

*RSIS Commentary is a platform to provide timely and, where appropriate, policy-relevant commentary and analysis of topical issues and contemporary developments. The views of the authors are their own and do not represent the official position of the S. Rajaratnam School of International Studies, NTU. These commentaries may be reproduced electronically or in print with prior permission from RSIS and due recognition to the author(s) and RSIS. Please email: [RSISPublications@ntu.edu.sg](mailto:RSISPublications@ntu.edu.sg) for feedback to the Editor RSIS Commentary, Yang Razali Kassim.*

---

## **Russia's Summit with ASEAN: Pivot to the East?**

*By Bhavna Dave*

### **Synopsis**

*Russia is hosting a summit in Sochi on 19-20 May 2016 to commemorate twenty years of its dialogue relations with ASEAN. It will explore further cooperation between the two in another affirmation of Russia's growing 'pivot to the east' policy under President Vladimir Putin, concurrent with its falling-out with the West. What are Russia's objectives, its 'Asian' credentials and the potential for economic and strategic cooperation with ASEAN?*

### **Commentary**

RUSSIA IS hosting a summit with leaders of ASEAN in Sochi on 19-20 May 2016 to commemorate 20 years of dialogue relations with ASEAN. In what is another affirmation of Russia's growing "pivot to the east" policy under President Vladimir Putin, concurrent with its falling out with the West, Foreign Minister Sergei Lavrov has defined the aim of the Sochi summit as developing a long-term strategic vision of Russia-ASEAN relations, and to explore prospects for economic cooperation between ASEAN and Russia together with the Russia-led Eurasian Economic Union (EAEU).

Though Moscow has increased its diplomatic engagement with the Asia-Pacific region, hosting the 2012 APEC meeting in Vladivostok, and acquiring membership of the East Asia summit in 2011, many would puzzle over Russia's commitment to ASEAN and the Southeast Asian region given the sporadic nature of Russia's interest in the region. Putin has yet to attend a single East Asian Summit.

### **Russia's Pivot to the East**

Russia's turn to the east is a response to both its domestic economic needs and shifting of economic and political power to Asia. The Russian Far Eastern region – an area covering almost 40 percent of Russia's territory but only 6.3 million people – is a crucial gateway to Russia's efforts to establish itself as a Euro-Pacific or Asia-Pacific power. Putin has defined the development of the Far Eastern region, which has been doubly marginalised – remote and distant from European Russia and isolated from the Asia-Pacific region – as the 'foremost geopolitical concern' and 'national priority of the 21st century'.

Through creation of 'territories of accelerated development' and 'special economic zones' with favourable tax and investment regime, Russia is seeking to attract investors to the resource rich region and refurbish its infrastructure with the long-term view to integrating it into the Asia-Pacific region.

Kirill Barsky, Russian ambassador to Thailand, asserted that "Russia does not need to prove to anybody that it is an Asian power, an Asia-Pacific power, a Euro-Pacific power. This is our destiny as a country which stretches from the Atlantic Ocean to the Pacific coast." This view reflects Russia's underlying sense of entitlement as a global power based on its geopolitical attributes.

China is the biggest economic partner and strategic ally of Russia. It is Russia's largest trading partner and largest buyer of its energy resources. However, the hopes raised by the signing in 2014 of a US\$400 billion deal on supply of gas from eastern Siberia to China have been dampened due to the slump in energy prices, glut in supply, slowdown of growth in China, along with huge infrastructural and logistical problems. While this deal and other similar projects are likely to go ahead albeit with delays, a renegotiation of contracts and gas prices are inevitable with the returns for Russia being far lower than anticipated.

While Russia's close all round partnership with China is critical to projecting its great power status, it is de facto becoming a subordinate partner of China. China's heavy economic imprint in the Far East sparks anxieties that the region is turning into its resource appendage, serving the developmental needs of China's northeastern region rather than aiding its integration with the broader Asia-Pacific region.

### **Multilateral Cooperation via ASEAN and EAEU?**

Underlying Russia's pursuit of ASEAN is an urgency to diversify its economic and commercial partnership and the pool of foreign investors, particularly in Siberia and the Far East. The hopes of obtaining Japanese investments have not materialised, in part due to continuous conflict over the Kuril islands and also due to Japan's close alliance with the US.

Russia's leaders are too well aware that the path to establishing its prominence in the Southeast Asian region is to enhance its overall engagement in regional multilateral structures, build on its close ties with China, while cultivating a multivectoral foreign policy approach to offset its dependence on China.

Russia's effort to bring EAEU and SCO to the table and engage their partnerships

with ASEAN is a signal that Russia values multilateralism and partnerships – and also a rebuff to US unilateralism and hegemonic alliance with Western Europe. Having concluded a Free Trade Agreement (FTA) between the EAEU and Vietnam in 2014, Russia is pursuing similar agreements with Laos and Indonesia. It has also proposed to establish economic cooperation between ASEAN and EAEU by providing for a free movement of goods.

The prospects of a fruitful economic partnership between the two regional groupings are limited as unlike the EAEU, the ASEAN Economic Community is not a Customs Union and thus does not have a common external tariff.

Moreover, the EAEU, still an incipient structure, is more of a geopolitical alliance bringing together declining economies. It is a framework for promoting Russia's geopolitical objectives, defined in terms of collective goals through economic cooperation which also mask its weaknesses and vulnerabilities.

However, the launch by China of its Silk Road initiatives of One Belt One Road (OBOR) and Maritime Silk Road (MRS) together with the establishment of Asian Infrastructure Investment Bank (AIIB) and Silk Road Fund (SRF) denote its global strategy which appears to have downgraded the EAEU.

### **What Russia Can Offer ASEAN**

Russia has established a niche as a reliable supplier of energy resources, weapons and military technology at lower cost to a number of states in the South-East Asian region. It is a key player in Vietnam's offshore energy industry and the largest supplier of sophisticated weapons. Russia's ability to use oil and gas for economic or strategic advantage is diminishing as ASEAN states have already diversified their energy imports. Russia has steered clear of taking a stance on China's activities in the South China Sea, a source of conflict between China and Vietnam. Vietnam has also reached a major rapprochement with the US, signing the emerging Trans Pacific Partnership (TPP). The conclusion of an FTA with Russia-led EAEU appears symbolic in comparison.

Russia's critique of western liberal democracy and human rights agenda may find a welcome audience in China and many South-East Asian states, but it lacks a vision of economic development or a normative agenda. Russia's difficult investment climate, enormous infrastructural challenges, worsened by the confrontation with the West and its own declining economy denote a mismatch between its self-image as a global power and the reality of being a subsidiary actor in Asia.

Analysts at Russia's ASEAN Centre at the Moscow State University concur that 'symbols apart', the export potential of Russia's economy does not provide a steady basis for long-term partnership. But symbols matter to Russia and the summitry at Sochi is as much about enhancing its status as about seeking a strategic role in the region and business partners.

---

*Bhavna Dave is Senior Lecturer in the Department of Politics and International Studies at the School of Oriental and African Studies (SOAS) and a contributor to RSIS Commentary.*

---

**Nanyang Technological University**  
Block S4, Level B4, 50 Nanyang Avenue, Singapore 639798  
Tel: +65 6790 6982 | Fax: +65 6794 0617 | [www.rsis.edu.sg](http://www.rsis.edu.sg)