

# Rethinking Energy Security in Northeast Asia



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## I. INTRODUCTION

In this Special Report, Younkyoo Kim argues that 'despite both governments' endless profession of an identity of interests between Russia and China, the truth is quite different. On global issues like intervention in third countries, non-proliferation, democracy promotion and Central Asia, Russia and

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China jointly act to resist US notions of a liberal world order dominated by its power. However, in regard to the regional security agenda in Asia we find only barely concealed and even potentially serious, if unadvertised, rivalries, e.g. in regard to Japan and Southeast Asia. Thus Russia is trying to do two contradictory things at the same time, namely bandwagon with China on the global and anti-American agenda, while attempting to carve out an independent balancing act directed to constrain China at the regional level. The deep-seated regional divergences between Moscow and Beijing throughout Asia have not been resolved and may not be capable of resolution given the dynamic forces at play throughout these areas.'

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## II. Special Report by Younkyoo Kim

### Rethinking Energy Security in Northeast Asia

Bandwagoning with China against the US and simultaneously covertly trying to restrain China have been the dominating motifs of Russia's Asian policy in Northeast and Southeast Asia. As a result of this dual-track policy, throughout the 2000s, Russia had to accept the palpable signs of growing Russian dependence on China in economics and energy. In 2009-11, Russia took determined steps to portray itself as an Asian player. But, Russia's failure' to develop the Russian Far East (RFE) has forced it to "turn to China for help" which has allowed China to take initial steps to build a new economic and security order in Asia at Russia's expense. The nature and direction of Russo-Chinese "strategic partnership" under Presidents Xi and Putin is becoming again a subject of intense debate. The major assumption of this article is that it is difficult to see Russia simply acquiescing in its subordination to China without reacting to that situation negatively. Since 2012, to avoid this dependence on China, Russia has oriented itself not only toward China, but to the whole spectrum of interests and opportunities in the Asia-Pacific region from Japan, South Korea, and the United States, to the ASEAN countries. Russia is tapping into China-Japan tensions to encourage greater Japanese investments and commitment to the development of Siberia and the Russian Far East (RFE), which would offset China's presence and diminish Russia's current over-dependence on Chinese investment and trade. Moscow prefers Japan coming in as well as a counterweight to China. Russia's energy cooperation with Japan is increasing Moscow's negotiating space vis-a-vis China as well as the European countries. Vietnam's permission to use Cam Ranh Bay means that Russia gains a foothold to expand its influence in Southeast Asia. The South China Sea is important not only for the abundant resources but also its strategic significance.

The goal of this article is to analyze changing Russo-Chinese relations under Xi and Putin in the context of shifting Asia-Pacific international relations. The analysis of the nature of Russo-Chinese relations comes first. The second section will examine the impact of the US pivot to Asia on Russo-Chinese relations. The third section will clarify the Japanese factor in Russo-Chinese relations. The final section will study the impact of the Russian rebuilding of its ties with Vietnam on Russo-Chinese relations.

## Dependence on China

Every official statement on Russo-Chinese relations from Moscow or Beijing reiterates that relations have never been better and postulates a virtual identity of interests between the two governments regarding Asian security. This relationship is a strategic partnership or even quasi-alliance as both sides normally use the former term. The scale of cooperation between Russia and China is reflected in the extensive infrastructure of dialogue between the two states where regular contacts are maintained at nearly all levels of central authority[1].

The basis for China's strategic partnership with Russia lies in countering the global export of America's liberal values. Russia's professed political values, i.e., sovereign democracy, comport with so called "Asian values" much more than with European ones[2]. To be sure much congruence exists in Russo-Chinese views of Asian issues, particularly when it comes to opposing US interests and values there. The biggest significance of the China-Russia partnership may be that it establishes an obstacle to the Western monopoly and protects the basic rights of the non-Western world, including the independence of national interests and the diversity of political systems. Russia and China have frequently collaborated on the basis of a shared antipathy to U.S.-led democracy promotion efforts and Washington's willingness to use force without the sanction of the UN Security Council[3]. The two states' "normative convergence," their virtually identical positions on North Korea, and demands for a new international financial, political, and economic order, not to mention their critique of US democracy promotion and other policies, like NATO's Libya operation and Syrian policies, suggest even closer convergence in the future, often at the expense of the US and its allies, especially Japan.

In fact, Russo-Chinese closeness cannot be questioned and is openly proclaimed in the September 2010 Russo-Chinese joint proposal on Asia-Pacific security. This proposal for a new security order in Asia is based on "mutual trust, mutual benefit, equality, and cooperation." All states would respect each other's sovereignty (i.e. no criticism of their domestic politics) integrity (i.e. support for Russian and Chinese postures on outstanding territorial issues, the Kurile Islands, the Senkakus, Taiwan, and possibly even China's claims on the Spratly Islands), non-alliance principles (directed against the US alliance system), equal and transparent security frameworks, equal and indivisible security, etc[4]. President Medvedev stated at that time that China tops Russia's diplomatic priorities, while relations are developing in all fields[5].

Yet, Chinese and Russian approaches to a range of significant subjects are still largely uncoordinated and at times in conflict. Several factors make it unlikely that the two countries will form a true alliance[6]. The most noteworthy development in their bilateral defense relationship has been the sharp decline of Russian arms sales to China in recent years[7]. The Russian government has declined to sell China weapons—such as advanced land warfare weapons or tactical air support aircraft—that could assist the PLA in a ground war with Russia[8]. Instead, Russia has transferred advanced weapons mostly for naval warfare and air defense. The Russian military has begun to cite China's growing military potential as a reason why Russia needs to acquire more warships and retain tactical nuclear weapons (TNWs) despite U.S. pressure to negotiate their elimination in strategic arms talks[9]. Russia also has ever more overt misgivings about China's growing military power, as were shown in difficulties over arms sales, Chinese interests in the Arctic, and China's *Great Stride* exercises of 2009[10].

Trade imbalance between Russia and China is another source of tension. The terms of trade have shifted markedly in the PRC's favor due to a decline in Chinese purchase of weapons systems and other high-technology items. At present, Russian exports to the PRC consist overwhelmingly of raw materials[11]. Throughout the 2000s the common wisdom was and even continues to be that Russia

is nervous about "rising China" - about becoming its raw-material appendage, about the demographic imbalance in Siberia and the Far East, etc[12]. We see this concern in bilateral trade trends. Sino-Russian trade touched almost US\$80 billion in 2012, showing a 42.7% year-on-year jump. In 2012, the two countries signed 27 trade contracts worth \$15 billion. But since 2008, Russia has run a \$13.5 billion trade deficit with China. Russia is eager to reduce its dependence on volatile raw material exports by reviving the PRC's purchase of high-value industrial goods and services[13]. Meanwhile both sides have pledged to increase trade from \$80 billion in 2012 to \$200 billion in 2020.

Putin has termed the development of the RFE "the most important geopolitical task" facing Russia[14]. Russia also has a long-standing desire to be seen as a player in the APR (Asia-Pacific region). Moscow believes that Russia has a role cut out for it in the Asia-Pacific - that of an honest broker of the region's territorial disputes. Russia is in all seriousness convinced that it carries enough weight in Asia to make a difference in this regard[15]. But there is still a large gap between Moscow's expectations for Russia's role in the APR and how the region perceives Russia[16]. "Energy has long been Russia's calling card in Asia and the key to the large-scale task of rebuilding Siberia, the Russian Far East (RFE), and ensuring Russia's recognition as a great Asian power[17]." Yet at the same time Russia faces the danger of dominant Chinese economic and thus political influence in its Far East. The prevailing or conventional wisdom[18] is that China is broadening or at least attempting to extend its sway in Asia, particularly in the Russian Far East (RFE) and the South China Sea, and that Moscow has failed to bring to bear on the Asia-Pacific situation its immense "European experience" in conflict resolution and energy geopolitics. Certainly its record of conflict resolution on its peripheries is not one to enhance confidence in its abilities as a mediator. Russia has also failed to draw foreign investment from the major economic powers and integrate the region with the dynamic Asia-Pacific market. The signs of growing Russian dependence on China in economics and energy are palpable as are the signs of China successfully subordinating Russia to its Asian economic agenda. The deadlock in the negotiations over the supply of gas from Russia to China continues as of this writing. The Kurile Islands dispute and the North Korean nuclear conundrum continue to stymie the prospects of Russia-Japan and/or Russia-Korea energy partnership. Japan remains lukewarm pending the resolution of the Kurile Islands dispute and South Korea by itself has limitations to be the locomotive of growth for Siberia or the Russian Far East[19].

## **The US Factor**

Russia came to the realization of how difficult it was for Russia to truly balance against China in Asia or realize its cherished dream of becoming a truly independent great power there. Moscow's strategy of leveraging its regional position to force Washington into accepting it as an equal interlocutor had completely failed in Asia as shown by its estrangement from Japan, marginality in the Six-Party process, and growing economic dependence on China. Neither US scholarship nor policy took Russia seriously as an Asian actor[20]. This frustrated Moscow, especially since 2008 when it took determined steps to portray itself as an Asian player. So long as Washington neglected it as an Asian actor, Moscow would turn primarily to Beijing to enhance its global standing and capacity to thwart US policy, hoping to then use that leverage at the regional level and thus enhance its own standing in the Asian power balance. Therefore it is within US power to redress this balance. A US initiative treating Russia as a serious East Asian partner, engaging in a real dialogue on regional security threats, and a strong public expression of US willingness to invest in the RFE in return for real guarantees of that investment might well elicit a favorable Russian response. Arguably Russia benefits greatly by having a US option with which to counter China[21].

The US administration's "Asia pivot" policy in 2011 has prompted a renewed debate on the nature of Russo-Chinese relations[22]. Beijing is going all out to strengthen its comprehensive strategic

partnership with Moscow when the US's "pivot to Asia" has grated on Sino-American ties. The United States shares an interest in involving Russia more in East Asian economic and security affairs. For example the US Pacific Command (USPACOM) invited the Russian military to take part in its annual RIMPAC exercises in 2012 to China's discomfiture[23]. Such actions, along with vigorous Russian diplomacy have led Russia to believe that its situation in Asia is visibly improving. Russia perceives its growing acceptance in North and Southeast Asia as a major regional if not international actor[24].

Meanwhile the character of China's relations with Russia is deeply entwined with the character of China's relations with the United States, Japan and the ASEAN countries. Russian security in the Asia-Pacific depends on the maintenance of an equilibrium and balance between the US and China, not on Russia's "leaning to one side." The rise of Chinese power in the Far East has provoked considerable debate in Russia. Many Russian commentators are of the opinion that as Russia increasingly feels the threat from a rising China, it will have no choice but to move closer to the US and the EU[25]. There has been speculation that Russia will eventually abandon China and choose to align itself with the US-led west[26]. According to Igor Zevelev, Russia is likely to become a "swing state," i.e. a country that has minor power relative to the two leading powers, but which is still capable of choosing one or the other alternately as a partner[27]. He argues that diversified and multi-tiered partnerships with both the United States and China would be the best strategy for Russia, forming temporary coalitions with the United States on some issues, and with China on others[28].

The participation of the Russian Pacific Fleet in the major international naval exercise RIMPAC in the summer of 2012 testifies to this fact, as it caused concern in China. Beijing has measured Moscow's response to the rising tensions in the Far East and found it falling far short of the support it expected for the Chinese stance on the territorial disputes there. Russo-Chinese naval exercises in April 2012 reflected Moscow's delicate balancing act in Asia[29]. Russia and China conducted their first official bilateral naval exercise from April 22-27, 2012 in the Yellow Sea near Qingdao, China. The China-Russia exercise occurred at the same time as a U.S. amphibious exercise with the Philippines involving nearly 7,000 troops, which included high-profile island landings a few days before the Sino-Russian drill was scheduled to start. Contingents from Australia, Japan, and South Korea also participated in these exercises[30]. The Chinese military media in particular emphasized the unity of the two sides and the implicitly anti-American aspect of these exercises. Indeed, the Chinese Press reported Chief of the General Staff, Chen Bingde's statements that bilateral military cooperation was an important aspect of the overall cooperation between Russia. These exercises represented a sign of the "unshakable determination" to implement the two governments' strategic partnership and strategic mutual trust between the two militaries, strengthen the two navies' capacity to deal with new threats (i.e. the US) and a willingness to work together to safeguard regional peace and security[31].

Such remarks suggest the greater willingness of the Chinese military to take a hard line against the US. But the Russian military remained more circumspect with regard to naval issues. Instead, the Russian military's public response was political in nature. On May 3, 2012, General Nikolai Makarov, Chief of the General Staff announced a new argument, but one that was long argued by Beijing, that the US missile defenses were objectionable because they will also target China's nuclear potential, an argument that has rarely figured in Moscow's public argumentation against those missile defenses, and showing a solicitude for China's nuclear capacity that is undoubtedly politically mandated given what we know of Russian defense thinking[32]. But nothing was said or implied about Asian territorial issues or conventional war-fighting scenarios. This was Putin's way of sending a discreet but unmistakable signal as opposed to the rather more blustery tone of the Chinese military. Russian generals do not make these kinds of statements and announcements

without strict political guidance. Thus Moscow is signaling to both Beijing and Washington that too much US pressure on missile defenses, on checking China in Asia, and on exporting democracy will lead Moscow closer to Beijing. But it also implicitly reserved its stance on the territorial disputes between China and Vietnam and China and Japan. Thus an April 28, 2012 article by Vasily Kashin of the Center for the Analysis of Strategies and Technologies explicitly waned against China's growing economic, political, and military power and influence. Kashin explicitly referred to a Chinese debate in the mass media and expert sources over switching to the creation of military-political alliances and tougher opposition to the West[33]. Thus Kashin confirmed earlier reports that there are those in Beijing interested in formulating a closer military-political alliance with Moscow and presumably vice versa even though that would lead in his view to placing Russian politics under the shadow of that bilateral competition between Beijing and Washington. Kashin certainly implied that this outcome would do Russia no good[34]. But it is clear that these exercises also signaled improved Chinese naval capabilities such as naval replenishment at sea and thus constituted a sign to Asia and the US of those enhanced capabilities. But those capabilities could also conceivably threaten Russian equities and interests. Putin's recent remarks that Russia hopes to catch the wind of China's sails may yet come through in ways that he certainly did not mean or intend[35].

## **The Japan Factor**

The expansion of Russian-Japanese cooperation can only add to Russia's influence in the Asia-Pacific region. Notably, the United States' recent deployment of radar systems in northern Japan doesn't seem to deter Moscow from expanding cooperation in security and defense, although it has voiced concern over the two sides' cooperation in missile defense.

Although Russia has insulted Japan by strengthening its claims to the Kurile Islands and even reinforcing them militarily, Moscow and Tokyo have been trying to initiate a new rapprochement. The key motive for approaching Japan is to balance China in Asia, not necessarily a high valuation of Japan for its intrinsic capabilities and assets[36]. Despite the missteps over disputed territory, there are several factors that make such a renewal of friendly relations likely.

First, China's overweening pressure on Japan since 2010 may certainly be driving Tokyo to look for new support, particularly as Russia is regarded as one of the countries with a large supply of rare earth minerals, which China has attempted to block Japan from buying. Second, China's growing propensity to attempt to intimidate its neighbours over maritime boundaries and other issues has drawn quiet but visible Russian resistance in Southeast Asia, and Moscow certainly would also not view a Sino-Japanese clash with equanimity. Third, Russian elites still believe that Japan and Russia are complementary economies and that Japan seeks greater access to Russian energy despite Russia's terrible commercial record as well as the Kurile Islands obstacle. The strong demand for Russian energy that Moscow imputes to Tokyo is only partially true. However, Russia realizes it must sell energy to multiple Asian partners, not just China, to be taken seriously in its high-priority quest for great power status in Asia[37].

Accordingly both sides have indicated their desire to negotiate on outstanding issues. Most recently, Russian Foreign Minister Sergei Lavrov stated that Russia was prepared to discuss a peace treaty with Japan on the basis of the UN charter. Lavrov also simultaneously indicated Russia's willingness to discuss "any matters" that are of interest to Japan - i.e., the Kurile Islands and China - and to seek an agreement on the disputed islands that is mutually acceptable[38].

At the recent Asia-Pacific Economic Cooperation (APEC) forum summit in Vladivostok in September, 2012, Japan and Russia signed a series of agreements as part of a meeting between Prime Minister Noda Yoshihiko and President Vladimir Putin. These accords deal with fish and seafood poaching in

territorial waters, a locally important issue; a memorandum of understanding (MoU) between Gazprom and Japan's Ministry for Natural Resources and Energy; as well as a contract to build a large timber complex in the Krasnoyarsk area[39].

The biggest economic issue where agreement could be reached regards the provision of Russian gas to Japan. Moscow has large-scale ambitions to provide gas to several of its Asian neighbours, but those plans have remained suspended due to long-standing differences with China and the difficulties surrounding the realization of Moscow's long-held dream of a Trans-Korean gas pipeline. That leaves Japan as the only major Asian player with whom progress might be possible in the immediate future. The MoU signed by Gazprom and Japan's Ministry of Natural Resources and Energy appears to create a situation where Japan could participate in the construction of a natural gas liquefaction plant in Vladivostok.

While that could add to Japan's receipt of more liquefied natural gas (LNG) from Russia beyond what it already gets from Sakhalin, it would also greatly increase Russia's capability to compete in the global gas market. For Russia, the Gazprom-led Eastern Gas Program - of which LNG production is an important element - is vital to its larger goal of becoming a major energy provider to East Asia and concurrently a major Asian power in its own right.

Furthermore acceptance of such Japanese help is part of the larger program of "modernization partnerships." Russia hopes to solicit foreign investment in areas such as the Russian Far East from countries including Japan to achieve Moscow's geopolitical goals. Russian officials do not hide that they seek Japanese investment, as Moscow certainly would not like to be left dependent on exclusively Chinese investment in its Asian provinces and energy facilities - hence the discussions about investment projects that took place at the APEC summit with Tokyo. At the same time, Japan does not want China, which would like to obtain reliable sources of energy in general and LNG in particular, to have unconstrained access to the Russian Far East.

Thus Japan, too, has proposed energy and investment initiatives with Russia. Specifically it has revived the idea of inviting Gazprom to take part in a project to build a gas pipeline from southern Sakhalin to Japan's east coast. The pipeline would run from Prigorodnye on Sakhalin, across the island of Hokkaido, and run southward along Japan's east coast via the prefectures of Aomori, Iwate, Myagi and Fukushima. It would be 1,300-1,500 kilometers long and could carry 16-20 billion cubic meters of gas. Its estimated cost is US\$550 million-\$700 million.

For Japanese officials, this proposal is advantageous as this pipeline would supply non-liquefied gas to Japan, which currently lacks regasification terminals but where demand for gas can be guaranteed. And the pipeline can be integrated with projects like natural gas power plants. At the same time, Russia would thus gain a role in gas processing and sales as well as preferential entry into various other projects. Japan's investment would be repaid by the tariffs for pumping gas, and Japanese officials are ready to begin construction of the pipeline right away. But Gazprom still believes that the Vladivostok LNG plant is the main priority. Thus, for the moment, despite much talk about rapprochement and investments, there is as yet nothing tangible to speak of other than atmospherics. But as time goes by, and if Chinese pressure on either or both countries becomes too overbearing, or if Russia and China resolve their own long-standing gas disputes as they keep promising to do, we may yet see some positive developments either in energy or in a broader geopolitical settlement between Russia and Japan.

## **The ASEAN Factor**

The compromise at the recent Bali ASEAN ministerial Summit among ASEAN members, China, and the US averted further tensions for now. But the recurring nature of Chinese efforts to encroach

upon ASEAN in the South China Sea and extend its sway over Southeast Asia means that this calm will not last very long. Southeast Asia and the South China Sea are now clearly major theaters of rivalry between the US and China. ASEAN's members are squarely in the middle of this rivalry and seek to leverage any and all assistance from major powers that they can get, e.g. India, as well as Russia. Meanwhile Russia is clearly and naively trying to run a bluff on China, which will probably only provoke Chinese and Asian mistrust despite the mutual professions of an identity of interest with China. China's rising power eclipses that of Russia and it is attempting to convert the Russian Far East into its economic rear.

Nonetheless bandwagoning with China against the US and simultaneously covertly trying to restrain China will continue to be the dominating motifs of Russia's Asian policy in Northeast and Southeast Asia. Southeast Asia, once again, is a cockpit of major international rivalries. The test of its continuing progress in developing progressive approaches to security like ASEAN's approach will be its ability to navigate through those shoals which are only likely to deepen in the foreseeable future.

Moscow, to nobody's surprise, is playing the same game in Southeast Asia with ASEAN members as shown recently at the ASEAN Ministerial Summit. Russia's standing in Southeast Asia has also grown recently due to its ability to sell Southeast Asian governments arms, prospect for energy and assist Vietnam, Laos, Cambodia, Thailand and the Philippines to build energy infrastructure, develop collaborative projects involving innovative technologies, and improve people to people contacts. But perhaps by far the most important success is the enhancement of the institutional basis of Russia's relationship with ASEAN to the point where Russia has become a dialogue partner for ASEAN, as observed at the Bali Ministerial Summit in July 2011[40]. These policy trends have clearly improved relationships between Russia and both individual members of ASEAN and the organization as a whole.

The arms sales and energy projects are clearly the priorities on a bilateral basis in Russian policy here. But they too reflect Moscow's desire to have its cake and eat it in regard to China. Indeed, Vietnam was Moscow's biggest customer for weapons in 2009 and continues to be a major customer for Russian weapons. ASEAN states fear that the systems sold to China could be used against them, e.g. in the South China Seas over the contested Spratly Islands. This places Moscow in the position of selling arms to both sides in potential conflicts, a problem it faces in even greater degree in the Middle East but a habitual dilemma facing Moscow. Indeed, Russian arms sales to Myanmar and perhaps its alleged nuclear cooperation with that state as well have raised anxieties in other neighboring countries leading them to buy more weapons. Nevertheless Moscow denies responsibility for any regional arms race even though the evidence tends to suggest a regional action-reaction pattern[41].

But beyond that point Russian arms sales in Southeast Asia raise other questions that we have seen elsewhere. As in Iran's case Russian officials claim that if they did not sell arms, others would, depriving them of access. While this may be true, those sales' prominence in Russian ties to Southeast Asia underscore the weakness of economic ties and the non-competitiveness of Russia as an economic actor here. For example, Russia was not invited to join the East Asia Summit and Singapore rejected Moscow's proposal to regularize its relations with ASEAN through regular summits on the grounds that Russian economic relations with ASEAN were insubstantial[42]. Lastly we again find in Southeast Asia the possibility for arms sales deals to corrupt not only individuals but also the overall Russian policy process. In Myanmar, for example, Moscow's penetration of the local arms market was reportedly effected not by the state or its arms seller, Rosoboroneksport (ROE), but by Russia's intelligence agencies, giving rise to questions of whether or not the government has complete control over its arms sales to Myanmar, as ROE and the Ministry of Defense should conduct those.



The same phenomenon is visible regarding energy. During the recent rising tension over Chinese efforts to declare the South China Sea a core interest and a kind of Mare Nostrum (our sea) Russia openly sided with Vietnam. Deputy Foreign Minister Andrei Denisov gave economic reasons for supporting Vietnam. Not surprisingly Chinese media reports denounced this action as “unrighteous” and warned Russia that it is consciously preferring cooperation with “ill-doers” over China with whom it professes an identity of interests. The Chinese media also stressed that Russo-Vietnamese military and energy cooperation allows Vietnam to extend its energy exploration into contested areas. Vietnam depends on this cooperation with Russia, so in some sense Russia is culpable. China also correctly accused Russia of seeking a return to Cam Ranh Bay[43]. Indeed, quite recently Russia announced its interest in returning to a naval base there, a step probably connected to joint Russo-Vietnamese energy projects off Vietnam’s coast, and as a means of checking China[44]. Russia’s natural gas company Gazprom announced on April 6, 2012 that it had signed a deal to take a minority stake in the development of two gas projects off the coast of Vietnam. Gazprom will explore two licensed blocks in the Vietnamese continental shelf in the South China Sea. It takes a 49% stake in the offshore blocks, which hold an estimated 1.9 trillion cubic feet of natural gas and more than 25 million tons of gas condensate[45].

## Conclusion

On January 8, 2013 China’s incoming President, Xi Jinping, said that strengthening relations with Russia was a priority for China and told Secretary of Russia’s Security Council, Nikolai Patrushev that China would push to effect a comprehensive bilateral program of strategic partnership of coordination and stronger mutual political support and that this partnership was a top priority[46]. Since both sides agree on Syria, North Africa, Korea and other hot spots and both discern a rising threat from US missile defenses, this outcome is or should hardly come as a surprise. Thus Patrushev noted that both sides are concerned about US missile defenses, including in the Asia-Pacific region, presumably referring to the US-Japanese decision to field a second X-band radar in Japan, and that both sides have agreed to coordinate their actions in this respect[47]. And on January 28 China’s Senior Legislator, Wu Bangguo also told Russian officials that China would prioritize the development of that comprehensive strategic partnership with Russia[48].

Despite both governments’ endless profession of an identity of interests between Russia and China, the truth is quite different. On global issues like intervention in third countries, non-proliferation, democracy promotion and Central Asia we find a congruence of Sino-Russian views mainly in opposition to US notions of a liberal world order dominated by its power. However, in regard to the regional security agenda in Asia we find only barely concealed and even potentially serious, if unadvertised rivalries. These tensions do not only manifest themselves in regard to Japan and Southeast Asia. They are increasingly visible in Central Asia where China is clearly supplanting Russia as a major economic-political partner, the Arctic, and even Korea[49]. Thus Russia is trying to do two contradictory things at the same time, namely bandwagon with China on the global and anti-American agenda, while attempting to carve out an independent balancing act directed to constrain China at the regional level. As its own resources for performing the latter act do not suffice it needs to find partners without estranging China. But it runs the risk of one, not being able to compete with China while second, fueling Beijing’s suspicions about Russia. The strains involved in this act are already visible in East Asia and Central Asia but for the moment a shared apprehension about the US missile defense system and China’s apprehensions about the US “pivot” to Asia have brought both parties closer together.

The deep-seated regional divergences between Moscow and Beijing throughout Asia have not been resolved and may not be capable of resolution given the dynamic forces at play throughout these areas. Moreover, it is increasingly apparent that absent serious reform Russia will continue to fall

behind China. Therefore, and taking all those dynamics into account it remains an open question whether and for how long Russia will identify with China or whether it will seek new partners in Asia.

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## IV. NAUTILUS INVITES YOUR RESPONSES

The Nautilus Peace and Security Network invites your responses to this report. Please leave a comment below or send your response to: [nautilus@nautilus.org](mailto:nautilus@nautilus.org). Comments will only be posted if they include the author’s name and affiliation.

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