Despite all international efforts to calm down regional tensions, the past year has witnessed more strategic divergence than convergence in the Asia-Pacific region. With the Indo-Pacific concept becoming more controversial and even its supporters (the USA, Japan, Australia, and India) advancing their own version of the concept, there is still no common vision for the security architecture of the region, be it Asia- or Indo-Pacific. The growing fragmentation of regional security as well as of visions of political economy define the overall regional dynamics and challenge the ability of key regional players to engage in cooperative actions. This article explores the regional developments of the past year from the viewpoint of Russia’s aspirations and concerns as a stakeholder interested in the region’s stability and continued economic dynamism.

China’s role remains fundamental to both defining regional security and the region’s economic outlook. Its Belt and Road Initiative (BRI) is expanding conceptually and practically to now involve even regional antagonist such as Japan. During Japanese Prime Minister Shinzo Abe’s visit to Russia in late October 2018, both parties agreed to carry out joint infrastructure projects under the BRI signboard.

With the US under President Donald Trump displaying a protectionist stance in its international economic policy and thus alienating many regional export-oriented economies, China now appears as a chief defender of free trade in the region and even globally. The Chinese idea of a ‘community of common destiny’ proposed by the Chinese President Xi Jinping in October 2017 in his address to the National Congress of the Chinese Communist Party, portrays China as a country aiming at proposing universalist ideas which might challenge the prevailing global dominance of US ideological principles.

As five years have passed since the BRI announcement in 2013, it is possible to offer an initial assessment of this Initiative and to gauge the scope of China’s success as a region-builder. Despite China’s cautious terminology (China characterises the ‘One Belt, One Road’ project as a non-coercive initiative, open to those who wish to join and implying no negative consequences for outsiders) and optimistic public messages concerning the BRI’s opportunities for bridging the infrastructure gaps...
across Asia and even beyond, more critical reflections on the BRI are now voiced by Malaysia, Singapore, Myanmar, Vietnam and others. The strategically important move to start discussions of the Code of Conduct in the South China Sea between China and ASEAN in 2018 brought some hopes for a positive outcome but did not fully pacify the continuing rivalries between China and most Southeast Asian states. Other countries in the region, India among them, also remain concerned about the scope of China’s military modernisation and more assertive international position which impact their strategic calculations and result in the desire to hedge against China’s military rise and to look favourably on more security cooperation with the US. For this reason, the past year witnessed a rise in the structural complexity of many familiar regional military drills, like Cobra Gold (February 13-23, 2018) or Malabar (June 7-16, 2018) despite the elements of military cooperation which some of the regional actors, for example Thailand, had started to build up with China. Moreover, in May 2018 referring as a pretext to China’s military activities in the South China Sea, the USA ‘disinvited’ China to the Rim of the Pacific Exercise (RIMPAC), an exercise that China had been part of in 2014 and 2016.

Against the background of these developments, Russia aspires to keep a neutral position and avoid aggravating antagonisms between its strategic partners, be it China and India or China and Vietnam. However, relations with China remain the key pillar of Russia’s Asia-Pacific strategy. China’s domestic dynamics and policy vis-à-vis the region have an impact on Russia’s regional outlook. In 2018, both Russian and Chinese leaders received new mandates to remain in power (President Putin till 2024 and President Xi till 2023 – but with constitutional limitations removed on further terms in office for the Chinese President). Given that the two leaders enjoy good personal relations, their re-election helps ensure stability in bilateral relations despite any possible political or economic disagreements at lower levels. Moreover, their common understanding of many international and regional security issues so far overshadows the slow process of creating interconnection between the BRI and the Russia-led integration project under the Eurasian Economic Union (EAU). The leaders agreed on this interconnection in May 2014 in a move to reconcile, at least formally, Russian and Chinese projects focusing on Eurasia. In 2018, the international situation was also conducive to bringing Russia and China closer together. Both countries have similar unfavourable views concerning the placement of the American THAAD ballistic missile defence system in South Korea and potentially in Japan. Further, Trump’s announcement in October 2018 concerning America’s intention to withdraw from the 1987 INF treaty brought even more discomfort to China (though it is not a party to the treaty) and Russia and naturally resulted in the two countries bonding on this issue.

Speaking about the second important regional player, Japan, one may claim that its position on a number of regional security issues retains a certain degree of dualism. On the one hand, Prime Minister Abe was the first Asian leader to visit President Trump in 2016 to confirm the continuation of the US-Japan alliance. He now actively pushes forward his vision of the Indo-Pacific strategy, which should constrain China in the military-strategic and economic sense. On the other hand, in the best traditions of international balancing, he takes actions to develop stronger relations with China and Russia. Thus, in September 2018, in a largely declaratory move during the Eastern Economic Forum in Vladivostok, he tried to publicly force President Putin to react positively to his proposal to settle the territorial dispute between the two countries over the Kuril Islands (Northern Territories in Japanese terminology) and to conclude a Russia-Japan peace treaty. Both countries are now optimistic about plans to jointly explore the Kuril Islands and to devise a solution to this longstanding territorial dispute. Importantly, in 2018, the regular Russo-Chinese military drills ‘Vostok’ did not use the territory of the Kuril Islands, though Japan was openly concerned that it might happen and for this reason did not send observers to the exercise.

Russia’s more proactive policy in Asia is gradually taking shape with the Eastern Economic Forum (EEF, held this year in Vladivostok for the 4th time), aside from being an instrument for enhancing Russia’s economic cooperation with its Asian neighbours in the Russian Far East, is now also turning into an important international venue for discussions on regional political and security issues. This year, China’s President Xi Jinping visited the Forum for the first time, while Japan’s Prime-Minister Abe participated for the third year in a row. This year the EEF also hosted the President of Mongolia and the Prime Minister of South Korea.

Following the June 2018 summit in Singapore between President Trump and North Korean Supreme Leader Kim Jong-un, and three consecutive meetings between Kim and his South Korean counterpart Moon Jae-in in April, May, and September, the situation in the Korean peninsula remains a source of moderate optimism. The temporary stabilisation on the Korean peninsula is in Russian interests and opens new opportunities for Russia and China to advance further their joint diplomatic initiative proposed in July 2017. This initiative called for a freeze on North Korea’s
nuclear missile program in exchange for the suspension of US-South Korean joint military exercises. In April 2018, North Korea announced the suspension of its nuclear tests and the next month destroyed its Punggye-ri nuclear test site. During their third summit in Pyongyang in September this year Kim and Moon also agreed to stop military activities in the sea areas adjacent to the demilitarised zone thus reducing the risk of military provocation emanating from any of the parties concerned.

One of the key uncertainties about the future of Asia, however, now comes not from its traditional hotspot on the Korean peninsula but from the competing visions for the future regional order. During the Obama administration the Asia-Pacific saw the rise of such trans-regional economy liberalisation project as Trans-Pacific Partnership (TPP). Although focused on trade, the TPP had political as well as economic underpinnings and, if fully implemented, could have created an economically divided Asia part of which would be tightly interconnected with the American market, technologies and standards while the rest could only follow these rule-setters. This project excluded both Russia and China, but also several other Asian countries. Donald Trump’s withdrawal from the TPP agreement in 2016 left many observers of the regional situation wondering what his Asian policy would look like. In November 2017 during the APEC summit in Da Nang (Vietnam) President Trump declared that the USA would seek to build a ‘free and open’ Indo-Pacific region (IPR), operating under the so-called rules-based regional order (advanced by the USA and its allies), and contrasted this vision with the approach taken by others in the region, notably China.

The military-strategic dimensions of Trump’s vision became visible with the re-start of the Quadrilateral Security Dialogue (Quad) between the USA, Japan, Australia, and India on the sidelines of the ASEAN-related Summits in Manila in 2017. The Quad first appeared in 2007 but had lapsed during Kevin Rudd’s term as the Prime Minister of Australia. The IPR remains a vague and disputed idea. There is no consensus among the Quad participants on its geographical scope: India advocates a broad understanding of the Indo-Pacific stretching from the Western coast of Africa up to the eastern coast of the Americas while the American view excludes the African and Middle Eastern part of the Indian ocean periphery from the IPR construction. With several recent American economic and infrastructure initiatives designed specifically for the IPR (the Indo-Pacific Advisory Fund, Asia EDGE, the BUILD Act) there is still no agreement on the true extent of this vast ocean area and landmass. Institutionally, with only the Quad providing a platform for the IPR protagonists to communicate with each other, the military-strategic dimensions of the Indo-Pacific concept so far dominate its other characteristics.

These considerations highlight the fact that, apart from China, India is another increasingly important pan-Asian player. America is staking a great deal on India as one of the pillars in its Indo-Pacific construct (Trump calls India America’s key ally in the region). The strategically important question, however, is whether India’s foreign and security policy settings will lean toward US positions in the coming years. So far, India seems to want to retain its independent position in Asia and is pursuing a multi-vector foreign policy. In his keynote speech at 2018 Shangri-La Dialogue, Indian Prime-Minister Narendra Modi stressed his country’s aim to pursue an inclusive Indo-Pacific strategy involving ASEAN, Japan, China, the USA, Russia, and African countries. India’s growing connections with the Shanghai Cooperation Organization (the SCO) further emphasise its pan-Asian strategy. The 2018 Summit in Qingdao formally finalised India and Pakistan’s accession to the SCO, making them full partners in this broad Eurasian organisation, which also includes Russia, China, Kazakhstan, Uzbekistan, Kyrgyzstan, and Tajikistan.

Last but not least among these somewhat alarmist concerns about the future of regional order relates to the ASEAN-cantered network of institutions. Given ASEAN’s tireless efforts over recent decades to create at least a loose regional institutional architecture, it is unfortunate that the ongoing Indo-Pacific discourse seems to silently marginalise the Association’s achievements. It should be recalled, therefore, that Russia’s idea to support ASEAN centrality through enhancing institutional cooperation between the SCO, EAEU and ASEAN as well as its proposal to build a common security architecture in the Asia-Pacific remain on the table. Russia is firmly of the view that the ASEAN-related institutions like the ASEAN Regional Forum, East Asia Summit and ASEAN Defence Ministers Meeting Plus must remain the primary regional bodies for all security-related discussions. There is no better way to ensure that cooperative endeavours prevail over disruptive impulses than to maintain a sustainable, inclusive multilateral dialogue within the existing institutions. Otherwise, to paraphrase Aaron Friedberg, Europe’s past with its constant interstate rivalries may well become the reality of Asia’s present.

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