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## Russia Plays a Pragmatic Game on the Chinese Chess Board During APEC and EAS

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**Vitaly Kozyrev, Visiting Fellow at the East-West Center in Washington, writes, “It seems that Moscow draws a line between its strategic competition with the U.S. in the European theater and in Asia, where the Kremlin seeks to prevent the monopolization of its foreign policy by China.”**

A close reading of the recent high profile summits of the Asia-Pacific – the 22nd APEC leaders’ meeting in Beijing and the 9th East Asia Summit (EAS) in Naypyitaw, Myanmar – provides the opportunity to assess the depth and velocity of change in the regional political arena. One of the most intriguing developments comes from a new strategic conjunction between China and Russia, the latter estranged and sanctioned by the West over Ukraine. The progress in the major areas of Sino-Russian cooperation since the outbreak of the Ukrainian crisis not only demonstrates the level of trust between the two powers, but raises the question about concerted Sino-Russian “pushback” against the U.S. in Asia.

Although the recent US-China arrangements in security, investments and environmental policies have eased tensions between the two, the problem of trust and conflicting interests in the region remains unresolved. Earlier this year Chinese President Xi Jinping acclaimed China’s leadership roles in the formation of comprehensive and equal security in Asia based on the mechanism of the Conference on Interaction and Confidence Building Measures in Asia (CICA). And he called for the people of Asia to resolve regional security issues without US meddling. In addition, Beijing has announced the strategy of engagement of Asia, revitalizing and enlarging the Shanghai Cooperation Organization (SCO), actively pursuing its continental economic ‘corridor diplomacy’ and maritime ‘Silk Road’ strategy, and further challenging Western financial predominance by establishing the Asian Infrastructure Investment Bank (AIIB). At the APEC meeting in Beijing China cast doubts about the transparency and openness of the 12-nation talks on Trans Pacific Partnership, proposing instead the roadmap to study the options for the Free Trade Area of the Asia-Pacific (FTAAP).

Desperately seeking closer cooperation with Asia to offset the decline in its relationship with the West, the Russian leadership secured its highest representation at the regional summits and consistently demonstrated Moscow’s shared position with China on critical regional issues. The two countries pledged their determination to expand cooperation “no matter what changes occur in the world.” Russia fully supported Beijing’s road map on FTAAP and accused the U.S. of promoting the TPP as an exclusive regional economic bloc. At the East Asia Summit Premier Medvedev reiterated Russia’s adherence to the 2010 Russo-Chinese joint initiative on the reforming of the Asia-Pacific security architecture. In its Asia energy policy, Moscow considers Beijing a privileged partner in the Asian market. These achievements make many Western foreign policy thinkers and practitioners believe in the reality of the emerging Beijing-Moscow condominium which might challenge U.S. regional and global supremacy and even lead to Washington’s nightmare scenario of confronting the Sino-Russian tandem in international affairs.

These alarmist assumptions are misleading because they ignore the dynamics of Moscow’s nuanced and multifaceted Asia policy of *strategic diversity* in regional affairs, which implies

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improving ties with China and equally with the other Pacific great powers, including the U.S., Japan, New Zealand, and South Korea. By participating in regional multilateral institutions Russia has supported the ASEAN-backed ‘connectivity concept’, engaging all actors into framing the norms of regional behavior within the regional community. Seeking deeper integration into broader Asian markets to stimulate modernization of Siberia and the Russian Far East, Moscow has developed some sectoral cooperation projects with Asia, negotiated bilateral trade agreements with Vietnam and New Zealand, while carefully avoiding any long term commitments which could weaken Russia’s competitiveness.

It is clear from the proceedings of the regional summits that, despite the tilt toward China, the fundamentals of Moscow’s pivot to Asia under the new circumstances have not changed. While sharing with China a common stance toward regional security architecture, Moscow in practice supports a broader framework which equally embraces all interested Pacific actors. Russian President Vladimir Putin acknowledged the instrumental importance of CICA but did not see the reason to formally support Xi’s vision of CICA as the centerpiece of Asia’s security framework due to limited representation of the US and its allies in the organization. Instead, Russian top officials prioritized the centrality of the more comprehensive EAS, which is perceived by Moscow as an optimal platform to address complex security and economic issues in the region. Moscow prefers to get involved in Asian affairs in a multilateral format which allows Russia to effectively voice its national interest and even create coalitions with smaller regional partners. Recent remarks made by Russian leaders, along with important bilateral meetings on the sidelines of the summits, suggest that the Kremlin is eager to solidify a multilateral institutional format emphasizing ASEAN’s centrality and securing a multi-layered regional consultation network within which Russia-controlled security (Collective Security Treaty Organization) and economic (Eurasian Economic Union) associations would be equally presented.

In the economic sphere, Moscow reserves its right to partake in institutionalized investment projects in Eurasia, preserving its own interest and on equal terms with other powers. For instance, Russia assertively channels the funding for the SCO economic projects in Central Asia through the Eurasian Development Bank (EDB), backed by Moscow, instead of accepting the Chinese proposal to create a separate and independent SCO Development Bank, in which Beijing would likely have the upper hand. In Southeast Asia, Russia prefers direct investment cooperation with the ASEAN member states, including implementation of some prospective nuclear energy and electric power grid projects, hence avoiding China-sponsored infrastructure programs financed by the newly created AIIB. Advertising the benefits of investments to Russia, both Vladimir Putin and Dmitry Medvedev specifically stressed the importance of pooling a group of investors, in addition to China, to participate in the modernization of the Russian Far East. Another sign of Russia’s strategic diversification policy in Asia has been the important exchanges between President Putin and Japanese Prime Minister Shinzo Abe on the sidelines of the APEC forum that could open the door to returning to peace treaty negotiations and deepening energy cooperation and bilateral ties in 2015.

It seems that Moscow draws a line between its strategic competition with the U.S. in the European theater and in Asia, where the Kremlin seeks to prevent the monopolization of its foreign policy by China. One important condition for Moscow’s successful pivot to Asia is to effectively integrate its modernized Far Eastern territories into the broader Asia-Pacific economic landscape. Russia hopes to jointly develop new economic clusters on its Asiatic territory under special protection and patronage of the Russian state in collaboration with the major APEC economies, including the U.S. and its allies. It is a good chance for Washington to consider how, while avoiding sharp policy changes, to diversify its strategy of rebalancing in Asia. The US could also try, by easing its ‘sanctions diplomacy’ pressure on regional allies and partners, to secure at least Russia’s neutrality in the upcoming big debates in the Pacific region, and eventually to improve global political climate in general.

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