some analysts doubt that Japan is ready to play an active role in forging a new world order, but he finds many reasons why it will do so, notably its loss of confidence that the United States would defend it. As for Russia, he explains that its sole motives are economic—to attract Japanese investment, above all to the Russian Far East, and to avoid excessive dependence on China economically. Thus, there is no acknowledgment that balancing China or geopolitics matter for Russia. Drawing on recent distortions in Russian analysis, Raikov underestimates US power, overestimates Russia's clout, and misunderstands Japan's situation. Yet, he may be right that Abe, for whatever reason, is eager for a breakthrough with Putin and inclined to defy Obama. He goes too far in arguing that both seek a regional system of security, as if the US alliance framework is not dividing them. He exaggerates economic complementarity, as if Russia's resources are vital to Japan, ignoring its slow economic growth, the fall in global demand for resources, and the inhospitable environment in Asiatic Russia apart from brief mention of Russia's shortcomings. The main stress is on fear of China in Japan and Abe's nationalism, which makes him in a rush to make a deal with Putin. On these points, Raikov may be correct. Unlike many Russian analyses, he acknowledges that a compromise on the territorial issue is required, parallel to the agreement made with China, which allows both sides not to lose face. The article concludes with concern about the impact of US pressure in regard to the Ukraine crisis, but it holds out hope that if the visit of Putin to Japan is put back on Japan's schedule, then the optimistic scenario set forth can go forward.

Abe's revisionism requires not only a hard line to South Korea, but a break with the United States in identity and diplomacy, but not in the alliance. Yet, Putin's defiance of the United States and the West and increasing closeness to China leaves in doubt what Abe can accomplish. The territorial compromise is likely to be no more than Japan was offered in the past. The economic benefits Russia offers are losing their value at a time of sanctions on Russia and energy abundance. The illusion of a new multipolar regional framework is exposed by the growing reality of bipolarity. The contradictions between Russia's China and US policies and its