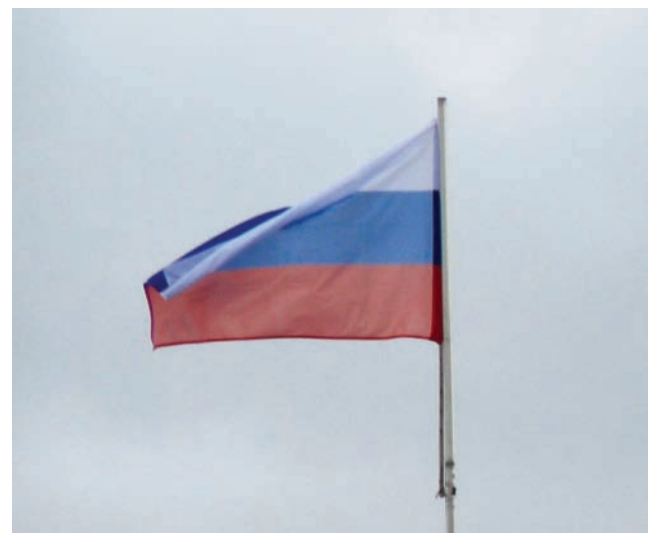




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Change and Continuity in Japan-Russia Relations: Implications for the United States

Editors: Paul J. Saunders, John S. Van Oudenaren



**CHANGE AND CONTINUITY IN
JAPAN-RUSSIA RELATIONS:
IMPLICATIONS FOR THE UNITED
STATES**

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and
John S. Van Oudenaren*



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Center for the National Interest

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Cover design by Emma Hansen Stadolnik

Photographs from top to bottom, left to right: President of Russia, Wikimedia Commons, President of Russia, Wikimedia Commons.

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INTRODUCTION

While U.S. President Donald Trump's unprecedented efforts to negotiate with North Korean leader Kim Jong-un over Pyongyang's nuclear weapons program have understandably dominated America's public debates surrounding the East Asian security environment, this critical region has continued—though perhaps less visibly—to adapt to longer-term strategic trends. Two of the most significant such trends may prove to be intensifying economic, political and security competition between the United States and China on one hand, and the increasingly close partnership between China and Russia, on the other. Both developments have profound consequences for Japan, a key U.S. ally in East Asia.

This is most obvious with respect to the U.S.-China rivalry. The combination of China's pressure on Japan, especially in the East China Sea and the South China Sea, with the 2018 U.S. National Security Strategy's emphasis on great power competition as the principal threat to American security and Japan's role as a U.S. ally, the host of critical U.S. military infrastructure, and a key American economic and diplomatic partner, puts Japan at the center of growing U.S.-China tensions.

The new and more cooperative relationship between Beijing and Moscow likewise has considerable implications for Japan. This realignment is itself in no small part a consequence of greater U.S. pressure on Moscow following the collapse in U.S.-Russia relations that began with Russian President Vladimir Putin's occupation and annexation of Ukraine's Crimean Peninsula in 2014 and accelerated as Americans uncovered Russian attempts to interfere in U.S. domestic politics, including in the 2016 presidential election. The improvement in China-Russia relations has in turn prompted both Moscow and Tokyo to reevaluate the Japan-Russia relationship, a complex bond long stymied by the absence of a peace treaty formally ending World War II and establishing an agreed framework for sovereignty over the Northern Territories, four Japanese islands that Soviet forces occupied in the late stages of the war and which Moscow calls the Kuril Islands.

This new strategic environment raises many important questions for the U.S.-Japan alliance. What are the prospects for Japan-Russia relations? What are Russian and Japanese objectives in their bilateral relations? How does the Trump administration view a possible improvement in Russia-Japan relations and to what extent will U.S. officials seek to limit such developments? Is the U.S.-Russia relationship likely to worsen and in so doing to spur further China-Russia cooperation? Could a better Russia-Japan relationship weaken the U.S.-Japan alliance? Or might it in fact serve some U.S. interests?

This collection of essays, which includes contributions from American and Japanese experts on U.S., Russian and Japanese policy in East Asia, and on U.S.-Russia and Japan-Russia relations, raises and considers many of these questions. Though it is far too early to present definitive answers to any of them, I hope that it makes a useful contribution as decision-makers in Washington and Tokyo assess their respective policy options.

I am deeply grateful for the support of the Japan Foundation's Center for Global Partnership, without which this project would not have been possible, as well as for the support and assistance of the Center for the National Interest's leadership and staff in pursuing this project. I similarly greatly appreciate the contributions of Tetsuo Kotani, at the Japan Institute for International Affairs (JIIA), in coordinating among the Japanese authors and in organizing a lively discussion of the project's preliminary findings at JIIA in Tokyo in October 2018. Center Assistant Director John S. Van Oudenaren also deserves special thanks for his partnership in editing and producing this final product. The views expressed here are of course strictly those of the authors and are not institutional statements of the Center for the National Interest; likewise, the editors bear responsibility for typographical or other errors.

Paul J. Saunders
March 2019

JAPAN-RUSSIA RELATIONS: CONSIDERATIONS FOR U.S. POLICY

By Paul J. Saunders¹

A synthesis of the American and Japanese perspectives on Russia presented in this volume suggests a variety of important conclusions that policymakers would do well to consider in formulating U.S. objectives and strategies in East Asia.

The Global Balance of Power and Its Implications for East Asia

Both U.S. and Japanese experts appear to operate within a broadly similar view of global great power relationships and their role in shaping the international politics of East Asia. For example, all of the authors refer in one way or another to China's growing global role as an important trend shaping international and regional affairs. Similarly, most see the sharp deterioration of U.S.-Russia and/or Russia-Western relations as a driving force behind Moscow's increasing attention to its relations with China. Implicitly, China's growing international weight (in comparison with the United States) provides Russia with this option. Andrew Kuchins is especially thorough and forceful in outlining the unravelling of the U.S.-Russia relationship, which he considers "more dangerous than the Cold War in the early 1980s"—a dramatic statement when one recalls that Soviet fears surrounding NATO's 1983 Able Archer military exercises (whether justified or not) appear to have led to serious consideration of a possible nuclear war at high levels of the Soviet government.²

Within this context, most of the authors also refer directly or indirectly to Moscow's discomfort in pursuing closer ties with Beijing due to longer-term strategic concerns about China's growing political, economic and military power and Russia's position of relative weakness. For example, Nikolas Gvosdev describes "uncertainties within the Russian national security establishment" about whether China will become "Russia's strategic partner or its strategic competitor"; Tetsuo Kotani observes that Russia has become "more concerned about China's growing military power" since 2012. Thus, most see Russia's effort to develop ties with Japan as an attempt to balance or hedge its relationship with China in a manner that avoids excessive Russian dependence on Beijing, whether economically or otherwise.

Conversely, the Japanese view that Russia is not a significant threat, which Shinji Hyodo and Kotani emphasize as a clear message of Japan's formal national security documents (e.g. the National Security Strategy; Diplomatic Bluebook), allows Tokyo to continue a deeper level of dialogue with Moscow than is possible for Washington and other NATO capitals, particularly following Russia's 2014 occupation of Crimea and its military involvement in eastern Ukraine. Indeed, Hyodo and Kotani each also refer to the persistence of the Japan-Russia "2 + 2" meetings between defense and foreign ministers as a reflection of Prime Minister Shinzo Abe's determination to continue engagement with Russia. For his part, Kotani further states that Russia does not view Japan as a threat, in contrast to Moscow's worries about China.

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² "The 1983 War Scare Declassified and For Real," National Security Archive, George Washington University, October 24, 2015, <https://nsarchive2.gwu.edu/nukevault/ebb533-The-Able-Archer-War-Scare-Declassified-PFIAB-Report-Released/>, accessed March 9, 2019.

Japan's Objectives and Progress

The Japanese authors present different perspectives on Japan's objectives in its relationship with Russia and evaluating Tokyo's progress. Shoichi Itoh characterizes Tokyo's priority attention to Moscow today as largely a function of Prime Minister Abe's personal preferences. Itoh reproves Tokyo's "headlong optimism" concerning possible Russian concessions on the Northern Territories/Kuril Islands as having been "completely smashed" and contends that "Japanese attempts to move closer to Russia for the purpose of hedging against China have borne no tangible fruit to date." From Itoh's perspective, this is a consequence of the Abe administration's "very superficial grasp" of Russia-China relations, which led to a failed effort to "drive a wedge between Moscow and Beijing." Itoh adds that Japan cannot realistically compete with China in its importance to Russia, especially as an investor in and market for Russia's critical energy sector.

Hyodo and Kotani suggest that Japan's aims are more limited and therefore more realistic. Hyodo, for example, sees Tokyo's policy not as an effort to drive a wedge between Moscow and Beijing, or to replace China in Russia's hierarchy of international partners, but to prevent "a united front against Japan," which he says would be "a nightmare" for Tokyo. From Hyodo's perspective, "Russia needs much more cooperation with Japan in the energy fields" as European nations seek to reduce their dependence on Russia as a supplier. Hyodo asserts that Russian President Vladimir Putin apparently "has strong will to sign a peace treaty with Japan as soon as possible, but a hesitation to return the northern islands." Indeed, while acknowledging limits, he sees significant scope for "exploring new areas of security cooperation" and insists that "we can expect new areas of cooperation to emerge."

Like Hyodo, Kotani emphasizes that Abe and Putin have now met more than twenty times in pursuit of a closer bilateral relationship. For Kotani, this reflects not only Abe's interest in the relationship, but also Putin's desire to improve ties with Japan. He similarly does not consider Abe's policy to be a simplistic attempt to contain China, but rather to be a more calibrated approach intended to "ease the negative impact of the rise of China on Japan and the region." Itoh sees even this more modest aim as doomed, however, and is troubled that in developing deeper ties with Russia, Japan may be allowing Moscow to strengthen its own ties with Beijing rather than constraining Sino-Russian relations. From this perspective, Russia's increasingly cooperative and secure relationship with Japan permits Moscow to take greater risks in interacting with China's leaders.

Russia's Objectives and Progress

All of the American and Japanese authors see Russia as working to advance legitimate, limited and comprehensible national interests in East Asia. Satu Limaye and Nikolas Gvosdev explore Russia's regional objectives and actions in greater depth than the other experts; both see Moscow as only a modest player in regional political, security and economic affairs. In Gvosdev's view, Russia's principal national foreign policy goals are to secure its periphery, to develop and modernize its economy, and to ensure its status as a great power, which he defines as taking an "agenda-setter" rather than "agenda-taker" role in international affairs. Gvosdev observes that for Russia in East Asia this involves securing and developing Russia's Far East, ensuring that neighbors accept those territories as Russian, and avoiding the establishment of any new regional architecture that excludes Russia. Gvosdev attributes slow progress in Russia's relationship with Japan primarily to a Russian elite perspective that Moscow can afford to wait for Tokyo to offer

concessions. This perspective posits that Japan will be more amenable to seeking closer ties with Russia as its concerns about Chinese power grow, and doubts about reliability of the U.S. as a security partner increase.

Limaye argues that Russia has not historically had a major role in East Asia and that even today, Moscow remains a largely peripheral factor in the region's key "flashpoints"—the Korean Peninsula, the Taiwan Straits, and the South and East China Seas. He sees this as a fundamental reality underlying Moscow's relations with both China and Japan that is unlikely to change absent unexpectedly dramatic developments (such as the effective withdrawal of the United States from East Asia). Especially curious, Limaye points out, is that Russia's diplomatic integration into East Asia outpaces its economic integration with the region (meaning that Russia's political role to some extent exceeds its practical engagement). Limaye observes that this contrast with the dominant regional trend in East Asia that produces deep economic ties and relatively weak political ones.

Potential U.S. Impacts on Japan, Russia, and Japan-Russia Relations

Among them, the authors highlight six issues in U.S.-Russia, U.S.-China, and U.S.-Japan relations that could have significant consequences for Japan's relations with Russia:

- The poor state of the overall U.S.-Russia relationship,
- Possible further U.S. sanctions against Russia,
- Erosion of the U.S.-Russia nuclear arms control regime,
- Growing U.S.-China competition,
- U.S. liquefied natural gas (LNG) exports to Japan, and
- Possible U.S. concerns over the terms of a Japan-Russia agreement on the Northern Territories/Kuril Islands.

U.S.-Russia Relations

The overall U.S.-Russia relationship can affect Japan's relations with Russia in a variety of ways. Most obviously, the U.S. and Japanese authors generally agree that the poor state of the U.S.-Russia relationship is a key driver of Russia's closer ties with China and, indirectly, of Russia's diplomatic engagement with Japan. Thus further deterioration in U.S.-Russia relations could more intensely incentivize Russia to cooperate with China and/or force Russia to consider concessions to China that Moscow might not otherwise offer. Implicit in Hyodo's concern over a potential Chinese-Russian "united front" against Japan is the possibility that Moscow could support Chinese territorial claims in the East China Sea or the South China Sea on which it now remains neutral, for example. This would weaken Japan's position in defending its territory and possessions. Of course, there is also the unstated possibility that an improving U.S.-Russia relationship could weaken Russia's motivation in cooperating with China and/or limit its willingness to accept that cooperation on disadvantageous terms.

In addition, should the U.S.-Russia relationship continue its downward slide, Washington is likely to be more determined to constrain Japan's relationship with Russia. Thus far, the Trump administration has not significantly and visibly interfered in Prime Minister Abe's work towards better Japan-Russia relations, notwithstanding formal American policies that define Moscow as a "revisionist power" that "aims to weaken U.S. influence in the world and divide us from our

allies and partners.”³ Beyond this, considering that Hyodo includes “the relative decline of the US” as one factor in the “increasingly severe strategic environment surrounding Japan,” it could be a mistake to assume that the Abe government would meekly defer to U.S. preferences. Indeed, Japan’s National Security Strategy, which Hyodo cites, states that “it is critical for Japan to advance cooperation with Russia in all areas.” “Critical” is strong language for a bureaucratic document in any country.

U.S. Sanctions against Russia

Gvosdev singles out possible new punitive U.S. sanctions against Russia as a “benchmark” for both U.S.-Russia relations and Russian policy objectives. Tougher U.S. sanctions on Russia could escalate U.S.-Russia tensions, and influence Russia’s definition of U.S. sanctions aims, whether to deter Moscow, as sanctions advocates argue, or to provoke a hostile response, as critics assert. That said, new U.S. sanctions against Russia could also be consequential for Japan as well as America’s European allies—most of which have stronger linkages to the Russian economy than the United States. The Defending American Security from Kremlin Aggression Act (DASKAA), which was recently reintroduced in the U.S. Congress, includes significant new sanctions on people or companies who invest in Russia’s energy sector or in new Russian sovereign debt.⁴ Unless carefully tailored, measures like these could affect Japanese and other allied firms. New sanctions could also emerge from other legislation or from new executive branch designations of Russian entities or individuals as targets of existing sanctions laws.

U.S.-Russia arms control

Kuchins draws attention to the interlocking issues of the Trump administration’s decision to withdraw from the Intermediate-Range Nuclear Forces (INF) Treaty, the uncertain fate of the New START Treaty (a strategic nuclear arms agreement that expires in 2020 if the United States and Russia fail to agree to extend it), and U.S. missile defense deployments (which both Russia and China oppose and Moscow has regularly sought to limit in nuclear arms reduction negotiations). The collapse of the INF Treaty seems fundamentally to be a result of China’s refusal to join arms control regimes limiting its intermediate-range nuclear forces (though one should not ignore U.S. and Russian mutual accusations of treaty violations). As a result, the elimination of U.S.-Russian limits on intermediate-range missiles appears likely to threaten Beijing more than either Washington or Moscow, which have a well-established, if recently shaky, strategic deterrence relationship. Nevertheless, growing uncertainty and possibly expanding nuclear and missile arsenals among the United States, Russia and China would not improve Japan’s overall security environment. Moreover, even quantitative and qualitative increases in U.S. missile defense deployments are unlikely to wholly offset the dynamics of a new nuclear arms race, especially as they would encourage Beijing and Moscow to develop new weapons and tactics to overcome these systems.

U.S.-China Competition

Whether the U.S.-China relationship enters a phase of long-term confrontation, or, one of managed tensions, will have profound effects on Japan. Andrew Kuchins notes that the Trump

³ The White House, “National Security Strategy of the United States of America,” December 2017, <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905-2.pdf>.

⁴ Patricia Zengerle, “U.S. senators to try again to pass Russia sanctions bill,” *Reuters*, February 19, 2019, <https://www.reuters.com/article/us-usa-russia-sanctions-exclusive-idUSKCN1Q22J9>.

administration's National Security Strategy describes both China and Russia as adversaries, something that may further add to a strategic environment promoting their greater cooperation. Kuchins also highlights the administration's trade dispute with China and suggests that the Trump team is "more inclined to trade conflict than compromise." As a result, he argues, the United States is poorly positioned within the U.S.-China-Russia triangle. Even excluding Russia from this analysis, however, tensions in U.S.-China relations could complicate Japanese efforts to engage Beijing that are complementary to Tokyo's Russia policy. After all, improving Japan-China relations only strengthens Tokyo's hand in dealing with Moscow by undermining Russia's sense that Japan is desperate for Moscow's attention.

U.S.-Japan Energy Relations

Shoichi Itoh strongly contrasts Russia's energy relations with China and Japan respectively, explaining that China's continuing strong demand growth for oil and natural gas is likely to drive increasing Russian exports to China—and Chinese investment in Russia—even as Japan's declining demand encourages opposite trends. Since energy is the main point-of-contact between Japan and Russia, Itoh sees this contraction as limiting potential for future improvements in Japan-Russia relations—though he also sees Japanese interest in maintaining and renewing the energy link to Russia into the future. Moreover, Itoh continues, the United States appears likely to provide a share of Japan's LNG imports nearly double that of Russia's current share by the early 2020s, which will provide Tokyo with significantly greater diversity of supply, reduce Japan's dependence on Russia, and contain prices.

America and the Northern Territories/Kuril Islands

Though any Japan-Russia settlement of the Northern Territories/Kuril Islands dispute seems remote, some of the Japanese authors—especially Shinji Hyodo—remain committed to seeking a resolution as a component of a final World War II peace treaty with Russia. However, Hyodo writes, "a peace treaty with Russia now requires U.S. involvement" due to President Vladimir Putin's oft-stated concern that the United States could pressure Tokyo to accept U.S. military forces on the two southernmost islands if Moscow returns them. Hyodo suggests that Japan can address this Russian concern only by seeking a binding U.S. commitment to forswear such deployments or, alternatively, through a unilateral "entente with Russia" that "might undermine the U.S.-Japan alliance." To the extent that Moscow is genuinely troubled by the prospect of U.S. forces on the islands (whether for military or symbolic political reasons), this places the United States at the center of any Japanese-Russian discussions on the islands and the related matter of a peace treaty.

Policy Implications for the United States

For America, the key question in Japan-Russia relations is to what extent closer ties between Tokyo and Moscow advance or undermine U.S. national interests. The decisive factor is whether Japan can manage its relationship with Russia in a manner that does not conflict with the U.S.-Japan alliance and broader American interests in East Asia.

This assumes, of course, that Moscow is serious about pursuing a better relationship with Japan rather than merely in creating the impression that it is doing so to buttress its weak position in negotiating with China and to extract possible assistance and/or concessions from Japan. The authors in this volume do not present a consensus view of Russia's intent in discussing a peace

treaty with Japan, including possibly returning the two southern islands in the Northern Territories/Kuril Islands. Indeed, there are good reasons for skepticism in assessing Russian conduct—Moscow is in a good position to use Japan’s hopes to recover some of the islands as a part of a treaty agreement to encourage present-day cooperation on other issues in Japan-Russia relations. This would rely on a Russian calculation that Japanese officials are thus reluctant to spoil relations with Moscow in other areas if these steps might risk an eventual settlement. So long as Japan’s government continues to place high priority on this issue within the overall Japan-Russia relationship, Russia could sustain such an approach at minimal cost. The contrary view is that Japanese leaders cannot know whether the Kremlin is serious without themselves making a determined effort that inherently must include flexibility in responding to Russian priorities.

From an American perspective, Japan is unlikely to risk damage to the U.S.-Japan security relationship if the Japan-Russia relationship continues to be an uncertain one, unless Washington itself excessively devalues its own alliance with Tokyo. Moreover, if paired with an enduring U.S.-Japan alliance, a successful Japanese peace treaty with Russia, including resolution of the territorial issue, would probably strengthen America’s strategic position in East Asia by increasing the prospect of a regional Russian foreign and security policy independent of Beijing. The narrow issue of sacrificing the right to base U.S. forces on any islands that Japan may recover from Russia through this process is secondary by comparison; the United States dealt successfully with the Soviet Union—a more powerful adversary than Russia—without that capability. Though Shinji Hyodo referred to a proposal for a trilateral U.S.-Japan-Russia agreement on the islands, this is not a promising approach in the current U.S. political climate surrounding Russia. Direct Japan-Russia talks paired with intense Japan-U.S. consultation is probably a more fruitful approach.

Intensifying the U.S. dialogue with Japan, including U.S.-Japanese discussions of each nation’s relations with Moscow, could help both Washington and Tokyo to navigate the complex environment surrounding the Japan-Russia relationship. Visible U.S. reassurance of Japan likewise empowers Tokyo in dealing with Russian officials who often seem to assume that the United States is in decline and that its allies are thus in distress. This can help to ensure that Japan faces less pressure to take steps that may undermine its interests or its relationship with America.

Expanding U.S. LNG export capacity is another key consideration in this context as it enhances Japan’s energy security and reduces (gas) dependence on Russia both by ensuring a friendly source of LNG supplies and by putting downward pressure on prices. Generally speaking, Washington should be content to allow market forces, which inherently include corporate calculations about Russia’s reliability as a supplier and suitability as an investment destination, to drive the Japan-Russia energy relationship. That said, to the extent that the executive and legislative branches can ease U.S. LNG exports to Japan and elsewhere, such steps would be constructive.

At the broadest level, U.S. officials would do well to bear in mind the regional and global consequences of a policy approach that Andrew Kuchins correctly describes as confronting China and Russia simultaneously. This approach may increase risks to the United States without providing commensurate benefits. It also poses significant challenges for Japan and other U.S. allies that have little choice other than to interact with these two government

JAPAN'S SEARCH FOR A NEW ENTENTE WITH RUSSIA

By Tetsuo Kotani¹

Why does Shinzo Abe place so much weight on his relationship with Vladimir Putin? This is a difficult question to answer not only for foreign observers of Japan, but also for foreign policy experts in Japan. After returning to power at the end of 2012, Abe has met with Putin more than 20 times. In November 2018, Abe and Putin agreed to accelerate negotiations of a peace treaty based on the 1956 Joint Declaration, in which Moscow agreed to “hand over” two of the four Northern Territories islands, namely the southernmost islands of Habomai and the Shikotan, to Japan after the conclusion of a peace treaty.²

At the beginning of 2019, Abe pledged to step up talks with Russia to conclude a peace treaty, along with addressing other major diplomatic challenges over the course of the year, which include improving ties with China.³ This essay tries to understand Abe’s Russia policy through Japan’s national security documents. This essay also discusses its implication for Japan’s relations with China and the United States.

Japan’s National Security Strategy and Russia

Japan adopted its first-ever national security strategy (NSS) in December 2013.⁴ The NSS denotes North Korea’s weapons of mass destruction (WMDs) and missile programs as well as China’s military activities and “gray-zone” coercion as challenges in the Asia-Pacific security environment. Interestingly, there is no reference to Russia as a security concern, despite growing Russian military activities around Japan. Instead, the NSS regards Russia as a partner in the “increasingly severe security environment in East Asia” and calls for cooperation with Russia “in all areas, including security and energy.” The NSS also describes the issue of the Northern Territories as “the most important pending issue between the two countries” and shows strong interest in the continuation of negotiations with Russia to resolve the issue of the attribution of the four islands and concluding a peace treaty.

The Japanese foreign ministry’s annual Diplomatic Bluebook echoes the NSS’s assessment of Russia. For example, its 2014 version stated that in 2013, Japan conducted proactive dialogues with Russia, including four summit meetings and the first Japan-Russia 2+2 meeting, and that promoting cooperation with Russia furthers not only “Japan’s national interest but also

¹ Tetsuo Kotani is a senior fellow at the Japan Institute of International Affairs

² Ministry of Foreign Affairs of Japan, Japan-Russia Summit Meeting (in Japanese), November 14, 2018, https://www.mofa.go.jp/mofaj/erp/rss/hoppo/page1_000697.html.

³ “In New Year’s statement, Abe Vows to Step Up Peace Treaty Talks with Russia in 2019,” *Japan Times*, January 2, 2019, <https://www.japantimes.co.jp/news/2019/01/02/national/politics-diplomacy/new-years-statement-abe-vows-step-peace-treaty-talks-russia-2019/#.XDw74i2KVTY>.

⁴ The Prime Minister’s Office, National Security Strategy, December 17, 2013, <https://www.cas.go.jp/jp/siryou/131217anzenhoshou/nss-e.pdf>.

contributes to peace and prosperity in the region.”⁵ In September 2013, Abe met Putin and agreed to move ahead with negotiations on a peace treaty and to develop economic cooperation.

Japanese perceptions of Russia did not change, even after Russia’s annexation of Crimea in March 2014. The situation in Ukraine made handling Japan-Russia relations difficult, but Tokyo has continued to promote exchanges, including three summit meetings, and economic cooperation in areas such as healthcare, urban environment, agriculture, and energy conservation, despite joining the other members of the G7 in imposing economic sanctions on Russia.⁶ In May 2016, Abe met Putin in Sochi and agreed take “a new approach” to pursuing a peace treaty, and in December, the two agreed to include joint economic development of the Northern Territories as part of this new approach.⁷

Still, Japan’s defense ministry maintains realistic assessments of Russian military capabilities in the vicinity of Japan. The annual defense white paper points out the reinforcement of nuclear, ground, naval, and air forces in the Russian Far East. The Russian military is also fortifying the Northern Territories with deployment of surface-to-ship missiles and the newest Su-35 fighters as well as the development of airports. Large-scale military drills such as the Vostok 2014 and 2018 exercises have been conducted around Japan as well.⁸ In fact, former Defense Minister Itsunori Onodera said in an interview that Russian hybrid operations in the annexation of Crimea changed Japanese defense planners’ perception of current warfare and stimulated a review of the new National Defense Program Guidelines (NDPG) to enhance capabilities in cyber and space domains and electromagnetic spectrum.⁹ Nevertheless, the new NDPG, adopted in December 2018, does not regard Russian military activities in those new domains as a threat to Japan, but rather, focuses its concern on Chinese capabilities in those domains.¹⁰

For Japan, Russia’s military capabilities and activities around Japan are a source of concern, but Japanese national security documents do not assume Russia has the intention to use those capabilities against Japan. Despite the ongoing territorial dispute, Russia is not a security threat. On the contrary, for Japan, Russia is a strategic partner with which to cooperate in order to improve the security environment surrounding Japan.

Japanese Russia experts assume Japan is no longer a threat to Russia, either. Japan maintained a defense posture focusing on the threat from Russia during the Cold War, but Japan adopted a NDPG in 2010, which shifted the strategic focus from the north to the south and emphasized the defense of Japan’s southwestern islands vis-à-vis China’s growing military power in the East China Sea.¹¹ Although the presence of the U.S. military in Japan poses a possible threat to

⁵ Ministry of Foreign Affairs of Japan, Diplomatic Bluebook 2014 Summary, 2014, <https://www.mofa.go.jp/policy/other/bluebook/2014/html/chapter2/russia.html>.

⁶ Ministry of Foreign Affairs of Japan, Diplomatic Bluebook 2015, 2015, <https://www.mofa.go.jp/policy/other/bluebook/2015/html/chapter2/c020500.html>.

⁷ Ministry of Foreign Affairs of Japan, Diplomatic Bluebook, 2017, <https://www.mofa.go.jp/files/000287682.pdf>.

⁸ Ministry of Defense of Japan, Defense of Japan 2018, http://www.mod.go.jp/e/publ/w_paper/pdf/2018/DOJ2018_1-2-4_web.pdf.

⁹ “Interview with Itsunori Onodera by Eisuke Mori,” *Nikkei Business Online*, November 20, 2018, <https://business.nikkeibp.co.jp/atcl/report/16/082800235/111400011/>.

¹⁰ Ministry of Defense of Japan, National Defense Program Guidelines for FY 2019 and Beyond, December 18, 2018, <http://www.mod.go.jp/j/approach/agenda/guideline/2019/pdf/20181218.pdf>.

¹¹ Ministry of Defense of Japan, National Defense Program Guidelines for FY 2011 and Beyond, December 17, 2010, http://www.mod.go.jp/e/d_act/d_policy/pdf/guidelinesFY2011.pdf.

Russia, Moscow does not have to worry Japan's defense capabilities. Instead, when Putin returned as president in 2012, Russia began to become more concerned about China's growing military power.¹²

Japan-Russia Relations and China

Nevertheless, Abe does not seek to contain China's influence through a renewed Japan-Russia partnership. The essence of Abe's strategic vision is the combination of internal balancing (restoring national power to balance the rise of China) and external balancing (allying with like-minded nations to counterbalance growing Chinese influence in the Indo-Pacific).¹³ Accordingly, Abe has bolstered national security by increasing defense spending, while promoting the free and open Indo-Pacific strategy. On the other hand, Abe has sought to improve relations with China since his return to power. Abe's proposal for Japan-China infrastructure cooperation under China's Belt and Road Initiative (BRI) indicates that he is seeking partnership with China where possible, while managing tension over the East China Sea issue.

Japanese Russian hands, on the other hand, understand that Russia sees China as a latent threat without officially recognizing it as so. For Russia, improving ties with Japan helps counterbalance China's growing military power and interest in the Arctic, which is sure to grow in the future. Nevertheless, even if Russia and Japan sign a peace treaty, this would not transform the bilateral relationship into an alliance. Russia has closer economic and diplomatic ties with China than with Japan, although Russia might expect partnership with Japan to reduce excessive dependence on China.¹⁴ In addition, Russia is, in recent years, restoring military relations with China in areas such as combined exercises, technological cooperation, and high-level military exchanges.¹⁵

Following Richard Nixon's opening to China, Japan normalized relations with Beijing and worked to contain Soviet expansionism, along with the United States and China in the "new Cold War." However, Abe's Russia policy is not an easy reverse of the process to contain China. At best, Abe expects that a peace treaty with Russia would help ease the negative impact of the rise of China on Japan and the region.

Implications for the US-Japan Alliance

On the other hand, peace treaty negotiations might influence the U.S.-Japan alliance. Putin repeatedly expresses his concern about a possible deployment of U.S. forces if Moscow cedes the two southernmost islands of the Northern Territories to Japan. Referring to the deployment of U.S. air defense systems in Japan and the relocation of a US air station in Okinawa amidst strong local protests, Putin showed his concern about US influence on Japan's sovereignty and

¹² National Institute for Defense Studies of Japan, *East Asian Strategic Review 2012*, May 2012, 187-188.

¹³ Michael J. Green, "Japan is Back: Unbundling Abe's Grand Strategy," Lowy Institute Analysis, December 17, 2013, <http://www.lowyinstitute.org/publications/japan-back-unbundling-abes-grand-strategy>.

¹⁴ Hiroyuki Akita, "Japan and Russia Seek End to Island Dispute in China's Shadow: Beijing's Growing Influence Pushes Tokyo and Moscow to Seek Strategic Cooperation," *Nikkei Asian Review*, December 23, 2018, <https://asia.nikkei.com/Politics/International-Relations/Japan-and-Russia-seek-end-to-island-dispute-in-China-s-shadow2>.

¹⁵ U.S.-China Economic and Security Review Commission, "China-Russia Military-to-Military Relations: Moving Toward a Higher Level of Cooperation," March 20, 2017, <https://www.uscc.gov/sites/default/files/Research/China-Russia%20Mil-Mil%20Relations%20Moving%20Toward%20Higher%20Level%20of%20Cooperation.pdf>.

indicated that Moscow would not hand over the two islands to Japan without a guarantee that there would be no U.S. presence there.¹⁶

Thus, a peace treaty with Russia now requires U.S. involvement. Michito Tsuruoka argues that there needs to be a legally-binding agreement between Japan, Russia, and the United States over the status of returned territories along the model of German reunification.¹⁷ The question is whether or not Washington will agree to negotiate such an agreement that would restrict the purview of the U.S.-Japan Security Treaty, as the Trump administration simultaneously pursues strategic competition with Russia. Since the occupation of the Northern Territories helps Russia secure the strategic bastion in the Sea of Okhotsk, the U.S. military might not welcome Japan's concession to Moscow on the Kunashiri and Etorofu islands, which have been militarized by Russia. In fact, Washington has intervened in Tokyo-Moscow peace treaty negotiation once before. John Foster Dulles, concerned about the hasty Japan-Soviet peace treaty negotiation in 1956, warned Japan that if Tokyo acknowledged full Soviet sovereignty over the Northern Territories, the United States would not return Okinawa to Japan.¹⁸ Even if the Trump administration agrees to sign an agreement with Russia, there is no guarantee that the U.S. Senate will approve such an agreement.

In retrospect, Japan sought entente with Moscow in the 20th century when the Soviet Union was perceived as a threat. Today, China is becoming a long-term threat to Japan. Abe's approach to Putin's Russia can be understood as another attempt to establish an entente with Russia, but Abe does not envision an anti-China alliance with Russia. For Tokyo, a peace treaty with Russia is an important factor to stabilize the security environment surrounding Japan. The irony is the peace treaty process now requires U.S. involvement, and if Tokyo fails to convince Washington of its merit, an entente with Russia might undermine the U.S.-Japan alliance, which is the cornerstone of Japan's security.

¹⁶ "Vladimir Putin Says U.S. Presence in Japan Complicates Signing of Peace Treaty," *Japan Times*, December 21, 2018, <https://www.japantimes.co.jp/news/2018/12/21/national/politics-diplomacy/vladimir-putin-says-u-s-presence-japan-complicates-signing-peace-treaty/#.XDx76y2KXOT>.

¹⁷ Michito Tsuruoka, "Issues regarding US Military Presence after the Return of the Northern Territories (in Japanese)," *International Information Network Analysis*, December 14, 2018, <https://www.spf.org/iina/articles/tsuruoka-europe-uspre1.html>.

¹⁸ Memorandum of a Conversation Between Secretary of State Dulles and Foreign Minister Shigemitsu, Ambassador Aldrich's Residence, London, August 19, 1956, 6 p.m., US Department of State Office of Historian, <https://history.state.gov/historicaldocuments/frus1955-57v23p1/d89>.

PROSPECTS FOR JAPAN-RUSSIA RELATIONS IN TERMS OF REGIONAL SECURITY

By Shinji Hyodo¹

In September 2018, Russian President Vladimir Putin proposed signing a World War II peace treaty with Japan by the end of the year "without any preconditions." Putin made this surprise offer in public shortly after the summit meeting between two leaders, sitting next to Japanese Prime Minister Shinzo Abe and the head of state of the People's Republic of China, President Xi Jinping on a stage at the 4th Eastern Economic Forum held in Vladivostok. Abe did not take Putin up on his surprise offer, which contradicts Japan's official stance that signing a peace treaty must resolve the territorial dispute. As a result, it is widely accepted in Japan that Putin will postpone the settlement of the islands issues before normalizing relations with Japan through the conclusion of a bilateral peace treaty.

Japan maintains its original stance towards Russia after the Ukraine crises

It appears that Putin has strong will to sign a peace treaty with Japan as soon as possible, but a hesitation to return the northern islands. Both Japanese and Russian leaders have held repeated summit meetings, more than 22 times, where they have discussed enhancement of bilateral relations at length. Japanese foreign policy towards Russia is based on the official document "National Security Strategy (NSS)", which was published by the newly established National Security Secretariat on December 17, 2013. The NSS, is the first-ever basic strategy on national security, which defines a long-term approaches that Japan should follow. The National Defense Program Guidelines are based on the NSS and apply to the next decade or so.

Under the increasingly severe security environment in East Asia, it is critical for Japan to advance cooperation with Russia in all areas, including security and energy, thereby enhancing bilateral relations as a whole, in order to ensure its security. Based on this recognition, Japan will cooperate with Russia in securing peace and stability of the Asia- pacific region. With regard to the issue of the Northern territories, the most important pending issue between the two countries, Japan will vigorously negotiate with Russia under a consistent policy of resolving the issue of the attribution of the four islands and concluding a peace treaty.

"National Security Strategy" (December 17, 2013)²

This document explains why Japan is trying to normalize relations with Russia, which proceeds from the increasingly severe strategic environment surrounding Japan including the nuclear and missiles threats from the Korean peninsula, the maritime advancement of China, and the relative decline of the U.S. In this sense Japan has no option but to seek closer ties to neighboring Russia in order to preclude Moscow from joining China in a hawkish stance towards Japan. The Chinese authorities have urged the Russians to present a united front against Japan. If this happens, it will be a nightmare for Japan.

The western countries, including the U.S., took a more hawkish stance towards Russia after the annexation of Crimea. After the Ukraine crisis, Japanese National Security Strategy has not

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² The Prime Minister's Office, National Security Strategy, December 17, 2013.

modified, and Japan maintains the same official stance towards Russia. In this sense there is more room for Japan to have a relatively independent policy towards Russia, just like Germany and it is a reverse case for Japan, to take its own position between the West and Russia.

Based on the concept of this document, Japan regards Russia, not as a potential threat, but as a security partner. The foreign and defense ministers of Japan and Russia have held regular "two plus two" meetings since 2013. The last dialogue was held in Moscow on July 31, 2018. After an official visit by Valery Gerasimov, current chief of the General Staff of the Armed Forces of Russia in December 2017; Katsutoshi Kawano, chief of the Joint Staff of the Japanese Self-Defense Forces made an official visit to Moscow to meet with Russian Defense Minister Sergey Shoigu at the Defense Ministry headquarters in Moscow on October 8.³ In fact, the Russian side has much more incentive for those security talks than the Japanese side does.

Russia sees Japan in the framework of the regional security

Russia has placed greater importance on cooperation with Japan in the security field as a means of maintaining balance with China. Following an official visit to Russia in 2013 by Prime Minister Abe—the first such visit in ten years—an agreement was reached to hold a “two-plus-two” meeting of the two countries’ foreign and defense ministers to discuss strategy across a wide range of security issues. The first of these “Japan-Russia 2+2” meetings was held in Tokyo in November, 2013. This meeting signified that Russia and Japan had begun to view one another as important natural partners, and raised the strategic importance of the bilateral relationship to a higher level.

The Foreign Policy Concept of the Russian Federation published by the Russian Ministry of Foreign Affairs (MOFA) was approved by President Putin on November 30, 2016. This official document describes Russian relations with Japan as follows:

Russian Federation keeps the course to construct the good-neighbor ties and realize the cooperation for mutual benefit with Japan in order to secure and stabilize the security in the Asia-Pacific region.

“The Foreign Policy Concept of the Russian Federation”, November 30, 2016⁴

This paper shows the first time that an official Russian government document lays out a foreign policy focus on Japan in terms of the Asia-pacific regional security. As Russia has been internationally isolated and relations with the West have deteriorated after the Ukraine crises, such as the Crimea annexation, Moscow has inevitably come to depend increasingly on China. However, Putin has never accepted that Russia should be a junior partner of China and tries to maintain a balance between China and the other Asian countries like India, Japan and Vietnam. As European countries reduce their dependency on Russian energy especially after the Ukraine crises, Russia has to export more energy to Asia, not only to China, but also to Japan. In particular, Russia needs much more cooperation with Japan in the energy sector.

³ Ministry of Defence of the Russian Federation, “Chief of Russian General Staff discuss expansion of military cooperation with his Japanese counterpart,” October 8, 2018

https://eng.mil.ru/en/news_page/country/more.htm?id=12198909@egNews

⁴ The Ministry of Foreign Affairs of the Russian Federation, ““The Foreign Policy Concept of the Russian Federation”, December 1, 2016 http://www.mid.ru/en/foreign_policy/official_documents/-/asset_publisher/CptlCk6BZ29/content/id/2542248

Moreover, Russia tends to look at Japan in the wider framework of the Asia-Pacific security situation. Following the Ukraine crises, some security ties stagnated, but Russia has sought to maintain the "two plus two" dialogue, the direct channel of the national security secretariat, the various defense exchange program between Russian Armed Forces and Japanese Self-Defense Forces. Russia has been placing greater importance on security cooperation with Japan as a means of maintaining a political balance with China.

Russia's balancing between China and Japan in the military field

Russian Armed Forces conducted large-scale military exercise called "Vostok (East) 2018" around the eastern Siberia and Russia Far East from September 11 to 17, 2018. According to the Russian Ministry of Defense, this represented the biggest military exercise since "Zapad (West) - 1981", when Warsaw Pact forces rehearsed the invasion of Poland. About the 300,000 Russian military personnel took part in the drills and the 3,500 Chinese People's Liberation Army personnel were invited to make the exercises a joint operation. Both countries played up the enhancement of the China-Russia strategic partnership through this joint military exercise.

However, some difference in motivation between China and Russia regarding the Vostok exercise is observable. Chinese media reported a lot about the exercises in advance, but Russian military authorities made less mention than their Chinese counterparts did. It seems that a Russia, isolated in the international society, is approaching China in order to deter the West. But Russia's approach to Japan is a little bit different. The Ukraine crises are affecting Japan-Russia relations, but have not changed the relationship a great deal yet.

Valery Gerasimov, chief of the General Staff, announced in the official briefing shortly before the Vostok exercise that Russian Armed Forces would not conduct the military drills in the Kuril Islands including the disputed Northern Territories. Russian Armed Forces deployed one division of ground troops that has tanks, armored vehicles, artillery, and anti-air missiles on Kunashiri, Etorofu of the Northern Territories, which Japan regards as its own inherent territories. It was accepted in Japan that the Gerasimov announcement showed Russia's political consideration to Japan because Moscow did not want to cause deterioration of bilateral relations by building up its military ties with China.

INF issues could affect Russia's relations with the U.S., China and Japan

Russo-Chinese relations have been described as a marriage of convenience without "divorce". Relations have reached an unprecedented high level. Moscow and Beijing agreed on a border demarcation, and that the strategic partnership hit its zenith, peaking from 2005, when they began joint military exercises. The relationship is unlikely to develop into a full-blown military alliance, but returning to an antagonistic relationship is also very unlikely. The strategic partnership took shape on the basis of two factors: utilitarian cooperation with Russia supplying China with natural resources and weapons; and strategic cooperation to contain the United States. However, in view of the constantly growing gap in economic and military power between the two countries, if Russia is not to end up playing the role of "junior partner" to China, it will need to seek ways to maintain the bilateral balance of power, by forging strategic partnerships with third countries including India, Japan, Vietnam.

Russia's concern about China has grown even in the security realm with China's advance into Russia's traditional spheres of influence in Central Asia and the Arctic by promoting the One

Belt One Road strategy. The potential military threat posed to Russia by China—a subject that used to be politically taboo—is now being openly discussed by Russian military specialists in Moscow. The U.S. withdrawal from Intermediate-Range Nuclear Forces (INF) Treaty raises some discussion about the threat to Russian national security that may be posed by China in the future. Although, the U.S. government left the INF due to Russia armed forces' development of intermediate- range nuclear forces, which violated the treaty, there is some possibilities that both countries would share the common military interests in dealing with the future nuclear forces of the emerging nuclear power, China. The issues resulting from the INF's demise, could change the essence of the deteriorated U.S.-Russia, Russia-China and Japan-Russia bilateral relationship.

Without a peace treaty, there are limits to Japan-Russia security cooperation including on the territorial question. Defense cooperation between Japan and Russia has been underway since 1999. Certainly, incidents of concern linger, such as repeated territorial incursions and Russia's military modernization of the Northern Territories, which show that security distrust from the Cold War has not been completely set aside. However, exploring new areas of security cooperation, along with sustaining areas with a prior record of success- economic and natural resource cooperation, shows that there is great significance to expanding the arena of Japan-Russia cooperation. After Putin's official visit to Japan in December 2016, the Russian side repeatedly mentioned the Northern Territories from the security and military aspects in relations with the U.S.-Japan security arrangement. Our negotiations about the disputed islands have just reached the strategic level from a utilitarian perspective. Even as the territorial negotiations proceed, along with broadening them, we can expect new areas of cooperation to emerge. The time has come when Japan, setting aside the China factor, should begin serious strategic discussions about how much to raise security cooperation with Russia.

JAPAN'S RUSSIA POLICY AT A CROSSROADS: NEW PHASE FOR GEOPOLITICS OF ENERGY

By Shoichi Itoh¹

Amidst deteriorating U.S.-Russia relations, Japan has stood out among G7 nations with its unique policy towards Russia. Tokyo opted not to make any condemnation of Russia's Novichok agent attack on a former spy that took place on British soil in March 2018. Japan, as a G7 member, ostensibly denounced Russia's illegal annexation of Crimea in March 2014, but Tokyo held back on falling in line with the United States and the EU in imposing economic sanctions against Russia. Japan announced little more than nominal sanctions with no serious effect on Russia so as not to embarrass President Vladimir Putin Russian based on the excuse of Japan's self-claimed "dilemma."²

Prime Minister Shinzo Abe returned to the premiership in December 2012 and made improving bilateral ties with Russia a top diplomatic priority. However, Japan's "headlong optimism" about Russia's would-be concessions on the territorial issue was completely smashed, despite President Putin's first visit to Japan in eleven years in December 2016. Prime Minister Abe's repeated public boasts of having built a robust and trusting relationship with the Russian leader have been betrayed by President Putin who effectively exploits Tokyo's approach as a symbol, for both his domestic audience and the international community, of the West's inability to form a united front against Russia.

Tokyo's special emphasis on improving relations with Moscow is also driven by rising concern about China rapidly expanding its sphere of regional and worldwide influence. Japan's anxiety has been driven by the remarkable development of the Sino-Russian partnership while Sino-Japanese relations are mired in a downward spiral with almost incessant military tension over the disputed waters in the East China Sea.³ The Abe administration, with its overall superficial understanding of the complexity of positioning China in Russia's Asia policy, initially, wishfully hoped to forestall further consolidation of Sino-Russian ties, but Japanese attempts to move closer to Russia for the purpose of hedging against China have born no tangible fruit to date.

The oil and gas sector has been Japan's main area of economic linkage with Russia over the past decades. However, the potential of the energy sector as a vehicle to further advance the bilateral partnership has diminished from the energy trade standpoint. A good amount of both liquefied natural gas (LNG) and crude oil has already been supplied from the Russian Far East to the Japanese markets especially with the completion of the Sakhalin-2 Project and the East Siberia – Pacific Ocean crude oil pipeline, coming into operation by the end of the 2000s and early 2010s,

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² Maria Shagina, "Japan's sanctions policy vis-à-vis Russia: Implications for Western sanctions unity", *Sasakawa USA Forum*, Issue No. 15, September 25, 2018.

³ The aggravation of Sino-Japanese relations seems to have touched bottom since 2017 against the background that the Abe administration found it a new big diplomatic agenda to feature the forthcoming 40th anniversary of the 1978 Sino-Japanese Peace Treaty partly with an aim to divert domestic attention from the disappointment about the outcome of President Putin's 2016 visit to Japan; and that Beijing was prompted to fix external relations on various fronts, including Japan, in the thick of worsening relations with the United States under the Trump administration.

respectively. However, Japan, which is at peak energy demand, can no longer easily absorb additional Russian oil and gas exports as before. It must also be underscored that the Abe administration has prioritized the LNG industry as an area of economic cooperation in view of capturing President Putin's attention, despite the fact that U.S.-Russia rivalry as LNG exporters is just beginning to intensify, and will continue to do so in the coming decades.⁴

Tackling an Old Problem with Pie-in-the-Sky Strategy

In the more than seven decades since the end of the Second World War, the Northern Territories issue has remained the most intractable problem between Japan and Russia (and its predecessor the Soviet Union), which at times denied existence of the territorial issue, or asserted that it had already been resolved.⁵ Japan's basic principle holds that the prerequisite for signing a peace treaty with Russia is to find a solution to the status of the four islands of the Northern Territories. Moscow traditionally insisted that economic cooperation could advance the bilateral relationship regardless of progress on the territorial issue. It was not until the late 1980s, during Mikhail Gorbachev's Perestroika period that Japan reviewed its previous principle of "inseparability between political and economic affairs", which had stipulated that there would be no economic cooperation without progress on territorial talks, though, even then, energy was an exceptional field of bilateral ties following the 1973 oil crisis. Since the late Soviet period, Japan adopted a "policy of balanced expansion", aiming to promote parallel economic cooperation and territorial talks. Tokyo has ever since virtually conceded to Moscow, accepting that the two parties would make little progress on the territorial issue unless economic cooperation precedes by building mutual confidence.

Tokyo has made all-out efforts with Prime Minister Abe stressing that Japan should overhaul its traditional policy towards Russia by taking a new approach unconstrained by the historical background since they have failed to see the territorial issue move forward "even by one millimeter."⁶ He disclosed more than once his unshakable conviction that President Putin would repay him for establishing a relationship based on trust.

The Japanese leader proposed the Eight-Point Cooperation Plan (EPCP) at the Sochi Summit Meeting in May 2016, which included energy as a priority area of cooperation. Prime Minister Abe's fond hopes of winning a concession from President Putin, however, ended in no more than fantasy, which was dashed in advance of President Putin's official visit to Japan in December of that same year. Moscow stressed its alarm that the territorial issue is not just a bilateral question, given Japan's security alliance with the United States.⁷ This was the same primary pretext Moscow used in the Soviet era to avoid territorial negotiations, which inevitably resulted in the bilateral dispute returning to the drawing board.

⁴ Shoichi Itoh, "Japan's Opaque Energy Policy toward Russia: To be Trumpled by Putin?" (forthcoming).

⁵ Japan claims that the Northern Territories, comprising four islands of Etorofu, Kunashiri, Shikotan, and Habomai, are "an inherent part of the territory of Japan" that have been under illegal Soviet or Russian occupation since 1945. Ministry of Foreign Affairs of Japan, "Japanese Territory- Northern Territories," April 4, 2014 <https://www.mofa.go.jp/region/europe/russia/territory/index.html>

⁶ Prime Minister's Office of Japan, "北方領土返還要求全国大会," February 7, 2017 https://www.kantei.go.jp/jp/97_abe/actions/201702/07hoppou.html [in Japanese].

⁷ Denis Pinchuk, "Putin links Japan peace treaty to Tokyo's alliances," *Reuters*, November 11, 2017 <https://www.reuters.com/article/us-apec-summit-russia-japan/putin-links-japan-peace-treaty-to-tokyos-alliances-idUSKBN1DB0BZ>

During President Putin’s visit to Japan, nonetheless, even without finding a breakthrough on the Northern Territories issue, the number of projects, signed between private and public sectors of the two countries in accordance with the EPCP, amounted to a total of more than eighty, including twelve intergovernmental agreements – “unprecedented in the history of Japan-Russia relations” in Prime Minister Abe’s self-congratulatory words.⁸

Japan in a “Geopolitical Wonderland”

The remarkable strengthening of the bilateral nexus between Moscow and Beijing over the past two plus decades, has elevated the relationship to what China terms a “comprehensive strategic collaborative partnership” in the Xi Jinping era. With no relief from Western sanctions imposed following Russia’s 2014 illegal annexation of Crimea in sight, Moscow has been compelled to further advance its ties with Beijing. Russia desperately needs Chinese investment as well as a partnership with a big non-U.S. power to avoid political isolation in the international community.

Tokyo views reinforced ties with Moscow as a hedge against Beijing. Japan has striven to prevent Russia from siding with China, which with its military buildup and surging economic wealth, is increasingly assertive in both regional and international arenas. Tokyo is particularly concerned about reinforcing the Sino-Russian nexus, which might gang up against Japan’s national interests and lead Moscow to endorse Beijing’s territorial claims in the East China Sea, disputed interpretation of Sino-Japanese history, etc.

The Abe administration initially held a very superficial grasp of Sino-Russian alignment by underestimating the unchallenged gravity of China in Russia’s Asia policy, and incredulously, but futilely, seeking to drive a wedge between Moscow and Beijing. By proactively enhancing economic cooperation, Tokyo has naively assumed that the importance of Japan relative to that of China as Russia’s partner would accordingly increase.

Even if it is hardly deniable that Russia will not easily weed out its historically deep-rooted distrust of China, it stands to reason that China’s importance to Russia’s geopolitical and economic calculus will never be replaced by Japan, which poses neither a security nor economic threat to Moscow’s Asia strategy. In the economics field, it is not only fait accompli that China tops Russia’s list of trade partners in both exports and imports, accounting for 15% of the total trade as of late 2017, but also that further dependence on the Chinese market and investment is indispensable for the Russian economy, particularly, the critical energy sector.

Russia apparently hopes to maximize Japan’s commitment to the Russian economy, especially in its Eastern regions, but Moscow is motivated by more than just economics. In contrast to Tokyo’s expectations, the more Japan is involved, the more Moscow’s concern about the geopolitical implications of China’s increasing economic projection onto Russian soil will diminish. Put another way, Tokyo’s proactive approach to strengthening ties with Russia paradoxically only increases the latter’s readiness to seek an ever closer partnership with China, which can provide far more financial resources, as well as market opportunities, than Japan.

⁸ Prime Minister’s Office of Japan, “日露共同記者会見” December 16, 2016
https://www.kantei.go.jp/jp/97_abe/statement/2016/1216kaiken.html [in Japanese].

China's Replacement of Japan as Russia's Growing Energy Partner

Russia's Diminished Weight for Japan's Energy Security

Since the 1973 oil shock, one of Japan's primary energy security concerns has been to diversify its crude oil imports, particularly to reduce dependence on Middle Eastern suppliers. In this context, Russia's special position in Japan's energy strategy dates back to the midst of the Cold War. Energy was an exceptional area, even within the context of Tokyo's traditional policy towards Moscow, which emphasized the inseparability of economic cooperation and development of territorial talks. Prime Minister Kakuei Tanaka (1971-1973) discounted Washington's protests and took the initiative to promote energy cooperation with Moscow, including possible Japanese investment in oil development in Western Siberia, which was not contingent on resolving the territorial question, although this proposal was eventually withdrawn.⁹

Japan and the Soviet Union launched talks on joint development of Sakhalin offshore projects in the 1970s. The Japanese government supported its domestic companies' participation in international consortia to ink production sharing agreements with the Russian government with regard to the Sakhalin-1 and the Sakhalin-2 projects in the mid-1990s.

Crude oil exports from the Sakhalin-2 Project commenced after the turn of the century, which was followed by the Sakhalin-1 Project in 2006. After the completion of the 3,000-mile-long East Siberian - Pacific Ocean (ESPO) crude oil pipeline, with its first and second stages completed in December 2009 and December 2012, respectively, Russia's crude exports to Japan increased tenfold from 2005 to a peak of about 300,000 barrels per day (b/d) in 2015, but began to decrease thereafter.¹⁰ Japan's oil demand is projected to contract by 2.4% per annum (p.a.) from 2016 to 2040.¹¹ Russia's shares of Japan's crude import portfolio fluctuated between 4% and 9% in 2010-2017, mainly reflecting spot market conditions.¹² Aside from the pricing issue, notwithstanding the planned expansion of crude export capacity through the ESPO pipeline, additional availability of crude supplies to the spot market for exports from the Kozmino Port, the endpoint of the pipeline's destination to the Pacific coast in the Russian Far East are levelling off, apart from volumes for shipment to China in accordance with long-term bilateral contracts.¹³

The Sakhalin-2 Project competed Russia's first LNG export facility in 2009, and Russia accounted for 9 to 10% of Japan's LNG imports from 2010 to 2017.¹⁴ Japan's natural gas demand, however, is also forecast to decrease by 0.6% p.a. from 2016 to 2040.¹⁵ Despite the very limited number of nuclear reactors restarted in the aftermath of the 2011 Fukushima Daiichi

⁹ Gerald L. Curtis, "Tyumen Oil Development Project", in Robert A. Scalapino (ed.), *The Foreign Policy of Modern Japan* (University of California Press, 1977), pp.147-173.

¹⁰ Federal Customs Service of the Russian Federation, *Customs Statistics of Foreign Trade* [in Russian]. For the details about the backgrounds of the ESPO pipeline, see Shoichi Itoh, "Sino-Russian Competition over Russian Oil", Robert E. Bedeski and Niklas Swanström (eds.), *Eurasia's Ascent in Energy and Geopolitics: Rivalry or partnership for China, Russia and Central Asia?*, (Routledge, 2012), pp.158-178; idem. *Russia Looks East: Energy Markets and Geopolitics in Northeast Asia*, Center for Strategic and International Studies, 2011.

¹¹ The International Energy Agency (IEA), *World Energy Outlook 2017 (WEO2017)*, p.708.

¹² Ministry of Finance, *Trade Statistics of Japan* [in Japanese].

¹³ China and Japan imported 73% and 12%, respectively, of oil shipment from the Kozmino Port in 2017. <http://en.kozmino.transneft.ru/press/news/?id=45561>

¹⁴ *Trade Statistics of Japan*.

¹⁵ *WEO2017*, p.708.

nuclear disaster, Japan's LNG imports have declined since 2015. Besides, the portfolio of Japan's LNG imports, in which Russia accounted for 9-10% in 2010-2017, is fairly diversified, unlike oil imports, which are heavily dependent on the Middle East.¹⁶

As the dramatically changing global gas landscape has been greatly impacted by the U.S. Shale Revolution, it has not been easy for Japan to identify an economically justifiable greenfield LNG project in Russia. Nevertheless, Tokyo produced twenty-three energy-related agreements, including in the LNG field, to feature in its all-out efforts in accordance with the EPCP for the purpose of hailing President Putin's visit to Japan in December 2016, although many of these agreements have not progressed beyond the initial memoranda of understanding phase.¹⁷

Sino-Russian Energy Interdependence

In sharp contrast to Japan's peaked energy markets, China has the world's fastest growing energy market. China surpassed the United States as the largest global oil importer in 2017 and is forecast to become the largest LNG importer in 2019.¹⁸ According to IEA estimates, China's demand for oil and gas is projected to increase by 1.1% p.a. and 4.3% p.a., respectively, from 2016 to 2040.¹⁹

It is clear that Russia's future as a huge hydrocarbon exporter will be most directly and deeply affected by its dependence on the Chinese market. Russia's crude oil exports to China increased by approximately fourfold from 257,000 b/d in 2010 to over 1,000,000 b/d in 2017, as China surpassed the Netherlands as the largest importer of Russian oil.²⁰ In September 2013, Rosneft, a Russian state oil company, agreed to double its oil supplies to 600,000 b/d to supply a total of \$270 billion to China National Petroleum Corporation (CNPC) over twenty-five years from the mid-2010s with upfront prepayment of up to \$70 billion.²¹ As recently as September 2018, Rosneft and CNPC inked an Agreement on Cooperation in Exploration and Production in the Russian Federation through which the latter acquires minority shares in the former oil and gas projects in Eastern and Western Siberia.²²

CNPC agreed to buy a 20% stake of the Yamal LNG Project from Novatek, Russia's largest independent LNG producer in June 2013 and the two parties signed a Heads of Agreement on CNPC's purchasing of 3 million tons p.a. of LNG over twenty years.²³ In March 2016, China's

¹⁶ Australia, Malaysia and Qatar accounted for 31%, 18%, 12%, respectively, of Japan's LNG imports in 2017.

¹⁷ Most documents remained at the stage of memorandum of understanding, partly reflecting the private sector's reservation, taking conceivable conflict with the Western sanctions into account. "Russia, Japan deepen ties with agreements on upstream, LNG cooperation," S&P Global Platts, December 18, 2016 <https://www.spglobal.com/platts/en/market-insights/latest-news/natural-gas/121816-russia-japan-deepen-ties-with-agreements-on-upstream-lng-cooperation>

¹⁸ *WEO2017*, 335, 378-9.

¹⁹ *WEO2017*, 700.

²⁰ Federal Customs Service of the Russian Federation, *Customs Statistics of Foreign Trade* [in Russian]. Russia's crude delivery by the spur pipeline from the ESPO pipeline to China doubled its maximum capacity to 600,000 b/d, starting in January 2018. The ESPO pipeline is also planned to increase crude shipment to the Kozmino Port from about 620,000 b/d to one million b/d by 2020.

²¹ Pinchuk, "Putin links Japan peace treaty to Tokyo's alliances."

²² Rosneft, "Rosneft and CNPC Agree on wider Cooperation in Exploration and Production," September 12, 2018 <https://www.rosneft.com/press/releases/item/192215/>

²³ Novatek, "Conclusion of heads of agreement on LNG supply with CNPC," October 22, 2013 http://www.novatek.ru/en/press/releases/index.php?id_4=793

Silk Road Fund bought a 9.9% stake of this project with Novatek receiving a fifteen-year loan.²⁴

Additionally, Russia's gas exports to China are set to expand drastically with the opening of Gazprom's "Power of Siberia-1" pipeline that stretches 2000 miles from the Russian Far East to China with a maximum annual capacity of 38 billion cubic meters (bcm), which is planned for completion by the end of 2019. A \$400 billion, 30-year deal was signed by Gazprom with CNPC in May 2014. Due to these developments, Russia's piped gas supplies to China are projected to increase to 25 bcm by 2023.²⁵

From the standpoint of reducing global energy market volatility, it can be said that emergence of a "self-contained" energy supply-demand linkage with Russia to maximize its energy supplies to China, the largest energy consuming country, is more than welcome. The East Asian region is in position to enjoy this "good fortune" with concern over intensifying competition among energy consuming nations reduced by Russia's additional massive energy supplies to China. This would also coincide with Japan and the Republic of Korea economies at near peak energy demand. As late as 2019, Japan and South Korea are still the second and third biggest LNG exporters, and are projected to fall only to fourth and fifth place, respectively, over the next five years.

Japan's Strategic Ambivalence on Energy Cooperation with the United States

U.S.-Japan LNG Link

Japan, which is entirely dependent on LNG imports, is undoubtedly one of the biggest beneficiaries of the U.S. Shale Gas Revolution that has triggered drastic changes in the global energy landscape.²⁶ The IEA predicts that LNG will increase its shares in the world's long-distance gas transportation from 39% in 2016 to some 60% in 2040,²⁷ and the United States is projected to become the largest LNG exporter by the mid-2020s.²⁸ Japanese gas companies, utilities, and trading houses have already signed on for a grand total of about 15 million tons (mt) p.a. of LNG to be supplied from the Lower 48 by the early 2020s, which is equivalent to nearly 18% of Japan's LNG imports as late as 2017.²⁹

Japan's concern about rising LNG procurement costs are reduced considerably by the growing impact of the U.S. Shale Gas Revolution on the global gas market.³⁰ Historically, Japan has procured LNG internationally at high costs due to the crude oil-indexed LNG pricing mechanism, and the rigidity of destination clauses, which prevent buyers from reselling LNG

²⁴ Novatek, "NOVATEK and China's Silk Road Fund Conclude Selling 9.9% Stake in Yamal LNG," March 15, 2016 http://www.novatek.ru/en/press/releases/index.php?id_4=1165

²⁵ IEA, *Gas Market Report 2018*, p.131.

²⁶ On the U.S. Shale Revolution's impact on the global energy market and geopolitics, see Meghan L. O'Sullivan, *Windfall: How the New Energy Abundance Upends Global Politics and Strengthens American Power*, Simon & Schuster, 2017.

²⁷ *WEO 2017*, 333.

²⁸ *WEO 2017*, 335, 378-9.

²⁹ This figure includes the volumes based on both purchasing and sales agreements and tolling agreements. Not all the LNG cargos will be destined for the Japanese market. Some Japanese buyers have gradually become portfolio players in the global LNG market.

³⁰ In the aftermath of the Fukushima Daiichi Nuclear Power Plant's accident in March 2011, Japan suffered from sudden increases of gas demand and the skyrocketed LNG prices and its annual trade deficits hit historical highs in the subsequent three years. The total cost of purchasing LNG in 2014 increased by about 2.3 times that of 2010. See Shoichi Itoh, "Japan's Energy Security in the Age of Low Oil Prices," the National Bureau of Asian Research, May 26, 2016. <https://www.nbr.org/publication/japans-energy-security-in-the-age-of-low-oil-prices/>

and restrict them to consumption of all the offtake volumes at the receiving sites, which are agreed to in advance in contracts with exporters. However, supplies from the U.S. Lower 48 states have triggered new trends in LNG trading with its gas pricing mechanism indexed to its domestic (i.e. Henry Hub) prices that are based on gas-to-gas price competition, independent of oil prices. The lack of destination clauses is another advantage of LNG imports from the Lower 48 states, which enables Japanese buyers to factor in globally expanding LNG markets unbound by the limited size of Japan's domestic market.

In addition to addressing market problems, increasing LNG imports from the United States holds exceptional potential for Japan's further diversification of its LNG supply routes. Energy transportation routes that cut across the Pacific Ocean, unlike the South China Sea or the Strait of Hormuz, essentially circumvent geopolitical concerns about conceivable exigencies that could impede or cut off supplies.

The Japanese government published its "Strategy for LNG Market Development" in May 2016, which aims to increase the share of spot and short-term contracts to replace long-term contracts; to abolish or relax destination clauses in order to foster arbitrage in LNG trading; and to promote transparency in LNG pricing mechanisms, which would more effectively reflect the global supply-demand balance of LNG.³¹

Washington and Tokyo agreed to set up Japan-United States Strategic Energy Partnership (JUSEP) as a part of the Japan-U.S. Economic Dialogue in November 2017 with an aim to achieve "development of a global market for natural gas" as one of its priorities on the bilateral cooperation.³² Consequently, a Memorandum of Cooperation to Support Japan-U.S. Cooperation on Energy Infrastructure in Third Countries was inked by the Ministry of Economy, Trade and Industry and the U.S. Trade and Development Agency.³³ The United States and Japan reached an agreement to enhance government support for LNG-related infrastructure development in the Indo-Pacific region with a virtual consensus to increase global capacity to absorb new LNG exports from the United States.³⁴

³¹ Ministry of Economy, Trade and Industry (Japan), "LNG市場戦略," May 2016

<http://www.meti.go.jp/press/2016/05/20160502003/20160502003-2.pdf>

³² Ministry of Economy, Trade and Industry, "Japan-United States Strategic Energy Partnership (JUSEP)", November 2017 http://www.meti.go.jp/english/press/2017/pdf/1107_001a.pdf

³³ Ministry of Economy, Trade and Industry, "Memorandum of Cooperation between Ministry of Economy, Trade and Industry Government of Japan and the United States Trade and Development Industry to support Japan-US Cooperation on Energy Infrastructure in Third Countries," July 2019

<http://www.meti.go.jp/press/2017/11/20171107002/20171107002-2.pdf>

Additionally, Overseas Private Investment Corporation (OPIC), a U.S. government agency, signed memoranda of understanding with Japan Bank for International Cooperation (JBIC) and Nippon Export and Investment Insurance (NEXI) in view of enhancing joint investment in economic infrastructure including the field of energy. Targeted regions include Asia, the Indo-Pacific, the Middle East, Africa, etc.

<https://www.jbic.go.jp/en/information/press/press-2017/1108-58390.html>;

<https://www.nexi.go.jp/en/topics/newsrelease/2017110701.html>

³⁴ U.S. Department of State, "Joint Statement of the Second Public-Private Sector Roundtable Discussion on U.S.-Japan Cooperation on Third Country Infrastructure," April 23, 2018.

<https://www.state.gov/r/pa/prs/ps/2018/04/281141.htm>

Tokyo's Endorsement of Russia's New Gas Ambition

Tokyo, nonetheless, has demonstrated an ambivalent approach to LNG cooperation with Washington. At the same time, Russia is now struggling to expand its LNG export capacity in order to compete against the United States. Russia is the world's biggest piped gas exporter, but is only now just hastening to increase its LNG supplies. The Yamal LNG, the second LNG project after the Sakhalin-2, which shipped its first LNG cargo in December 2017, is set to treble its maximum capacity to 16.5 mt p.a. by 2019. As late as June 2018, Russian Deputy Energy Minister Pavel Sorokin remarked that Russia might increase LNG production to 100-120mt by 2035 in June 2018,³⁵ while the United States is forecast to increase its liquefaction capacity to 104 mt (140 bcm) in 2025, and to over 126 mt (170 bcm) in 2040.³⁶

Despite difficulty in finding Japanese buyers for the Yamal LNG project, the Japanese government decided to join a multinational syndicated loan to finance the project, which coincided with President Putin's December 2016 visit to Japan.³⁷ As late as September 2018, Tokyo displayed willingness to further expand cooperation with Novatek by signing a Memorandum of Understanding to increase its LNG export capacity via additional projects including Arctic-2 LNG and to find new marketing opportunities for Russia in the Asia-Pacific region.³⁸

Russia: Bugged Down in a Geopolitical Paradox

The development of Arctic offshore areas is of vital importance to Russia in both security and economic terms. Due to increasing concern about geopolitical competition in the Arctic Sea, with gradual ice melting as a backdrop, Moscow has intensified its arctic strategy in order to reinforce its military capability and presence in what is known as the "Northern Sea Route." Russia seeks to deter encroachment on its sphere of influence, including territorial rights, by the other major powers. Moscow not only aims to stave off gradual naval projection of the United States,³⁹ but is also increasingly concerned about Chinese "economic activities."⁴⁰

Russia finds in the changing Arctic, new economic potential for offshore oil and gas development as well as commercial seaborne transportation.⁴¹ Ironically, however, the Arctic region is exactly where Moscow is being overwhelmed by its growing anxiety about the

³⁵ Oksana Kobzeva and Olesya Astakhova, "Russia to boost presence on global LNG market, helped by lower costs," *Reuters*, June 1, 2018 <https://www.reuters.com/article/us-russia-lng/russia-to-boost-presence-on-global-lng-market-helped-by-lower-costs-idUSKCN1IX4FI>

³⁶ *WEO2017*, p.378-379.

³⁷ Yamal LNG, "Yamal LNG Signed Loan Agreement with JBIC," December 16, 2016 www.novatek.ru/common/upload/doc/Yamal_LNG_JBIC_Eng.pdf

³⁸ JOGMEC, "JOGMEC and NOVATEK Signed a Memorandum of Understanding," September 10, 2018 http://www.jogmec.go.jp/english/news/release/news_03_000002.html

³⁹ Robbie Gramer, "Here's What Russia's Military Build-Up in the Arctic Looks Like", *Foreign Policy*, January 25, 2017. <https://foreignpolicy.com/2017/01/25/heres-what-russias-military-build-up-in-the-arctic-looks-like-trump-oil-military-high-north-infographic-map/>

⁴⁰ According to the U.S. Geological Survey, the Arctic area has up to 22% of the world's undiscovered technically recoverable oil and gas resources, 58% of which belong to Russia. James Henderson and Julia Loe, "The Prospects and Challenges for Arctic Oil Development", The Oxford Institute for Energy Studies, November 2014, 1, 23.

⁴¹ Oki Nagai, "China and Russia battle for North Pole supremacy: Melting ice and ample resources spark race with US over Arctic", *Nikkei Asian Review*, April 10, 2018. <https://asia.nikkei.com/Spotlight/Asia-Insight/China-and-Russia-battle-for-North-Pole-supremacy>

geopolitical threat from China, despite the fact that Russia badly needs Chinese investment and China's market in order to accelerate energy development, including LNG projects, in the Arctic Region.⁴² In February 2018, China proclaimed a concept for a "Polar Silk Road" stretching across the Arctic Sea as an extension of Beijing's "One Belt, One Road" Initiative (OBOR).⁴³ Moscow's skepticism about Beijing's intentions, and whether its Arctic projection can be confined to economic aims, is simmering.

Presidents Putin and Xi Jinping agreed on bilateral efforts to seek synergy through cooperation between the Russia-led Eurasian Economic Union (EEU) and China's OBOR in May 2015.⁴⁴ However, this agreement has entailed minimal concrete interest from Russia, aside from its rhetorical importance to highlight the Sino-Russian strategic partnership on the global stage.

In the meantime, China's expanding economic influence across the Eurasian continent, including in Russia's own soil and former Soviet sphere of influence, is stunning. Consequently, no one else but the Chinese are prepared to make more extensive commitments to develop the Russian Far East, which accounts for more than 40% of Russia's total land area.⁴⁵ Moscow is in no position but to remain on the sidelines as it watches a marked increase in Chinese economic activity on Russia's southern fringe, including in Central Asia and the Caucasus. China has also stepped up its economic engagement with Central and Eastern European states through Beijing's "16+1" initiative. In short, if China begins to emerge as a presence in the Arctic as well, it would likely spur Russia's centuries-long "besieged fortress" mentality, and further enhance Russian elite sentiment that their country is backed into a geopolitical corner.

Conclusion

It is hardly deniable that Tokyo failed to understand President Putin's Machiavellian management of geopolitics vis-à-vis Japan. The Abe administration's so-called "unconventional approach" to strengthening ties with Russia on the basis of a "trusting relationship" between national leaders and unprecedented economic cooperation, even at the expense of Western solidarity, has resulted in little more than unrequited affection from the Abe government towards Russia with little direct benefit to Japan's strategic objectives, including on the territorial issue and using cooperation with Russia as a hedge against China.

In the midst of radical changes in the global energy market, particularly the rapid growth of LNG market triggered by the U.S. Shale Gas Revolution, Moscow has embarked on a full-scale effort to become another LNG superpower to countervail the United States, which will be the world's largest LNG exporter by the mid-2020s. It is critical to clarify the meaning of Tokyo's proactive endorsement of Russia's LNG strategy, which coincides with joint US-Japan efforts to shape the future global LNG market with an aim to maximize LNG exports from the Lower 48. Russia's

⁴² Sydney J. Freedberg Jr., "China & Russia In The Arctic: Axis Of Ambivalence", *Breaking Defense*, September 18, 2018 <https://breakingdefense.com/2018/07/china-russia-in-the-arctic-axis-of-ambivalence/>

⁴³ "China unveils vision for 'Polar Silk Road' across Arctic," *Reuters*, January 26, 2018 <https://www.reuters.com/article/us-china-arctic/china-unveils-vision-for-polar-silk-road-across-arctic-idUSKBN1FF0J8>

⁴⁴ "China, Russia agree to integrate Belt initiative with EAEU," *Xinhua*, May 9, 2015 http://www.xinhuanet.com/english/2015-05/09/c_134222936.htm

⁴⁵ Paul Goble, "Chinese Behavior in Siberia Sparks Local Anger Against Beijing—and Moscow", *Eurasia Daily Monitor*, Vol.15, Issue 98, 2018. <https://jamestown.org/program/chinese-behavior-in-siberia-sparks-local-anger-against-beijing-and-moscow/>

LNG ambitions are not only confined to increasing market share, but also closely correlate with its military strategy, especially concerning the intensifying geopolitical competition in the Arctic.

Despite its vast geographical territory in the Asia-Pacific, Russia has virtually no resources apart from hydrocarbons, which it can leverage to seek a greater economic role in the region. In this context, deepening Sino-Russian energy interdependence is already on an irreversible track over which neither Washington nor Tokyo should be concerned. By simply standing on sidelines, the global energy market can enjoy Russia's contribution to the stabilization of the world's largest oil and gas markets.

Even if it is likely that Moscow will be compelled to seek an ever closer economic and political partnership with China, so long as the former's relations with the West remain deadlocked or worsens, Russia's simmering concern about excessive dependence on the neighboring dragon is unlikely to be substantially reduced. Overall, an appeasement policy toward Moscow would be counterproductive to the extent that it would likely precipitate more relaxed Russian attitudes towards Beijing resulting in further strengthening of China-Russia ties rather than driving them apart. This is evidenced by Tokyo's betrayed wishful thinking about President Putin.

UNCERTAIN SUITORS, HEDGING BETS: RUSSIAN GAMBLES IN NORTHEAST ASIA

By Nikolas Gvosdev¹

Russian ambitions in Northeast Asia and how Russia views its relations with Japan and the United States through the prism of this region are refracted through a set of enduring goals that define Russian foreign policy. Russia balances its role as a regional power in Northeast Asia against its interests in other parts of the world and in the context of its overall global perspective. In practice this means, however, that Russian policy in the region is pulled in different and sometimes contradictory directions. Sometimes, Russian policy in Northeast Asia is driven by an assessment of how to best realize Russian strategic interests in this specific area of the world; on other occasions, Russian policy in the region is deliberately subordinated to achieving Russian goals or objectives elsewhere. Despite the declaration in 2010 that Russian foreign policy would undergo a *povorot na Vostok*—a turnabout to the East analogous to the contemporaneous pivot or rebalance to Asia announced by the United States, Russia toggles back and forth between different “vectors” that argue for different priorities in Russian statecraft. Finally, uncertainties within the Russian national security establishment as to whether China will eventually turn out to be a strategic partner or a competitor are reflected in its haphazard outreach to other Northeast Asian states, especially Japan, as are ambiguities surrounding Moscow’s view of what role the United States ought to play in the region.

Overall Russian Foreign Policy Objectives

Despite changes in governance from the tsars to Communists to post-Soviet leaders, there are a set of consistent Russian interests that have long shaped the country’s foreign policy. One is geography: the reality of long, undefended land borders and the existence of choke points that, in hostile hands, cut Russia off from intercourse with the larger world. Securing the Russian heartland from foreign assaults has always been a primary objective of the Kremlin. To do that, Russia—in its various incarnations as an empire, the Soviet Union or the post-Soviet Russian Federation—seeks to project its influence and power outward and, whenever possible, to install and maintain friendly governments all about its periphery.

Due to the sheer size of the country’s landmass, Russia has few alternatives but to pursue a multi-vector foreign policy. Even though the core of the country’s population is concentrated in European Russia and, up to this point, most of its foreign trade has been with Europe, the Russian government must also consider the country’s vulnerabilities and risks that emanate from the Middle East, South Asia, the Arctic and the Far East—each of which Russia’s leaders see as within the neighborhood—as part of their strategic calculus. Russia has no choice but to be involved in global affairs and must assess what areas of the world matter most to its national security at any given time.

Linked to the country’s geographic position is the reality that Russia is not one of the world’s key economic centers and as a result, risks isolation. Thus, the Kremlin also assigns priority to

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managing its economic development challenges—in turn seen as critical to maintaining the industrial and financial base necessary for national security, and particularly for Russia's military-industrial complex. Russia's defense requires the development and production of fifth-generation weapons systems, which can only occur if the Russian economy continues to modernize.

Russia has long sought partners who can assist in the ongoing modernization of its economy and the development of its resources and industrial capacity. For Russia, it is also a vital necessity to secure linkages with its principal trading partners free from interruption by hostile states.

Russian concerns with isolation and backwardness fuel a third major consideration: amassing and retaining sufficient power, status and influence in both nearby regions and in the international system as a whole to remain an “agenda-setting” country rather than accepting a subservient position as an “agenda-taker.” Ever since the collapse of the Soviet Union, the pre-eminent fear of the Russian political elite is the emergence of an order where the European Union, China, Japan and the United States would be able to bypass Russia altogether in charting the course of the international system.

Preserving Russia's great power position, therefore, requires pursuing several supporting objectives. The first is to consolidate an effective Russian political, security and economic sphere of influence in the Eurasian space, where Russia's interests are recognized as paramount not only by regional states, but also by other major power centers. In recent years, Russia has spearheaded the development of new institutions such as the Collective Security Treaty Organization (CSTO) and the Eurasian Economic Union (EEU), which reflect this approach. Moscow has also encouraged other major powers (such as China) or blocs (such as the European Union) to engage with these organizations and thereby to recognize Russia's leading position in this region. The second is to ensure that Russia has a voice—and to the extent possible, a veto—in all major international and regional organizations and that no major action—especially U.S. military action around the world—takes place without the requisite imprimatur of these bodies.

Even with the deterioration of U.S.-Russia relations, the Kremlin, albeit more grudgingly over time, recognizes the value of U.S. leadership within the current international system for facilitating and maintaining a global system of commerce and trade from which Russia derives clear benefits. Initially, after the collapse of the USSR, the Boris Yeltsin administration assumed that pursuing a close strategic partnership with the United States would be the best way to preserve Russia's diminished great power position. Over time, the Kremlin shifted its approach because of concerns that the United States was not interested in limiting the scope or reach of its interventions, and was not prepared to give Russia any sort of substantive consultative role in the running of the international system. A series of interventions, from Kosovo to Iraq, cemented Moscow's view that Washington's actions are unpredictable, erratic, and opposed to Russian efforts to regain great power status. Thus, one of Russia's objectives has been to place limits on American freedom of action around the world, to compel the United States to consult with other major powers and to take their preferences and interests into account.

Moscow shifted to a strategy of encouraging multipolarity and trying to harness the dynamism of the rising powers of the Global South and East to counterbalance the Euro-Atlantic bloc from which Russia remained partially excluded. To compensate for those organizations and groups in which Russia is not a member—especially if that exclusion has occurred at the behest of the United States—Russia seeks to balance American power projection and influence around the world by sponsoring the formation of alternate bodies in which the United States is not a member, such as the Shanghai Cooperation Organization (SCO) or the Brazil-Russia-China-India-South Africa (BRICS) forum. Russia has also played lead role in organizing unofficial groupings such as the Astana process, which comprises Russia, Turkey and Iran as co-sponsors of a Syria peace process that deliberately excludes the United States from any proposed solution.

This shift has re-introduced a degree of ideology into Russian foreign policy. After the fall of the USSR, Russia rejected Marxism-Leninism as an ideological base for strategic action. However, in encouraging multipolarity to offset Western dominance in the international system, Moscow has committed itself to supporting what is sometimes termed a “neo-Westphalian” approach to foreign affairs that emphasizes the absolute importance of state sovereignty over the demands and requirements of any sort of “international community.” This approach includes what presidential aide Vladislav Surkov has termed “sovereign democracy”: the right of any country to set its own standards for governance, democratic practice and human rights above Western efforts to promote so-called “universal standards.” In bodies like the United Nations, the G-20, or the International Monetary Fund, Russia has aligned itself more closely with the non-Western states to demand revisions to the rules of the international system. Former Foreign Minister and later Prime Minister Yevgeny Primakov exemplified this approach.

To establish genuine multipolarity, Russia would need to pursue a strategic partnership with China that could counterbalance the United States and check its tendencies towards unilateral action.² Russia would expect China to bankroll efforts like the SCO and the BRICS forum. Russia’s national security elites thus see a rising China as a partner, but also realize that as Beijing establishes itself, it may become more of a competitor to Russian interests and goals. Thus, the Russian approach to China has been characterized by the Chinese as “strategic vacillation”—when Russian relations with the United States are positive, ardor for partnership with China cools; when ties with the West worsen, Moscow typically moves closer to Beijing.³

After the Ukraine crisis erupted in 2014, Russia made a deliberate show of closer ties with China to demonstrate that the United States and Europe could not dictate terms for Russia’s “good behavior” in the international system and that, facing sanctions and pressure from the West, Russia could indeed pivot eastward. In 2018, the arrival of Chinese naval vessels alongside their Russian partners in the Mediterranean and Baltic Seas, and the participation of Chinese troops in massive Russian war games meant to simulate an armed conflict with the North Atlantic Treaty Organization (NATO) were intended to signal to the United States that Russia could not be isolated or threatened. Nevertheless, Russian efforts to make China a more capable and effective

² Nikolas K. Gvosdev and Christopher Marsh, *Russian Foreign Policy: Interests, Vectors and Sectors* (Los Angeles, CA: SAGE, 2013), 129.

³ Gvosdev and Marsh, 142.

partner as part of a strategy to check Washington, creates problems with Russia's other partners in Asia, notably India, and pushes them closer to the United States. Moreover, as Russian politicians themselves privately admit, a more assertive and capable China could also threaten Russia's own long-term strategic interests.

In colloquial terms, the challenge for Russia is to figure out how the bear can dance with the dragon to fend off the eagle but, at the same time, avoid any suffocating embrace by China. A report issued by the Russian International Affairs Council (RIAC) succinctly sums up: "Russia's interests cannot be fully aligned with the interests of either the U.S. or China."⁴ This is true not only at the global level, but also when it comes to Northeast Asian security more specifically.

Overview of the Russian Approach to Northeast Asia

In the context of Northeast Asia, Russia's overall foreign policy objectives outlined in the last section take on a distinct regional coloring. First, Russia wants to secure and develop East Siberia and the Pacific maritime provinces and ensure they remain connected to the center in Moscow. Second, the Kremlin wants to incentivize neighboring countries to become and stay invested in seeing the Russian Far East remain in Moscow's jurisdiction. Finally, the Russian government is adamant that no economic or security architecture be created in the region without Russia's input and full participation.

In the absence of any other pressing considerations, these three principles guide the conduct of Russian policy in the region. They have been expressed in a series of national security documents and were codified by then-President Dmitry Medvedev in July 2010 after a conclave in the Far Eastern city of Khabarovsk. However, Russian policy has also shown a willingness to accept trade-offs in pursuing Moscow's Asia-Pacific strategy if it boosts Russian interests in other regions. This is because, as Fiona Hill and Bobo Lo have observed in 2013:

Asia remains a sideshow in Russian foreign and security policy. For all its posturing about turning Russia into a hub of intra-Asian trade and cooperation, Moscow's strategic focus is still stuck on the West — its population is mostly in the West, its economic ties are mostly to the West, and its official military doctrine remains fixated on the United States and NATO. That will remain true for the foreseeable future.⁵

The so-called "Khabarovsk Initiative,"—and President Vladimir Putin's subsequent "Greater Eurasian Partnership" proposal advanced in 2016, represent attempts to move past what Lo and Hill described as Russian disaggregation of its foreign policy goals in Asia from its European priorities. This would be done by linking the development of the Russian Far East and Eastern Siberia to the engine of Northeast Asian economic growth. A key step for Moscow is to prioritize economic development in Russia's Far East in relations with regional states—starting

⁴ V.V. Sumskii, E. A. Kanaev, and E. V. Koldunova, *Interesy Rossii v Aziatsko-Tikhookeanskom Regione: Bezopasnost' i Razvitie* (Moscow: Rossiiskii Sovet po Mezhdunarodniim Delam, 2012), 21, at http://russiancouncil.ru/common/upload/RIAC_ATR.pdf.

⁵ Bobo Lo and Fiona Hill, "Putin's Pivot: Why Russia is Looking East," *Brookings Institution*, July 31, 2013, at <https://www.brookings.edu/opinions/putins-pivot-why-russia-is-looking-east/>.

with Japan, Korea, China, India, and Vietnam—rather than pressing for their support for Russian policies in Europe or the Middle East.⁶ As the Khabarovsk Initiative was being launched, Russian parliamentarian and foreign policy commentator Vyacheslav Nikonov was arguing that Russia should not view itself as a European power with interests in Asia but re-conceptualize itself as a “Euro-Pacific” state with a more balanced foreign policy approach.⁷ Furthermore, the 2014 Ukraine crisis appears to have been a galvanizing moment in Russian foreign policy by calling into question the utility of putting Russia’s Western objectives ahead of its Asia strategy, given Russia’s vulnerabilities to overdependence on the European vector. Today, there is much more debate about the desirability of continuing to subordinate Russia’s Asia objectives to foreign policy goals in Europe or the Middle East. This builds on Putin’s 2013 declaration that the “development of Siberia and the Far East is Russia’s national priority for the 21st century.”

Under the right conditions, a strategic partnership with China would be the best guarantor of these interests. At the same time, a China ascending to superpower status is itself the greatest threat to the realization of Russia’s objectives for Eastern Siberia and the Far East because of the risk that, over time, China would be in a position to dictate terms that are unfavorable to Moscow.⁸ Thus, cultivating China’s support—while hedging against it by creating linkages with other Asian powers has been a hallmark of Russian policy. At the same time, while the United States is also interested in creating a stable balance of power in the region to contain the rise of Chinese power, Washington has mixed feelings about empowering Russia in the process out of concern that a vibrant Russian Pacific coast strengthens Moscow’s ability to create impediments for U.S. policy not only in that region, but in the European and the Middle Eastern theaters as well. U.S. allies in the region—notably Japan and South Korea—want to prevent the emergence of a full-blown Russia-China entente in the region. Nevertheless, their unwillingness to fully break with the Russia policy undertaken by their principal strategic patron, the United States, has thus far constrained their ability to cultivate ties with Moscow.

Uncertainties within the Russian national security establishment as to whether China will emerge in the long run, as a strategic partner or a strategic competitor are reflected in Moscow’s haphazard outreach to other Northeast Asian states, especially Japan, but also the United States. Carnegie Moscow Center expert Alexander Gabuev has described the guiding imperative of the Russian strategic approach in Northeast Asia as being driven by the “desire not to alienate any of its regional partners, most notably China.”⁹ This, in turn, “has resulted in a two-faced approach to many practical issues.” Gabuev goes on to note:

⁶ See also the discussion in Aleksei Zakharov, “The 3 Dilemmas for Russian Policy in Asia,” *The Diplomat*, February 22, 2018, <https://thediplomat.com/2018/02/the-3-dilemmas-for-russian-policy-in-asia/>.

⁷ “Russia should consider itself a Euro-Pacific power – political scientist,” *RT*, October 18, 2010, <https://www.rt.com/news/russia-asia-europe-nikonov/>.

⁸ For a discussion of these risks, see, for instance, Alexander Lukin, “Russia, China and the Emerging Greater Eurasia,” *The Asan Forum* 3:4 (2015), at <http://www.theasanforum.org/russia-china-and-the-emerging-greater-eurasia/>.

⁹ Alexander Gabuev, “Deciphering China’s Security Intentions in Northeast Asia: A View from Russia,” *Joint U.S. Korea Academic Studies* (2016), 62, http://keia.org/sites/default/files/publications/joint_us-korea_2016_-_china_russia.pdf.

On the one hand, Moscow has sided with Beijing's position on North Korea, was silent on any Chinese moves regarding the Senkaku/Diaoyu Islands, and has joined hands with Chinese voicing concerns about U.S. plans to install components of the American missile defense system in Northeast Asia. At the same time, Moscow has refrained from directly supporting China's territorial claims in the East China Sea, was cautious about selling Russia's most advanced weapon systems to the PLA, and has invested a significant effort in upgrading its military posture on the eastern flank.¹⁰

This ambivalence has likewise contributed to Russian reluctance to spend limited resources and political capital to assume any sort of lead role in advancing a vision for regional affairs. This is ironic, given that one of Moscow's traditional foreign policy objectives has been to insert Russia as a player at any table where international and regional agendas are discussed. Nevertheless, despite the optimism advanced in 2005 by former Japanese foreign minister Yoriko Kawaguchi, former South Korean foreign minister Choi Sung-Hong and Eurasia Group founder Ian Bremmer that the Six-Party talks on North Korea might serve as the genesis of a more permanent regional forum in which Russia would be one of the members¹¹, Russia is not prepared to work through opposition from China, the United States, Japan, South Korea and even India to the compromises that each would require in order to make such a system work.

Thus, Moscow avoids, to the largest extent possible, having to take decisions that would lead to major dissatisfaction on the part of either China on the one hand, or Japan, South Korea, India and the United States on the other. Instead, Russia's goal is to try and navigate among these countries to strengthen its position in the region.

The Japan Factor

Historically, Russia and Japan have competed for influence and position in Northeast Asia. Japan's role as the linchpin of America's Cold War containment of the USSR in East Asia, and unresolved territorial issues from the Second World War have combined to leave an enduring legacy of mutual mistrust that colors present-day relations. Despite the genuine desire of successive Japanese Prime Ministers, notably Shinzo Abe, to seek rapprochement with Russia, a major breakthrough in Russia-Japan relations remains elusive.

In addition to lasting bilateral challenges in Japan-Russia relations, Japan's status as an integral part of the overall Western alliance and a treaty ally of the United States further complicates its relations with Moscow. As a member of the G-7, Japan acquiesced to the ejection of Russia from the forum after the annexation of Crimea, joined the imposition of economic sanctions because of Russian policy in Ukraine, albeit less enthusiastically than others, and is playing a leading role in the shaping of the so-called "Quad", which comprises Japan, India, and Australia, along with the United States, in an effort to shape the overall trajectory of the Asia-Pacific region. That

¹⁰ Gabuev, 60.

¹¹ Ian Bremmer, Choi Sung-hong, and Yoriko Kawaguchi, "A New Forum for Peace," *The National Interest* 82 (Winter 2005/2006), 107-111.

process clearly excludes Russia and threatens to erode Russia's long-standing strategic partnership with India as well as with other regional states like Vietnam.

Yet, despite these problems, the Russian strategic elite understand the importance of improving relations with Japan. The above-referenced RIAC report made this point clear: "Russia needs a friendly Japan as a resource for modernization and as an element in the geo-political balance in Northeast Asia."¹² In turn, Japan has been "seeking for a breakthrough to vitalize economic cooperation and ultimately resolve its territorial issues with Russia."¹³ Since 2012, the Abe administration has engaged in a major, ongoing diplomatic effort with the Putin government to try and isolate the roadblocks in the Moscow-Tokyo relationship and to concentrate on areas where progress can be made. In essence, Abe has argued that Japan is in a position to help realize the Khabarovsk Initiative by contributing to the development and modernization of the Russian economy in the region, and that it is in both countries' interests for Russia not to become overly dependent on Chinese markets and investment. An economically-robust Russian Far East would not only increase demand for Japanese goods and services, but would also incentivize Russia to adopt a more equidistant approach in its relations between Beijing and Tokyo.

Nevertheless, despite the compelling strategic logic of such an alignment, progress continues to prove difficult. This is due, in part, to different strategic assumptions. In Japan, the belief was that Russia would be prepared to compromise on matters such as the Kuril islands—and to offer some movement on the Ukraine issue to give Japan greater political cover with its G-7 partners—in order to overcome problems associated with U.S. and European sanctions and continued challenges in modernizing the region and securing the Russian hold on its Far East. Moreover, Japan assumed that Putin would have much more credibility after the annexation of Crimea, and hence, latitude to compromise on the Kurils. By riding the wave of nationalistic legitimacy after the "return" of Crimea, Putin could help dispel the idea that returning the islands would be tantamount to diminishing the territory of Russia—which was a major concern for earlier Russian administrations, given the sensitivities about the "loss" of territory following the collapse of the USSR. However, in the Japanese estimation, these anxieties would have been more than compensated by the addition of Crimea to the Russian Federation.

Russian strategic assumptions take a different tack, which explains Moscow's apparent recalcitrance to compromise with Tokyo. First, the Russian view is that China, in the long run, poses an existential threat to Japan, its economic position and its security. Second, the United States, particularly under the Donald Trump administration, is proving an unpredictable and unreliable ally. Thus, it is Japan that needs to hedge and balance against China by reaching out to Russia, not vice versa. As a result, Moscow can afford to wait and is not compelled to make premature concessions to Tokyo. Moreover, the Russian foreign policy establishment believes that Japan needs Russia to remain an active economic, political and even military player in Northeast Asia in order to balance China. From this perspective, Japan will have to part ways

¹² Sumskii, Kanaev and Koldunova, 21.

¹³ Park Joungho, Kang Boogyun and Min Jiyoun, "Recent Development of Russia – Japan Economic Relations and Implications for Korea," *World Economy Brief* 8:3 (January 29, 2018), 2, <https://think-asia.org/bitstream/handle/11540/7935/WEB%2018-03.pdf?sequence=1>.

with the United States if, particularly in a post-Trump administration, U.S. policy towards Russia truly seeks to bring the Russian economy to its knees. Thus, Putin and his national security team remain confident that time is on their side and that Japan will, over time, be prepared to reduce some of its demands in order to pursue a closer economic and security relationship with Russia even if such a development is opposed by the United States.

Benchmarks Moving Forward

Russia assumes that it can pivot to Northeast Asia, balance between China and its neighbors, promote its own economic development and modernization, retain its influence as a Pacific power, and do so without making major concessions to the United States in Europe, the Middle East or especially in its domestic governance. These assumptions, however, depend on continuation of current trends. Major shifts or sudden discontinuities could force a re-evaluation of Russian foreign policy objectives.

The first key factor is the extent to which U.S.-Russia relations continue to deteriorate, especially whether Washington imposes major new punitive sanctions on Russia—and the extent to which the United States makes compliance with this economic pressure on Russia one of the central organizing principles of its relations with key European and Asian allies. This could force the Russian government to bow to the inevitability of accepting a subordinate role to China in Northeast Asia and globally to retain a degree of political and economic autonomy and to safeguard some portion of its Eurasian sphere of influence from Western interference (if not from Beijing’s growing reach). On the other hand, increased U.S. pressure could eventually isolate Washington, if key allies—starting with Germany and Japan—decide that a weakened Russia driven even further into China’s embrace threatens their own national interests—and as a result, break with a U.S. strategy of intensified economic and political pressure on Russia. Indeed, America has already left both European governments and Japan behind in applying its more recent sanctions. Russia’s recent decisions to reverse its earlier reluctance to sell its most advanced military equipment to China, which will enable China to more rapidly advance its military development—was a worrisome signal to Tokyo (and to Seoul and New Delhi) that under economic duress, Moscow may be forced to take steps (such as selling advanced military technology to China) that do not serve the interests of China’s other neighbors.

The second question is whether China is prepared to court Russia by offering much more attractive terms for an entente. After the West imposed Ukraine-related sanctions on Russia in 2014, Moscow initially boasted that a pivot to China would alleviate the pressure. However, since then, the record of the China’s “lifeline” to Russia has been mixed. China has sought maximum advantage for minimal investment. Russian doubts about backing too far into dependence on China have been reinforced by haggling over gas, oil and other commodity prices; differences over the degree of control and influence China should have over different sectors of the Russian economy in return for its investment; Beijing’s aspirations for a greater presence and more influence in the Russian Arctic; and the extent to which China’s Belt and Road Initiative (BRI) projects undermine, rather than enhance, Russia’s Eurasia project. Russia’s efforts to cultivate the Middle East as an alternate source of investment—with a major stake in the Russian state oil major Rosneft going ultimately to Qatar rather than to China—reflects

Moscow's desire to show China that even after 2014, Russia is not desperate for Chinese investment and capital. Xi Jinping may ultimately conclude that China must be more generous with Russia in order to secure a more durable partnership that enables Beijing to continue its efforts to redefine the East Asian order.

The third consideration is whether events in Europe, as well as in the Middle East, allow Russia to pivot back towards the West—and encourage the United States to acquiesce in this. Russia's shift towards Northeast Asia was a product, in part, of the relatively united and durable front forged on Russia after 2014, especially through the joint efforts of then-U.S. President Barack Obama and German chancellor Angela Merkel. The Trump administration's growing rift with European allies over trade and NATO, the dramatic collapse of U.S. –Turkey relations, and the growing rapprochement between Russia and Saudi Arabia, reflected most notably in cooperative efforts to regulate global energy markets, might cause Russia's foreign policy establishment to reprioritize Russia's western and southern flanks as the most important areas for the Kremlin and to diminish the immediacy of focusing on East Asia. The 2014 “scare” that Russia was too dependent on Europe to achieve its goals of economic growth and modernization may recede if leading European countries suspend or drop the sanctions that impelled Russia to look eastward in the first place. Washington's assertive opposition to this, particularly through secondary sanctions on major European firms, might serve only to exacerbate transatlantic differences.

Right now, Russian policy in Northeast Asia remains grounded in short-term transactional considerations. Whether a long-term shift in Russian priorities designed to deepen integration in the region moves forward will depend both on Russian assessments, but also on whether regional powers like China and Japan feel that it is in their interests to see Russia become a truly integral Asian player.

U.S. POLICY GOALS WITH RUSSIA IN A BROADER ASIAN CONTEXT

By Andrew C. Kuchins¹

Since 2014 and the onset of the Ukraine crisis, U.S. policy has explicitly sought to contain Russia as a strategic adversary and to weaken it through economic sanctions.² Sanctions have increased in severity, and in August 2017, the US Congress codified them as law through the Countering America's Adversaries through Sanctions Act [CAATSA].³ These and further sanctions over the past year have been imposed not only in response to Russian actions in Ukraine, but also Syria, interference in the 2016 U.S. presidential election, human rights violations, corruption, etc. Neither the Congress nor the administration have established clear criteria for steps that Russia would need to take to have sanctions lifted, and Russian elites have resigned themselves to being under sanctions for years, if not decades.⁴ NATO has taken measures to increase deterrent capabilities of member states neighboring Russia for the first time since the collapse of the Soviet Union, and the Trump administration approved arms sales to Ukraine in 2017, a step that the Obama Administration had rejected. In sum, the United States and Russia are at an impasse deeper and more dangerous than the Cold War in the early 1980s, and the conflict continues to grow.

Looking at U.S. Russia policy in an Asian context, U.S. security strategy has similarly defined China as a strategic adversary. At the same time, the Trump administration has imposed tariffs on China that amount to approximately \$250 billion to date, and if the two sides fail to resolve their impasse in ongoing talks, the result may be a much broader trade war between the world's two largest economies. Facing US pressure, Moscow and Beijing have become strategically and economically closer in recent years. This was more than symbolically demonstrated in September 2018 with Chinese participation in the Vostok (East) military exercises, which Moscow called the largest on Russian territory since 1981, as well as the major IT partnership announced at the Eastern Economic Forum between Chinese e-commerce giant Ali Baba with Russia's cellular service provider Megafon, Mail.ru, and VEB (state-owned Foreign Economic Bank) and the Russian Direct Investment Fund.⁵ At the forum, Russian President Vladimir Putin also embarrassed Japanese Prime Minister Shinzo Abe in the presence of Chinese leader Xi Jinping with a completely unacceptable proposal regarding signing a post-War peace treaty (the dispute over the Northern Territories/South Kuril islands has prevented Japan and Russia from signing an official peace treaty ending World War II).

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² The White House, *National Security Strategy of the United States of America*, December 18, 2017, <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>

³ U.S. Congress, House, *Countering America's Adversaries Through Sanctions Act*, 'HR 3364, 115th Cong., 1st sess., introduced in House January 3, 2017, https://www.treasury.gov/resource-center/sanctions/Programs/Documents/hr3364_pl115-44.pdf.

⁴ Author discussions with Russian scholars, government officials, and businessmen in Moscow in May, July, and September 2018.

⁵ "RDIF, Alibaba Group, MegaFon and Mail.Ru Group Launch New Social Commerce Joint Venture in Russia and the CIS," Alibaba Group, September 11, 2018, <https://www.alibabagroup.com/en/news/article?news=p180911>.

Notably, there was no U.S. official participation in the conference and a very small number of U.S. businesses attending.⁶ Moscow conveyed the message that Russia's government does not consider the United States a welcome player in Asia.⁷

Looking at U.S. policy towards Russia in the context of the U.S., China, and Russia strategic triangle, Washington finds itself in the least optimal position with worse relations with Moscow and Beijing than they have with each other. This is a marked contrast to the 1970s during the hey-day of triangular diplomacy initiated during the Nixon administration in 1972 when the United States strategically benefitted from better relations with Moscow and Beijing than they had with each other. This does not mean that Russia and China will formalize an alliance any time soon, but many U.S. foreign and security policy goals suffer from this current state of affairs.

This paper will explore the historical background of U.S. policy towards Russia since the collapse of the Soviet Union and place it in a broader Asian context. This analysis will take us up to the present and conclude with examination of some possible trajectories moving forward and their implications.

From the Collapse of the Soviet Union to 9/11: The Unipolar Moment

With the 1991 collapse of its superpower rival, the Soviet Union, of more than 45 years, the United States stood atop the global hierarchy to an extent perhaps not seen since the Mongol empire's 13th century domination of Eurasia. In response to this rapid and nearly unimagined predominance, the George H. W. Bush administration, in what turned out to be its final year in office, developed a new strategic document that in many ways has served as the fulcrum of U.S. foreign and security policy for the next 25 years. The central focus of this strategy was preventing the emergence of a "peer challenger" that could compete with the U.S. for dominance of the international system.⁸ And just as the famous British geographer Halford Mackinder presciently articulated more than 100 years ago, given the vast mineral, economic, demographic, and military resources of the Eurasian supercontinent, this was the only place on earth imaginable where a peer competitor could possibly emerge to challenge Washington.

At the Cold War's end, one could only imagine three potential challengers to U.S. primacy: Europe, Russia, and China. For various reasons, U.S. strategists saw neither Europe nor China as either realistic or imminent threats. They did view a revanchist and nationalist Russia where democratic and market reforms had failed as a possible danger. While Moscow maintained

⁶ "Business Program," Eastern Economic Forum, 2018, <https://forumvostok.ru/en/programme/>.

⁷ The Kremlin supported Valdai Discussion Club also holds annual Asia security conferences that do not include participation of U.S. experts. See for example the agenda of the 2018 meeting. "Programme of the 15th Annual Meeting of the Valdai Discussion Club," Valdai Club, 2018, <http://valdaiclub.com/events/posts/articles/programme-xv-annual-meeting-valdai/>.

⁸ Secretary of Defense Dick Cheney, *Defense strategy for the 1990s: The regional defense strategy*, U.S. Department of Defense, 1993, http://www.informationclearinghouse.info/pdf/naarpr_Defense.pdf; Patrick E. Tyler, "U.S. strategy plan calls for insuring no rivals develop," *The New York Times*, March 8, 1992 <https://www.nytimes.com/1992/03/08/world/us-strategy-plan-calls-for-insuring-no-rivals-develop.html>

nuclear weapons parity with the United States, the new Russian Federation was vastly weaker than the Soviet Union by virtually any other index of power.

U.S. strategy towards the new former Soviet states revolved around promoting market democracies in the region, and especially, promoting the sovereignty of Russia's neighbors. None of them had been sovereign states within their new borders. Several conflicts broke out in Georgia, and Moldova, and a pre-existing territorial dispute between Armenia and Azerbaijan intensified. The new Russian government used various military, intelligence, and what we now call "hybrid" means to intervene in these conflicts in 1992 and 1993 with very little pushback from Washington. This probably reflected the more hands-off approach to the region of the Bush 41 administration, which did not want to offend or the sensitivities of, nor undermine the fragile liberal Yeltsin government. This perspective shifted with the electoral defeat of the Russian reformers in the December 1993 Duma elections, and fears of a "Weimar Russia" and/or a "red/brown" coalition of communist and nationalist forces coming to the fore that would reject the outcome of the Soviet Union's collapse, and seek to re-constitute its former territories. The Clinton administration increasingly hedged its bets against Russian revanchism by strongly insisting that Moscow adhere to its agreements to remove troops from non-Russian former Soviet territories, opening the door to the expansion of NATO to former Warsaw Pact members, and more actively promoting the sovereignty of the newly independent former Soviet republics.

The Clinton administration invested heavily in Boris Yeltsin's Presidency and Russian reformers, which was underscored by former Clinton Russia advisor Strobe Talbott's phrase that the United States was establishing a "strategic alliance with reform in Russia." Unfortunately, by the time the Clinton administration took office in January 1993, the reformers had already lost tremendous political clout as the Russian Parliament refused to confirm Acting Prime Minister Yegor Gaidar in December 1992.⁹ Russia was in the midst of a near decade long economic contraction of more than 40% of its GDP. Unsurprisingly, the Russian government lost considerable domestic popular support during this time. The Clinton administration put the full weight of its support behind Yeltsin at three watershed moments: 1) Yeltsin's disbanding of the Supreme Soviet in September 1993; 2) the first war in Chechnya beginning in December 1994; and 3) Yeltsin's re-election as president in May 1996. The Clinton administration also strongly urged the IMF to make multi-billion dollar loans to Russia with weak conditionality up until the eve of the financial crisis and the Russian default in August 1998. After the 1998 crisis, there was widespread consensus in US policy circles that it was over for reform in Russia, and tremendous Russia fatigue pervaded the US policy community.

During the 1990s, U.S. foreign and security policy towards Russia mainly targeted four objectives: 1) maintaining nuclear security; 2) engaging Russian cooperation in the Yugoslav wars of succession; 3) expanding NATO; and 4) promoting the independence and sovereignty of Russia's neighbors. None of these goals encouraged Washington to view Russia as an Asian

⁹ Andrew C. Kuchins, "Russia: The Eastern Dimension," in *Russia: The Challenges of Transformation*, eds. Piotr Dutkiewicz and Dmitri Trenin (New York: New York University Press, 2011). For the most comprehensive treatment of U.S.-Russia relations for the first decade after the collapse of the Soviet Union, see Goldgeier and McFaul, *Power and Purpose: U.S. Policy Toward Russia After the Cold War* (Washington D.C.: Brookings Institution Press, 2003).

country. Nor did Russian foreign policy itself, which was primarily concerned with strengthening ties with its near neighbors and with Europe.

The Clinton administration was extremely successful in its first goal. Through its efforts, particularly those of Secretary of Defense William Perry, the administration facilitated agreements with Ukraine, Kazakhstan, and Belarus to return their nuclear armed missiles to Russia for disposal. A congressional initiative named the Cooperative Threat Reduction Program, shorthanded as the Nunn-Lugar initiative after its authors- Senators Sam Nunn and Richard Lugar, was also an extremely successful cooperative assistance effort to bring greater security to the massive stores of nuclear materials in Russia, and the other three nuclear post-Soviet republics. In its contributions to U.S. national security, it is no exaggeration to call this the most successful U.S. assistance program since the Marshall Plan after World War II.

U.S. efforts to elicit Russian cooperation to end the violence in the former Yugoslavia were exceedingly painstaking but generally successful through dogged diplomacy led by Clinton's point man in the Balkans, the late Richard Holbrooke. Nevertheless, there was a deep residue of enmity in the Russian elite that Moscow's interests were not adequately respected, and the NATO bombing of Serbia in March 1999 nearly precipitated a deep rupture in Russia's ties with the West.

The Clinton administration's promotion of NATO expansion was its most controversial policy in Russia domestically (and also in the U.S.) and the policy most sensitive to Russian interests. Russian opposition goes back to disagreements about the terms of the end of the Cold War and specifically the understandings surrounding German reunification.¹⁰ The Yeltsin administration and the great majority of the Russian political elite opposed NATO expansion, but they had no power to stop it. The Clinton administration tried to mollify Moscow by creating a forum for NATO-Russian cooperation called the NATO-Russia Permanent Joint Council and by admitting Russia into the G-8, but these were ineffective Band-Aids that failed to heal a major psychic wound that bedevils US-Russia relations to this day and stoked the view, held by Putin and a majority of Russian elites, that the West exploited Russian weakness to advance its own geopolitical position.¹¹

Finally, the Clinton administration paid more attention to promoting the independence and sovereignty of Russia's new neighbors as Russian rhetoric and policy became more threatening. The U.S. worked particularly to reduce post-Soviet states' dependence on Russian infrastructure for access to international markets. The most strategic aspect of this policy was the development

¹⁰ For an excellent review of this dispute looking at recently released USG documents from the time, see Joshua Shiffrin, "Deal or No Deal?: The End of the Cold War and the U.S. Offer to Limit NATO Expansion," *International Security* 40:4 (May 2016), 7-44. For the best accounting of the administration's decision to go ahead with the first round of NATO expansion, see James Goldgeier, "NATO Expansion: The Anatomy of a Decision," *Washington Quarterly* 21:1 (Winter 1998), 85.

¹¹ Putin made this point emphatically at the 2018 meeting of the Valdai Discussion Club in Sochi where in response to a question about what he thought Russia's biggest mistake in policy towards the West was responded with no hesitation "trusting you. Your mistake was taking our trust for weakness."

of new oil and gas pipelines that avoided Russian Federation territory. The biggest success in this regard was the building of the Baku-Tbilisi-Ceyhan oil pipeline, which was completed in 2006.

9/11 and the Return of Eurasia

The 1990s were the period of the greatest asymmetry between U.S. and Russian power, a time when Washington had a virtually free hand to shape the post-Cold War order according to its own designs. Two unexpected things happened, however, that changed the nature of U.S. goals and the perception of power balance in the relationship: 1) The 9/11 terrorist attacks on the United States; and 2) the unexpected booming growth of the Russian economy.

The inflection point in U.S. security policy were the terrorist attacks on the U.S. homeland on September 11, 2001. Washington reacted by launching the War on Terror, which embedded the U.S. in Russia's immediate neighborhood through the war in Afghanistan. At first, U.S. intervention was very successful thanks to support from key NATO allies, notably Great Britain, and key regional powers such as India, Iran, and Russia, which had been supporting Northern Alliance operations against the Taliban for several years. Putin was the first foreign leader to phone President George W. Bush to express his condolences and support following the 9/11 attacks. Putin had rocketed to national political prominence in August 1999 with the start of Russia's second war in Chechnya amidst a frightening series of apartment bombings in Moscow and in the Southern Russian city of Volgograd. While Putin likely had very strong and emotional concerns about the terrorist threat to Russia, he also viewed the terrorist attack on the U.S. as an opportunity to make common cause with Washington, and perhaps, to mitigate US concerns about human rights violations in his own war against terrorists, as he described the battle in Chechnya. He may have even hoped that a more cooperative US-Russia relationship could slow, or even halt, the Bush administration's plans for further NATO expansion and missile defense deployments.

In any case, Russia's support was essential to the International Security Assistance Force's (ISAF) rapid defeat of the Taliban. Northern Alliance fighters' cooperation with Russian intelligence and logistical support, along with Uzbekistan and Kyrgyzstan allowing allied forces use of military air bases in their countries for easier access to Afghanistan, all contributed to the early success of the mission. When Putin visited Washington in early November, he was afforded a trip to the Bush home in Crawford Texas, and there were hopes in Moscow and Washington that this effort could lead to a more robust U.S.-Russia security partnership. Putin, like Yeltsin nearly a decade prior, even floated the idea of Russia joining NATO. This looked like another window of opportunity for US-Russia relations akin to 1991. Relations had improved to such a point that by late 2001-2002, there was serious concern in Chinese policy circles that Russia would embrace the United States in a much closer political and security relationship.¹²

Those hopes were soon dashed as several key members of the Bush administration, notably Vice President Cheney and Secretary of Defense Rumsfeld, had no appetite for a closer security relationship with Russia now that the Afghanistan operation appeared to have come to a

¹² Author discussions in Beijing with foreign policy experts in November 2001 and June 2002.

successful conclusion. In December 2001, the administration announced that in six months the U.S. would withdraw from the Anti-ballistic Missile Treaty (ABM) and in the first half of 2002, Washington pushed forward with the second round of NATO expansion that included the Baltic States. The administration very quickly pivoted to plans for war with Russia's partner Iraq, which it soon launched without NATO or UN support, settling instead for a hodge-podge so-called "coalition of the willing." Putin seemed to take the ABM withdrawal and NATO expansion in stride, and even in response to the U.S.'s Iraq war decision, he simply said to President Bush: "George, I think you are making a big mistake."¹³

The real breaking point in the personal relationship between Bush and Putin, and the US and Russia more broadly, was over the Orange Revolution in Ukraine in late 2004. Putin had invested tremendous personal political capital as well as significant Russian financial resources in the candidacy of Viktor Yanukovich. When Putin phoned to congratulate Yanukovich, tens of thousands of Ukrainians were already marching to protest electoral fraud and staged a weeks' long presence in Maidan Square in the center of Kiev that grew to approximately 200,000 people. Ultimately, the Ukrainian Supreme Court called for new elections in which Viktor Yushenko, the more Western oriented candidate, emerged victorious. Putin was absolutely furious and believed that Washington had tipped the balance with its support for civil society groups and alleged intelligence operations.

As it started its second term in January 2005, the Bush administration elevated the status of democracy promotion in its foreign policy towards the region, which greatly unnerved Russia. Probably more significantly, it pushed very hard on three policy initiatives in the last year of Bush's term: 1) recognition of Kosovo as an independent country; 2) missile defense system deployments in Poland and the Czech Republic; and last, but far from least; 3) NATO expansion to Georgia and Ukraine. The complete breakdown in the relationship occurred with the Russian war in Georgia in August 2008, after which the Bush administration cut off virtually all bilateral channels of communication with no high-level administration official visiting Moscow for the final five months of the administration.

During the two terms of the Bush Administration, the Russian economy experienced unprecedented growth at a rate of 7% per year. However, if growth is calculated in nominal dollar terms (including the appreciation of the ruble), the Russian economy grew exponentially by a factor of eight from 1999-2008. This windfall provided Russian leadership both the means and the confidence to more assertively push back against the many U.S. and Western policy initiatives that they opposed. For example, in 2006 and 2009, Moscow cut off gas supplies to Ukraine in a broader effort to pull Ukraine away from Europe back into Russia's orbit. The United States became increasingly critical of Putin's consistent shrinking of the independent political and media space in Russia, as well as Russia's increasingly aggressive policies towards its neighbors. Putin's cynical response essentially boiled down to: Washington does not care

¹³ The best account of this period is Angela Stent, *The Limits of Partnership: U.S.-Russian Relations in the Twenty-First Century* (Princeton: Princeton University Press, 2015).

about democracy in Russia and its principal goal is to weaken Russia and compromise its sovereignty.

With its growing confidence, Russia began to assert its influence in post-Soviet states through new multilateral organizations such as the Collective Security Treaty Organization (CSTO), which was formalized in 2001 as a counterpoint to NATO. Moscow preferred that NATO deal on a bilateral level with the CSTO rather than on a country-by-country basis. Washington viewed the CSTO and various economic multilateral efforts as thinly veiled institutions to promote Russian regional hegemony and resisted engaging with them. Russia, China, Kazakhstan, Kyrgyzstan, and Tajikistan also founded the Shanghai Cooperation Organization in 2001 to promote economic and security cooperation. Many in the U.S. hailed this as the Eurasian NATO and a significant threat to the United States. The Bush Administration, to its credit, initially paid little attention, but in 2005-6, eventually sought SCO observer status. However, by that time, SCO members' concerns about U.S. democracy promotion following a series of "color revolutions" in Georgia, Ukraine, and Kyrgyzstan from 2003 to 2005 led them to reject the United States' proposal. Subsequently, the SCO received little attention mainly because of skepticism about the depth of shared interests between the organization's most important members, China and Russia. At the time it was fashionable to refer to the China-Russia relationship as an "axis of convenience"¹⁴

For more than a decade, the war in Afghanistan dominated U.S. policy towards Eurasia due to its central geographical position and the presence, at one point in 2011, of more than 100,000 U.S. troops in country. As Afghanistan borders states that are, to put it mildly, not natural partners or allies of Washington, China, Iran, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan and nearby major powers, India and Russia, managing logistical support and some degree of regional coordination required highly skilled diplomacy on Washington's part. This informal coalition of partners had already begun to break down when President Bush, in his January 2002 State of the Union address, included Iran in the strange grouping of America's adversaries tagged the "axis of evil" along with Iraq and North Korea. Given that Iraq was Iran's biggest security threat at the time, linking the two together in any fashion defied logic and needlessly alienated and weakened the relatively moderate Khatami government. The Bush administration's decision to pivot attention from Afghanistan to attack Iraq in March 2003, which it dubiously justified as part of the War on Terror, lost Washington a great deal of good will and support around the world.

After initial successes, U.S. military interventions in Afghanistan and Iraq experienced serious pushback that led to a large and long-term militarization of U.S. policy in Eurasia. The "surge" of U.S. forces into Iraq in 2007 prevented defeat before Bush left office. But as U.S. forces were focused on stabilizing Iraq, beginning in 2006, the Taliban began to regain ground in Afghanistan. Newly elected President Barack Obama in 2008 had campaigned on the notion that Iraq was the "bad war" and Afghanistan was the "good war"—frankly it is unclear how "good" Obama thought the war in Afghanistan was, but as a presidential candidate with virtually no

¹⁴ See Bobo Lo, *Axis of Convenience: Moscow, Beijing, and the New Geopolitics*, (Washington, D.C., Brookings Institution Press 2008), and my critical review in *Survival: Global Politics and Strategy*. Andrew C. Kuchins, "Sino-Russian Myths," *Survival: Global Politics and Strategy* 51, no. 5 (September 2009): 185-192.

military and national security experience, it was not a viable option to oppose both military efforts initiated by his predecessor. After two lengthy reviews during his first year in office, President Obama reluctantly agreed to a dramatic increase of U.S. military forces in Afghanistan, seeking to apply some of the success of the Iraqi surge strategy to that theater. In December 2009, President Obama announced that U.S. forces deployed in Afghanistan over the next 18 months would increase approximately by a factor of three to more than 100,000.

The need to enlist Russia, Central Asian and South Caucasus states support to establish transit corridors (ground locks of communication, or GLOCS in military parlance) was one of the issues that motivated the Obama administration to try to “reset” relations with Russia to a more constructive track. The other two issues motivating the “reset” were the urgency to address the Iranian nuclear weapons program, which required Russian support on the UN Security Council to impose tougher economic sanctions against Tehran; and second, Obama’s desire to return to arms control and significantly reduce U.S. and Russian arsenals of strategic offensive weapons. Obama’s *reset* with Russia was successful on all three issues, obtaining Russian support for the Northern Distribution Network to support ISAF troops in Afghanistan, signing the New Start Treaty in 2010 and obtaining Russian support in 2010 at the U.N. to impose the toughest sanctions to date against Iran.

There were other successes for the *reset*, but warming U.S.-Russia relations began to backtrack in 2011 over 3 sets of issues: 1) the failure to reach an agreement on missile defense in the spring of 2011; 2) the NATO operation in Libya resulting in the death of Muammar Gaddafi and the subsequent outbreak of civil war in Syria; and 3) the succession of Vladimir Putin to the presidency after running a very anti-Western campaign following the debacle of the 2011 Duma elections.¹⁵

Nevertheless, in its second term, the Obama administration made an effort to reset the *reset* by focusing on proposals for further reductions in strategic nuclear arsenals and strategic stability more broadly. The Russians were not enthusiastic, and the relationship took a further nose dive over the Snowden affair in the summer of 2013, and the cancellation by Obama of a planned visit to Moscow following the St. Petersburg G-20 summit in early September. Despite these setbacks, Moscow and Washington came to an unexpected agreement in September to jointly decommission all of Syria’s chemical weapons arsenal by June 30, 2014. The agreement prevented the U.S. from conducting a military strike on Syria following the alleged massive use of chemical weapons by Assad’s forces on August 21, 2013. The operation to withdraw and decommission the Syrian arsenal was remarkably complicated, but ultimately very successful. Unfortunately neither side wanted to publicize this important security achievement since most of the operation took place amidst the February 2014 Ukraine crisis.

During the years 2011-2013, it is important to look at the Asian context for U.S. and Russian foreign policy. Due to growing Chinese power and assertiveness towards its regional neighbors

¹⁵ For a contemporary analysis of the fall of the Reset, see Andrew C. Kuchins, “What’s to Follow the Demise of the U.S.-Russian “Reset”?” *Current History* 111 (October 2012), 281-283. For a longer analysis, see Angela Stent, *The Limits of Partnership: U.S.-Russian Relations in the Twenty-First Century* (Princeton: Princeton University Press, 2015).

over territorial disputes in 2010-2011, the Obama administration announced its “Pivot to Asia” (later termed ‘rebalancing’) that signaled increased military, economic, and diplomatic engagement in Asia, principally in response to China. The Russian Federation was, almost simultaneously, executing its own “Pivot to Asia”, which was symbolized by Russia’s hosting of the 2012 APEC meeting in Vladivostok. Russia-China relations continued to improve, especially in the energy sector, but Moscow also actively diversified its Asian portfolio by improving ties with Japan, South Korea, Vietnam, ASEAN, and other Asian states.¹⁶ For example, when Russian National Security Council head, Nikolai Patrushev (a very close aide to Vladimir Putin) toured East Asia in October 2012, he visited Japan, South Korea, and Vietnam, but notably, skipped China. When queried in a press conference in Tokyo about Russia’s position on the Sino-Japanese territorial dispute over the Diaoyu/Senkaku Islands, Patrushev delivered a studiously neutral response that Russia takes no sides and desires peaceful resolution.

The relationship with Japan was central to Russia’s efforts to avoid becoming too heavily leveraged to China. The Russian and Japanese military establishments shared deep concern over the Chinese Navy’s first foray into the Sea of Okhotsk in summer 2012. This was especially concerning to Moscow because the Sea of Okhotsk is the gateway to the Arctic, where Russia jealously guards its co-governance role in the Arctic Council with other contiguous states, the U.S., Canada, Denmark, Norway, and Iceland. Russia’s concern about Chinese incursions into the Arctic were conveyed diplomatically in the 2013 meeting of the Council where it supported giving Japan, South Korea, India, but not China, newly designated “Observer” status.¹⁷

Russia was also keen to increase maritime security collaboration with Japan, and even, to explore expanding cooperation to a trilateral format that includes the United States. The interest was explored and developed over three years of track 1.5 level discussions between U.S., Russian, and Japanese experts in Washington in 2010, Tokyo in 2011, and Russia in 2012. The final joint statement issued by the three sponsoring organizations, the Center for Strategic and International Studies (CSIS) in Washington, the Japanese Institute for International Affairs (JIIA) in Tokyo, and the Institute for International Economic and International Relations (IMEMO) in Moscow, clearly recommended trilateral maritime security cooperation.¹⁸ Finally, in 2013, Russia and Japan indicated the upgrading of their relationship by creating a 2+2 format that called for regular joint meetings of their Ministers of Defense and International Affairs. Unfortunately, U.S.-Russia relations took a dramatic turn for the worse over the Ukraine crisis in early 2014, which created major fall out for Russia’s Pivot to Asia.

¹⁶ See Andrew C. Kuchins, “Russia’s Pivot to Asia” in *Asian Survey*, January/February 2014, volume 54, no. 1, 129-137.

¹⁷ For more discussion of these developments, see Shinji Hyodo, “Japan-Russia Relations in Triangular Context with China”, ASAN Forum, November 21st, 2013, <http://www.theasanforum.org/japan-russia-relations-in-triangular-context-with-china/#8>.

¹⁸ The author led the delegation from CSIS to these three meetings. A copy of the final joint statement can be found at: The Japanese Institute of International Affairs (JIIA), <http://www2.jiia.or.jp/pdf/report/20120621e-JA-RUS-US.pdf>.

The Ukraine Crisis and the collapse of U.S.-Russia Relations

The Obama administration's Pivot to Asia was seriously distracted by the Ukraine crisis, the emergence of ISIS, and the Syrian civil war. The Ukraine crisis destroyed the sense that the European security theater had been pacified with the end of the Cold War and the collapse of the Soviet Union. Although NATO had admitted many new members, measures had not been taken to ensure credibility of the U.S. security commitment in the event of the emergence of an aggressive and threatening Russia. The U.S. had dramatically reduced its military footprint, and European militaries had for the most part hollowed out their capacities to project force. With the Taliban surging in Afghanistan, Obama was never able to fully withdraw US forces, and the Middle East continued to demand Washington's attention. The Obama administration's biggest success in Asia was establishing the Trans-Pacific Partnership, but the Trump administration decided to withdraw from this initiative in early 2017.

Following Russia's annexation of Crimea and support for the insurgency in Eastern Ukraine, the U.S., the EU, and Japan imposed economic sanctions on Russia. The Japanese were most reluctant to do so, as sanctions constrained Prime Minister Abe's efforts and desire to improve relations with Russia as a strategic hedge against growing Chinese power. A wiser policy from the administration would have acknowledged the different security situations in East Asia and Europe and put less pressure on the Japanese to punish Russia. It seems axiomatic that Russo-Japanese rapprochement is in U.S. security interests, but Washington's view of Russia remained highly Eurocentric. The Japanese proceeded to shut down the 2+2 channel, and hopes for trilateral U.S.-Russia-Japanese cooperation in maritime security dissipated.

After the Russian interference in the 2016 presidential election, sanctions were dramatically strengthened and the Congress codified them in August 2017 through CAATSA legislation. Since the EU's sanctions have only been applied in reaction to Russian activity in Ukraine, Washington and Brussels are now no longer in lock step on sanctions, one of many factors contributing to tension in US-European relations. Nevertheless, the Trump administration has taken a different stance on Japan's efforts to improve ties with Russia. When Abe came to Washington and Florida to meet with Trump in February 2017, the President made it clear to Abe that he supported Japan's efforts to improve ties with Moscow.¹⁹ In addition, Japanese officials informally report that the Trump administration is not pressuring Tokyo to strengthen sanctions, and one Japanese expert described them as "cosmetic".²⁰

A Trump Reset with Russia?

Since taking office in January 2017, the Trump administration has been hamstrung by the powerful bipartisan anti-Russian consensus in Congress and the recently concluded Russia investigation conducted by Robert Mueller into possible collusion between members of the Trump campaign team and Russian government and intelligence officials. Although there was

¹⁹ "Abe Says Trump Encouraged Him to Boost Ties, Dialogue with Putin," *The Japan Times*, February 14th, 2017, <https://www.japantimes.co.jp/news/2017/02/14/national/politics-diplomacy/abe-says-trump-encouraged-boost-ties-dialogue-putin/#.W7E0k3tKiUk>.

²⁰ Author conversation in Washington with Japanese expert in September 2018.

little evidence of significant Russian meddling in the 2018 mid-terms, Trump's maneuverability with Moscow has not improved over time. Even if the issue of Russia's election meddling fades, and domestic pressure on Trump over Russia abates, it is clear from the aftermath of the Helsinki Trump-Putin summit last summer that the substantive agenda will not lend itself easily to progress towards improved ties. Major differences persist over nuclear/ballistic missile arms control (e.g. the US withdrew from the Intermediate Range Nuclear Forces treaty last fall), Syria, and Ukraine.

A small silver lining of the Helsinki summit was that both sides did agree to establish a bilateral economic/commercial working group to advise policy as well as a bilateral "experts group" to provide policy input for Moscow and Washington. Such groups are typically more decorative than influential. It is difficult to imagine great enthusiasm among business leaders in both countries given the current environment of increasingly tough economic sanctions. Russian media company RBC reported that economist Alexander Dynkin and former George W. Bush Russia advisor Thomas Graham have been named co-chairs of the experts group. Making progress on the substantive issues in US-Russia relations (Ukraine, Syria, arms control) is a very difficult task in itself, but is nearly impossible in the current toxic political environment.

Takeaways for Asia

There were reports around the time of the Helsinki summit that Washington seeks to execute a "China in reverse"; i.e. improving ties with Moscow in order to contain the longer-term strategic threat from China. The reference, of course, is the opening to China by the Nixon Administration in the early 1970s as a means to contain the USSR and to conclude the war in Vietnam. There were even recent reports that Henry Kissinger, the nonagenarian and mastermind of the opening to China, had so advised President Trump. Certainly, there are some in the Trump administration inclined to think this way, and there has been talk in Trump circles going back to the 2016 campaign about their hopes to turn Russia away from Iran and China. To pull off such a move, however, would require a geopolitical Houdini. Taken together, the deeply held animus in official Washington towards Russia, the lack of trust in the United States by Putin who feels the U.S. has deceived him time and time again, and deep differences within the Trump administration on Russia make such an outcome a fantasy.

From a security standpoint, official Trump administration documents identify both Russia and China as adversaries in more explicit terms than at any time since the collapse of the Soviet Union. On the economic front, U.S. policy towards Russia is to debilitate its economy with ever deeper sanctions, and with China, U.S. policy is more inclined to trade in conflict than compromise. These are hardly good conditions for the United States to effectively play great power triangular politics if it were so inclined. Of the substantive issues on the agenda in Helsinki, Syria is a peripheral issue for China. Perhaps how Moscow and Washington may regard to the role of Iran has more significance for Beijing, and certainly this issue was high on the agenda in the follow-up meeting in Geneva on August 23 between U.S. National Security Advisor John Bolton and his Russian counterpart, Nikolai Patrushev. Concerning other regional conflicts, it does not appear that Trump and Putin made any significant progress that would undercut Chinese interests. North Korea was discussed, but the Russian position remains closer

to the Chinese position, although Putin does support Trump's efforts to reach a negotiated solution. No progress was made on Ukraine, another issue of only peripheral interest to China. It has not been made clear whether Afghanistan was discussed, but here the Russian position is also closer to that of China than the U.S., although reports of China possibly basing some troops in Afghanistan (if true), would not be pleasing to Moscow.

The U.S.'s post-Helsinki decision to withdraw from the INF Treaty could have a negative impact on China (as well as Europe) as this would open the door for Russian missile deployments that could threaten East, West, and South on the Eurasian super-continent. Recall that in 2006/07, the Bush administration quietly supported the Russian desire to make the INF multilateral, but this proposal, unsurprisingly, did not get far with the other nuclear powers. The Russians have explicitly said they want to extend the New Start Treaty to 2026, but the Trump Administration's position seems to lean against doing so. The US military, however, supports extension. In the past (2001/2 and 2010/11), China has been concerned about the possibility of the United States and Russia reaching a bilateral agreement about missile defense deployments as this could weaken Russian opposition to US Ballistic Missile Defense in Asia. However, this possibility appears exceedingly unlikely for the foreseeable future. Looking at the U.S.-Russian strategic agenda, the breakdown of the INF agreement and failure to agree upon New Start extension is not in China's interests as it removes all constraints on nuclear modernization for Russia and the U.S., increasing the possibility of an unrestrained nuclear arms race. However, this outcome is the result of Washington and Moscow's failure to cooperate rather than the result of U.S.-Russia cooperation designed to undercut Chinese interests.

Finally, it is worth noting that the Vostok [East] military exercises held at the end of August 2018 included large participation by the PLA, and overall the exercises were the largest held on Russian territory since the Zapad [West] exercises in 1981. Russian and Chinese military forces are developing improved interoperability. Despite the poor-state of US-Russia relations, and the U.S.'s weak position in the strategic triangle, PM Abe will likely continue his arduous quest to resolve the now 73-year old island dispute between Russian and Japan. The main driver for Japan's desire to improve ties with Russia is Tokyo's concern about China. This point was brought out by Putin's surprising offer to Abe at the Eastern Economic Forum that Russia and Japan could sign a peace treaty by the end of the year with no preconditions, i.e. no progress on the territorial dispute. Putin was fully aware that this is a non-starter for the Japanese, and it was embarrassing for Abe to hear this in public, sitting on the same panel as Xi Jinping. The principal upshot for Russia's Asia pivot since its alienation from the West over Ukraine has been to further Sinicize Russia's Asia policy even if at some level Moscow logically desires more diversification with Japan and others.

RUSSIA'S PERIPHERAL RELEVANCE TO US-INDO PACIFIC RELATIONS

Satu Limaye¹

Background

East Asia's security environment has included pre-Soviet, Soviet and even post-Soviet Russia, implicating both America's own regional role and U.S.-Russia relations. These persistent interactions have created two broad patterns for U.S.-Russian relations in East Asia: distant and co-existing prior to 1945 and then again after 1990 to the present, and direct and confrontational during the Cold War interregnum. In the third decade of the post-Cold War period, amidst acute U.S.-Russia tensions and a fluid East Asia security environment, will the distant and co-existent character of U.S.-Russia relations in East Asia hold? What, if anything, might bring about a change that would make U.S.-Russia relations either more confrontational or more cooperative in the East Asian security environment?

An eminent American historian has noted that Russia's expansion east into Siberia, which he characterized as one of the North Pacific's six "geopolitical stakes," gave the country a Pacific coastline. Moscow became the first European major power to foray a Pacific presence north of Mexico, a venture that never took hold and was essentially abandoned with America's purchase of Alaska from Russia in 1867.²

In the late 19th and early 20th centuries, Russia was an active competitor with Japan for control of Korea and Manchuria during an era of Chinese weakness, which culminated in the 1904-05 Russo-Japanese War. President Theodore Roosevelt helped negotiate the end of that war through the Treaty of Portsmouth—becoming the first American president to win the Nobel Peace Prize. Until the early 1900s, US-Russia relations in East Asia security might be described as distant rather than direct, and more co-existent than confrontational. This pattern abruptly changed in the post-1945 Soviet era.

As an allied power during World War II, the Soviet Union had an important hand in the creation of the immediate post-1945 East Asia security architecture. The war's endgame and settlement, location of military forces, and U.S. support allowed Moscow to occupy the northern half of Korea and re-take the Kuril and Sakhalin islands from Japan. As the Cold War ensued, the USSR facilitated North Korea's attack on South Korea, which sparked the Korean War; supported East

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² Walter A. McDougall, *Let the Sea Make a Noise: A History of the North Pacific from Magellan to MacArthur*, Basic Books, 1993.

Asia's post-colonial, "non-aligned" and anti-Western governments as well as communist parties through party-to-party and Comintern activities; and posed a major military threat to Japan and the U.S. particularly via the Pacific Fleet. Moscow was at loggerheads with U.S. allies and partners (it barely had formal relations with Japan and none with South Korea). The breakdown of Sino-Soviet relations culminated in clashes in 1969, which set the stage for Sino-U.S. rapprochement, further antagonizing U.S.-Russia relations. Hence, peaking in the 1970s and 1980s, the U.S. regarded Soviet Russia as the key threat and antagonist in East Asia.

By 1989-1990, however, the U.S. government's concerns about the Soviet threat to East Asia evaporated as the USSR and the Soviet bloc collapsed and the Cold War ended.³ The dissolution of the Soviet Union had few grave consequences for Moscow in East Asia unlike in its west: Russia lost no territory, a large Russian diaspora was not stranded, and space opened for Moscow to re-engage East Asia in an era of diminished U.S-Russian competition and Russia-China antagonism. Indeed, Russia was soon able to resolve its previous border dispute with China. These conditions were in stark contrast to post-Soviet Russia's challenges in Eastern Europe, the Baltic region, and Central Asia.

Current U.S.-Russia Relations & East Asia's Security

U.S.-Russia relations are the worst they have been at any time since the height of the Cold War. Only a few prominent American voices argue for combining a current sanctions-led U.S. policy approach⁴ vis-à-vis Russia with diplomacy.⁵

The Trump Administration's National Security Strategy (NSS), which was released in December 2017, identifies Russia (and China) as "...challeng[ing] American power, influence, and interests, [and] attempting to erode American security and prosperity." Despite the conflation of Chinese and Russian threats, the NSS is notable for omitting any explicit references to the danger to U.S. strategic interests of close Sino-Russian relations. On the crucial matter of strategic stability, the NSS offers no compromise on American missile defense plans and repeats a long-standing reassurance to Russia.⁶ But the NSS offers a reluctantly extended hand, too, saying "[t]he intentions of [China and Russia] are not necessarily fixed. The United States stands ready to cooperate across areas of mutual interest with both countries."⁷

In East Asia, the Trump Administration does not appear to regard Russia as a threat per se; Russia goes unmentioned in the priority geopolitical theater of the NSS—the Indo-Pacific. Rather, Russia's threats are assessed to be at once global ("Russia seeks to restore its great power

³ The Pentagon's April 1990 East Asia Strategy Report noted that "The Soviet Union, while still the major threat in Asia, no longer is perceived as the serious menace it was during the 1970s and 1980s." p.32

⁴ Anders Aslund argues that the U.S. has six goals in sanctioning Russia, of which only one specifically relates to its behavior in East Asia ("stop trade with North Korea"), See https://twitter.com/anders_aslund

⁵ See senior Republican foreign policy officials, Richard Burt and Lorne Corner, "On Russia we need diplomacy, not just sanctions, *The Hill*, August 17, 2018. <http://thehill.com/blogs/congress-blog/foreign-policy/402319-on-russia-we-need-diplomacy-not-just-sanctions>

⁶ The White House, *National Security Strategy of the United States of America*, December 18, 2017, "Enhanced missile defense is not intended to undermine strategic stability or disrupt longstanding strategic relationships with Russia or China."

⁷ *National Security Strategy*, p. X.

status” and “weaken U.S. influence globally”) and local (“spheres of influence near its borders”) likely referring to Ukraine as well as the Caucasus, Baltic and Central Asian regions. The only specific geographies to which Russia poses direct threats, according to the NSS, are “an unstable frontier in Asia” (undefined) and to U.S. allies and partners in NATO and/or the European Union. Russia’s economic influence through energy trade and infrastructure is deemed threatening only to Europe and Central Asia.

Notwithstanding currently antagonistic US-Russia relations and the NSS’s tough declaratory policies towards Russia, *in East Asia*, Moscow still appears to Washington to be distant rather than direct, and co-existing rather than confrontational. As such, U.S. policy does not prioritize attention to Russia *in East Asia*—either seeking cooperation (e.g., against China or regarding North Korea) or isolating and marginalizing Russia’s regional relations with U.S. allies, partners and others. This pattern is also discernible beyond declaratory policy in the actual security dynamics of the region.

East Asia’s Security Continuities in the Post-Cold War Era, Russia & U.S.-Russia Relations

In addition to U.S. declaratory policy, East Asian security continuities since the end of the Cold War also suggest that a distant and co-existent U.S.-Russia relationship will persist in the region.

First, U.S. alliances have endured. The core alliances with Japan, the Republic of Korea (ROK) and Australia have deepened and widened—notwithstanding uncertainties and complications. Alliances with Thailand and the Republic of the Philippines (RP) have seen greater dissonance and fluidity, but are maintained amidst, and despite, myriad difficulties. Today’s U.S. alliances require careful management, but the challenges are less severe than at previous junctures over the past seventy years. China’s rise and regional assertiveness provides a “tonic” or logic to alliance sustainability that was lacking at various other points, particularly after the end of the Cold War. Whether it is sufficient to compensate for the U.S.’s relative power decline and mixed messages about regional commitment is a central issue of U.S.-East Asia relations.

Russia is no longer a direct military threat, either by intent or capability, to any U.S. ally in East Asia (though Japanese security planners may have reasonable grounds to disagree).⁸ Nor does Moscow seem intent on “undermining” U.S. alliances in the region as China does. Moscow, however, is no longer entirely isolated from U.S. alliance partners. With Japan, despite on and off efforts to settle the territorial dispute over the Kuril Islands and sign a peace treaty, little progress has been made. In fact, Russian military activities over northern Japan have increased—often in parallel with Chinese pressures on Japan in the East China Sea (ECS)—a new flashpoint in regional security dynamics, and one that could directly involve the U.S. due to its alliance obligations to Japan. Meanwhile, though Moscow and Seoul established diplomatic relations in 1990, Russia’s importance to South Korea is marginal—certainly compared to the U.S., China,

⁸ For a Japanese view see Lieutenant Commander Yusuke Saito, “NATO-Japan Maritime Cooperation Can Respond to Global Challenges,” *Proceedings Magazine*, August 2018, Vol. 144/8/1, 386, <https://www.usni.org/magazines/proceedings/2018-08/nato-japan-maritime-cooperation-can-respond-global-challenges>

or Japan. Russia has more relevance for South Korea's principal security challenge—North Korea—but here again is less important than other stakeholders (see discussion below). Russia is a peripheral partner for Australia. In the case of Thailand and the Republic of the Philippines (RP), Russia has offered modest arms sales and showy diplomacy. However, despite press speculation about Russia's inroads into Bangkok and Manila, Russia will not displace U.S. pre-eminence in either country. On the central continuity of East Asian security, American alliances, then, Russia poses little threat but also offers little in the way of shared interests.

A second important continuity of post-Cold War East Asian security is the persistence of core flashpoints: the Korean Peninsula, the Taiwan Straits, and the South China Sea (the East China Sea emerged as a new flashpoint in 2012). On North Korea, Russia's formal relevance as a contiguous state and status as a six-party framework member obscures the relative decline in its leverage vis-à-vis China and the U.S., and perhaps even more dramatically, South Korea. On China-Taiwan relations, Russia shows little desire or leverage for a role—not least given Moscow-Beijing diplomatic bonhomie—even if China would countenance a role (which it will not). This leaves Russia theoretically as an indirect threat to Taiwan, but little else. Russia's relevance to South China Sea disputes is minimal because it has no territorial claims, desires not to offend its main East Asian partners China and Vietnam, who are rival claimants, and possesses limited diplomatic or military capability to affect outcomes.⁹

A third security continuity in East Asia is that intra-regional diplomatic and security relations lag well behind the region's tremendous economic integration.¹⁰ A number of intra-regional relationships have been re-established or enhanced during the past three decades. However, underlying Sino-Japan, Sino-South Korean, Japan-South Korea and intra-Southeast Asian relations are a host of tensions and rivalries emanating from historical legacies, territorial and sovereignty disputes, power asymmetries and fundamentally different policy interests. Russia exemplifies the post-Cold War normalization of intra-East Asia relations. And yet, Russia faces important constraints in its revived or enhanced relationships. Its fitful, episodic engagement provides little confidence to regional players that Russia is a reliable and enduring partner in a more fluid, dynamic East Asia. Moreover, Russia's diplomatic integration with East Asia exceeds its economic integration; a precise inverse of regional trends—making it an outlier.

The Shanghai Cooperation Organization (SCO), which comprises Russia, China, the five “stan” countries of Central Asia, India and Pakistan, provides Russia with minimal leverage in East Asia. China does not need the SCO to sustain its importance to East Asia—which derives from far more important geographical, economic, and military realities. The membership and drivers of SCO simply do not overlap well with the other regional economic and political integration projects underway in East Asia.

⁹ Alexander Korolev, “Russia in the South China Sea: Balancing and Hedging,” *Foreign Policy Analysis*, February 15, 2018, <https://academic.oup.com/fpa/advance-article-abstract/doi/10.1093/fpa/orx015/4860420?redirectedFrom=fulltext>

¹⁰ A very useful assessment of Asia's economic integration is *Asian Economic Integration Report 2017*, Asian Development Bank, <https://www.adb.org/sites/default/files/publication/375196/aeir-highlights-2017.pdf>

East Asia's Discontinuities After the Cold War, Russia & U.S.-Russian Relations

East Asia's post-Cold War security discontinuities also argue for a distant, co-existent U.S.-Russia relationship in the region, with few prospects for either confrontation or cooperation.

The most significant discontinuities are China's unexpectedly rapid rise, deteriorating U.S.-China relations, and closer Russia-China relations. Analysts have mixed assessments of the danger of Sino-Russian relations to the U.S. and West,¹¹ but U.S. Secretary of Defense James Mattis, speaking at the 2018 Shangri-la Dialogue, sees "natural non-convergence" in Russia-China relations.¹² The net result of these major discontinuities is that they offer Russia more space in a "multipolar" East Asia. However, this purported advantage is offset by Russia's economic weakness, inattention to regional affairs, indifference/complicity in Chinese assertiveness, and Moscow's own problems in key bilateral relations such as with China—not to mention with U.S. allies and partners. Hence, Russia's gains from these discontinuities are limited and do not imperil the space for the U.S. and Russia to engage each other in the region. They also do not require a major U.S. effort to marginalize or contain Russia.

Another major East Asia security discontinuity of the post-Cold War period is deepening and widening U.S. non-allied partnerships (e.g., Singapore, Indonesia, Malaysia, Vietnam, India and most recently Myanmar). This development has been obscured by over-emphasis on the growth of China's regional ties. Russia has also re-established, repaired or strengthened its East Asian relationships. As with the U.S., these relations have not been unproblematic (e.g., Russia's role in the shooting down of Malaysian Airlines Flight MH17). However, the balance of these relations favors the U.S. rather than Russia. The U.S. has closed the gap significantly with countries that were previously closer to the Soviet Union/Russia (e.g., India, Vietnam) or further enhanced its long-standing lead in relations where ties with the U.S. were always more robust than those with Russia (e.g., Indonesia, Malaysia, Singapore).

A third major post-Cold War discontinuity is East Asia's economic development and value chain integration. These related developments are key factors in East Asian peace and stability. The U.S. has been integral to both developments over the past three decades not only as the end market for regional exports, but also as a participant in the value chains—though doubts now loom over the future of American trade and investment policies. Russia has been absent from this

¹¹ Jamil Anderlini, "China and Russia's Dangerous Liaison," *Financial Times*, August 8, 2018 [says](#) that "the West ignores the alliance forming between Moscow and Beijing at its peril."

¹² Remarks by Secretary Mattis at Plenary Session of the 2018 Shangri-la Dialogue, June 2, 2018, <https://dod.defense.gov/News/Transcripts/Transcript-View/Article/1538599/remarks-by-secretary-mattis-at-plenary-session-of-the-2018-shangri-la-dialogue/> The full comment is: "And in terms of their relationship I think it's -- from my review its objective fact that Russia has more in common with Western Europe and the United States than they have in common with China. I believe China has more in common with Pacific Ocean nations and the United States and India than they have in common with Russia. I think there's a natural non-convergence of interest. There may be short-term convergence in the event they want to contradict international tribunals or try muscling their way into certain circumstances but my view -- I would not be wasting my time going to Beijing at the end of the month if I really thought that's the only option between us and China. What would be the point of it? I've got more important things to do."

economic rise and integration, making it a minor factor in the economics of East Asia—and therefore not a direct threat to U.S. regional economic interests in the way that China is. On the other hand, Russia is unlikely to be a viable partner for the U.S. (as Japan, South Korea, Australia and India may be) in countering China’s regional infrastructure support or development assistance programs because it does not have the capital or policy-institutional programs to do so. In any case, current U.S.-Russia relations are likely to preclude such cooperation.

A fourth post-Cold War discontinuity in East Asian security is the emergence of formal multilateralism—now encompassing the ASEAN Regional Forum (ARF), Asia Pacific Economic Cooperation (APEC), East Asia Summit (EAS) and ASEAN Defense Ministers Meeting Plus (ADMM Plus). The U.S., like Russia, has been a latecomer to these efforts (Washington and Moscow both joined EAS in 2012), but unlike Russia the U.S. has been a more regular and committed partner—especially to the core ASEAN grouping. Hence the U.S. and Russia are unlikely to spar or compete in these multilateral fora, but their salience or utility to enhancing U.S.-Russian cooperation will be limited as well.

Assessing East Asia’s Security Environment and U.S.-Russia Relations

Thirty years after the Cold War, in a period of re-intensified U.S.-Russia tensions, East Asia’s major security continuities and discontinuities suggest neither U.S.-Russia cooperation or confrontation, but rather distance and co-existence. The main reason is that U.S.-Russia dissension on issues ranging from Russian interference in U.S. domestic politics, the invasion of Ukraine, annexation of Crimea, Syria and Russian threats to Western Europe are far more salient in U.S.-Russia relations than Russia’s secondary role in East Asia. Russia’s own economic constraints, priorities elsewhere, and inward focus also make it a comparatively peripheral player in East Asia’s security. And even in East Asia, Moscow’s activities, fitfully and episodically revived, are not sufficient to alter the region’s basic security continuities and discontinuities.

The continuity of U.S. alliances, key flashpoints and still troubled intra-regional relationships amidst robust economic integration suggest a marginal role for Russia in the East Asia region. This limits both the room for antagonism, but also for cooperation, between Washington and Moscow. Similarly, key discontinuities in East Asian security such as China’s rise, growing U.S.-China strategic distrust, improved Russia-China relations, expanded U.S. partnerships and emergence of formal multilateralism do not have major implications for U.S.-Russia hostility or partnership. On net, the present period suggests a more distant but not confrontational relationship pattern witnessed in the pre-Soviet and immediate post-Soviet eras of U.S.-Russian relations rather than the directly confrontational posture that characterized U.S.-Soviet relations in East Asia after 1945.

What changes might lead to Russia playing a more relevant role in East Asian security? One can envision extreme scenarios in which Russia’s role expands in East Asia. One scenario would be a U.S. withdrawal from the region in the event of resolution (peaceful or otherwise) of key flashpoints such as China-Taiwan, the Korean Peninsula or the East China Sea. If regional antagonists settle these longstanding flashpoints either through negotiation or conflict, a significantly reduced U.S. role is possible. Another extreme scenario would be a U.S. isolationist

impulse of such intensity and scope, either due to a major domestic crisis or political realignment, which could make the U.S. withdraw from commitments in East Asia.

These scenarios, even in the present uncertain times, seem highly unlikely. Nevertheless, if such circumstances came to pass, a much more wide-open path for Russia's role in East Asian security would emerge. Alternatively, in the context of East Asia's security fluidity and U.S.-Russian antagonism, Moscow may seek to use East Asia as theater of serious challenge to the U.S. But such an option will run up against a region that has a strong demand, even a default, for U.S. involvement. Moreover, such an option would require far greater Russian economic and military resources, attention and commitment to East Asia than Moscow could likely muster. The chances of U.S.-Russia cooperation to counter China appear even more unlikely.¹³ The most important factor inhibiting such a possibility is that Russia and China are "misaligned." This diminishes the U.S. impetus to work with Russia to counter China. Moreover, given the poor state of basic U.S.-Russian relations, a strategic play to counter the second biggest global economy and rising military power is a big policy leap. Finally, while a definite period of strategic competition with China has emerged, U.S. policy has not yet irrevocably settled on strategic containment of China.

East Asia's security will continue to involve Russia. The U.S. will continue to have to factor in Russia's role there—both as a challenge and opportunity. U.S.-Russia relations will not hinge on East Asian security but rather on far more salient issues that have little to do with the region and everything to do with Russia's choices about its broader international role.¹⁴

¹³ Ali Wyne, "A U.S.-Russia Partnership Against China is Unlikely," *The Rand Blog*, August 21, 2018, <https://www.rand.org/blog/2018/08/a-us-russia-partnership-against-china-is-unlikely.html>

¹⁴ For perspectives on what that role might be see the poorly entitled article by Yaroslav Trafimov, "Russia's Turn to its Asian Past," *The Wall Street Journal*, July 6, 2018, <https://www.wsj.com/articles/russias-turn-to-its-asian-past-1530889247>

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