

Strengthening of Cooperation Between Russia and ASEAN: Rhetoric or Reality?

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The purpose of the article is to analyze current Russian policy toward Southeast Asian countries and to examine prospects for the future development of Russia-(ASEAN) relations. This article is structured around three issues, discussed in three parts. The first part examines the evolution of Russia-ASEAN political relations from the establishment of the “dialogue partnership” to the present time and Russia’s participation in the multilateral cooperation structures under the ASEAN umbrella. The second part concentrates on the achievements and the problems of economic and technical cooperation between the countries. Special attention is paid to the recent initiatives of the Russian government to foster the economic development of Far East territories. The third part is devoted to the analysis of Russia-ASEAN relations from the point of view of cultural interaction. It argues that despite optimistic official rhetoric, Russian policy in the Asian dimension is not balanced and there is no clear strategy to improve Russia’s place in the region.

Key words: ASEAN, Asia-Pacific region, economic cooperation, foreign policy, Russia

Цель данной статьи—проанализировать внешнюю политику России в Юго-Восточной Азии на современном этапе и охарактеризовать дальнейшие перспективы развития сотрудничества России со странами АСЕАН. В статье подробно рассмотрены ключевые моменты взаимодействия России и АСЕАН. Первая часть посвящена эволюции политического сотрудничества России и АСЕАН—от учреждения «диалогового партнерства» до участия России в многосторонних структурах под эгидой АСЕАН. Во втором разделе рассматриваются основные аспекты экономического и технического сотрудничества между странами. В третьей части отношения России со странами АСЕАН анализируются с точки зрения культурного взаимодействия. На основании проведенного исследования можно сделать вывод о том, что, несмотря на оптимистичные официальные заявления, политика России на азиатском направлении не сбалансирована. На данный момент у российской политической элиты уже сложилось понимание необходимости «поворота на Восток», но четкая стратегия по укреплению позиций России в регионе по-прежнему отсутствует.

Ключевые слова: Россия, АСЕАН, внешняя политика, Азиатско-Тихоокеанский регион, экономическое сотрудничество, Дальний Восток, культурное взаимодействие

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Today, the Asia-Pacific region (APR) is one of the most dynamic developing regions in the world. During the past decades, it demonstrated amazing and sustained economic growth. The Association of South East Asian Nations (ASEAN) is the oldest and one of the most successful organizations in the region. The significance of ASEAN for Russia is obvious. ASEAN, with its 604 million population, a \$2 trillion combined gross domestic product (GDP), and a cumulative trade turnover of \$1.7 trillion, ranks among the global heavyweights in the region. The strategic importance of ASEAN is also determined by its role as the main driving force of integration in the APR. Russia is geographically and politically present in the APR, but its interaction with the region is extremely weak, especially when compared with other countries.

Today Russia seeks to enhance her influence in the Asia-Pacific countries through the different dialogue mechanisms such as the Asia-Pacific Economic Cooperation (APEC) forum, the Shanghai Cooperation Organization, ASEAN conferences, and the East Asia Summit (EAS), among others. Moreover, top Russian officials repeatedly stress that the economic development of Siberia and the Russian Far East (RFE) require closer integration with Asian regional institutions. Both the president and the prime minister on several occasions have pointed to the need to turn to Asia. However, Russia has yet to develop a long-term and comprehensive Asian strategy (Karaganov, 2011). The most important strategic goal of Russia's foreign policy in Asia is to become involved in regional integration to have more opportunities to develop Siberia and the RFE. Under these circumstances, a broad analysis of Russia's policy toward ASEAN becomes an important analytical task.

Political Partnership

Historically, Russia has not had a strong relationship with Southeast Asian countries. Save for Vietnam, Cambodia, and Laos who had been cold-war allies of the Soviet Union before their inclusion in ASEAN. Relations with other countries were not highly developed. After the disintegration of the Soviet Union under President Boris Yeltsin's leadership, Russia lost its position even in countries where it previously had influence. The role of Southeast Asia in Russian foreign policy was uncertain in the beginning of the 1990s. In fact, relations with ASEAN started from zero.

In 1996, Russia became a full dialogue partner of ASEAN, and over the next few years, a solid legal basis for Russia-ASEAN cooperation began to be created. The key elements of the legal framework for Russian-ASEAN cooperation are the Joint Declaration on Progressive and Comprehensive Partnership, the Agreement on Economic and Development Cooperation, and the Comprehensive Program of Action to Promote Cooperation for 2005–2015 (Mirkasymov, 2007). In 2004, Russia also signed the Treaty of Amity and Cooperation.

The main dialogue mechanisms include the Joint Cooperation Committee, the Senior Political and Economic Officials Meetings, and the annual ASEAN-Russia Ministerial Conferences. Nevertheless, many Russian scholars have been especially critical of Russia's Asia policy during the 1990s since most of the cooperation projects agreed on with ASEAN were just empty declarations without subsequent implementation (Kanaev, 2007). For a long period, there were a lot of

good intentions but an absence of practical action, a situation which began to change only recently. It appears that under President Putin, the understanding about the need for a more diversified approach to foreign economic policy and for building stronger ties with Asia has grown in the upper echelons of power (Lissovolik, 2012). From the year 2000 up to now, Russian policy in the APR had become more active.

After Vladimir Putin came to power, Russia started to pay greater attention to the integration structures of the APR. Putin made multipolarity the center of his foreign policy and stressed the importance of the APR and Russia's participation in Asian regionalism (Buszynski, 2006). It was necessary for Russia to join the regional integration process in the early stages to avoid its exclusion from the region again. In 2005, Putin participated in the first EAS as an observer and expressed a desire to join the grouping, but Russia's application was politely denied. The main problem was that Russia-ASEAN relations were far from being "substantive." Thus, there was a large gap between Moscow's expectations for Russia's role in APR and how the region perceived Russia, as was revealed at the EAS in 2005 (Christoffersen, 2010). Russia had also demonstrated a willingness to join the Asia-Europe Meeting (ASEM) since 1996, but only in 2010 did it become a full member of this organization. These trends reveal Russia's desire to play a more significant role in Asia-Pacific affairs. Putin, however, did not attend the EAS in 2012 while the other delegations were led by heads of state. Moscow's ambitions to take a more significant place in ASEAN policy are being hampered considerably by the irregularity of high-level meetings. The first ASEAN-Russia Summit was held in Kuala Lumpur on December 13, 2005. It was assumed that such meetings will be held frequently but the second ASEAN-Russia Summit was held only in 2010. This is clear evidence that the interest by Russia's policymakers toward the region is not constant. Nevertheless, at the 11th Meeting of the ASEAN-Russia Joint Cooperation Committee held in the ASEAN Secretariat (Jakarta, Indonesia) on March 21, 2013, the preparation for the 3rd ASEAN-Russia Summit was discussed (Ministry of Foreign Affairs, Malaysia, 2013).

As mentioned above, the year 2010 was marked by a number of significant events and relative success for Russia's diplomacy. In 2010, Russia became a full member of the EAS and joined the ASEM dialogue mechanism. Participation in both EAS and ASEM is a good sign of normalizing Russia's foreign policy. Recently, Russia and ASEAN established useful contacts in new platform of multilateral cooperation—the ASEAN Defense Ministers' Meeting with dialogue partners (ADMM-Plus). However, despite these successful steps and certain improvements, Russia's policy toward ASEAN cannot be regarded as successful. Russia's participation in EAS was perceived in the Russian academic community mainly as an attempt by Southeast Asian countries to balance the growing U.S.-China competition for influence at the region, but not as the outcome of successful Russian diplomacy (Sumsky, 2011).

The APEC summit in Vladivostok in September 2012 was expected to confirm Russia's ambitions to play a more significant role in the APR. Russia used the summit to demonstrate its interest in regional affairs, but failed to propose any new initiatives for the long-term perspective. Thus, the summit was less successful than expected. Policymakers often emphasize that Russia, as a Eurasian

power, is a bridge between East and West, in both cultural and economic aspects, but President Putin's conception of Russia's role in the integration of Eurasian common space was not widely appreciated. Whatever soft power and international authority may have obtained as the result of APEC chairmanship did not lead to significant changes. Moreover, Russian authorities seem to have lost interest in active participation in Asia-Pacific affairs after the summit ended. Government agencies sharply reduced their level of involvement in the work of APEC, while business representatives completely disregarded the meetings of the Business Advisory Council. All key agency representatives who oversaw APEC work were redirected to new priority projects; the expert community was effectively disbanded. As a result, some American academics have come to the conclusion that a long-term positive impact on the Russian economy should not be expected (Magalif & Verkhoviykh, 2013).

Given the fact that Russian policymakers tend to stress the link between APR policy and the development of the RFE, it is logical to examine the recent initiatives to develop the Far East territories. Russia's primary objective in her Asia-Pacific policy is the inclusion of Siberia and the RFE into the economic system of this region. The success of Russia's engagement with the Asia-Pacific depends on whether its Far East can be transformed from the country's backyard into its Pacific front gate (Lukin & Troyakova, 2012). Today, the RFE is still characterized by underdeveloped infrastructure, outdated manufacturing and product supply technologies, and underpopulation. Under such circumstances, potential investors are openly skeptical toward proposals for large transnational infrastructure projects (Sumsy et al., 2013). Moscow needs to implement a large-scale program of economic and social reforms to attract foreign direct investment (FDI) to the region.

But some concrete steps to provide institutional support for the new "Look East" policy have already been made. In 2009, the Russian government adopted the Strategy for Socio-Economic Development of the Far East and the Baikal Region until 2025. In addition to that, a recent decision in 2012 to create a Ministry for Development of Russian Far East suggests that Russia will pursue a more active policy for modernization of Siberia and the Far East territories. Nevertheless, some experts are still inclined to believe that while there are some signs that the Kremlin is considering the problems of the RFE more seriously than before, its track record in terms of implementing development programs is not strong (Kuhrt, 2012).

Russian policymakers regularly talk about the need to "turn towards Asia" in recent years. In February 2013, Putin approved a new foreign policy concept that emphasizes that "strengthening Russia's presence in the Asia-Pacific region (APR) is becoming increasingly important since Russia is an integral part of this fastest-developing geopolitical zone, toward which the center of world economy and politics is gradually shifting" (Ministry of Foreign Affairs of the Russian Federation, 2013). But the practical actions contrast strongly with the political rhetoric. International relations experts of the Valdai Discussion Club claim that Russia lacks a vision for and an understanding of its interests in the Asian region, along with the tools to promote these interests (Toward the Great Ocean, or the New Globalization of Russia, 2012). Despite Russia's declarations on strengthening economic cooperation specifically with ASEAN, very little substantial

work has actually been done over the last years. So, how is economic cooperation with ASEAN developing? What has been done and what is to be done?

Economic Cooperation

For a long time, Russia's relations with ASEAN had been limited to the political sphere. Diplomatic influence without the underlying economic basis was a correct description of Russia's policy toward ASEAN in the 1990s. Despite the fact that political partnership had been on the rise during that decade, little progress was made in the field of economic cooperation. Ultimately, traditionally weak economic links between Russia and Southeast Asia also hindered Russia's search for influence (Rangsimaporn, 2009). Many scholars remained skeptical about the prospects for cooperation between Russia and ASEAN.

The two sides have, however, been increasing their economic ties over last several years, creating a comprehensive agenda and a legal platform for partnership. The total trade between ASEAN and Russia has grown 54.1% from \$9.06 billion in 2010 to \$13.97 billion in 2011. In contrast, the total FDI flows from Russia to ASEAN have declined from \$60 million to \$44 million during the same period. The main Russian trade partners among ASEAN countries are Indonesia, Malaysia, Singapore, and Thailand.

Nonetheless, the level of economic interaction between ASEAN and Russia remains much lower than between ASEAN and other major powers. Trade statistics show that there is much to be desired: Russia is not among ASEAN's top 10 biggest trading partners and still accounts for less than 1% of ASEAN's total trade (Table 1).

Now consider the main factors hindering the effective development of trade and what was done to overcome these problems. These include the absence of

Table 1. ASEAN Trade With Selected Partners (in Percent Share to Total Trade for Years Indicated)

Country	1998	2000	2003	2008	2009	2010	2011
Intra-ASEAN	21.0	22.0	25.1	24.8	24.5	25.4	25.0
China	3.5	4.3	7.2	10.4	11.6	11.3	11.7
EU-27	14.5	13.5	12.3	11.0	11.2	10.2	11.4
Japan	14.1	15.3	13.8	11.3	10.5	10.1	9.8
United States	20.1	16.1	14.3	9.8	9.7	9.1	8.3
Republic of Korea	3.0	3.9	4.1	4.1	4.9	4.8	5.2
India	1.2	1.3	1.5	2.6	2.5	2.7	2.9
Australia	2.2	2.3	2.3	2.8	2.9	2.7	2.5
Canada	0.7	0.6	0.6	0.6	0.6	0.5	0.5
Russia	0.2	0.2	0.3	0.5	0.4	0.4	0.6
New Zealand	0.3	0.3	0.3	0.4	0.3	0.4	0.3
Pakistan	0.3	0.5	0.2	0.3	0.3	0.3	0.3
Rest of the world	18.9	19.8	18.0	21.5	20.6	22.0	21.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: ASEAN Community in Figures 2012 (ACIF 2012)—Jakarta: ASEAN Secretariat, p. 15. Retrieved from <http://www.asean.org/resources/publications/asean-publications/item/asean-community-in-figures-2012>.

common land borders, but this geographic problem can be addressed. Russia has seaports on the Pacific Ocean and can trade with Southeast Asia countries without intermediaries. China, for one, conducts effective trade with African countries which are much farther from China than any Southeast Asian country from Russia. A much more serious obstacle to increasing trade and investment collaboration is the huge information gap on the both sides. Experts also consider weak infrastructure and unfavorable legal conditions as major reasons behind limited economic links (Titarenko, 2008). Outdated technology, ineffective bureaucracy, a poor investment climate, and corruption have been the real situation of the RFE for a long time. As Stephen Blank (2012, p. 265) points out, “only if Russia changes its laws and policies to ensure that the property rights of owners will be legally defended it can attract the investments it needs to realize its twin desires of rebuilding the RFE and playing a meaningful independent role in East Asia.” Many businessmen in ASEAN countries complain about unclear regulations and corruption in Russia, and they have reasonable grounds to think that trading with Russia can be rather problematic.

Russia has also failed to actively participate in banking and investment cooperation with ASEAN states, and the number of joint ventures is still relatively small. The Vietnam-Russia Joint Venture Bank, established in 2009, is perhaps the only example of cooperation in the banking sector at the moment. Russian state structures fail to pay sufficient attention to the needs of private business.

However, there are also some improvements in the field. Russia’s recent membership in the World Trade Organization (WTO) and the tax laws reform have produced certain results (see Table 2). According to Augusto López-Claros, director of global indicators and analysis with the World Bank Group, Russia has made some progress in improving its business climate, moving up in the World Bank’s Doing Business rating; yet the country can do more (Russia Beyond the Headlines, 2013). Russia now ranks 92nd out of 185 countries in this index.

In 2013 an independent nonprofit organization “Investment Promotion Agency in Primorsky Krai” was created to increase investment attractiveness of the RFE region (The Legislative Assembly of Primorsky Krai, 2013). In March 2013, a bill aimed at increasing the investment attractiveness of the Far Eastern Federal District territories was approved by the Government. Participants of investment projects in the Far East will receive tax credits up to 2023 (Rasporyazhenie ot 30 marta, 2013). Speaking at The International Investment Forum in Sochi in September 2013, Russian Prime Minister Dmitry Medvedev said that he had ordered the government to consider the establishment of an agency for the promotion of regional investment (RAPIR), which would be “a one-window service for foreign investors” (Interfax, 2013). Furthermore, Russia’s entry into the WTO should increase transparency and predictability in its relations with foreign investors.

During the last several years, Russia significantly expanded and, more importantly, diversified its presence in the Southeast Asian markets. Some initiatives were relatively successful in the field of economic cooperation. Russian companies are not only participating in a number of oil and gas exploration projects with their traditional partners, but are also assisting Indonesia, Vietnam, Cambodia, and Laos in building the necessary energy infrastructure. Among the economic and industrial projects under Russia-ASEAN cooperation, priority is given to space, nano- and

Table 2. Ease of Doing Business in Russian Federation

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Overall rank	79	96	106	120	116	124	120	112	92
		▼	▼	▼	▲	▼	▲	▲	▲
Starting a business	—	33	50	65	104	106	111	101	88
		▼	▼	▼	▼	▼	▼	▲	▲
Dealing with construction permits	—	163	177	180	182	179	178	178	178
			▼	▼	▼	▲		—	—
Getting electricity	—	—	—	—	—	183	183	184	117
							—	▲	▲
Registering property	—	44	45	49	45	51	45	46	17
			▼	▼	▲	▼	▲	▼	▲
Getting credit	—	159	84	109	87	96	98	104	109
			▲	▼	▲	▼	▼	▼	▼
Protecting investors	—	60	83	88	92	108	111	117	115
			▼	▼	▼	▼	▼	▼	▲
Paying taxes	—	98	130	134	103	107	105	64	56
			▼	▼	▲	▼	▲	▲	▲
Trading across borders	—	143	155	161	162	166	160	162	157
			▼	▼	▼	▼	▲	▼	▲
Enforcing contracts	—	25	19	18	18	19	13	11	10
			▲	▲	—	▼	▲	▲	▲
Resolving insolvency	—	—	—	—	—	60	60	53	55
							—	▲	▼

Source: Doing Business (<http://doingbusiness.org/>).

Note: Up arrows indicate improving indicators while down arrows indicate worsening indicators for ease of doing business.

biotechnological cooperation, food safety, and education. Special attention is also being paid to the information technology and agriculture sectors.

Russia traditionally has competitive advantage in such fields as arms exports, space industry, medical technology, and the implementation of infrastructure projects, including the construction of electric power plants and nuclear power stations. ASEAN members have also expressed interest in Russia's scientific-technological potential and consider Russia as an attractive market for ASEAN investments, with its rich natural resources, and for traditional exports. Such circumstances provide a good opportunity for increasing investment flow to Russia from ASEAN countries and vice versa. It thus appears that relations between Russia and ASEAN have considerable potential for further development.

However, for the time being, Russia has delayed the project of creating a free trade zone with ASEAN (Karpenko, 2012). In March 2013, the first round of negotiations was held on the conclusion of a free trade zone agreement between the Customs Union involving Russia, Belarus, and Kazakhstan on the one hand and Vietnam on the other hand (Voice of Russia, 2013). Lissovlik (2010) maintains that it is preferred at this stage to have trading alliances with the Association's individual members, beginning with Vietnam whose economy is growing at a high rate but where foreign trade restrictions are higher than in many Southeast Asian countries.

Unlike the United States, China, or Japan, Russia does not have close ties with the region. This applies not only to political contacts at the highest level, which in recent years have developed significantly, but also to cooperation between nongovernmental organizations and business representatives (Lokshin, 2011). The strong positions of these other countries in Southeast Asia are historically determined. For example, the numerous and influential Chinese diasporas contribute considerably to the success of Beijing in Southeast Asian countries. Yet the ASEAN countries try to avoid becoming the subject of excessive influence from China or the United States, whereas no such fear of Russia exists at this time. This is an important factor that may contribute to the strengthening of Russia's presence in the region.

Today, Russian private business is poorly represented in the Southeast Asian markets. On the Russian side, most of the major joint projects are implemented by state-owned companies (Voronin & Kozlov, 2010). A strategic weakness of Russia's Asia policy is that government institutions enjoy an exclusive prerogative, while in Asia private business plays a key role in the integration processes. Thus, Russian governmental support is necessary for the successful development of economic cooperation involving its private companies.

A Russia-ASEAN Business Council was established in 1998. Under the auspices of the Chamber of Commerce and Industry of the Russian Federation, business councils for cooperation with individual ASEAN members were also created. In 2006 the Russian-Thai Business Council was established; in 2007, the Business Council for Cooperation with Vietnam; in 2009, the Russia-Singapore Business Council and the Business Council for Cooperation with Indonesia; and in 2011, the Russian-Philippine Business Council (*Rossiyskie delovyye soveti s zarubezhnyimi stranami*, n.d.). In 2013, the Business Council for Cooperation with Malaysia was created to support initiatives of Russian companies for promotion of their products and services in this country. Thus, we can see a positive dynamic in the aspect of strengthening direct business links with Southeast Asian countries.

On June 22, 2013, a Russia-ASEAN Business Forum was organized by the Russia-ASEAN Business Council with support from the Chamber of Commerce and Industry of the Russian Federation and the Ministry of Foreign Affairs at the St. Petersburg International Economic Forum. The Forum brought together key business leaders from Russia and ASEAN to discuss opportunities for closer economic cooperation. It was the first time that this forum was held in such a wide format and was attended by the representatives of all 10 ASEAN countries (Business Forum Russia-ASEAN at SPIEF, 2013). Regular consultations and meetings both at the highest level and between representatives of the business community may be regarded as the most important catalyst of further development of Russia-ASEAN relations.

Such meetings of Russian and ASEAN officials and representatives of their business communities are held not only at the highest level but also at the regional level. Vladimir Miklushevsky, the Primorsky Krai Governor, during a meeting with the Ambassador of Indonesia in 2012 said that over the past 10 years, trade turnover between the Primorsky Krai and Indonesia grew by 24 times, and in 2011 was worth 11.9 million U.S. dollars (RIA Novosti, 2012). Moreover, regional level meetings can contribute to the strengthening of small and medium-sized business interaction.

Contemporary International Relations in the Asia-Pacific and Russia's Asia Policy

How can we explain the weakness of Russian policy in the APR? Does this policy go against the interests of the other regional players?

The key vectors of Russian foreign policy concern the Post-Soviet space, the United States, and the European Union. Relations with the Commonwealth of Independent States will quite naturally always be a priority for Russia. The "reset" of relations with the United States did not take place, and bilateral relations with the European Union remain strained.

Currently, the increased economic, political and, potentially, military competition between China and the United States in the APR is becoming one of the main trends in international relations. Russia is not interested in joining either side of the U.S.-China competition, but Russia can play a critical role in the Asia-Pacific political and security architecture if it can successfully define its policy in the region. It would be an indisputable foreign policy success for Russian diplomacy if Moscow can use the current favorable situation in international affairs to integrate itself into the APR structures. In other words, the geopolitical competition between the United States and China is playing into Russia's hands and Russia can take advantage of it to increase its cooperation with its Asian partners in all spheres. In general, the international situation is very favorable for enhancing Russia's policy in Asia.

Objectively, in the APR, Russia's policy at this stage does not significantly threaten the political interests of other countries. Russia is faced primarily with economic competition, and its ambitions in the region, although colored with a strong geopolitical perspective, are primarily commercially driven. For example, Russia established "comprehensive strategic partnerships" with both China and Vietnam and currently sells arms to both countries. Even on the basis of short-term considerations, comprehensive development of relations with the Asia-Pacific countries meets the needs of Russia, not to mention the global strategy of "turning to Asia."

But Russia's economic and partly political turn toward the APR, vitally needed for the country's development, is slowing down not only due to the lack of funds or bureaucratic inertia but also due to the latent and sometimes obvious presence of the two more competing development projects—European and Eurasian—and the inability or unpreparedness of the Russian elites to make a choice or to combine the three projects (Karaganov & Makarov, 2014).

Russia-ASEAN relations, although important, do not receive the priority attached to bilateral relations with key partners such as China and India. In ASEAN countries, Russia is not associated with any kind of potential threat—economic or military. Russia may therefore project itself in Southeast Asia as a reliable and responsible partner, which is open to honest cooperation with all the countries without confrontation or ideological stereotypes. However, some experts are highly pessimistic regarding the perception of Russia in Southeast Asian countries. Around the time of the APEC leaders meeting in Vladivostok, Fenenko (2013) said that "it became increasingly apparent that most APR countries regard Russia as no more than China's ally, as a country supplying its resources for modernizing China's defense industry and space program." The

current Crimea situation probably may affect the Russia's perception in ASEAN countries. But if there is an understanding that Ukraine was always the sphere of Russian interests, it will not lead to strong negative perception.

Nevertheless, with an active stance in multilateral negotiating platforms, Russia has made some progress in positioning itself in the APR. As the Minister of Foreign Affairs of Russian Federation Sergei Lavrov (2010) pointed out, similar or identical positions on most issues of the global and regional agenda are among the major factors of successful progress in Russia-ASEAN relations. There are no political disagreements between Russia and ASEAN countries. Consequently, the required preconditions for deepening mutually beneficial cooperation are present. There are also strong reasons to suggest that in the next few years ASEAN will be interested in strengthening ties with Russia. These include, as cited earlier, trade potential, the absence of political disagreements, China-U.S. rivalry in Asia, and the reluctance of ASEAN countries to depend excessively on these superpowers. But significant efforts should be made to achieve considerable progress in economic relations with ASEAN. Particular attention should be paid to the development of trade relations between the small and medium-sized private enterprises of our countries. As Viktor Tarusin (2013), Executive Director of the Russia-ASEAN Business Council, pointed out: "We (Russia) have only a few years to arrive in the Asia Pacific region. China, the United States and other countries are aggressively occupying the promising market and leaving no chance to Russia. We have to act now or never." The mid-level diplomats understand the need to cooperate with ASEAN countries more actively, but in the higher echelons of power there is no such vision.

Despite the absence of a clear political strategy toward ASEAN countries, the economic cooperation between our states is growing, slowly but constantly. Medium-term forecasts suggest that Russia's trade with ASEAN countries will increase gradually but not as fast as its potential. Still, some positive results of Russian efforts can already be seen.

Cultural Interaction

In recent years, Russia has taken certain measures aimed at strengthening cultural links with ASEAN countries. In 2008 the Federal Agency for International Humanitarian Cooperation (Rossotrudnichestvo) was created under the Russian Foreign Ministry. Today Rossotrudnichestvo is represented in 77 countries by the Russian Centers of Science and Culture (Rossotrudnichestvo, n.d.). Centers of Science and Culture are governmental nonprofit organizations set up to promote relations between Russia and other countries in the spheres of culture, education, and science. It is noteworthy that in Malaysia, the Russian Centre of Science and Culture has existed since 1981 (Russian Centre of Science and Culture in Kuala Lumpur, n.d.); while in Cambodia, a Russian Centre of Science and Culture has functioned since 1984 (Embassy of the Russian Federation in the Kingdom of Cambodia, n.d.). So, we can say that there is a positive experience of Soviet cultural relations with at least some countries of Southeast Asia.

A large segment of the present-day intellectual and professional elite in the Indochina countries studied in the U.S.S.R. and Russia. Over 30,000 Vietnamese and 8,500 Cambodians had their professional training in Russian higher educa-

tion institutions (Mazyrin, 2010). A Russian education is still highly respected in the world, especially in such areas as technical sciences or medicine research. After the collapse of the Soviet Union, the quality of Russian education became worse. But the research base is still effective, its professional staff remains highly skilled, and many excellent scientists teach and do research in Russia (Podberezsky, 2007). At the moment, there are about 10,000 students or more from ASEAN studying in various Russian universities. Among ASEAN students, mainly from Vietnam and Malaysia, there is a large demand for engineering and medical education in Russia. Student exchange is also taking place between Russia and ASEAN countries. English-language education programs in some Southeast Asian countries are very popular among Russians.

In the QS World University Rankings of 2013/2014, 18 Russian universities are ranked within the world's top 800. According to the recently adopted program of education development to 2020, at least five Russian universities have to enter into the top 100 of the world's leading universities (Rossiyskaya Gazeta, 2013). The successful implementation of this program will contribute to the development of academic exchange and to increasing the number of foreign students in Russia.

As for the Russian academic community, only a few Russian researchers specialize in Southeast Asian Studies. Japan Studies has always been quite fashionable both in the Soviet Union and in modern Russia alike. Due to China's rapid economic development, Sinology has come to the forefront of domestic orientalism ("vostokovedenie") or Asian Studies, in recent years. Southeast Asian Studies is not so popular and has developed mainly due to the enthusiasm of individual researchers.

In 2010 an ASEAN Center was established in the Moscow State Institute of International Relations (MGIMO). The mission of the ASEAN Center is to spread information about the ASEAN-Russia dialogue partnership, and to facilitate the development of economic links, cultural, scientific, and educational exchanges, as well as people-to-people contacts between Russia and the ASEAN member countries (ASEAN Centre in MGIMO-University, the MFA of Russia, 2012). On the May 13 and 14, 2013, the First Russia-ASEAN Youth Summit was held at the ASEAN Center in MGIMO in partnership with RIA Novosti Media Holding. The summit was attended not only by students from Russia and ASEAN but also by a group of Russian and ASEAN diplomats, businessmen, journalists, and academicians. The summit's organizers and participants have indicated that they hope to hold more such events in the future, which can be a significant contribution to bridging the information gap between Russia and ASEAN peoples.

The number of Russian tourists in ASEAN countries grows every year. According to the estimates of the Federal Agency for Tourism (Ministry of Culture of the Russian Federation), in the first half of 2013 over 570,000 Russian tourists visited Thailand (The Russia Federal Agency for Tourism, 2013). Thailand has become the third most popular tourist destination in Russia, and the recent trend of the growing of Russian tourist inflow to Southeast Asia is likely to continue. Russia has a visa-free regime with Thailand, Malaysia, Vietnam, Laos, and the Philippines (valid up to 15–30 days). In Indonesia, Myanmar, and Cambodia, Russian citizens can get a visa at the border, which significantly contributes to the devel-

opment of people-to-people contacts between the countries. However, there are very few tourists from Indochina to Russia. Thus, nontrade factors also can play an important role in improving relations. Economic benefit should not be the only determinant in the relations between countries, but mutual cultural interest may have an economic effect, too. According to the World Economic Forum report, tourism revenues account for 8.2% of Thailand's GDP, 7.9% of Singapore's GDP, and 15% of Cambodia's GDP (World Economic Forum, 2012).

To work effectively in the Southeast Asian markets, Russian companies need accurate information about the state regulations regarding the importation of commodities and investments, transport and logistical infrastructure, the cultural peculiarities of doing business, and so on. There are numerous examples of Russian private companies operating blindly upon arrival in the Southeast Asian markets. Russian Foreign Ministry Ambassador-at-Large A. Ivanov (2013) states: "They contacted neither the embassy, nor the trade mission; they came by themselves, concluded contracts and suffered financial losses in the end." Currently Russia and ASEAN are planning to launch a special media project which will include an Internet TV channel with the primary objective of spreading accurate information about ASEAN and Russia, particularly the potentials for the mutual trade and investment.

The state of affairs in the cultural links with particular ASEAN countries is very similar to that of mutual trade. For example, Thai culture became rather popular in Russia in recent years, and there are now Thai restaurants in big cities and sports clubs that offer Thai boxing. But Russians know almost nothing about the culture of the other Southeast Asian countries.

It is not very difficult to develop mutual interest in the field of culture between Russia and Southeast Asia. For example, the publication of textbooks of oriental languages can do more to awake the interest of Russians in the region than any abstract initiatives. Intensive exchanges and interactions between Russia and the ASEAN countries in education, science, culture, and mass media can be a strong catalyst of transition to a qualitatively new level in all areas of cooperation. Russia's soft power—its educational, technological, scientific, and cultural richness—could contribute to positive attitudes toward Russia among Southeast Asian countries.

Russia's Bilateral Relations With ASEAN Countries

As bilateral relations are an integral part of the dialogue process, it is also relevant to discuss Russia's relations with the key ASEAN countries. Russia's relations with the ASEAN-member countries are not evenly developed.

Vietnam is the only country in Southeast Asia to have strategic partnership relations with Russia (from 2001). The two countries give priority to military, military-industrial, energy, and humanitarian cooperation. In the field of military-technical cooperation, Vietnam is Russia's most important partner in ASEAN. In recent years, Vietnam has signed contracts for the import of Russian submarines, frigates, and a total of 28 Su-30MK aircraft fighters, which similarly Malaysia and Indonesia had put in orders for (Denisentsev, 2012). In the energy sector, over the past years Russia and Vietnam have successfully cooperated in the exploration and production of oil and gas by implementing a number of

major joint projects. Besides the joint venture “Vietsovetpetro,” which was established in 1981, the countries set up a few successful joint enterprises. A joint project is currently being discussed for building Vietnam’s first nuclear power plant. Free trade zone talks between the partners are also under way.

Indonesia is important to Russia as a country that plays a key role in the ASEAN and as the informal leader of this organization. Russia and Indonesia have much in common. Indonesia is the biggest country in Southeast Asia as Russia is in the Eurasian space. Russia and Indonesia are both multicultural, multireligious countries that face similar internal threats. Both are countries with transitioning yet rapidly developing economies. There are many promising and mutually beneficial projects in the sphere of bilateral economic and technical cooperation now. The dynamic development of the military-technical cooperation between Moscow and Jakarta also should be mentioned.

Malaysia is one of Russia’s main trading partners in Southeast Asia. But the relationship can lead to an even greater level of cooperation. Russia’s main exports to Malaysia are petroleum/chemical products and manufactures of steel, accounting for almost 85% of Russia’s total exports to Malaysia. Malaysia’s main exports to Russia consist of palm oil, tropical agricultural products, electronics and electrical products. The Russia-Malaysia trade thus constitutes a very narrow range of products. This is a common problem in Russia’s trade relations with all ASEAN countries; in general, the structure of Russian exports to Southeast Asian markets is undiversified and resource oriented.

There is a unique tradition of bilateral relations between Russia and Thailand (Siam) that was established as early as the late 19th century, and there are well-established mechanisms of interstate cooperation between the two countries. Today, Thailand is one of Russia’s key trade and economic partners in Southeast Asia. Russia also has good trade relations with Singapore, although political engagement is not as developed at the moment.

In the case of Cambodia, Laos, Myanmar, Brunei, and the Philippines, Russia’s relations with these countries are underdeveloped at the moment. Dialogue at the highest level is supported, but the meetings are usually held on the margins of international summits, rather than bilaterally. Contacts between the foreign ministries are carried out more regularly than summits. The legal framework of bilateral relations is increasing gradually and the volume of trade is slowly but steadily growing. The level of bilateral ties in the fields of science, education, culture, and tourism, however, remains modest. This situation is largely due to the fact that Cambodia, Laos, and Myanmar are not as developed as the “New Asian Tigers”—Thailand, Malaysia, and Singapore. The foreign policy priorities driving policy toward the Philippines and Brunei are the development of relations with ASEAN partners, EAS countries, and the United States (especially with the Philippines being a U.S. ally). For objective reasons, we can hardly expect the substantial strengthening of Russia’s relations with these ASEAN countries in the near future.

On the basis of these facts, we can draw the following conclusion: Russia’s relations with ASEAN member-states have developed unevenly. In general, Russia’s bilateral relations with its key partners in Southeast Asia are developing more rapidly than those with ASEAN as a whole, and in the medium term this situation will persist.

Conclusions

Relations with ASEAN have never been a top priority in Russia's Asian policy. Neither Russia nor ASEAN regards each other as number one partner. But as Viktor Sumsky says, both Russia and ASEAN have enough to offer one another in terms of political, economic, and cultural cooperation. What is still missing on both sides is the real sense of the other's importance as a partner (Sumsky, 2006). The above analysis has shown that there is a positive trend in all areas of cooperation, but to move Russia-ASEAN relationship to a qualitatively new level the current steps are not enough. Yet the notion that Russia should more actively develop relations with ASEAN has not yet been widely accepted in the policymaking circles and there is no political will or sense of urgency in Moscow to do so.

Interest by Russian policymakers toward enhancing an effective collaboration with Southeast Asian countries is moreover not constant. An analysis of Russia's achievements to date suggests that Russia still has a weak position in the Southeast Asian political and economic order, and the likelihood of significant changes remains low. Russia has not yet managed to use its political authority even to obtain tangible economic benefits. In the foreseeable future, Russia's role in Southeast Asia is likely to increase gradually, but not as fast as some in Russia would like.

Russia's future role in the integration structures of the APR remains unclear. Despite declarations of a multivector foreign policy, Russia's approach toward Asia's multilateral organizations is not balanced. Russia must be a member of all prominent regional organizations and conduct a flexible policy on various dialogue platforms. However, it is obvious that Russian authorities pay more attention toward APEC. My view is that ASEAN member-states are much more homogeneous than the APEC economies. Consequently, for Russia it is much more profitable to strengthen cooperation with ASEAN countries than trying to achieve a doubtful progress under the APEC framework. In addition, it is under the ASEAN umbrella that new structures of multilateral dialogue were formed, including the EAS, ASEAN Regional Forum, and the ASEM, all of which are quite significant institutions that demonstrate a trend of gradually expanding their agenda. Russia should play a more active role in these structures and the Asian dimension of its foreign policy should be balanced in all directions.

Many experts believe that Russia's policy on the Southeast Asian vector can be more effective. There is first of all a need to increase the practical economic outcomes of political cooperation. It may be a good time for Russia to engage ASEAN, while its member-states are trying to keep neutral with respect to the escalating power competition between China on the one hand, and the United States and Japan on the other hand, in both Southeast Asia and Northeast Asia. It is time for Russia to increase cooperation with ASEAN comprehensively and in all directions.

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