

The phantom of the Pacific: reconsidering
Russia as a Pacific power prior to APEC–2012
by Alexey Muraviev

95

8 December 2011

In mid-November 2011, Australian Prime Minister Julia Gillard held talks with Russian President Dmitry Medvedev in Honolulu during the 2011 Asia–Pacific Economic Cooperation (APEC) Summit. During the discussions, they agreed to continue bilateral dialogue, particularly in the light of Russia’s chairmanship of the APEC Summit in 2012.¹

A month earlier, Russian Prime Minister Vladimir Putin visited China—an event that symbolised both his personal aspirations and Russia’s shifting geopolitical perspective.² The visit to Beijing was Putin’s first foreign tour since his announcement that he would run for the presidency in the March 2012 elections. A successful visit was of particular importance, given the degree of scepticism and criticism that the announcement has attracted in the West.

The visit to China was also symbolic in the geopolitical sense. The choice to tour Asia’s growing superpower, instead of calling on a European capital, highlighted Russia’s current strategic fixation on the Asia – Pacific – Indian Ocean region (APIOR) as an area of growing economic and political value for the nation. After a period of prolonged decline and self-absorption, Moscow has considerably intensified its re-engagement with wider Asia (Central Asia and the APIOR), driven by economic, political and military–strategic considerations.

The economic driver of Russia’s re-engagement is the realisation that the centre of global business activity is shifting into the Indo-Pacific, and that its own economy, including the mighty energy sector, requires market diversification and expansion.

The political driver is the desire to enhance Russia’s regional influence by reanimating old Soviet ties and by establishing close links with former political rivals. For Russia, relations with the Commonwealth of Independent States and Europe remain the prime strategic focus, but the Eastern/APIOR direction of Russian foreign policy is gaining importance.

The military–strategic driver is a heightened threat perception in the Eastern/APIOR strategic direction compared to other geopolitical areas of significance for Russia. The vast Asia–Pacific theatre provides the nation with both a challenge and an opportunity, because it allows Russia a platform to display its restored military power to potential allies and friends, including through military exercises and out-of-area deployments.

In September 2012, Russia will host and chair the 24th APEC Summit. By hosting the forum and driving the discussions, it will enhance its regional profile and gain an opportunity to promote its new APIOR agenda.

Major considerations

Throughout the 1990s, the APIOR effectively considered Russia as a peripheral residual player with marginalised interests and few options to exercise influence in the region. For example, Austin and Gallan compared Pacific Russia to a 'terrier at the feet of Asia's great powers'.³ Those perceptions are still shared in Australia and throughout the region, particularly in the context of understanding Russia's current and future strategic role and place in regional affairs.

This critical view is based on Russia's traditional weakness in Asia and its broader problems following the collapse of the Soviet Union in 1991. Even today, Russia faces an array of challenges east of the Urals. Those challenges include significant reductions in power projection capabilities from their Cold War peak; economic and demographic crises, particularly in eastern Siberia and the Far East; underdeveloped physical infrastructure across a broad swathe of Russian territory; and the distractions provided by geopolitical and economic difficulties in Europe, the Caucasus and Central Asia.

For now, Russia doesn't have a clearly articulated APIOR policy. The logic of its contemporary and future interaction with the region can only be understood in the context of its interests and strategic approaches in wider Asia and its subregions, including Central Asia. In Central Asia, apart from maintaining prime influence over former Soviet space, one of Russia's major concerns is the evolving security situation in Afghanistan, particularly in the light of the planned withdrawal of most US forces after 2014.

Evidence that Moscow takes possible changes to the regional threat landscape seriously and is preparing for a range of possible contingencies included the large-scale *Tsentr-2011* (Centre–2011) exercises held in September in Central Asia and the Caspian Sea region.⁴

Unlike in Soviet times, Russia's engagement in the APIOR is driven neither by a grand national agenda nor by geostrategic challenges that require an immediate strategic response. As in the past, the China factor dominates Russia's strategic thinking.⁵ The Russian diplomatic community clearly puts China at the forefront of Russia's policies in greater Asia and continues to entertain Evgeniy Primakov's design for a 'Grand Triangular' framework (between Moscow, Beijing and New Delhi) in Asia.⁶

An assessment of Russia's diplomatic and other activity in the region, including Australia's neighbourhood, supports the view that Moscow is accelerating its efforts to develop regional political and security frameworks that will suit its long-term agendas. Its approach is based on bilateral strategic partnerships, including with China, India, Indonesia, Malaysia, Pakistan and Vietnam, but it's also intensified its engagement with regional organisations, such as the Association of Southeast Asian Nations (ASEAN) and the ASEAN Regional Forum (ARF). In 2010, Russia and the US were invited to join the East Asia Summit (EAS). In late October 2010, President Medvedev attended the fifth EAS in Hanoi. In November 2011, Russia was represented by its Foreign Minister, Sergei Lavrov, at the sixth EAS, which was held in Bali.

Moscow is also pushing its regional agenda through other groupings, such as the relatively new politico-economic consultative body, BRICS (Brazil, Russia, India, China and South Africa). Larger political dividends might also accrue from a more robust security framework under the auspices of the Shanghai Cooperation

Organization, although a continual quiet power struggle between Russia and China for management control of that body needs to be factored in before any final judgement about those dividends can be made.

Economic considerations and APEC

The new ruling elite in Moscow has declared the development of relations with the region a matter of strategic importance, based on Russia's long-term interests.

Unlike during the Cold War, when military–strategic and ideological considerations were the prime basis of Soviet Pacific strategy, in the 21st century Russian re-engagement is driven by long-term economic goals as well as more immediate considerations. Moscow hopes to:

- reverse the decline of the local Russian population, in part by improving local socioeconomic conditions
- reduce the level of multifaceted corruption and organised crime
- develop a stronger logistical support base to encourage economic and business activity in the region
- accelerate the exploration and extraction of key natural resources
- turn the Maritime Province (*Primorskiy Kraiy*) into a regional hub of the national aerospace and shipbuilding industries
- develop and upgrade the coastal and inland rail and road infrastructure, allowing the creation of a Europe–Pacific strategic transit corridor
- attract foreign investment to assist local development.

Russia is positioning itself as a future corridor between Pacific Asia and Western Europe and as a major supplier of energy resources to growing Asian economies. Currently, the nation services less than 1% of the US\$600 billion annual trade between the two regions, thus realising only 15% of its total potential as a transit state.⁷ Given their growing national importance, it's likely that transport modernisation and strategic transit links between Europe and Asia will feature prominently on the agenda of the 2012 APEC Summit. The agenda may also include problems of food security and regional infrastructure development.⁸

To achieve its goal, the Russian Government plans to modernise existing infrastructure and build new marine infrastructure. Currently, sea transport accounts for 97% of transport services offered by Russia to foreign clients in the Pacific. The modernisation includes upgrades at its main ice-free ports, among them Vladivostok, Nakhodka, Vostochny and Khasan.

In addition, plans are in place to expand land-based networks. In September 2008, President Medvedev and his South Korean counterpart, Lee Myung Bak, announced plans to connect the Trans-Korean railway with Russia's Trans-Siberian railway, thus creating a strategic link between Western European and Russian industrial and transport hubs and South Korea's ice-free ports.⁹ The regional domestic railway and road network will be also expanded. In particular, Magadan and Yakutsk will be connected by a new road, which should accelerate economic development of the northeastern sector of the Far East.¹⁰

The role of the Far Eastern seaports will grow in the future, especially in the context of Russia's economic growth and its expansionist energy strategy, which is aimed at furthering its strategic position as an energy superpower. The Russians rank the APIOR energy market highly. The opening of the 4,200-kilometre Eastern Siberia – Pacific Ocean (ESPO) strategic oil pipeline network to service clients

in East, North and Southeast Asia and the US west coast in 2014 would initially allow the Russians to supply 30 million tonnes annually, eventually increasing to the pipeline's full capacity of 80 million tonnes per year. An important element of ESPO's design was the construction of the Chinese Skovorodino–Mohe link, which has an annual capacity of 15 million tonnes.¹¹ Overall, Russia's future gas exports from eastern Siberia and the Far East could reach 30 billion cubic metres a year, and by 2020 Gazprom's gas exports to Northeast Asia alone may rise to 50% of its combined European exports.¹²

The Russians have acquired a fleet of large crude and liquefied natural and petroleum gas (LNG/LPG) carriers from Japan and South Korea and are building and upgrading a network of residual oil and gas processing facilities, including the first LNG plant on Sakhalin Island. Combined with the modernisation of marine infrastructure and the ESPO pipeline network development, as well as existing energy projects on Russia's continental shelf near Sakhalin (the Sakhalin–1/2/3/4 offshore drilling platform projects), the steps taken by the Russian Government in recent years are intended to create a potent, complete, energy supply chain that will secure a solid foothold in the APIOR energy market. The Russians expect that long-term energy supply projects and transport infrastructure upgrades will help to attract considerable domestic and foreign investment to the region.

Moscow is conscious that it's seen in Asia as merely an energy supplier and an arms dealer, and is deliberately trying to diversify its economic engagement with the region. The Russians want to secure select high-tech niches in the regional market, particularly in the aerospace and shipbuilding spheres. In 2007, the Russian Government announced plans to build a new space launch facility at *Vostochny* in Amur province. Planned as the replacement for the Kazakhstan-owned Baikonur spaceport, the *Vostochny* cosmodrome will become Russia's largest space launch facility. It will be designed and purpose-built to support national military and scientific space programs and manned missions. The first manned space mission from the new spaceport is expected in 2018.¹³ The complex will become fully operational by 2020.

Together with the *Sukhoi* aircraft construction facility in Komsomol'sk-na-Amure (KNAAPO), which is now responsible for the series production of the fifth-generation T-50 PAK-FA combat tactical aircraft and a new line of medium-range SuperJet-100 passenger aircraft, the *Vostochny* facility will sit at the heart of Russia's bid to be the supplier of multi-role high-tech aerospace services to the region. The construction of the space launch complex, which may become Russia's largest infrastructure project east of the Urals, should also assist socioeconomic development, not just in Amur province but in the entire Russian Far East.

Shipbuilding is also receiving more attention. In June 2010, Russia's United Shipbuilding Corporation and Korea's *Daewoo* Shipbuilding signed an agreement to create a US\$1 billion 'super shipyard' in the city of Bol'shoi Kamen'—a former service centre for the nuclear submarine force of the Russian Pacific Fleet (RPF). The shipyard will be responsible for the construction of LNG carriers and very large crude oil carriers.¹⁴

To ensure that those ambitions will be realised and to address urgent problems such as population decline and underdeveloped regional infrastructure, the Russian Government has approved a special-purpose federal program titled 'The Economic and Social Development of the Far East and the Trans-Baikal Region until the Year 2013' and allocated more than 500 billion roubles to fund the initiatives outlined in the program. About 40% of the allocated funds (203 billion roubles) will be spent on the development of Vladivostok, Russia's principal regional centre, the main gateway into Pacific Asia, and the host city for the 2012 APEC summit.¹⁵ The overall level of state and foreign investment in the Far Eastern regions has increased

13-fold in the past 10 years, from 54 billion to 726 billion roubles, with an anticipated target of 3 trillion roubles by 2025.¹⁶

The Russian Far East has been underdeveloped until now, but this is its time. Russia aims to position itself as a strong and attractive economic partner by exploring the untapped resources of eastern Siberia and the Far East, including the continental shelf; by building a powerful pipeline network, which will be linked to modernised marine infrastructure enabling the nation to reach clients as far away as Southeast and South Asia; and by offering its territory as a strategic transit point linking the Asia–Pacific with Europe. These plans may also solve the ongoing demographic crisis and improve the living conditions and the economic appeal of the Russian Far East.

Military–strategic considerations

More traditional geostrategic factors are also driving the Russians to give the Pacific greater prominence in the coming decade. Moscow, like other regional actors, knows that power relativities are shifting quickly in Asia, and that it must run faster just to keep its current position in the pecking order.

In the political–military sphere, Russia’s strategic thinking and planning take into account:

- a significantly less tense military–strategic relationship with the US and its Pacific allies compared to the Cold War
- the continuous qualitative modernisation of the Japan Self-Defense Forces (JSDF) and Russia’s ongoing territorial dispute with Japan
- the ongoing political–military stand-off on the Korean Peninsula and the risk of sudden conflict escalation
- the considerable increase in the offensive capabilities of China’s People’s Liberation Army (Navy) (PLAN) and the qualitative leap it has achieved over the past 10 years
- the growing strategic significance of the Arctic theatre, including the Northern Sea Route transit corridor
- the significant deterioration of Russian military potential east of the Urals
- Russia’s growing strategic interests in the APIOR, including Antarctica.

When assessing the possibility of the country becoming engaged in a large-scale military conflict in the future, Russian strategic and defence thinkers don’t rule out the chance of a serious military conflict in the Far East and Western Pacific. For example, one of Russia’s most prominent strategic thinkers, General Makhmut Gareev, came to the conclusion back in the 1990s that the ‘most acute outbreak of struggle may be anticipated in Asia and the Pacific.’¹⁷ In April 2007, during his tour of the Far East, Vice Premier Sergei Ivanov noted that in the current geopolitical circumstances the Asia–Pacific is a ‘region with a possibility of a conflict’.¹⁸

Several scenarios dominate ongoing debates, but prominent among them are a war between Russia and China over the Russian Far East and a war between China and a US-led regional coalition for supremacy in the APIOR, with Russia indirectly involved in the confrontation. Neither scenario is expected to unfold in the next 10 years¹⁹, but these prognoses are likely to trigger a substantial upgrade of Russia’s defence capability east of the Urals—although not before similar modernisation programs will be completed in the country’s western and southwestern regions.

Russia's current defence profile in Siberia and the Far East is significantly lower than it was when the Soviet Union collapsed. Organisationally, all military formations of the ground forces, the air force and the navy (the RPF) based in the area are now subordinated to the Eastern Military District/Operational–Strategic Command East (*OSK Vostok*). Ground units are organised in about 30 brigades (infantry, tank, missile, engineering and special forces) and one independent division (machine-gun/artillery), with a total estimated standing force of approximately 90,000 active personnel.

Elements of the Russian Federation Air Force (RFAF), including area and theatre air defence, are organised in the 3rd Air Force and Air Defence Command and have a combined strength of about 570 fixed- and rotary-wing aircraft²⁰, including Long-Range Aviation and Pacific Fleet Naval Aviation units. RFAF units stationed in the theatre are equipped primarily with fourth-generation platforms, including MiG-29, MiG-31, Su-24, Su-25 and Su-27 aircraft and their variants.

Russian naval power in the Pacific is organised in the RPF, which is an operational–strategic formation. In 2011, the fleet had a combined strength of more than 200 units, among them 80 warships, including 23 submarines, with a total combined displacement of about 550,000 tonnes. About 18% of the surface fleet consisted of ocean-going combatants capable of supporting out-of-area operations.²¹ The RPF's operational area of responsibility covers the entire Pacific Ocean and Indian Ocean maritime theatres and stretches as far as South Africa, Australia, Antarctica and South America (see Figure 1).

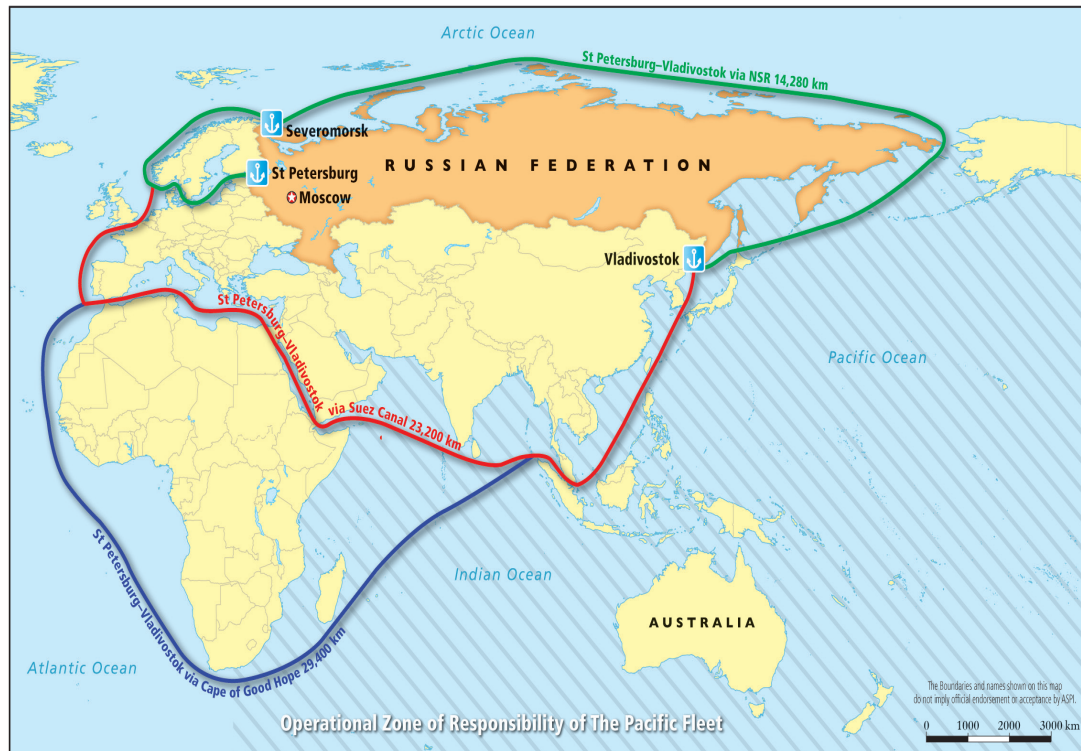
Russia continues to deploy strategic and tactical nuclear capabilities in the area. According to open-source information, in 2011 the land-based strategic deterrent component east of the Urals consists of the 33rd Guards Missile Army: four missile divisions with about 127 launchers, primarily equipped with RS-12M *Topol* (SS-25) mobile intercontinental ballistic missile systems. The airborne component comprises the 326th Heavy Bomber Division based at Ukrainka air base (about 40 Tu-95MS *Bear H* missile-carrying aircraft with a payload of up to 100 air-launched cruise missiles). The naval component has five nuclear-powered *Delta III/IV* class strategic ballistic missile submarines (SSBNs) with 64 launchers between them.²² In combat value, the combined strategic launch capability of the Russian nuclear triad deployed in Siberia and the Far East surpasses the PLA's entire strategic offensive nuclear capability.

In the near term, Russia's efforts will be concentrated on upgrading its regional defensive posture, with an emphasis on key tactical and strategic deterrent capabilities. Regional air power has been gradually strengthened by the deployment of the upgraded variants of the Su-27 *Flanker* heavy interceptor, Su-27SMs and the Su-24 medium-range strike aircraft, the Su-24M2. In 2011 alone, RFAF units assigned to *OSK Vostok* received forty-six Su-27SMs, twelve Su-25SMs and two Su-30MK2s.²³

The army aviation (helicopter) force is also undergoing gradual modernisation: one air base in the Maritime Province is being re-equipped with Ka-52 *Alligator* attack helicopters.²⁴ The plan is for more than 100 Ka-52s to be fielded with units stationed in the Far East. Air defence (AD) capability will also get a boost: in the next 12 months, at least one regiment near Vladivostok will be re-equipped with the new S-400 *Triumph* missile system.²⁵

Besides upgrades of regional air power capability, the most noticeable improvements should be expected in the RPF. Since 2002, the fleet has been progressively intensifying its in- and out-of-area operational tempo, and a moderate capability upgrade has also been initiated. In the current geostrategic environment, the Russian General Staff and the government consider the RPF to be Russia's most significant operational–strategic naval grouping, surpassing the Northern and other Russian fleets in its strategic value.²⁶ The government's ambitious

Figure 1: Russian Pacific Fleet: operational zone of responsibility and major strategic links



defence modernisation plan will cost the nation just over 20 trillion roubles (US\$610 billion) over a 10-year period, and one-fifth of that total, or 4.7 trillion roubles (US\$ \$160 billion), will be spent on rebuilding Russian naval power.²⁷ Under approved modernisation plans, the Russian Navy expects to receive about 40 new warships by 2020.²⁸ The RPF is likely to be one of the major beneficiaries of this considerable capability upgrade. Moscow's strategic aim is to reconfigure the RPF once again into Russia's most potent ocean-going fleet, operating at least half of the SSBN force and two or three nuclear-powered carrier battle groups (CV(N) BGs). The first operational CV(N)BG is to be deployed in the Pacific by 2027.²⁹

Recognising the growing strategic challenge posed by China's military modernisation, and conscious of the need to maintain effective strategic nuclear deterrence with the US, Russia places a high priority on deploying sufficient SSBN capability in the Pacific theatre. It accords a higher priority to its SSBN bastion in the Sea of Okhotsk than it does to a similar bastion in the Arctic. In September 2008, the *Delta IV* class SSBN *Ryazan* was transferred to the Pacific from the Northern Fleet to reinforce the ageing *Delta III* force.³⁰ And by 2020, the RPF's strategic nuclear component will be fully re-equipped with the fourth-generation *Borey* class strategic nuclear submarine, three of which should join the fleet by 2018.³¹ Overall, Russia will continue to deploy the second largest and most potent SSBN contingent in the APIOR (behind the US), followed by China and later India.

The decision to maintain the Okhotsk SSBN bastion produced a set of follow-on decisions, including to upgrade the standing force stationed in the Kuriles. Under a two-stage plan, the 3,500-strong 18th Division has already received a battalion of T-80 main battle tanks (MBTs), several *Buk-M1* medium-range AD systems, up to 20 *Gusar* light armoured all-wheel drive vehicles, and new-generation communication systems.³² The second stage will include deployments of new mobile AD systems (possibly the *Pantsyr-M*) and *Bastion* coastal defence missile

complexes. The growing geostrategic value of the Kurile island chain for Russia makes the resolution of the territorial dispute with Japan highly unlikely.

The third noticeable improvement will affect the RPF's amphibious component, currently comprising one naval infantry (marine) brigade and four large landing ships. The reorganised 155th Naval Infantry Brigade is undergoing its most significant capability upgrade since the 1980s. In May 2010, the 155th was re-equipped with more than 40 new BTR-80M armoured personnel carriers and *Ural* armoured trucks. Existing heavy armour capabilities based on BMP-2 infantry fighting vehicles and T-72 MBTs will be replaced with advanced BMP-3F navalised fighting vehicles and T-90A tanks.³³ Amphibious lift capabilities are expected to receive a significant boost with the arrival of one or two 21,000-tonne *Mistral* class landing platform docks (LPDs), which are expected to join the fleet between 2014 and 2017.³⁴ This advanced LPD capability will give the Russian military greater operational flexibility for tasks ranging from the mobile defence of the Kuriles to limited force projection into the Indian Ocean.

Plans are also in place to reinforce the RPF with units drawn from other Russian fleets. Over the next two years, the RPF's surface strike and power projection capability is expected to receive a substantial boost with the pre-scheduled transfer of two capital units from the Northern to the Pacific theatre of operations: the *Ushakov* class nuclear-powered guided-missile cruiser *Admiral Nakhimov* and the *Moskva* class guided-missile cruiser *Marshal Ustinov*.³⁵ Adding to that, there are still plans to reactivate the guided-missile cruiser *Admiral Lazarev* (ex *Frunze*), which was mothballed in 2005. If the reactivation goes ahead, that will bring the total number of Russian guided-missile cruisers in the Pacific to four by 2015. Together with the *Mistral* class LPDs, that force will provide Russia with a powerful power projection option to further its national influence, not just in littoral areas but across the Indo-Pacific.

The Russian Navy is increasing its operational activity in the APIOR. Since 2008, Russian task groups, also drawn from the RPF (six task groups since December 2008), have been regularly deployed to the Indian Ocean as part of international coalition counterpiracy operations. To coordinate naval operations in the Indian Ocean, the Russian Naval Staff has announced plans to create a special Far Zone Command by 2013—a sign that the nation is planning to resume a permanent military presence in the area, which may also include reactivation of regional logistical bases.³⁶

Over the past five or six years, the Russian military has been steadily increasing another form of out-of-area operational activity—its long-range aerial patrols. Since August 2007, long-range aircraft have resumed bomber patrols in key theatres of operations: the Atlantic, the Black Sea and the Pacific. In the Pacific, the RFAF is now engaged in running bi-monthly (at times, monthly) patrols, normally involving Tu-95MS aircraft from the 326th Division. Patrol areas include the Aleutian Islands, the Alaskan coastline and the vicinity of Japan.³⁷ According to the JSDF's data, between 2005 and 2009 the Japanese air force almost doubled the number of scrambles it made against RFAF aircraft.³⁸ In early September 2011, the Japanese Ministry of Foreign Affairs formally expressed concern about the overflight of Japan by a pair of Tu-95MSs escorted by Il-78 refuelling tankers.³⁹ Russian long-range aircraft have also executed prolonged patrols near Taiwan and over Southeast Asia, reaching Guam.

With only a limited number of ocean-going major surface combatants available to support a forward presence and the virtual absence of a reliable network of overseas logistical support bases, the strategic bomber force (armed with non-nuclear long-range high-precision strike munitions) offers Russia a power projection alternative to more traditional sea-based force options. Moreover, with the reconstruction of the Russian air base at Kant in the Central Asian republic of

Kyrgyzstan, the option of deploying strategic bombers over Central Asia and to the Indian Ocean theatre more regularly will become more realistic.⁴⁰

The increasing Russian presence is meant to send several messages:

- to demonstrate to principal clients and friends in Northeast, Southeast and South Asia the nation's ability to protect the supply of strategic raw materials (oil and gas, in the near future)
- to show existing and potential partners (including Shanghai Cooperation Organization members and observers) and other players Russia's capacity to project power and offer military support if necessary
- to display a retained capability to pressure strategic maritime links, should the power competition between Russia and US-led maritime coalitions or China escalate.

Implications

Despite Russia's leading role in driving the 2012 APEC agenda, scepticism will remain about its overall future role and place in the system of APIOR relations. Australian policy planners and decision-makers are likely to continue to view Russia as the weakest link in the chain of great powers resident in the region. In part, those perceptions are driven by the fact that both nations are engaged in moderate political and economic interaction (Russia is Australia's 35th largest trading partner). With the current level of annual bilateral trade just under the US\$1 billion mark, there's scope for a future intensification and broadening of economic links, particularly in the agricultural sector, education and tourism, and mining. There would also be limitations to such bilateral cooperation, however, as Russia will develop its niche in the Northeast Asian energy market (especially in China and Japan) and will attempt to penetrate the South Asian and, in the long term, Southeast Asian energy markets.

The announcement by Prime Minister Gillard that Australia will review its strategic engagement with Asia provides a timely opportunity for Canberra to reassess its views and perceptions of Russia.

The new global architecture currently taking shape will be based on a more multipolar order, and Russia will be one of the poles. Over the past 10 years, it's achieved remarkable breakthroughs in rebuilding itself from the ashes of the fallen Soviet superpower. Russia retains the status of a permanent member of the United Nations Security Council—an important point, given Australia's ambitions to bid for a place on the council. Economically, Russia is the world's sixth largest economy, has the world's third largest gold reserves, and has an average annual growth of over 4%, one of the highest in Europe and post-Soviet Eurasia. Taking into account its strategic deterrent potential, Russia remains the world's second most potent military power, with average annual defence spending of US\$61 billion. And Moscow is repositioning some of its key strategic assets to the Pacific theatre, which may have a longer term effect on the regional power balance, particularly in Northeast Asia.

Russia's long-term economic agenda and its clear interest in cooperation rather than confrontation drive this comeback. Its intention to rebuild a credible military capability in the Pacific is driven not by threat perceptions alone, but by a pragmatic need to protect its national economic and political interests. A gradual transformation of Russian strategic culture is underway as globalisation stretches Russia's interests well beyond Eurasia.

The new Russia is an incomplete substitute for the fallen Soviet Union. It has neither the resources to fight for global dominance, nor the political desire to take

on such an unrealistic burden. Nevertheless, Moscow wants to be recognised as one of the principal centres of global power, and considers the accomplishment of that ambition to be a realistic prospect.

To achieve that end, Russia's attempting to position itself as Eurasia's hegemon, the supreme political, economic and military power inside the former Soviet space, and an active heavyweight in adjacent areas. By intervening in the Georgian conflict, Moscow made its claim clear. Command of the Eurasian heartland would enable it to play a major role in key geopolitical areas, including the APIOR.

The Western and the Pacific communities, including Australia, should recognise that Russia is the region's geopolitical wildcard-in-residence. Its return as a Pacific player might not necessarily destabilise the regional balance. Russia remains an important contributor to the global war on terror (particularly in Afghanistan) and is becoming increasingly prominent as a leading provider of energy resources, especially in the light of mounting instability in the Middle East and the unsettled behaviour of individual supplier-states, such as Venezuela. In the longer run, it may become a key player in the region's efforts to restore stability in Korea and possibly to balance China, which many in Russia consider as a future security challenge.

Recommendations

The legacy of the Cold War means that Russia and Australia have moved only slowly to expand strategic cooperation with each other since the early 1990s. It would be wise to accept at the outset that 'resetting' that relationship will take time. Neither nation ranks especially highly on the other's list of priority relationships. And it might well be that a fuller strategic relationship can emerge only as a result of closer economic, social and political ties than those we currently enjoy.

In terms of socioeconomic relations, both nations should continue an intercultural dialogue and pursue opportunities to intensify their cultural exchanges. Australia needs to accelerate efforts to penetrate Russia's booming educational market, including by attracting more Russian students to study in Australia. Economically, both nations should aim at expanding their links, perhaps aiming at a doubling of bilateral trade in coming years.

Politically, the following steps could be considered:

- Establish a Track 2 bilateral dialogue on APIOR affairs.
- Exchange parliamentary delegations every two years.
- Organise an official visit to Moscow by the Australian Foreign Minister.
- Invite the Russian Foreign Minister to visit Australia.

Over time, we should also be looking to expand our bilateral security dialogue, with the aim of exploring congruent and diverging strategic interests.

A possible short-term security agenda could include:

- establishing a 1.5 Track security dialogue, perhaps through a joint conference to discuss possible collaboration in Central Asia and Afghanistan after 2014
- establishing a direct, officials-level security dialogue with Russia and other Collective Security Treaty Organisation members on logistical support for the Australian contingent in Afghanistan, encouraging Russia's proactive involvement in training the Afghan National Army and security services, and exploring possibilities for information sharing on developments in the Afghanistan–Pakistan security nexus

- inviting the RPF to participate in the Royal Australian Navy's centenary celebrations in 2013 by organising a friendship visit by a major surface combatant, and possibly combining the visit with joint 1–2 day naval communications and counterpiracy exercises.

A longer term agenda could include:

- broadening the agenda for a direct security dialogue with Russia and other Collective Security Treaty Organisation members
- opening an Australian Federal Police office in Moscow as a liaison point with the Russian law enforcement and intelligence communities.

Since the end of the Cold War, Australia has typically seen the future Asian strategic environment as one inhabited by four great powers: the US, China, Japan and India. We haven't counted Russia as a major player. If Russia's 'on the way back' in Asia, Australian policy settings must allow for an even more complicated regional strategic picture than the one we've been painting.

Notes

- 1 'Medvedev Obsudil s Premierom Avstralii Sotrudnichestvo v Rankah ATEs' [Medvedev discussed [bilateral] cooperation under the APEC framework with Australia's Prime Minister], *RIA Novosti*, 12 November 2011, available from <http://ria.ru/politics/20111112/486740052.html>.
- 2 Kira Latukhina, 'Ne Kachat' Lodku' [Not rocking the boat], *Rossiiskaya Gazeta*, 12 October 2011, p. 3.
- 3 Greg Austin and Tim Callan, 'Russia: a terrier at the feet of Asia's great powers', in Gary Klitworth (ed.), *Asia–Pacific security. less uncertainty, new opportunities?*, St Martin's Press, New York, 1996, pp. 79–93.
- 4 The form of the exercises, which involved 12,000 troops, 1,000 pieces of heavy equipment, approximately 50 aircraft and 10 units of the Caspian Sea Flotilla, suggests that Russian forces and allied militaries (members of the Collective Security Treaty Organisation) were practising contingency plans for an upsurge of cross-border Taliban activity after US partial withdrawal or Iran's aggressive behaviour in the Caspian. Dmitry Andreev, 'Gruppirovka 'Kaspiy'Stremit'sya Pobezhdat' [The Caspian [Sea] grouping aims to achieve victory], *Krasnaya Zvezda*, 27 September 2011, pp. 1–2; *RIA Novosti*, 29 September 2011.
- 5 'Kontseptsiya Vneshnei Politiki Rossiiskoi Federatsii' [The foreign concept of the Russian Federation], *Rossiiskaya Gazeta*, 12 July 2008, available from <http://www.rg.ru/2008/05/26/koncepciya-dok>.
- 6 Primakov proposed his strategic vision during his prime ministerial visit to India in December 1998. Dmitriy Gornostayev and Sergey Sokut, 'Karatel'naya Aktsiya protiv Iraka Zavershilas' Krizisom Mezhdunarodnykh Otnosheniy' [Punitive action against Iraq led to the international relations crisis], *Nezavisimyya Gazeta*, 22 December 1998, p. 1.
- 7 Inga Vorobieva, 'Sammit ATEs v Rossii Proidet pod Lozungom Transportnoi Modernizatsii' [The APEC Summit in Russia will be held under the banner of transport modernisation], *RBK Daily*, 8 September 2011.
- 8 Elizaveta Orlova, 'Rossiya Obeshchaet ATEs Khoroshuiu Pogodu' [Russia promises APEC good weather], *Krasnaya Zvezda*, 15 November 2011, p. 3.
- 9 Artem Aniskin, 'TransSib Doshel do Korei' [The Trans-Siberian reached Korea], *Komsomolskaya Pravda*, 30 September 2008, available from <http://www.kp.ru/daily/24172/383392/print/>.
- 10 Andrei Kolesnikov, 'Vladimir Putin Proyavil Zabotu o Svoikh Dal'nikh' [Vladimir Putin manifested care about the Far [East]], *Kommersant*, 7 December 2010, p. 2.
- 11 Igor Novikov, 'Litsom na Vostok' [Facing the East], *Krasnaya Zvezda*, 19 August 2009, available from http://redstar.ru/2009/08/19_08/3_03.html.

- 12 Andrei Diev, 'Sud'ba Rossii Reshayetsya na Vostoke' [Russia's destiny is being determined in the East], *Krasnaya Zvezda*, 16 July 2008, available from http://www.redstar.ru/2008/07/16_07/4_05.html.
- 13 Andrei Garavskiy, 'Zdes' Budet Novoy Kosmodrom' [A new cosmodrome will be here], *Krasnaya Zvezda*, 31 August 2010, pp. 1, 3. The complex will be equipped to launch new-generation *Angara-A5* heavy launch vehicles and next-generation *Rus'-M* multi-use manned spacecraft.
- 14 Dmitry Belikov, 'Koreitsam Podlozhili Bol'shoi Kamen' [The Koreans were presented with Bol'shoi Kamen'], *Kommersant*, 4 June 2010, p. 10.
- 15 'Pravitel'stvo Prinyalo Popravki v FPTs po Razvitiu Dal'nego Vostoka' [The government approved changes to the federal program on the development of the Far East], *RIA Novosti*, 4 August 2008.
- 16 Interfax, 4 October 2011; Evgeniy Sidorov, 'Planov na Tri Trilliona. I Dazhe Bol'she' [Plans worth three trillion or even more], *Vladivostok*, 13 September 2011, p. 4.
- 17 Makhmut Gareev, *If war comes tomorrow? The contours of future armed conflict*, Frank Cass, London, 1998, p. 36.
- 18 Andrei Voronoi, 'Pervy Vitse-Premier Sergei Ivanov Vystupil Protiv Khalyavy, no za AES' [First Vice Premier is against slackest approach but in favour of a nuclear powered station], *Ezhednevnye Novosti*, 10 April 2007.
- 19 Peter Rainow, 'If war will come tomorrow', in Stephen J Cimbala (ed.), *The Russian military into the twenty-first century*, Frank Cass, London, 2001 pp. 43–44.
- 20 *The military balance 2011*, International Institute for Strategic Studies, Routledge, London, 2011, pp. 190–91; *Defence of Japan 2010*, Ministry of Defence, Tokyo, 2010, pp. 75–76.
- 21 *The Military Balance 2011*, pp. 190–91.; *Defence of Japan 2010*, pp. 75–76; author's estimates.
- 22 *Strategicheskoe Yadernoe Vooruzhenie Rossii [Russia's strategic nuclear armaments]*, available from <http://russianforces.org/rus/>; author's estimates. Note: One *Delta III* class was placed in reserve and is not taken into account as a launch-capable unit.
- 23 *RIA Novosti*, 1 November 2011.
- 24 Aleksandr Aleksandrov, 'Alligatory' Prikryvayut Primorie' [The 'Alligators' offer protection to the Maritime Province], *Krasnaya Zvezda*, 23–31 May 2011, p. 2.
- 25 Dmitry Litovkin, 'Moskvu Zashchityat 'Triumfom' [Moscow will be protected by the 'Triumph'], *Izvestia*, 21 February 2011, p. 10.
- 26 Andrei Voronoi, 'Pervy Vitse-Premier Sergei Ivanov Vystupil Protiv Khalyavy, no za AES' [First Vice Premier is against slackest approach but in favour of a nuclear powered station], *Ezhednevnye Novosti*, 10 April 2007.
- 27 Interfax, 5 September 2011. This will be the largest investment in national naval power modernisation since the 1970s–80s.
- 28 Interfax, 31 July 2011.
- 29 'Rossiya Sozdast na Severnom i Tikhookeanskom Flotakh Avianosnye Gruppy' [Russia will create carrier battle groups in the Northern and Pacific Fleets], *RIA Novosti*, 27 July 2008; Denis Tel'manov, 'Rossiya Reshila Postroit' Avianosets' [Russia has decided to build an aircraft carrier], *Izvestia*, 1 November 2011, available from <http://www.izvestia.ru/news/505655>.
- 30 Mikhail Barabanov (ed.), *Novaya Armiya Rossii [Russia's new army]*, Tsentr Analiza Strategiy i Technologiy, Moscow, 2010, p. 94.
- 31 Dmitriy Semenov, 'Prityazhenie Viliuchinska' [The appeal of Viliuchinsk], *Krasnaya Zvezda*, 5–11 October 2011, p. 8.

- 32 'Rossiya Osnashchaet Sovremennym Vooruzheniem Gruppirovku Voisk, Dislotsyruishchuyusya na Kurilakh' [Russia is equipping forces stationed in the Kuriles with modern armaments], Interfax News Agency, 12 October 2011; *RIA Novosti* news agency, 19 August 2011; Yuri Gavrilov, 'Ostrova v Okeane' [Islands in the ocean], *Rossiiskaya Gazeta*, 16 February 2011, p. 2.
- 33 'Zamena Vooruzhenia Morphekhev' [The replacement of marines' armaments], *Voenno-Promyshlenny Kurier*, N18(334), 12–18 May 2010, p. 4.
- 34 *RIA Novosti*, 26 February 2011.
- 35 Dmitry Litovkin, 'Marshal Ustinov'Idet na Kurily', *Izvestia*, 25 March 2011, available from www.izvestia.ru/news/372878; *Voenno-Promyshlenny Kurier*, N16 (382), 27 April – 3 May 2011, p. 2. Both units are currently undergoing refit and modernisation and are expected to join the RPF after 2013.
- 36 Oleg Vladykin, 'Indiiskaya Eskadra Vozvrashchayetsya v Okean' [The Indian Ocean Squadron is returning to the [Indian] Ocean], *Nezavisimoe Voennoe Obozrenie*, N11, 2011, p. 2.
- 37 'Raketnostsy VVS Rossii 17 Chasov Patulirovali Raion Aleutskikh Ostrovov' [Missile carrying aircraft of the Russian Air Force patrolled the Aleutian Islands area over 17 hours], *RIA Novosti*, 23 May 2011.
- 38 *Defence of Japan 2010*, p. 77.
- 39 *RIA Novosti*, 9 September 2011.
- 40 Andrei Korbut, 'Kant' i Bezopasnot' v Tsentral'noi Azii' [Kant and security in Central Asia], *Voenno-Promyshlenny Kurier*, N 49 (265), 17–23 December 2008, p. 3. In particular, the reconstruction of the runway and upgrades to other elements of ground support infrastructure would enable the RFAF to operate all types of combat aircraft from the Kant base, including Tu-95MSs and Tu-160s.

Acronyms and abbreviations

AD	air defence
APIOR	Asia – Pacific – Indian Ocean region
ARF	ASEAN Regional Forum
ASEAN	Association of Southeast Asian Nations
CVBG(N)	carrier battle group (nuclear-powered)
ESPO	Eastern Siberia – Pacific Ocean
JSDF	Japan Self-Defense Forces
LNG	liquefied natural gas
LPD	landing platform dock
MBT	main battle tank
OSK	Ob'edinennoe Strategicheskoe Kommandovanie [combined-arms strategic command]
PAK-FA	Perspectivny Aviatsionny Kompleks Frontovoi Aviatsii [perspective frontline aviation complex]
PLA(N)	People's Liberation Army (Navy)
RFAF	Russian Federation Air Force
RPF	Russian Pacific Fleet
SSBN	strategic ballistic missile submarine

About the author

Dr Alexey D Muraviev prepared this paper whilst a Scholar in Residence with the Australian Strategic Policy Institute. He is a Senior Lecturer in International Relations and National Security, and Founder and Director of the Strategic Flashlight Forum on National Security and Strategy at Curtin University.

About Policy Analysis

Generally written by ASPI experts, the **POLICY ANALYSIS** series is provided online to give readers timely, insightful opinion pieces on current strategic issues, with clear policy recommendations when appropriate. They reflect the personal views of the author and do not in any way express or reflect the views of the Australian Government or represent the formal position of ASPI on any particular issue.

ASPI

Tel + 61 2 6270 5100

Fax + 61 2 6273 9566

Email enquiries@aspi.org.au

Web www.aspi.org.au

© The Australian Strategic Policy Institute Limited 2011

This publication is subject to copyright. Except as permitted under the *Copyright Act 1968*, no part of it may in any form or by any means (electronic, mechanical, microcopying, photocopying, recording or otherwise) be reproduced, stored in a retrieval system or transmitted without prior written permission. Enquiries should be addressed to the publishers.

Notwithstanding the above, Educational Institutions (including Schools, Independent Colleges, Universities, and TAFE's) are granted permission to make copies of copyrighted works strictly for educational purposes without explicit permission from ASPI and free of charge.