CHAPTER SEVEN
FOREIGN POLICY STRUCTURES OF RUSSIAN FEDERATION

This chapter examines the internal and external foreign policy structures of Russia. The internal foreign policy structure of Russia is hierarchically divided into three categories. However, in this study, the United States, Japan, China, and all small powers collectively in Asia-Pacific constitute the external foreign policy structure of Russia. An analysis of Russia's power status and interests in the Pacific Region precedes examination of the aforesaid sources of influence on Russian foreign policy.

7.1 Russia's Power Status

The Soviet Union was pronounced dead in August 1991 and the Russian Federation was recognised by the international community as the successor state to the USSR. The Russian Federation aspires to be treated like a superpower and its leaders attempt to create conditions that would enable Russia to affect the basic equilibrium in world politics in favour of Moscow. Nevertheless, academics maintain that Russia has been downgraded to the second class in terms of major power status. Others argue that Russia is a major player strategically and not economically. They hold that economically, the definition of "Southern" nations could fit conditions in Russia.[1] Analysis of some quantitative data could help in a better understanding of Russia's strategic and economic conditions in world politics.

The indicators of Russia's economic performance on a global scale are: Gross National Product (GNP)/Gross Domestic Product (GDP), Volume of Total Trade (i.e. the export/import ratio), Foreign Direct Investment (FDI), and membership of global financial institutions and economic organisations as well as the degree of influence Russia can exert in such institutions and organisations. However, indicators of Russia's strategic or military capabilities range from nuclear capability, manpower, military equipment, contribution to peacekeeping operations around the globe, defence expenditure, arms trade, and deployment of its military forces both in the area of the Soviet Union and outside the former Soviet borders for protection of Russian interests and for purposes of global security.

Russia recorded a GNP of $664 billion and $356 billion for fiscal years 1995 and 1996 respectively. Russia in 1995 ranked eighth in terms of GNP in the world, well far behind the United States, Japan, and China. Russia's GNP per capita for 1995 was estimated at $4,478 dollars. Moreover, Russia recorded GDP of $1,120 billion and $1,110 billion in 1994 and 1995 respectively. Its GDP for fiscal years 1997 and 1998 was estimated at about $1.1tr respectively. In addition, Russia's GDP per capita in 1994 and 1995 was $6,700 and $6,600 respectively. Russia's total trade in 1995 and 1996 was estimated at $124 billion and $125 billion respectively. Russia's export/import ratio for fiscal year 1996 was $81.4/$43.3 billion. In 1995 Russia's share of the world trade in terms of export/import ratio percentage was estimated at 1.30% and 0.7%. In 1997 Russia's exports dropped to record 1.20% share of the world export while its import rose to 0.90% of the world total imports. This placed Russia to become world's number 20th exporter and 24th importer in 1997.[2] Given the sluggish economic trends in Russia, it is not surprising that Russia's FDI in consumer goods is almost negligible. Russia rather struggles to attract foreign investment.

In addition, Russia was given membership in Western international financial institutions such as International Monetary Fund (IMF),[3] the World Bank, and World Trade Organisation (WTO). Russia was also admitted to the Group of Seven Industrialised Nations (better known as G-7) and Asia-Pacific Cooperation Forum (APEC). In 1992 Russia was invited, in recognition of its strategic importance as a regional player, to join the ASEAN Regional Forum (ARF) when it was established in 1994 to exchange views on security issues in the Asia-Pacific region. However, Russia

was elevated to the status of a Full Dialogue Partner of ARF in July 1997 at the 29th ASEAN Ministerial Meeting (AMM) in Jakarta, Indonesia. Interestingly, Russia has no influence on the decisions of these organisations. Russia uses these organisations as a platform to ask the developed nations of the West for aid, transfer of technology, and capital investment like other Southern nations.[4] Current examples include: the abolition by the western industrialised nations of the Coordinating Committee for Multilateral Export Controls (COCOM) which previously discriminated against the Soviet Union, grant of Most Favoured Nations Status (MFN) to Russia by the United States, and IMF aid packages needed for Russian economic reforms.[5] However, after a decade of reconstruction, Russia's recovery thus far has proven to be abortive. Russia's GDP was fluctuating over the decade with little improvement. Despite the economic reforms in Russia and Moscow's entry into international financial institutions, Russia's economy is on the decline. Some academics argue that the reason for Russia's admission in such prestigious world financial and economic organisations is to prevent Russia from challenging the Western-dominated world order. In addition, Western nations believe that the best method of containing Russia is to engage Moscow in some kind of enterprise (see Appendix Eight).

However, academics do not consider Russia a southern nation in the realm of geostrategy. Despite downsizing its strategic warfare and nuclear arsenals, Russia is a second-rank or major military power. Sources dealing with Russia's military expenditure often present contradicting data. Perhaps the reason for such contradiction could be variation in the US dollar purchasing-parity with the rouble.[6] According to *World*

Military Expenditure and Arms Transfers 1996, in years 1992, 1993, 1994, and 1995 Russia spent $159.2, $125.0, $935.0, $760.0 billion on military respectively.[7] However, *the Military Balance 96 97* maintained Russia's military expenditure at $82.6 billion and $95.6 billion in 1994 and 1995 respectively. *The Military Balance* estimates indicate substantial increase in Russia's defence spending.[8] Nevertheless, *The Military Balance* estimates that the real decrease over the period 1992-1995 was in the order of 45 percent.[9] However, Russia's defence expenditure in 1997-1998 declined further. In 1997 its defence expenditure was $64 billion while in 1998 it spent $55 billion on defence.[10] Therefore, one could observe a steady decline in Russia's defence budget. Despite the magnitude of a substantial decline in its military spending and defence budget, Russia remained the second largest military spender after the United States in the world.

Over 1993-1995 Russia's world arms export share was 8.9 percent. Estimates show that Russia's arms delivery by 1995 rose to 9 billion from a low of fewer than 2 billion in 1992.[11] Russia's arms exports fall under the following four categories: (1) Land armament including unit types such as tanks, artillery, armoured cars, etc.; (2) Naval craft including unit types such as major surface combatant, submarines, missile attack boats, etc.; (3) Aircraft including unit types of combat aircraft (super and subsonic), helicopters, etc.; and (4) Missiles including surface-to-surface, surface-to-air, etc. unit types.[12] Over this same period, Russia was the third largest arms exporter in the world. This may also explain the military's contribution to the Russian economy. Russia used a considerable percentage of its military income in conversion of military industries as well as in social welfare programmes.

Russia's defence budget in 1995 and 1996 was $62 billion and $48 billion respectively. However, Russia's defence budget for the years 1998, 1999, and 2000 was estimated at about $35 billion, $31 billion, and $30 billion respectively.[13] Despite the drop in defence spending in 1996 compared to the previous year, the defence budget continued to exclude substantial funding for paramilitary forces, arms control negotiations, participation of Russian forces in United Nations operations, and subsidies to military regions and industries. If provisions to the aforesaid areas in the Russian defence establishment were to be included in the 1996 defence spending, it could be closer to the 1995 defence spending. These defence-related activities are mostly funded from law-enforcement and state security budgets. About half of the science allocation still goes towards military-related research. When military-related spending is added to the defence budget, these outlays raise the proportion of the military component of the federal budget to over 25 percent.[14] Similar arguments could be advanced related to the 1998-2000 Russia's defence spending. Significantly, *the Military Balance 1999/2000* notes:

> The lack of transparency of Russia's military accounting, coupled with the non-convertibility of the rouble, continues to make estimates of Russia's real military spending imprecise and vulnerable to misinterpretation. At the market exchange rate, Russia's defence budget for 1999 amounts to $4bn – roughly equivalent to Singapore's annual defence spending. This figure totally belies the real value of the resources allocated to the military, which is masked by the pervasive practices of non-payment and barter. The impact of these practices is that up to 75% of all defence-related financial transactions effectively fall outside of the defence budget. The situation is further complicated by poor accounting practices that result in funds not going to the intended destination due to either inefficiency or corruption. ...*While few would dispute that Russia's military effort*

has contracted enormously since the Cold War, the evidence suggests that real military spending still accounted for at least 5% of GDP or some $55bn in 1998.[15]

Russia's armed forces total 1.4 million persons, constituting the world's third largest or roughly 4.5 percent of the world armed forces. For the sake of analysis, Russia's armed forces are divided into army, navy, and airforce components deployed on the territories of the Soviet Union, over the waters, and under United Nations peacekeeping programmes. In the aftermath of Soviet disintegration, the doctrine of nuclear parity and possibility of nuclear war was removed from Russia's strategic planning. However, the Russian military establishment supported the idea to construct a new mobile force structure with a rapid-reaction core.[16] This new military doctrine will affect all categories of armed forces stated above. The new military doctrine requires the Russian military establishment to reconstruct military bases and facilities in many of the former Soviet republics.

The army is composed of 348,000 persons, equipped with all the most advanced and sophisticated types of weapons.[17] The navy is composed of 171,500 troops distributed in submarines, principle surface combatants, patrol and coastal combatants, mine warfare, amphibious, naval aviation, and coastal defence. Deployment of Russian naval forces includes five fleets—Northern Fleet, Baltic Fleet, Black Sea Fleet Caspian Sea Flotilla, and the Pacific Fleet.[18] Russia's airforce is divided into four commands: Long-range Aviation Command, Frontal Aviation Command, Military Transport Aviation Command, and Reserve and Training Command.[19] The Strategic Nuclear Forces are distributed across the board in the army, navy, and air force.

Russian forces deployed abroad other than over the waters are divided into two categories. The first category is forces deployed in the "near abroad". The second category is forces deployed outside the borders of "near abroad". The concept "Near Abroad" is a term coined in the post-Soviet era. "Near Abroad" refers to the space under the control of the Soviet Union or former Soviet Republics. Therefore, the term "Near Abroad" used in this chapter means the former Soviet Republics. Russia's forces deployed in "Near Abroad" and outside "Near Abroad" include both forces deployed under the United Nations and forces that are not under the supervision of the United Nations. Russia's deployment in the "Near Abroad" includes Transcaucasus (Armenia, and Georgia/Abkhazia, South Ossetia), Dniestr, Moldova, Tajikistan, Ukraine, etc. Russia's deployment outside "Near Abroad" include Vietnam, Cuba, Mongolia, Syria, African Subsahara, Angola, Bosnia, Croatia Iraq/Kuwait, and Western Sahara, etc.[20]

However, according to the "State Programme on Military Construction to 2005", approved in August 1999, Russia's military establishment is being restructured. The reorganisation exercise involves two aspects of Russia's defence system: (1) merger of military districts and commands, and (2) modernisation and upgrading of weapons. It is expected that the reorganisation of Russia's defence system would enhance efficiency and effectiveness of its armed forces, as it focuses on designing a strategy that enhances readiness of Russia's armed forces to act fast in a short span of time. By the end of 1998, the reorganisation of the military districts and the armed forces command structure was complete. In areas where reforms have been complete, a series of exercises have been conducted. For example, *Airbridge 99* (14-18 March 1999) and *West 99* (end of June

1999) were military exercises conducted to test the newly established commands. However, reform of the Russian defence system especially modernisation of its weapons is expected to be completed by 2005.[21]

According to the START and SALT treaties Russia must destroy some 30 percent of its strategic and nuclear arsenals.[22] Russia has not ratified START II. Moscow, however, would ratify START II only after it developed a substitute programme for the development of its strategic nuclear forces. Efforts are underway to introduce a programme that could maintain Russia's strategic strength after it destroys its strategic warheads as stipulated in START II. *The Military Balance 1999/2000* regarding Russia's intention about its strategic programme notes:

> On 2 July 1999, the Federation Council (Russia's upper house) approved the federal law on 'The Funding of the State Defence Order for Strategic Nuclear Forces' which establishes a minimum funding level under each article of the Defence Order for strategic nuclear forces for each year until 2005, and overall until 2010. The new legislation followed the approval by the Security Council in 1998 of the federal programme for the development of strategic nuclear forces. The adoption of these two documents could play a positive role in Russia's ratification of the Strategic Arms Reduction Treaty (START) II since these legal steps were specified as key requirements for consideration of the treaty by the Russian *Duma*. The debate and vote on START II in the *Duma* was cancelled in April 1999 because of the NATO campaign in Yugoslavia. Following the cease-fire, the then Russian Rime Minister Sergei Stepashin pledged to continue pressing the *Duma* to achieve ratification by the end of 1999. Although Stepashin was replaced as Prime Minister in August 1999, the government went ahead with talks with the US on details of the START III Treaty on 18-19 August. The US aide made it clear that full negotiations on START III could not begin before START II has been ratified....[23]

However, despite Russia's commitment to the START and SALT treaties, it would still possess nuclear arsenals that can destroy the world many times over. Russia may no

longer enjoy nuclear or strategic parity with the United States. "The overall state of operational readiness of (Russia's) all except the nuclear forces may remain low due to lack of resources for training, maintenance and new equipment".[24] However, Russia's commitment to the START and SALT treaties may not imply denuclearisation of its defence system, as Russia is still conducting nuclear tests and exercises. The role of nuclear forces was emphasised in a special meeting of the Security Council on development of Russia's nuclear weapons under the auspices of the then Secretary of the Security Council, Vladimir Putin (now Russian President) on 28 April 1999. Putin announced that President Yeltsin had "signed two decrees on a programme for further development of strategic and tactical nuclear weapons"[25] (see Appendix Nine).

Thus the world may not be able to ignore Russia's strategic capability and military presence around the globe. Therefore, an economically weak and strategically strong Russia remains a source of concern to policy-makers in the foreign offices in Washington, Tokyo, and Beijing. In any prospective economic and strategic structure in the Asia-Pacific region, or even globally, Russia can be expected to play a significant role. To ignore Russia from power management mechanisms in the world is to create an in-built weakness within the international order.

7.2 Russia's Interests

Margot Light has argued that Russian foreign policy interests are yet to be articulated properly.[26] However, the myriad trends in the debate on Russian foreign policy since the disintegration of the Soviet Union indicate that foreign policy elites are

set to pursue some concrete goals. Therefore, post-Soviet Russian interests are both long-term and short-term in nature. In post-Soviet Russia, three main perspectives in the foreign policy debate have emerged: Atlanticism, Eurasianism, and Atlanticism-Eurasianism Synthesis. These views have also been interpreted in the light of the struggle between Liberal Westernism, Fundamental Nationalism, and Pragmatic Nationalism. According to Richard Sakwa, "Stankevich emerged as the partisan of the Eurasian lobby, while Kozyrev's alleged pursuit of an Atlanticist policy was a way of suggesting that he lacked a policy for Asia and that he was too eager to please the Western powers".[27] While proceeding to examine these perspectives, we need to bear in mind that the debate between the numerous perspectives is over Russia's short-term priorities and not long-term goals.

Foreign policy elites across the board in Russia want to reconstruct the Russian Federation into a "Super State" erected on three tiers: strong economy, viable military, and political influence.[28] However, some academics argue that Russia inherited the notion of "Super State" from Mikhail Gorbachev who initiated *glasnost* (openness) and *perestroika* (restructuring) to reorient and renovate the Soviet system. Gorbachev by placing more emphasis on the economy and less emphasis on the military hoped that the Soviet system would become competitive. He had planned the reconstruction of the Soviet economy so that it could compete with Western capitalist economies.[29] The Soviet interest as such required Gorbachev to enter into some kind of cooperative enterprise with the West. Post-Soviet policy-makers in Russia adopted the same policy, however.

Gorbachev's policies unexpectedly doomed the Russian Socialist State into disintegration. Post-Soviet elites could not help coming to terms with post-Soviet international politics in which their country is now downgraded into a major power (as opposed to being a superpower). Hence, Russian elites accepted the disintegration of the Soviet Union as a temporary phenomenon only. A policy must be initiated to reintegrate the former states of the Communist System. However, reintegration may not be territorial or political in the sense that Russia controlled all spheres of life in the former Soviet republics. According to post-Soviet elites, reintegration can be in the form of military and economic dependency of the "Near Abroad" on mainland Russia.[30] This modified version of Gorbachevian "Super State" somehow required Russia to construct a viable and competitive strategy commensurate with its great power status. The strategy should return Russia to the central position in the world political and economic structure. Thus the strategy should be capable of creating conditions in which Russia is shifted from the periphery to the centre of the international economy. The development of a competitive economy constitutes the core of the current strategy.

The formulation of a competitive strategy stimulated debate over what constituted Russia's short-term priorities. Atlanticists insist that a West-centric policy would help Russia attain its long-term interests. Eurasianists doubted the Atlanticists' assumption. They advocate a policy that emphasises friendly relations with the "Near Abroad" in the former Soviet republics. The concept "Near Abroad" in the original Eurasian perspective does not include the Asia-Pacific region. The debate between Atlanticists and Eurasianists produced a third perspective that could be called the Atlanticist-Eurasianist

Synthesis. The synthetic perspective combined essential components of Atlanticism and Eurasianism. According to the synthetic perspective, Russia's Eurasian character has been broadened to also include the Asia-Pacific Region. Therefore, relations with the West (Western Europe, the United States, and all industrialised nations), "Near Aboard", and the Asia-Pacific region are outlined as Russia's short-term priorities. The synthetic perspective has dominated foreign policy debates since the mid-1990s. The synthetic perspective is equated with what is now called a foreign policy concept. Former President Boris Yeltsin instructed the Foreign Ministry to draft a new concept. The Foreign Ministry's Official Policy Draft's final version has been approved by Yeltsin and remains classified.[31] The discussion below examines the debate between these three perspectives on Russian foreign policy.

The Atlanticist perspective advocates a West-centric foreign policy. According to this perspective, Russia is a European nation. Therefore, post-Soviet Russia's priority is to integrate Russia into the Western economic order. The Russian economic imperative requires capital and aid. The Russia must attract Western economic aid and cooperation to modernise its infrastructure. Therefore, they advocated friendly relations and eventually allied relations with the civilised world, including NATO, the UN, and other structures. Russian policy should avoid antagonising the West. Russia should join IMF, World Bank, and the Group of Seven as its eighth member. Atlanticists argue that Russian diplomacy should be geared towards the creation of conditions favourable to Russia's integration into the Western system. The integration of Russia into Western Europe and the West generally must be pursued even at the risk of Russia's leadership in

the "Near Abroad".[32] According to Margot Light, "the Atlanticist perspective emphasized the importance of social and institutional factors in determining the quality of geography and primordial culture".[33] It requires Western participation in the reform process in Russia and Moscow's access to international and regional markets, financial organisations, and scientific and technological projects. Ironically, Atlanticists believed that keeping the West happy was something temporary as it was necessary for Russia's domestic economic problems.[34] The Atlanticist approach dominated Russia's foreign policy formulation in the first few months of post-Soviet Russia. The pendulum began to swing, and the Eurasian approach tended to dominate the foreign policy debate. Perhaps the main reason behind the shift as such was Western policy of enlargement of NATO to include the Soviet Union's East European states and absence of political will in the West to come forward and put Russia's economic house in order. However, it is noteworthy to argue that the West particularly the United States feel obliged to put Russia's economic house in order. Michael W. Doyle notes:

> President Clinton embraced the Russian leader (Boris Yeltsin) at the...Vancouver Summit and, together with the other members of the Group of seven industrial democracies, *reaffirmed a commitment to the financial backing of Russian democracy.*[35]

Therefore, the fate of democracy and human rights in Moscow depends on economic development and creation of a market economy. The failure of economic reforms in Moscow would inevitably compel Russia to reassert itself in some way--which could in turn lead to instability in the Asia-Pacific region. Obviously, systemic disturbances in the region are detrimental to Western interests in the region, thus impelling the West to contribute out of its own self-interest to ensure the success of economic reforms in Russia.

The Eurasian perspective emphasised Russia's European and Asian identity. But it advocates that Russian elites should focus on Moscow's relations with the "Near Abroad" or former Soviet republics. Eurasianists maintain that Russia needs to adopt a "Eurasian Monroe Doctrine". The immediate preoccupation of Russian foreign policy should be to exert leadership and influence in the "Near Abroad" even at the risk of deterioration of relations with the West.[36] The debate between Atlanticists and Eurasianists within official foreign policy circles in Moscow persuaded the foreign policy elites to formulate an official Russian foreign policy concept. The Foreign Ministry and the Council for Foreign and Defence Policy published separate drafts outlining Russia's foreign policy directions and priorities. Though the final version of the Foreign Ministry's Drafts was confirmed by President Boris Yeltsin and remains classified, both drafts incorporated the views of Atlanticists and Eurasianists.[37]

The synthetic perspective proposed creation of a strong economic bloc and an effective system of collective security in the "Near Abroad". All members of the Commonwealth of Independent States (CIS) should become members of the proposed economic bloc and collective security system. The economic and collective security systems should operate under the auspices of mainland Russia. These economic and security institutions could provide a platform for cooperation and integration of the "Near Abroad".[38] Russian leaders have called on the international community to acknowledge Moscow's special role in preserving law and order in the "Near Abroad". When it comes to security issues over the space of the Soviet Union, Russia's state borders not are necessarily to be confined within the borders of the present Russian Federation. Russian

forces should have free right of mobility over the territory of the "Near Abroad". In addition, the synthetic perspective also stressed on close cooperation with the West in trade-offs for economic aid needed at home. Russia could cooperate with NATO under the partnership for peace enterprise, with the United Nations, or other institutions. However, cooperation can be terminated anytime unilaterally in circumstances where Russia's vital interests are in danger.[39]

What is unique about the synthetic perspective is that it re-evaluated Russia's policies towards the Asia-Pacific region. Initially a subordinate priority, the Asia-Pacific region was also recognised as an area of potential interest along with the United States, Western Europe, and "Near Abroad". In this way the definition of "Eurasia" has been extended to include Asia-Pacific and Russia's role therein. The remaining discussion in this section focuses on Russia's vision for Asia-Pacific.

Russia's interests in Asia-Pacific are viewed as a continuation of Gorbachev's policy. Mikhail Gorbachev pursued a policy of constructive engagement in the Pacific region. Yeltsin's Russia has adopted a similar approach. Yeltsin during his address to South Korea's Parliament on 14th November 1992, stressed that Russia geopolitically was part of the Asia-Pacific region and that its national interests dictated that it becomes a full partner of the region. In the same vein Yeltsin spoke of the Eurasian character of Russia on 25th January 1993 before a visit to India.[40] Why did Russian foreign policy priorities shift or expand to include the Asia-Pacific region? Academics provide three main reasons.

First, Russia aims to create a balance-of-power situation in the region. During Yeltsin's visit to China on 9-10 December 1999, he reconfirmed Russia's intention of promoting a multipolar world. In a joint statement after their informal summit, Yeltsin and Jiang Zemin held that the two nations would cooperate in promoting an international order in which no single power dominates.[41] However, in addition to the United States, Russia also does not want a militarily strong China or Japan in the region. Moreover, Russia also wants to strategically distance the United States from the region. In this process Russia believes that it can maintain a balance of power between major powers in the Asia-Pacific region.[42] Obviously, Russia's influence has diminished in the region. However, if Russia formed a strategic alliance with any major power in the Asia-Pacific, it certainly can affect the equilibrium in the region.

Second, Russia is still committed to the notion of "Gorbachevian Security Multilateralism". Russia aims to promote the creation of an overriding multilateral security framework for conflict prevention and conflict regulation in the Asia-Pacific region.[43] Russian Foreign Ministry officials continue to emphasise the importance of multilateral security fora such as the ASEAN Regional Forum (ARF) in their bilateral and unofficial interactions with representatives from other Asia-Pacific nations. Russia struggled hard to attain membership of ARF and will make sure that it is included in all forums and structures that are being shaped or could be shaped in the future.[44] One logical explanation for Russia's need to create a multilateral security arrangement is that an economically weak Russia would be unable to contribute much to the region. While its

interests require remaining engaged in the region, Russia hopes that it can contribute to peace and order in the region by emphasising a multilateral security arrangement.

Third, by staying engaged in the region, Russia can extract a lot of economic benefits. Asia-Pacific is economically vital to Russia's reforms. Japan and "Asian Little Tigers" such as South Korea, Taiwan, Hong Kong, etc. could positively contribute to Russia's economic recovery.[45] In addition to being a rich source of capital and aid, Asia-Pacific provides Russia with a lucrative arms market. The region constitutes the largest market for Russia's arms sales. Russia abandoned its long-term allies North Korea and Indo-Chinese states and normalised relations with China, South Korea, and ASEAN. Among the reasons cited is that Russia perceives them as potential arms markets (Russia's arms sales to Asia-Pacific states is discussed in the last section of this chapter). Another reason is that Russia needs access to a high-growth economic area. The Baltic, Central Asian, and Caucasian States have blocked Moscow's access to the outside world and Black Sea in Europe. Therefore, the Far East is the remaining area that provides Russia with access to the Asia-Pacific region (see Appendix Seven). Nevertheless, according to McDougall, "Whatever Russia's aspiration in Asia-Pacific, its political and economic circumstances have combined to limit its influence in the region. Russia appears to be a power in decline".[46] Its leadership, however, is attempting to revive its strength through economic reform.

7.3 Internal Structure of Russian Foreign Policy

During the Soviet era foreign policy formulation was exclusively the prerogative of the Communist Party. The Politburo, Central Committee, Secretariat, and affiliated institutions of the CPSU network formulated foreign policy.[47] When Gorbachev became the General Secretary of the Communist Party in 1985, he broadened the network of foreign policy institutions. In addition to the above-mentioned party institutions, the network of foreign policy institutions included local party cadres, economic management, the military, the KGB, the foreign policy establishment, and the military-industrial complex.[48] Gorbachev also allowed some degree of decentralisation of power in the realm of foreign policy and delegated some powers to these numerous institutions.

Gorbachev not only decentralised centres of foreign policy formulation; he also initiated aggressive transformations in institutions, information channels, etc. New institutions such as Presidium of the Supreme Soviet composed of the speaker, his deputies and heads of numerous committees of the Supreme Soviet were created. For the first time people in the Soviet Union elected their representatives to the Congress of People's Deputies that in turn elected the Supreme Soviet (also known Soviet Parliament). Gorbachev's aggressive reform of the entire decision-making structure, including foreign policy, could have been aimed at transformation of the Soviet Socialist System to some kind of Western-style democracy aimed at preventing systemic dysfunction or what Richard Lebow calls "Soviet foreign policy failures".[49] According to Synder, foreign policy institutions are the prime catalyst in the formulation of Soviet

national interests, or what he calls "Myth of the Empire".[50] Regarding the dysfunctional Soviet foreign policy institutions that prompted reform by Gorbachev, Synder notes:

> The Soviet Union was yet another type of state: a late, late industrializer. In this pattern, the state developed a highly centralized set of political and economic institutions suited to the forced-draft mobilization of underutilized factors of production for the purpose of catching up militarily with more advanced powers...(which) hindered logrolling and mythmaking by independent interest groups (i. e. intermediate organisations).... *Eventually, the institutions of the late, late industrializer became increasingly dysfunctional.... (They) were unable to provide the innovative climate and allocative mechanisms needed for the tasks of intensive development....*[51]

After the demise of the Soviet Union, the Russian Federation inherited all its foreign policy institutions introduced by Gorbachev. The post-Soviet leadership had to revive and modify the entire institutional set-up of the Russian political system including foreign policy institutions. However, despite the fact that foreign policy structures in Russia are tending to become more society-dominated—with a strong organisation of interest groups in which societal demands can be mobilised rather easily via the existing intermediate political organisations such as political party or interest group—foreign policy-making in Moscow could still be described as state-controlled. Therefore, the Soviet-style top-down foreign policy structure with a highly centralised decision-making apparatus is the operative mechanism of Russia's foreign policy-making. The president of the Russian Federation is constitutionally given imperial powers. Nevertheless, the Russian Federation promulgated a new constitution and created foreign policy institutions different from institutions that existed in the Soviet era, which are discussed next.[52]

The internal structure of Russian foreign policy is categorised into three major circles: The Inner Circle, the Middle Circle, and the Outer Circle. This taxonomy of the

internal structure is based on the degree of influence each category exerts on foreign policy formulation in Moscow. Each category includes a cluster of sub-structures. To the Inner Circle belongs the Presidential Apparatus. To the Middle Circle belong the Government and the Prime Minister. To the Outer Circle belong the political process (or public politics) that includes legislative processes, political parties, public opinion, military-industrial and other business lobbies (see Appendix Six).

7.3.1 The Inner Circle: The Presidential Apparatus

In Russia the "Presidential Apparatus" constitutes the core of the internal foreign policy structure. "Presidential Apparatus" refers to the President and the network of institutions that are associated with his office and that assist the president of the Russian Federation in foreign policy decisions. The "Presidential Apparatus" now assumes all the vital roles played by the Communist Party during the Soviet era. The network of institutions in the "Presidential Apparatus" includes the followings: (1) Office of the President which embodies the President's Principal Aide, Aide for International Affairs, and Aide for Security Affairs,' (2) Head of Administrative Council and its affiliated Analytical Centre, (3) Security Council which is divided into numerous inter-agency commissions such as Foreign Policy Commission and Defence and Security Commission, and (4) Presidential Council which embodies the President's Advisers, Foreign Intelligence Service, Federal Security Service, and Border Troops Office.[53] Though the Minister of Foreign Affairs and Minister of Defence directly report to the President, their ministries are not listed under the "Presidential Apparatus" as the two powerful ministries are formally an integral part of the governmental apparatus.

The president constitutes the core of the "Presidential Apparatus". The president has an imperial role in foreign policy formulation in Russia, as he "wields sweeping executive powers under the 1993 constitution, heading the armed forces and Security Council and having wide powers of appointment".[54] The president constitutionally in some ways controls all foreign policy institutions. The function of all foreign policy institutions is, therefore, just to assist the President in making and implementing foreign policy.[55] According to Ian Anthony, "Article 80.3 of the Constitution [of the Russian Federation] states that the president shall define the basic domestic and foreign policy guidelines of the state in accordance with the constitution and federal laws". Article 115 of the Russian Constitution which was promulgated on 21st September, 1993 "establishes that the president and the government have the right to issue decrees and executive orders and that they are legally binding." Moreover, the president is constitutionally empowered to set "the framework in which decrees and executive orders are issued".[56]

Available literature on Russian politics indicates that Moscow, since the collapse of the Soviet Union, has issued presidential decrees more than any state in modern democracies. The president has issued a decree whenever he felt that the Russian Parliament might block his foreign policy initiative. In fact, the present Russian Constitution has been promulgated as a result of presidential decree. The present constitution curtails the powers of the Federal Assembly (Russian Parliament). This is discussed later in this chapter. Nevertheless, constitutionally, the president can dissolve parliament, and retains the power of appointing heads of all major institutions in the "Presidential Apparatus", including members of the powerful Security Council, the

Prime Minister, and all other cabinet ministers, including Ministers of Defence and Foreign Affairs.[57]

Among the numerous institutions within the "Presidential Apparatus", the Security Council is pre-eminent. Members of the Security Council comprise the President, the Prime Minister, the Secretary, the two Speakers, Ministers of Defence and Foreign Affairs and anyone else who becomes the president's choice.[58] The Security Council was designed as a consultative body that would make recommendations and proposals and prepare decisions for the president of the Russian Federation on security matters that he would implement by decree. The Security Council is linked with other institutions within the Presidential Apparatus, and institutions within the Middle and Outer circles such as legislature and executive departments of government through its inter-agency commissions on foreign and security policies. Once the issue has been deliberated in the inter-agency commissions, then the secretariat prepares and informs the president or brings the issue to the permanent commission of the Security Council for elaboration or final decision.[59]

7.3.2 The Middle Circle: The Prime Minister and Government

The middle circle is closely connected to the inner circle. The Security Council of the "Presidential Apparatus" connects the middle circle with the inner circle. The Security Council belongs to the inner circle. The Prime Minister, the Ministers of Defence and Foreign Affairs and some top military officials from the middle circle are members of the Security Council. However, the middle circle cannot be treated as part of

the inner circle as there also exists a cluster of other structures that significantly contribute to Russia's external behaviour. These institutions are not run by the President's office but their role in the realm of foreign policy cannot be neglected. Therefore, the network of institutions that belongs to the middle circle are the office of the P Rime Minister, the Ministry of Foreign Affairs, the Ministry of Defence, the Ministry of Cooperation with Commonwealth of Independent States (CIS), and the Ministry of Foreign Economic Relations. Under each ministry there exist numerous subordinate institutions dealing with foreign policy. In addition, this circle also includes governmental and non-governmental institutions that are not affiliated to these ministries. Such institutions include the foreign ministry's Council on Foreign Policy and Department for CIS, General Staff of the Military Establishment, State Committee for CIS Cooperation (with ministerial status), and Council on Foreign and Security Policy. This last institution is an independent institution, however.[60]

Constitutionally, the Prime Minister is entrusted with the task of planning and coordination of governmental activities including defence and foreign policies. The P Rime Minister reports to the president or the Security Council on duties performed by the government. Ironically, the President holds the Ministers of Foreign Affairs and Defence directly responsible to him. The president equated them with the Prime Minister when he made them permanent members of the Security Council along with the Prime Minister, thus making them report directly to him. Hence, the premier's roles are restricted to supervising Russia's economic relations with other nations and Russia's relations with former Soviet States.[61]

Of numerous ministries within the Russian governmental apparatus, the Foreign Ministry and the Ministry of Defence are the most influential bodies. In the first two years after the collapse of the USSR, the Foreign Ministry dominated Russia's foreign policy, pushing all other institutions to the side, including the Defence Ministry. However, the West-centric approach adopted by the Atlanticist officials of the Foreign Ministry contributed to the emergence of nationalists onto Russia's political scene. In addition, the Foreign Ministry officials tended to adopt a flexible policy on Russia's security in the "Near Abroad" as well as outside the space of the Soviet Union both in Europe and Asia-Pacific. This persuaded the President to also pay attention to Russia's security concerns. In this way the Defence Ministry's role in formulation of Russia's security policies for the "Near Abroad" and Asia-Pacific increased.

The Ministry of Defence along with the General Staff represents the interests of the entire military establishment in Russia. In addition to the Defence Minister's membership in the Security Council, the interests of the military establishment are channelled through representatives of the Defence Ministry and General Staff in numerous inter-agency commissions of the Security Council and forums for elaboration on foreign policies that could affect Russia's security. Where the military could not express its stance openly and directly, its leaders have used back-door channels to relay their views on policy proposals that are later confirmed by the President.[62] Roy Allison notes

> Military influence has been expressed in three main areas. First, military leaders have shaped the formation of military doctrine, including the nature of threat perceptions, which they see as lying within their professional remit. Secondly, the Russian military command has

> occasionally sought direct influence over major security or foreign policy decisions, which is beyond the scope of their professional responsibilities. Thirdly, Russian military leaders have promoted military solutions, including the use of peacekeeping forces, to restore stability in the "Near Abroad".[63]

The difference, however, between the two influential bodies within the military establishment—Defence Ministry and General Staff—is functional. The General Staff deals with operational and strategic planning and management of the troops, while the Defence Ministry is assigned political and administrative functions. The Commanders in the fields function under the directives of the Chief of General Staff.[64]

7.3.3 The Outer Circle: Legislature, Political Parties, Public Opinion, and the Military-Industrial Complex

This circle includes the least influential political structures within Russian society. The network of institutions in this circle includes the legislature, political parties, public opinion, the military-industrial complex and other business lobbies. These institutions are collectively called public politics or political processes. The influence of public politics on the formulation of foreign policy is somehow fragile and embryonic. Moreover, its bearing on foreign policy has been one of conditioning and indirect influence because the executive has retained coherent control over decisions on external issues.[65]

The Russian legislature or Duma in the early months of Soviet disintegration was very powerful. On many occasions it has challenged the president's foreign policy initiatives. However, the September 1993 constitution that was promulgated through presidential decree limited the Duma's foreign policy powers. The Duma can approve treaties. It can also initiate foreign policy. But if the president is not satisfied with the

Duma's decision, he can exercise his veto even if both houses of the legislature—the Federation Council (Upper House) and the Federal Assembly (Lower House)—oppose it. Both chambers of the Russian Legislature collectively have eight committees that deal with foreign policy. The Federation Council has three Committees: (1) the Committee for International Affairs, (2) the Committee for Security and Defence, and (3) the Committee for CIS Affairs. The Federal Assembly has five committees: (1) the Committee for International Affairs, (2) the Committee for CIS Affairs, (3) the Committee for links with Compatriots, (4) the Committee for Defence, and (5) the Committee for Geographical Questions.[66]

Speakers of both chambers of the Russian legislature are members of the President's Security Council. In addition, some members of the Federation Council and the Federal Assembly join the Security Council's inter-agency deliberations on foreign policy. Through this channel members of the Russian legislature can provide inputs into the president's foreign policy initiatives more effectively than through powers given to them by the constitution.

In contrast to the legislative process, political parties have little input in foreign policy formulation in Russia. Russia is an emerging democracy with a multi-party system. Numerous political parties have emerged in Russia since 1991. According to Alex Pravda, viewed in foreign policy terms the stance of major parties and blocs can be grouped under three headings: (1) Liberal Westernism, (2) Fundamentalist Nationalism, and (3) Pragmatic Nationalism. Russia's Choice Party and Democratic Choice of Russia

Party are examples of Liberal Westernism. Parties such as the Liberal Democratic Party of Russia, Communist Party of the Russian Federation, Russian People's Assembly (a composition of many parties and organisations), and Council of People's Democratic Forces belong to the second group. However, the Social Democratic Organisation, Democratic Party of Russia, Renewal Party of Russia, People's Party of Free Russia, and Civic Union of Russia are examples of Pragmatic Nationalist political parties.[67] Liberal Westernism advocates friendly relations with the West and international community. On the other hand, it favours Russia's integration into the club of rich industrialised nations. Followers of Fundamentalist Nationalism propagate anti-Western policies and emphasise creation of Greater Russia. They want a return to Russia's military assertiveness at least on questions of territorial and sovereign integrity of the Russian Federation. Pragmatic Nationalists take a balanced view of Russian foreign policy. They advocate the adoption of an elaborate strategy that addresses Russia's geo-strategic interests. They also support the idea of cooperation with the international community. However, Russia's relations with other nations must serve its interests as a Eurasian Great Power.[68]

Despite diverse policy lines or policy convictions, political parties in Russia largely lack coherence and focus in their programmes and activities in the realm of foreign policy. It is argued that they do not possess coherent foreign policy proposals and strategies to shape or even condition effectively Russia's external behaviour. This is due to two main reasons: (1) shift of alliance and allegiance of political party leaders and (2) lack of expertise for analysing issues and events properly. Political parties are largely organised around key personalities and when they shift alliance, the party inclined toward

them will also shift direction. As a result leaders of political parties make general and sweeping statements on foreign policy issues. Moreover, foreign issues are kept high on the agendas of political parties merely to score points on domestic issues, and hence they are just good at attacking but not good at offering alternatives.[69]

The policy role of public opinion on international issues, like political parties, is still in its infancy. According to Sakwa, the Russian public became exposed to full and varied information on international affairs since the late *perestroika* years only. They recently had to make their way through a wide range of frequently confusing materials. However, the extent to which public views are taken into account by Russian leaders is also affected by the novelty of public opinion in the life of the country. In the Soviet period, public opinion was typically something politicians shaped, rather than an independent phenomenon to which they responded. Though in the context of embryonic democratisation including multi-party elections, political elites are understandably more sensitive than their predecessors to voters opinions, they still have a significant role in shaping public opinion in Russia. The post-Soviet administration in Moscow in any sense was not deflected from decisions by public opposition. The outcry of protest, for instance, against intervention in Chechnya had little apparent impact on government action.[70]

Nevertheless, public opinion has largely asserted itself in the Russio-Japan territorial dispute. However, the Russian publics have developed quite consistent opinions on "Near Abroad" while they remained consistently indifferent to Russia's relations with the "Far Abroad". The reason is that Russians are less interested in

developments abroad than domestic issues. Additionally, most Russians think of Greater Russia. They believe it is Russia's right to influence developments in the "Near Abroad". Otherwise the Russian public are not interested and not informed about international issues. Therefore, their input in foreign policy formulation is limited.[71]

Lobby groups in Russia constitute the fourth and final element of the outer circle of Russia's internal foreign policy structure. The numerous groups that form the military-industrial complex and business community lobby for policies that protect their interests and bring them benefits. Some major lobby groups are League for Support of Defence Industry, Federation of Russian Commodity Producers, Russian Union of Industrialists and Entrepreneurs, and Association of Russian Bankers. They lobby in the parliament as well as among core policy-makers in the executive branch. Russia's arms sales policies and its economic relations with "Near Abroad" and "Far Abroad" are also influenced by similarly organised groups. However, they lack organised lobby strategies. They use their personal influence over the core policy-makers to adopt policy lines benefiting their interests. This lack of organised lobby strategy puts the influence of the business community at the lowest level in foreign policy formulation.[72]

7.4 External Structure of Russian Foreign Policy

The external sources of Russia's foreign policy in the Asia-Pacific region are classified into four categories: (1) the United States, (2) Japan, (3) China, and (4) the small/national powers. Russia must deal with these powers, as it has been downgraded to

a major power and hence needs the assistance of both—great powers and national powers—to effectively pursue its interests in the region (see Appendix Six).

7.4.1 United States in Russian Foreign Policy

Russia's post-Soviet relations with the United States cover a wide range of international issues in Europe more than Asia. In Europe, Russia's integration into the Western economic and security system as well as attempts to influence countries of the Russian "Near Abroad" preoccupy policy-makers in Moscow in their dealings with Washington.[73] But in the mid-1990s Russia's priorities have changed. The scope of Russian priorities was broadened to also include its interests in Asia-Pacific along with continental Europe. In Asia like Europe, policy-makers in Moscow believe the main source of their problem is Washington. Russian-American relations will invariably affect Moscow's relations with China, Japan, the Korean peninsula, ASEAN, and Indo-Chinese nations.[74]

In Asia-Pacific, like other parts of the world, Russia perceives itself as a great power and, therefore, part of the global strategic balance. President Boris Yeltsin and his Foreign Minister Andrei Kozyrev portray Russia as a geopolitical power balancer globally including Asia-Pacific.[75] According to Steven Kull, Russia's geopolitical and economic interests will impel Russia to look for spheres of influence and the United States will likely counter such attempts. Therefore, Kull argues that the competition between Russia and the United States may occur if the latter failed to maintain a balance of interests, or undermined Russian vital interests including its interests in the Asia-

Pacific region.[76] The United States believes that Russian interests in Asia-Pacific can be accommodated if Russia is integrated into the economic and security structures in the region. However, given the slow pace of economic reforms and military assertiveness in Moscow, it is not certain when Russia's integration into the economic and security structures of the region will be completed. Russia also could not be expected to indefinitely acquiesce in US predominance in the region. However, Moscow prefers the creation of a security regime that could potentially reduce American strength and influence in Asia-Pacific.

Russia doubts US sincerity in assisting Moscow out of its political and economic morass. There are growing concerns about American aid packages. Russia believes that American economic aid is aimed at containing and weakening Russia so as to attract concessions in non-proliferation negotiations. The aid is linked to conditions that are unacceptable at home. In addition, the aid packages resulted in more money leaving rather than entering Russia as the aid was used to settle Russia's debt. Moreover, the United States has imposed an embargo and trade sanctions on Russia's major trade partners such as Iraq, Iran etc. Mike Bowker maintains that this kind of attitude about Washington's intentions still exists within foreign policy circles in Moscow. In addition, according to Bowker, NATO's enlargement is viewed in a similar vein by policy-makers in Moscow and is considered as strategic containment of Russia.[77] Foreign policy elites in Moscow believe that enlargement of NATO will reduce Russia's influence in the "Near Abroad" i. e. the republics of the Soviet Union.

Controversy over North Korea's nuclear programme is an interesting example where the United States ignored Russia's great power position in the region. When the United States insisted that North Korea open its nuclear sites for inspection, Russia supported America's position. Russia abandoned its long-term strategic ally and sided with the United States. When negotiations finally took place between North Korea and the United States to conclude a deal over the former's nuclear programmes, Russia was not invited. In addition, Russia was not included among the suppliers of light-water reactors that were to be constructed on North Korean soil as compensation for the destruction of its military-oriented nuclear project.

In addition, the United States wants Russia to adhere to non-proliferation and disarmament regimes in Moscow's arms sales deals with Iraq, Iran, China, CIS and Southeast Asian Nations. The deputy editor of relatively pro-Western "Moskovskie Novosti" daily expresses Russian displeasure of American attitudes as follows. He complains that the US felt that because it had given Russia some economic assistance it could tell Russia what deals it could conclude with India or Iraq, how to behave itself in its arms deals with China or nations of Southeast Asia, or in its disputes with the Baltic Republics or in the Middle East.[78] Similarly, the military-industrial complex and the Ministry of Fuel and Oil have often expressed their displeasure over America's behaviour and attitude toward Moscow. In fact, the Ministry of Foreign Affairs, despite objection from the military-industrial complex, in discussions with American officials had to consent to a modified version of arms sales suitable to US requirements—which indicates America's intention of containing Russia.[79]

Despite the prospects of partnership between Russia and the United States in arms reduction and non-proliferation of nuclear arsenals, tensions between the two old enemies have recently resurfaced. The US-Russian relationship has deteriorated over issues of espionage scandal, US attempts to establish the national missile defence system, NATO's enlargement, aerial bombardment of Yugoslavia, and Russia's military campaign in Chechnya. The Clinton administration has condemned Moscow's military actions in its breakaway Chechen Republic. The US President, "in what White House officials insisted later was a slip of the tongue, had said Russia *will pay the price for its actions in Chechnya*".[80] In addition, the US government in a retaliatory measure accused a Russian diplomat from the Russian Embassy in Washington of spying and ordered him out of the country. These instances of American behaviour infuriated the Russian President, Boris Yeltsin. In his response Yeltsin reiterated, "Russia has a full arsenal of nuclear weapons".[81] The espionage scandal, angry outbursts, and nuclear threats between the US and Russia suggest thorny relations between the two nations. It seems the Cold War, which has been declared over in 1991, is resurfacing.

Moreover, the Cold War-like relations continue to exist even after Vladimir Putin assumed the presidency of the Russian Federation on 1 January 2000. Putin and his foreign policy aides tend to view the world differently. According to Putin, "Western democracy is not suitable for Russia". Additionally, in a public speech made after assuming the post of acting president, Putin hinted that "Russia is deeply worried about the US being a huge power in the world. He said Moscow will strive to establish a multipolar world".[82] Moreover, Russia believes that its security interests are challenged

by the United States. Russia's concerns about its security became deeper when the United States in 1999 expressed its intention that the 1972 Anti-Ballistic Missile Treaty (ABM) no longer exists as the disintegration of the Soviet Union made a signatory party disappear. Therefore, the United States may not continue unilaterally with the treaty. Hence, the United States could proceed with its plan to establish its National Missile Defence System (NMDS)[83] to prevent a possible nuclear threat from North Korea or Iran. However, Russia has warned that any amendment to the 1972 ABM treaty would seriously jeopardise US-Russian relations. All these prompted the introduction of a new "military theory" on October 9, 1999. The new military theory stressed, among others, on the role of conventional and nuclear weapons to protect Russian interests. In addition, Putin in January 2000 approved the concept of Russian security adopted by the Federal Security Conference in October 1999.

> The concept expressed clear opposition to a single polar world, and reaffirmed the desire to set up a multipolar world; the concept also stressed that Russia will play an active role during the process. Putin said that Russian security interests will be a consideration of the multipolar world.[84]

The uncompromising stand adopted by Putin towards the West jeopardises the short "honeymoon" in Russo-American relations. Thus, the relations between the two nations could be entering a new phase that could be described as the Cold War III. Therefore, "for a period in the future, the domestic situation in both countries, leaders' political ideas, geopolitical contradictions, NMD, (espionage scandal), and the Chechen issue will seriously strain the development of US-Russian ties".[85]

7.4.2 Japan in Russian Foreign Policy

Foreign policy elites in Moscow hold two distinct perceptions about Japan. First, Russia needs to establish economic cooperation with Japan, which will bring obvious gains to Russia. Moscow needs Japanese emergency financial aid, capital, and technology for its ailing economy. In addition, Japan can also contribute to the development of the Russian Far East and Siberia. Moreover, economic cooperation may transform public opinion in Russia thereby facilitating a Russo-Japanese peace treaty.[86] Second, since the Gorbachev era, Russians have been concerned about Japan's rise as a strategic power. Tokyo's greater role in burden sharing, peacekeeping operations, persistent build-up of military hardware, and deployment around the Sea of Japan have raised anxiety in Moscow. Russian political and military elites are aware that the main cause of Japan's strategic rise is the Russian military build-up around the Islands of Japan. Russian diplomacy, therefore, is geared toward removing the Japanese threat to regional stability.[87]

Russia has attempted to allay Japanese concerns by adopting a two-fold strategy. First, Russia initiated a sizeable reduction in its armed forces in the Pacific. Second, Russia planned to enter into a closer economic partnership with Japan. But, the major hindrance in Russian-Japanese normalisation is the dispute over the Northern Territories or the Kurile Islands. Russia prefers to adopt the "exit theory" while Japan wishes to apply the "entrance theory" to settlement of disputes and normalization of relations. The "entrance theory" states that the territorial issue must be resolved before there can be a general improvement in relations. However, "exit theory" stipulates that improvement in

economic relations will facilitate a settlement of the territorial dispute.[88] Japan continues to insist on the "entrance theory".

However, Japan missed the opportunity to normalise its relations with the Russian Federation. By the time Tokyo expressed its intention to normalise relations with Moscow through negotiations (based on the 1956 declaration by which two islands are to be handed over to Japan while the other two can be handed over some time in the future provided Japan's residual sovereignty is recognised by Russia), the public in Russia had already formed their opinion. Furthermore, the military establishment had declared the Far East, including the disputed Islands, as strategically important to Russia's post-Cold War security interests in the Pacific region.[89]

In the months following the disintegration of the Soviet Union, liberal Westernizers dominated Russia's foreign policies. They intended to settle the territorial disputes based on Boris Yeltsin's Five-Stage approach to the question in 1990.[90] The liberal Westernizers largely were promoting friendly relations with the West including Japan as they gave much importance to economic considerations and less importance to military considerations. In order to convince the Russian public and justify the settlement of territorial disputes at home, the liberal Westernizers invoked the doctrine of international legality claiming that Russia's borders have the sanction of international law. However, some renowned Japan specialists cited material evidence to demonstrate that the islands had never been Russian territories before 1945.[91]

However, Tokyo persistently refused all options proposed by Russia. Japan kept telling Russia "that the deal was the same as always; you give us the islands; we'll give you the money".[92] In the months that followed the collapse of the Soviet system, public opinion was strongly opposed to territorial concessions. During Gorbachev's presidency, the Soviet legislature, the Supreme Soviet (now Federal Assembly), was strong enough to challenge the Soviet President and his foreign policy elites. The Supreme Soviet passed a law that any concession over territory must be approved in a referendum. Therefore, the problem fell out of the hands of the post-Soviet leaders to the public. Furthermore, the military reasserted itself in the realm of foreign policy. The military's insistence on the strategic importance of the islands made the prospects of settlement even more remote.[93] No political leader could risk his political career, as the nationalists were by then very strong.

Buszynski argues that the Russians were sincere in their intention to negotiate the settlement. They were also realist in that they needed Japan's large-scale economic aid. The Japanese miscalculated the situation in Russia altogether. What is apparent from all official behaviour in Russia is that no one can commit to hand over all the four islands claimed by Japan. The most realistic approach is that proposed by Yeltsin in 1990 in Tokyo before the demise of the Soviet Union. At some stage the Federal Assembly (i.e. Russian Legislature) confirmed Yeltsin's Five-Stage Formula. It is not known whether Japan will be willing to take the risk. However, it is evident from Russia's behaviour that it is turning to other potential economies in the region such as South Korea or Taiwan. Japan is in a quandary: either to stick to the entrance theory or deprive itself of economic

opportunities in the Russian Far East.[94] However, the argument as to whether Russia was sincere or Japan missed the opportunity in resolving the territorial disputes has become irrelevant in view of the fact that the post-Soviet military establishment has identified the disputed islands as strategically significant to Russia's security interests.[95] Therefore, as the disputed islands have assumed geopolitical importance to Russia's interests in the post-Cold War Asia-Pacific region, the prospect of settlement of the territorial problems between Russia and Japan seems remote. Hence, the two nations must look for alternative mechanisms to enhance cooperation

However, Alexander Nikolaevich Panov, the Ambassador of the Russian Federation to Japan, maintains that despite the difficulties between Russia and Japan in resolving the territorial disputes, bilateral relations between the two nations are at an important historical stage.[96] According to him, a "window of opportunity" in relations between Russia and Japan has been opened since 1997. Russia and Japan have begun to cooperate in numerous areas ranging from politics, military, and economics to contacts at the grass-root level. For instance, meetings between the political and military leaders of Russia and Japan have become regular. In addition, high-level military contacts and exchanges have been launched. Japan was among the first nations that responded positively to Russia's call for assistance in training administrative staff of state institutions and management personnel of private enterprise. The "Yeltsin-Hashimoto Plan", reflected in the November 1998 Moscow Declaration on Building a Creative Partnership between the Russian Federation and Japan, covers economic cooperation in various areas. The Moscow Declaration, among others, provides for Russo-Japanese joint

actions in international affairs of the Asia-Pacific region. Hence, it emphasised co-ordination of efforts toward confidence-building and ensuring security in the region. Panov notes:

> These activities have resulted in a substantial improvement in the overall atmosphere of bilateral relations between Russia and Japan. What has made this "breakthrough" in relations possible? Above all, it has been made possible because Russia and Japan no longer belong to opposing camps. Today, the two nations are brought together by common democratic values. Additionally, Russia does not pose a military, political or ideological threat to Japan. Likewise, Russia does not consider Japan to be a state aiming to compromise the interests of its security or to prevent the normal implementation of Russia's policy in the Asia-Pacific region. Russia and Japan both have an interest in maintaining stability and security in the Far East and the Asia-Pacific. Such stability and security creates the most favourable conditions for the resolution of domestic (as well as territorial) problems.[97]

Undeniably, Panov's views suggest a remarkable improvement in Russo-Japanese relations. However, there still exist certain fears both in Moscow and Tokyo about the other and this will continue until the territorial problem between them is resolved. The dispute over the Northern Territories could be resolved, as Panov correctly notes, on the basis of economic cooperation and other confidence-building measures between the two nations.

Panov suggests that the Moscow Declaration confirms that the policy-makers in Moscow view Japan as an important participant in the emerging balance of power system in the Asia-Pacific region. According to Panov, Russia is determined to create a multi-polar world—without dominant centres of power—and considers Japan to play an essential role in the new balance of power in the region, as indicated in Russia's official support for "Japan's desire to become a permanent member of the United Nations

Security Council".[98] Panov's argument suggests good prospects for Russo-Japanese cooperation in the 21st century. Given Russia's view as such and in the context of the strategic significance of the Kurile Islands to Russia's military establishment, Japan would do well to temporarily shelve territorial disputes and cooperate with Russia in the realms of politics, economics, and military issues.

7.4.3 China in Russian Foreign Policy

Sino-Soviet relations drastically improved when Mikhail Gorbachev conceded on the three obstacles to normalising relations with China. Leaders in Beijing insisted that the Soviet Union meet the three essential conditions first before any attempt to improve relations. China asked for the withdrawal of Soviet forces from Chinese borders, withdrawal of Soviet forces from Afghanistan, and withdrawal of Vietnamese troops from Cambodia. Gorbachev acquiesced in all these Chinese demands. The post-Soviet Russian foreign policy elites retained Gorbachev's China policy. Foreign policy-makers in Moscow have emphasised friendly relations with China, as deterioration of Sino-Russian relations can be detrimental to Russia's interests in the region. Post-Cold War Russia wants to enter into geostrategic and economic partnership with China. Buszynski argues that:

> The geostrategists and geopoliticians among the Russians regard China as a country essential for Russian security and one that can not be alienated without detrimental consequences for Russia. From their perspective China is a major priority for Russia and this should be reflected in foreign policy statements in a way that demonstrate Russia's interests clearly.... From the perspective of the practitioners of the balance of power, China is a means to balance Japan and to pressure the Japanese leadership to improve relations with Russia.[99]

Practically, Russia and China became closer in the 1990s. Some analysts conclude that Russia and China are moving towards strategic alignment. In 1996 when Boris Yeltsin visited Beijing, the two sides declared "a strategic partnership for the next century". Though the two sides have not developed a firm or coherent alliance, they have worked out its substance during visits by Jiang Zemin to Moscow in June 1995, by Boris Yeltsin to Beijing in April 1996, by Premier Li Peng to Moscow in December 1996,[100] and by Yeltsin to Beijing from December 9-10, 1999.

Yeltsin and Jiang, during their December 1999 informal summit, discussed the prospects of Sino-Russian security and economic relations. Moreover, the foreign ministers of the two nations signed three agreements. Russia and China agreed to jointly promote the idea of a multipolar world without any dominant power as the rule formulator. According to policy-makers in Moscow, a multipolar world is favourable to Russia's interests and prestige. According to Yeltsin, Russia could play the role of an essential actor only in a multipolar international order. Therefore, Yeltsin, in the wake of NATO's expansion and its air campaign against Russia's traditional ally, Yugoslavia, reiterated that Sino-Russian security alignment is essential for the establishment of a multipolar world or a balance of power system, and described the Sino-Russian strategic partnership for the next century as an important foreign policy option.[101] Yeltsin and Jiang in a joint statement after their informal summit noted:

> The presidents of China and Russia advocate to *promote the establishment of a multipolar world* on the basis of the United Nations Charter and existing international law, to strengthen the UN's dominant role in international affairs and peacefully resolve international conflicts by peaceful means. All members of the international community should treat each other equally and share

> equal security, respecting each other's development road, mutually respecting sovereignty, non-interference into each other's internal affairs and establish a fair, equal and mutually beneficial political and economic order.[102]

From the Russian perspective, strategic partnership with China will bring Russia a number of benefits. First, a Russo-Chinese strategic alliance will limit the American and Japanese influence in containing Chinese resurgence and Russia's reassertion. Second, it could attract leverage from the West by using the China card. Third, Russia believes that using the China card against the United States and the rising power of Japan in Asia will pave the way for Moscow to stay engaged in Pacific Affairs. Fourth, Russia believes that hegemonic tendencies in US foreign policy could be reduced and the American preponderance in international affairs checked. Therefore, in this way Russia would be considered an essential actor in the principal economic and security institutions that are being developed.[103]

In addition to geostrategic considerations, China is also economically important to Russia. China provides Russia with markets for both consumer goods and military sales. Russia views China as an obvious prospective export market for Russian goods as its economy grows. A great deal of private trade is already taking place between the two states. Economic matters, notably marine transport, the protection of natural resources, and fisheries were the focus of discussion when the then Prime Minister Viktor Chernomyrdin paid a five-day visit to China in May 1994.[104] China is the largest market for Russian arms and transfer of military technology. Russia would want China to buy as much military hardware as well as military software as it can for a very obvious reason:

Russia finances its domestic reforms through arms exports. Russia's arms sales are almost equivalent in terms of value to the Western assistance per annum. In addition, Russia also finances its defence industry by means of arms sales. Massive unemployment in the defence sector would threaten and undermine Russia's readiness and technological competitiveness.[105] The 1993 five-year military cooperation treaty that was signed between Moscow and Beijing was the beginning of long-term cooperation in the realm of arms sales and defence-related technology. This also implied that the two nations no longer viewed each other as a strategic threat. According to the agreement, Russia and China will also exchange military personnel, and provide training to China's armed forces.[106]

Anthony concludes that while Russia hopes to gain some economic advantages from Russian-Chinese economic cooperation, the agreement also has a strategic dimension to it. In the long run Russia hopes together with China to provide a strategic counterweight to problems that might be caused by the US-Japan alliance in the Asia-Pacific region. Russia, therefore, needs to modernise the Chinese military establishment (Chinese Ground Forces, Air Force, and Navy).[107]

However, Buszynski doubts that the relations between the two nations are warm enough to rule out the existence of fears in Moscow about Chinese resurgence. He argues that though Russia hopes for friendly relations to continue, policy-makers in Moscow also express fears about a militarily strong China—which may lead to a reassertion of Chinese claims to some parts of the Russian Far East that it once claimed in 1963. Russia

also fears destabilisation of the Chinese system. The reforms, if mishandled, as in the case of the Soviet Union, could jeopardise the security situation in the region. Such a development evidently threatens Russian vital interests vis-à-vis China.[108]

7.4.4 Small Powers in Russian Foreign Policy

Russia's geostrategic and geoeconomic assessment is based on the view that small powers can play a significant role in promoting Moscow's interests in the Asia-Pacific region. Russian foreign policy-makers consider South Korea, ASEAN, and to some degree the Indo-Chinese nations as vital to Russia's policies in Asia-Pacific. However, Russia's relations with the small powers in the region are discussed within the context of Russia's relations with major powers such as the United States, Japan, and China. Russia sought economic and strategic cooperation with small powers especially the dynamic economics of the Asia-Pacific to alleviate Russia's economic situation as well as to urge Japan and other Western nations to accelerate Russia's economic recovery. Ironically, to Moscow's dismay, Russia's influence in the region has appreciably declined in the post-Cold War period.[109]

Gorbachev placed greater priority on normalization of relations with South Korea. By September 1990 the Soviet Union and South Korea had established diplomatic relations. But Gorbachev did not abandon his Cold War era North Korean ally. Nevertheless, North Korean leaders were disappointed as Moscow neglected them when the latter normalised relations with South Korea. Post-Soviet Russia pursues similar policies. Russian foreign policy elites emphasise normalisation and friendly relations

with South Korea for a number of reasons. First, South Korea is economically essential to Moscow's domestic problems. Second, rapprochement with China, normalisation of relations with the United States, and to some degree Japan reduced the strategic significance of North Korea, which was a burden. Third, the reorientation of Russian foreign policy is likely to persuade Japan to positively contribute to Russia's economic reform.[110]

In addition to the economic significance of South Korea, Russia showed interest in reunification of the two Koreas (North and South) under conditions that benefit Moscow. Russia proposed a two-plus-four approach to the unification issue: that North and South Korea negotiate unification together with representatives from the United States, China, Russia, and Japan.[111] Reunification, however, must be favourable to Moscow's strategic interests. A unified Korea under Russian influence could balance both China and Japan.[112] Interestingly, South Korea places greater importance on Japan than Russia and prefers to invest in China rather than the Russian Far East. Similarly, North Korea turned to China and ignored Russia in negotiating its nuclear programme. At present, therefore, Russia is a declining power in the Korean Peninsula.[113]

Russia's interests in Southeast Asia are identical to its objectives in the Korean Peninsula. Russia emphasises economic objectives in its relations with ASEAN. Moscow perceives that Russia is needed by the nations of Southeast Asia. ASEAN's invitation to Russia in July 1991 to participate in its annual foreign ministers' meeting for the first time was an indication that the region still considered Russia strategically important.

Russia is also a member of ARF. According to foreign policy elites in Moscow, their nation can play a "balancer" role in the region. Some ASEAN nations fear China's military power and Japan's strategic rise. Leaders in the capitals of Southeast Asian States do not rule out the likelihood that China may use military means in its disputes over the Spratly Islands with ASEAN. This strategic concern coincides with Russia's search for an arms market. Therefore, some ASEAN nations have concluded arms deals with Russia based on a barter system.[114]

Russia has no significant relations with Indo-Chinese nations in the strict sense of the term as all Indo-Chinese nations have attained ASEAN membership. The sole Russian engagement in the region is its naval presence at a much-reduced size in Cam Ranh Bay on the coast of Central Vietnam. Russia has not shown any interest to withdraw until the agreement expires in 2003. Some analysts have argued that Russia intends to extend the lease. Withdrawal of its forces from Cam Ranh Bay is often offered as compensation for withdrawal of US forces from the Southeast Asian Region. Military elites and foreign policy-makers hold that withdrawal of Russian forces from Cam Ranh Bay will further reduce Russia's influence in Pacific affairs. This is contrary to Russia's objective of aspiring to be a world power.[115] Buszynski notes:

> Part of the problem has been that Russian representatives act according to a policy framework and continue to table proposals as though Russia were still a superpower. This status has previously allowed Moscow the prerogative of assuming participatory rights in the Asia-Pacific region, particularly over security issues, but the demand is unjustifiable today. Some of the proposals raised by Russian representatives relate to an era of superpower naval rivalry that has since passed, others are simply impractical or repetitive. The expectation that the region would treat Russia's proposals seriously is a legacy of the Gorbachev period when every new Soviet initiative

> was applauded. The realization of irrelevance that has since dogged Moscow's efforts in the Asia-Pacific region has been a bitter experience for a people who once claimed equality with the United States.[116]

In conclusion, it should be noted that Moscow's role and involvement in the Asia-Pacific region in the post-Cold War era have been greatly undermined by the shifting of political hegemony in favour of the United States. This factor, combined with Moscow's internal political and economic weakness has significantly reduced the strategic relevance of Russian power vis-à-vis the US, Japan, China and even India in the Asia-Pacific at the dawn of the New Millennium.

ENDNOTES

1. Neil Malcolm and Alex Pravda, "Introduction", in Neil Malcolm et. al., *Internal Factors In Russian Foreign Policy*, (New York: Oxford university Press, 1996), p. 5. See also Derek McDougall, *The International Politics of the New Asia-Pacific*, (Boulder: Lynne Rienner Publishers, 1997), p. 54.

2. *New Straits Times (Malaysian Daily)*, November 14, 1998. See also *IMF DOTS YearBook 1996*, Quarterly, June 1997, Department of Statistics; *World Military Expenditure and Arms Transfers 1996*, (USA: US Arms Control and Disarmament Agency, July, 1997), pp. 31, 38, 65, 76, 88, and 96; and *The Military Balance 1999/2000*, (London: The International Institute for Strategic Studies, 1999), p. 112.

3. Mike Bowker, *Russian Foreign Policy and the End of Cold War*, (USA: Dartmouth, 1997), p. 220.

4. Malcolm, *op. cit.*, p. 5.

5. Bowker, *op. cit.*, pp. 220-222.

6. *The Military Balance 96/97*, (London: The International Institute for Strategic Studies; 1996), p. 107.

7. *World Military, op. cit.*, pp. 65, 76, 88.

8. *The Military Balance 96/97, op. cit.*, p. 113.

9. *Ibid.*, p. 107.

10. *The Military Balance 1999/2000, op. cit.*, p. 112.

11. *World Military, op. cit.*, pp. 19, 22.

12. *Ibid.*, pp. 24-25.

13. *The Military Balance 1999/2000, op. cit.*, p. 112.

14. *The Military Balance 96/97, op. cit.*, 111-113.

15. *The Military Balance 1999/2000, op. cit.*, pp. 110-111.

16. Roy Allison, "Military Factors in Foreign Policy", in Malcolm, *op. cit.*, pp. 273-274.

17. For details of weapons used by Russian armed forces, see *The Military Balance1999 2000, op. cit.*, pp. 112-113.

18. *Ibid.*, pp. 113-115.

19. *Ibid.*, pp. 116.

20. For more information about Russian deployment abroad and number of troops in each area, see *ibid.*, p. 117.

21. For details about re-organisation of Russia's defence system, see *ibid.*, pp.104-106.

22. For more information on reduction of Russian military forces and cuts in its military arsenals, see Richard Sakwa, *Russian Politics and Society*, (New York and London: Routledge, 1993), pp. 310-315.

23. *The Military Balance1999 2000, op. cit.*, p. 107.

24. *Ibid.*, p. 104.

25. *Ibid.*, p. 106.

26. Margot Light, "Foreign Policy Thinking", in Malcolm, *op. cit.*, p. 38.

27. Sakwa, *op. cit.*, p. 293.

28. Malcolm, *op. cit.*, pp. 10-11.

29. McDougall, *op. cit.*, p. 48.

30. Malcolm, *op. cit.*, pp. 6-8.

31. Light, *op. cit.*, pp. 45-51, 61-65. See also Amin Saikal and William Maley (eds.), *Russia In Search of Its Future*, (Britain: Cambridge University Press, 1995), pp. 105-106.

32. Light, *op. cit.*, pp. 44-51.

33. *Ibid.*, p. 65. See also Saikal, *op. cit.*, pp. 105-106.

34. *Ibid.*, pp. 44-45.

35. Michael W. Doyle, "Liberalism and the End of the Cold War", in Richard Ned Lebow and Thomas Risse-Kappen (eds.), *International Relations Theory and the End of the Cold War*, (New York: Columbia University Press, 1995), p. 85.

36. Malcolm, *op. cit.*, p. 7-8. See also Elaine Holoboff, "Security Issues in the Soviet Union and the Question of Russia Resurgent", in Pal Dunary et. al. (eds.), *New Forms of Security: Views From Central, Eastern, and Western Europe*, (England: Dartmouth, 1995), pp. 56-58.
Note: Not all Eurasianists share the opinion that Russia should risk its relations with the West by taking positions on international issues that antagonise Western interests. Only extreme nationalists support this view. Moderate Eurasianists also prefer friendly relations with the West.

37. Light, *op. cit.*, pp. 61-63, 73-75. See also Sergey Rogov, "A National Security Policy for Russia", in James E. Goodbye and Benoit Morel (eds.), *The Limited Partnership: Building a Russian-US Security Community*, (USA: Oxford University Press, 1993), p. 76.

38. Light, *op. cit.*, pp. 61-63, 73-75.

39. *Ibid.*, pp. 64-65. See also Neil Malcolm, *op. cit.*, pp. 10-11.

40. McDougall, *op. cit.*, p. 51. See also Leszek Buszynski, *Russian Foreign Policy After the Cold War*, (London: Praeger, 1996), p. 171.

41. *Beijing Review*, December 20, 1999, p. 10.

42. *Ibid.*, pp. 969-171.

43. *Ibid.*

44. *Ibid.*

45. McDougall, *op. cit.*, p. 48.

46. *Ibid.*, p. 54.

47. Malcolm, "Foreign Policy Making", in Malcolm, *op. cit.*, p. 102.

48. *Ibid.*, p. 103.

49. Richard Ned Lebow, "The Search for Accommodation: Gorbachev in Comparative Perspective", in Lebow, *op. cit.*, pp. 176-177.

50. Jack Synder, "Myths, Modernization, and the Post-Soviet World", in Lebow, *op. cit.*, pp. 100-110.

51. *Ibid.*, pp. 110-111.

52. For details on how Russia underwent institutional transformation since the Gorbachev period and during the post-Soviet era, see Sakwa, *op. cit.*, pp. 38-92.

53. Malcolm, *op. cit.*, p. 108.

54. *Country Profile 1999-2000:Russia*, (London: The economist Intelligence Unit, 1999), p. 6.

55. Malcolm, *op. cit.*, pp. 14-15.

56. Ian Anthony, "Introduction", in Ian Anthony, (ed.), *Russia and the Arms Trade*, (USA: Oxford University Press, 1998), p. 9.

57. Malcolm, *op. cit.*, pp. 107-109.

58. *Ibid.*, pp. 107-109, 111. See also Sakwa, *op. cit.*, p. 52.

59. *Ibid.*, pp. 110-116.

60. *Ibid.*, p. 108. See also Allison, *op. cit.*, p. 253; Light, *op. cit.*, pp. 61, 72-73; and Sakwa, *op. cit.*, pp. 281-186.

61. Malcolm, *op. cit.*, p. 126.

62. Allison, *op. cit.*, p. 259.

63. *Ibid.*, p. 251.

64. Malcolm, *op. cit.*, p. 253.

65. Alex Pravda, "The Public Politics of Foreign Policy", in Malcolm, *op. cit.*, p. 169.

66. Malcolm, *op. cit.*, pp. 108-128.

67. For details, see Malcolm, *op. cit.*, pp. 171-188.

68. *Ibid.*

69. *Ibid.*, p. 170. See also Sakwa, *op. cit.*, p. 45.

70. *Ibid.*, pp. 188-189.

71. For details, see *ibid.*, pp. 188-203.

72. *Ibid.*, pp. 182-187.

73. For details on US policies towards the "near abroad" or former Soviet republics, see Zbigniew Brzezinski's views in John Dunn, "Russian Foreign Policy Concerns and the Implications for the West", in Dunary, *op. cit.*, pp. 78-82. Brzezinski advocated that the United States should not accept Russia's imperial control over the "near abroad". This will result in negative reassertion of Russian power over the republics. The United States must resist Russian influence and find ways to exert influence over the former Soviet republics.

74. Malcolm and Alex Pravda, *op. cit.*, p. 5.

75. Steven Kull, "Cooperation or Competition: the Battle of Ideas in Russia and the USA", in Goodbye, *op. cit.*, pp. 220-222.

76. *Ibid.*

77. For details on Russian mistrust of US policies towards Moscow, see Bowker, *op. cit.*, pp. 220-222, and Malcolm, *op. cit.*, pp. 82-86.

78. *Ibid.*

79. *Ibid.*, pp. 141-145.

80. *Newsweek*, December 20, 1999, p. 18.

81. *Ibid.*

82. *Beijing Review*, February 28, 2000, p. 8.

83. *Ibid.*, p. 9.

84. *Ibid.*

85. *Ibid.*, p. 8.

86. William F. Nimmo, *Japan and Russia: Revaluation In the Post-Soviet Era*, (London: Greenwood Press, 1994), pp. 115-116. See also McDongall, *op. cit.*, pp. 123-125.

87. McDougall, *op. cit.*, pp. 125-126.

88. *Ibid.*, pp. 123-125.

89. For details on the strategic importance of the Asia-Pacific region to Russian security, see *ibid.*, pp. 125-130.

90. Yeltsin's Five-Step approach to the resolution of the Russia-Japan territorial dispute is discussed in Chapter two of this thesis. See also Sakwa, *op. cit.*, p. 309, and McDougall, *op. cit.*, p. 129.

91. Buszynski, *op. cit.*, pp. 173-175.

92. Nimmo, *op. cit.*, pp. 115-116.

93. For more information, see *ibid.*, pp. 116-151. See also McDougall, *op. cit.*, pp. 125-130.

94. Buszynski, *op. cit.*, pp. 175-178.

95. McDougall, *op. cit.*, pp. 125-130.

96. For details on improvements in Russo-Japanese relations, see Alexander Nikolaevich Panov, "Russia and Japan at a New Stage of Relations", *Asia-Pacific Review*, Vol. 6, No. 1, May 1999, pp. 25-34.

97. *Ibid.*, p. 27.

98. *Ibid.*, p. 28.

99. Buszynski, *op. cit.*, p. 190.

100. McDougall, *op. cit.*, p. 118.

101. For details on the objectives of Sino-Russian "Strategic Partnership" to create a multipolar world and to contain US hegemony in the Asia-Pacific region, see K.S. Nathan, "Russia as an Asia-Pacific Power in the 21st Century: Problems and Prospects", *Asian Defence Journal*, 11/99, November 1999, pp. 7-8. See also *Beijing Review*, December 20, 1999, p. 4.

102. *Beijing Review*, December 20, 1999, p. 10.

103. Alexander A. Sergounin, "Sino-Russian Military-Technical Cooperation: A Russian View", in Anthony, *op. cit.*, pp. 198-199.

104. Saikal, *op. cit.*, p. 113.

105. Sergounin, *op. cit.*, pp. 195-199.

106. McDougall, *op. cit.*, pp. 118-119.

107. Sergounin, *op. cit.*, pp. 201-215.

108. Buszynski, *op. cit.*, p. 189.

109. *Ibid.*, p. 172.

110. McDougall, *op. cit.*, pp. 164-167.

111. *Ibid.*

112. Buszynski, *op. cit.*, pp. 204-207.

113. *Ibid.*, pp. 209-219.

114. Russia has proposed barter trade with Malaysia and Indonesia among other Southeast Asian countries. For details, see McDougall, *op. cit.*, pp. 225-226.

115. *Ibid.*, pp. 191-193.

116. Buszynski, *op. cit.*, p. 172.