



**NEW CHALLENGES FOR RUSSIA AND JAPAN IN
THE EVOLVING INDO-PACIFIC**

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SPEAKERS:

Alexander Gabuev is a senior fellow and the chair of the Russia in the Asia-Pacific Program at the Carnegie Moscow Center.

Ken Jimbo is a professor at Tokyo's Keio University.

Anna Kireeva is an associate professor at the Department of Asian and African Studies at Moscow State Institute of International Relations.

Gabuev. Good morning everyone in Moscow time zone, good afternoon everyone in Asia, in Tokyo time zone. My name is Alex Gabuev, I'm a senior fellow and chair of the Russian Asia-Pacific Program at the Carnegie Moscow Center, and I'm thrilled to have you with us on this very important debate on Russia's foreign policy and Russia-Japan relationship. I think that currently that Russia is back in the spotlight in many international discussions, when it comes to the priorities of the new Biden team or the change of Sino-Russian relationship, what's frequently overlooked is Russia's partnerships in Asia that go beyond just China. And then if we are talking about the new dynamics in Asia-Pacific, definitely Sino-U.S. rivalry sucks all of the oxygen in the room, but definitely there are other great powers that play a very important role in the regional balance of power. And today we are gonna talk about two very significant players with global reach, both economic powerhouses, like Japan, or the military powerhouses, like Russia, and I'm very thrilled to have Ken Jimbo and Anna Kireeva joining me on this panel. I think, Ken, I'll start with you.

The changes in the Pacific are really very significant and very remarkable. It's both four years of Trump, it's China's transformation under Xi Jinping, and there are multiple moving pieces in the region. One of them was Prime Minister Abe's dedicated attempt to improve relationship with Russia. Which, to my mind, was driven by both domestic considerations and his resolve to finally settle the long-standing territorial dispute, and at the same time it was also informed by the changing strategic environment in the Indo-Pacific. And his idea was that a more solid and amicable relationship with Russia serves Japan's national interests.

So let me probably start with you evaluating the legacy of Abe's ten years, and what is the debate in Japan about Abe's Russia policy, whether the Suga government, or any next cabinet, will inherit the baseline, or it will be a change. Thank you.

Jimbo. Thank you, Alex, and thank you very much for inviting me to this exciting debate, and I also appreciate your questions, how do I evaluate the Abe's diplomacy in past eight years.

I guess that Prime Minister Abe has been recognizing the important trend of dynamics in the Indo-Pacific region, that the distribution of power has been on the rapid change, mainly driven by the rise of China. So, when we talk about the power shift in our regions, we always talk about strategic competition between United States and China, by the rise of China, Chinese challenges, but what we face vis-à-vis China individually, the time zone of the change is much more vivid in regional states like Japan, Korea, Taiwan, and Southeast Asia, because the shift of the balance of power will have a more deeper gradation with us. Because in 2010, China overtook the size of the GDP of Japan, and the rapid change of the military balance in the bilateral context has become much more vivid in that context.

So, something that Japan has to work on is to reorient our portfolio of the power, initially by strengthening of the U.S.-Japan Alliance, our traditional approach in the alliance, but also to diversify our strategic repositioning in Asia-Pacific region. And that's why we are now engaging more with regional partners like Australia, India, and Southeast Asia, and we also regard Russia into that context as well.

So when you look at the 2013 National Security Strategy, unlike what Trump has addressed Russia and China as the same category of the strategic competitor or the revisionist powers, of what they are trying to portray Russia, I think Japan's characterization of Russia is significantly

different from that context. We regard China as a main objective of the strategic competition. In that regard we don't have actually to have two enemies at the same time. We regard Russia as a very important actor. Not simply balanced against China, but at least to diversify the Chinese strategic calculus. So, that really entails our approach that the Japan–Russia collaboration context is very important for the Japanese strategy.

Those are, I think, a very short summary of how we try to recalibrate our strategic portfolio, that inclusive of Russia.

Gabuev. Thank you so much. I'm really tempted to go into many directions here, but I'll have time to do that.

Anna, let me turn to you. What's Moscow's view on the Abe's attempt to improve the relationship? Was it successful, from Russia's standpoint, or not? What prevented it from being successful? And how much Russia actually shares this second part? Like, it's one thing, which is the long-standing territorial dispute, but the other thing is really the rapidly changing nature of competition in Asia-Pacific, and it's my impression that Russia doesn't want to be seen exclusively as China's junior partner or really taking side in the growing rift between U.S. and its allies on one side and China on the other side. The relationship with China is of paramount importance to Moscow, but definitely it doesn't want to take sides. So, probably diversification of its foreign policy options in the region also could serve Russia's national interests. What about Abe's outreach? Was it successful or seen as useful or not?

Kireeva. Thank you, that's a great question, indeed. So, I'll also break it into two different parts.

In terms of general understanding and comprehension of Abe's strategy towards Russia and towards Moscow, I guess there has been a really profound interest of Russia to try to improve relationship with Japan in a kind of comprehensive way, not only touching on political issues and on the issue of the peace treaty and territorial issue, but also trying to find some kind of new strategic significance of each other, to each other. And generally, as you mentioned, Russia has, I think, always been very keen on trying to diversify its foreign policy portfolio, and also economic links, and energy links, and not put all the eggs only in the China basket. So, Japan of course is... maybe it's the second major regional power, or somewhere with India, more or less the second and the third regional powers, it has always been playing a very huge role here.

And in terms of these kind of security considerations, I think we have clearly seen that both Russia and Japan have taken a very clear interest in trying to mend the relationship after the fallout of the Ukrainian crisis, when for the couple of years it stopped from having such robust security exchanges. So we can basically see that all security exchanges have been restored: two-plus-two dialogue between foreign ministers and defense ministers, also very high-profile exchanges on the level of defense ministry and, for example, chiefs of staff, something that is really good for understanding each other better and for building confidence.

We have also seen a new channel of dialogue between national security councils, which I guess is really important also, with Japan establishing it as a kind of control tower for its national security policy. And also we have seen some recent developments last year, we had the first ever exercises in the Arabian Sea. I mean, not just Search and Rescue, SAREX, which has been conducted since 1990s, well, regionally, mostly in the Sea of Japan, but also here we had the first

ever anti-piracy exercises in the Arabian Sea, which could somehow pave the way for broader regional cooperation in the Indo-Pacific.

And here, I guess, we also can see robust political dialogue, of course first and foremost aimed at trying to somehow push forward the resolution of the peace treaty and the territorial dispute.

I know that you will be talking tomorrow about economics, but what I just want to say very briefly is that we have seen something really unprecedented on the economic side of the relationship as well, with a huge number of projects, with new spheres, and with a definite diversification of Japanese investment in Russia, never ever present before. And on the scale, of course, these are mostly medium and small-scale projects, but the level of diversification of investment is unprecedented, even if we compare it with China, or South Korea, or other powers. So I guess we have had some progress here, and it has been seen from the Russian side that we have tried to take some steps actually to bring the relationship to some kind of a high comprehensive level.

Also people-to-people contacts used to really improve, before the pandemic, of course. And we were hoping to have more regional exchanges also before the pandemic, and probably this is something we could return to later on.

However, that being said, of course there is, I mean, there has been interest in Russia to find more ways to cooperate with Japan regionally, in the Asia-Pacific, and maybe even in a broader Asia. At the same time, in terms of politics, we have clearly seen that the efforts put by the Japanese side to try to somehow overcome this very long-standing obstacle have proved to be... Well, the first have been great, but probably the obstacles have been so really difficult to overcome in such a short period of time that, from the Russian side at least, it's not something that can be realistically achieved in such a short period of time.

We have heard both Putin and Lavrov mentioning that we need to try to build a kind of comprehensive partnership, which probably has been more and more tricky, as there has been a lot of pressure on both sides, I mean, on Japan and Russia, and especially Russia moving closer to China, because of the deep crisis in relations with the U.S. So I guess one of the key reasons why we haven't actually seen some progress in the territorial resolution has been exactly deteriorated Russia-U.S. relationship. And it has really put a strain in many ways, and especially on the thing that has been repeatedly put forward by the Russian side, on the possibility of American military bases, or put into the islands, even on the two smaller islands, in case of that transfer, which I think created really a stumbling block towards the resolution, of course with some other factors, like domestic political factors in Russia and others, but probably it was the turning point, the real stumbling block. And for Japan, of course, as Ken will probably also add at some point, it is really unfeasible to have one part of its territory not covered, for example, by the U.S.-Japan Alliance treaty. So it seems that it is one of the real security obstacles that prevented this issue.

And we can clearly see that Russia last year consolidated its positions in many ways, and of course especially in the constitutional revision. So I would say we still have both parties trying to keep the door for the dialogue open; however, it will become even more challenging than it used to be under Abe.

Gabuev. Thanks, and that was an excellent point, Anna, and I immediately want to throw the ball into Ken's court. I think that this is really the baseline of Moscow's assessment here, that the alliance treaty between the U.S. and Japan prevents Japan from making fully sovereign decisions. And whatever is the Tokyo grand strategy, it will also be all the time impacted by the U.S.–Russia relationship, which is not in the great shape, as we know, and is probably going from worse into even worse place. We've seen that the low-hanging fruits of bilateral cooperation have been already picked, the START treaty has been renewed for additional five years without any conditions; we might reasonably expect cooperation on the Iranian nuclear file, if both sides will return to the negotiating table, Russia will definitely have interest to support that; but beyond arms control we don't have that many issues of alliance. We've seen sanctions introduced by the U.S. following imprisonment of Alexei Navalny; we have seen reports in the *New York Times* about possible covert attacks or whatever measures in the Russian cyberspace to retaliate for the SolarWinds attack that the U.S. intelligence community believes originated from Russia, and probably this type of crisis will not disappear.

So, how much room does Japan realistically have to improve ties with Russia at the time when the relationship between your primary, paramount security ally and Russia is deteriorating so rapidly?

Jimbo. Thank you, Alex. And I always respect the Moscow strategic community's overweighing of the strategic relationship with Europe in the west and Asia in the east and southeast. Those are seamlessly connected as a strategic space, because Russia is a big country, and those are interconnected with each other. But I would also say that if Moscow builds on to pursue its own strategic dynamics in Northeast Asia or bigger Indo-Pacific, I would say there are more space of cooperation between Moscow and Tokyo. And so, as I'm gonna say that we always need to squarely face with the bilateral problem that we face, but we should not always be hijacked by particular zero-sum issue. And it is not a smart manipulation of the diplomacy that the status of the territorial issue defines the overall Japan–Russia relationship. So I would say that we should look at the bigger picture, and we need a political environment for both of us, to enable us to look at bigger pictures as well.

And basically as Alex mentioned that Japan basically welcomes Biden's approach to commit to the alliance and partnership, and to take a firm position on China. So, that remains to be the baseline of our commitments. So when Biden talks about, you know, the treaty covers the Senkaku, under the Article 5, that is something that we will definitely need to confirm. And that applies to all of the security commitment on our administrative zone, that inclusive of the potential negotiation application for Japan and Russia as well.

But I think that those are fundamental issues. But I think one of the East Asian common wisdom to overcome the zero-sum confrontation is to look at apprehension about everybody has a different kind of interpretation over those issues. That has been exercised in 1972 Shanghai Communiqué, that on the One China policy, 1992 Consensus between Taiwan and China, you have a one kind of single interpretation previously on One China policy, but allows the different actors to take a different position out of it. And that actually creates the room for cooperation on other areas. If that kind of mindset could be cultivated by the policymakers both in Moscow and Tokyo, there are wider space of cooperation, as Anna mentioned, about the energy, economic projects, and also that goes on to the regional cooperation arrangements as well.

In that sense I would also like to argue that whether Moscow can flex its muscle on its interpretation on the concept of the Indo-Pacific, the Russian officials always talk about “this is the Western plot,” and India, and also Australia, and that those nations has been under the scope of the United States in promoting the China encirclement. And I think that in those perspectives also has been too simplistic, in a way, to approach to this region, because everybody has their own interpretation and prioritization to promote the specific areas of cooperation. And I think that could be the Moscow’s strategic opportunity, rather than the confrontational ideas. If those kind of perception has been cultivated, there will be more room for cooperation between Japan and Russia.

Gabuev. Thank you so much, Ken. Before I jump to Anna, I remind all the listeners and viewers that you can ask questions, and there are two ways to do that: one is the chat in YouTube, and the other is you can use Twitter and tag CarnegieRU, and then ask your question, and it will be transferred to me. And also we have a simultaneous translation into Russian.

Anna, I think that Ken touched on a very important point. If Russia wants to be a player in a broader Asia-Pacific or Indo-Pacific, whatever you call it, Russia also has the means because it’s not allied to anybody. Right? Its freedom of maneuvering is arguably larger than that of Japan. So why wouldn’t Russia use that status to actually diversify its foreign policy and not put all the eggs into basket “China”?

Kireeva. That’s a great question. So, I would be happy to respond also to what Ken said about this. And I really do agree that we have a huge untapped potential of regional cooperation together with Japan and together with India, and ASEAN, and other regional players in the Indo-Pacific. So, probably we could just briefly look at the logic of why the minister of foreign affairs has always been criticizing this. Of course it’s pretty straightforward that it’s kind of creating exclusive concern rather than inclusive confrontational blocks, and also kind of rules-based order: whose rules are these, what’s wrong with international law, and other things, and basically interpreting as if it is all aimed at containing China. I do agree with Ken that it’s quite a really simplistic, more or less, picture, one-sided, and mostly focusing on the U.S. version, and not really distinguishing between other versions of the Indo-Pacific, and especially of that put forward by India and ASEAN, which, I should say, are more inclusive, and Japan which has also tried to incorporate some more inclusive elements here.

And of course here just... if we look, I think, at just not only on the rhetoric, but also in practice what has been done by Russia, of course we will see that it’s not only China, but it is also India and Vietnam, for example, which are two Russia’s key strategic partners in the region. And the level of trust in politics and security with India is arguably not really lower than the level of trust with China. So, with India and ASEAN promoting more inclusive kind of Indo-Pacific and Asia, I think this is something that in practice Russia has been keen on cooperating with, although not really officially saying that it supports the Indo-Pacific, like, again, which is perceived as a kind of American creation, although it’s not really that way, but anyway; so, but, like, cooperating practice. And I think it’s where our real opportunities lie here. And we can name actually a number of them, and we do have some shared interests here in the region, together with Japan, together with India, together with ASEAN states. And I would say that stability and the absence of real war or military confrontation, also freedom of navigation, maybe with a little bit different accents, but anyway, have been the things that we have all been keen to cooperate.

Other things I think we should take into consideration is that Russia has recently taken a decision, in December last year, to establish a military base in Sudan. A military logistical base. So it's not very far from the Japanese base in Djibouti and other bases of other countries in the Horn of Africa. So we could probably see more Russia's presence in the Indian Ocean, and this is something really welcomed by India, welcoming Russia as an independent stakeholder. And again, I think, there is a huge potential for a regional cooperation, especially combating nontraditional security threats: piracy, terrorism, also different things connected with disaster relief, also combating the pandemic effects. This is something really untapped, but as a common good, I think, it could be welcomed by all of the states, also including ASEAN-centric platforms, and ASEAN itself, and Japan, South Korea, India, and in a way also by other players, including China. So this is something that really has a potential here.

And specifically on Japan, I think, we have talked about it with Ken actually a couple of years ago in Tokyo: trilaterals, like Russia–India–Japan trilateral, and also probably trilateral with Vietnam, and maybe some kind of broader ASEAN engagement in the framework of ASEAN-centric institutions, is definitely something that Russia and Japan could try to pursue.

And recently, I think, we have seen some signs of possible projects between Russia and India and Japan. As Ken mentioned, some of them are energy-related projects, connected with the Arctic and shipping the LNG from the Arctic projects, that now Japan also has a stake in, to gas storage, probably in Kamchatka, and then also shipping them to India and emerging markets in Asia. I think this is one of the real on-the-ground projects that will be interesting for all the countries, and especially if we take into consideration growing India's demand in energy; and again, I mean, apart from security issues here.

And also many countries, including India and Japan, have been recently searching for some joint projects in the Far East, and also in terms of Russia and India this is Vladivostok–Chennai trade route that the two countries would like to actually explore, and I think it really connects a lot with Japan's Indo-Pacific strategy, and Japan's economic presence in the region, and Japan's projects here. And we could find maybe some ways to cooperate in India, in the region generally, and also try to pursue some joint economic projects in spheres where we all have capacities, like infrastructure, IT sphere, some kinds of some specific areas of manufacturing.

I'm sorry for talking too much, I'll stop here.

Gabuev. I'm happy, Anna, that you are that optimistic about Russia's capacity to build infrastructure, but I agree that definitely there is some untapped potential for cooperation in third countries.

Kireeva. Railway maybe, railway more than other.

Gabuev. Yeah. Ah, okay. So, I think that one key element here, in the conversation that's going to shape the security dynamics, is arms control, and it's the fate of the INF. Russia and the U.S. both walk away from the treaty, following presumed Russia's violation. We hear that the Pentagon is already developing a missile that used to be banned under INF. Knowing that the Pentagon can have all the capabilities to develop systems that it needs, we probably will see an arrival of the U.S. shorter- and intermediate-range missiles pretty soon.

There is a political conversation, or there used to be under Trump, and it might be resumed, between Moscow and Washington, also some NATO allies and European capitals, that these systems will not be deployed in European part. So, everything west to Urals will not have the Russian missiles, and they will be based in Asia. We know that China has these types of weapons already, and if the U.S. decides to deploy them, if this political agreement between Moscow and Washington is reached, so, Asia is going to turn into a region where there is a very fierce competition for shorter- and medium-range missiles.

So, Ken, is Japan worried about that? What are the ways to address it? Like, you are also in dialogue with the new team on the future of missile defense and the project that has started with Obama and were continued under Trump.

Jimbo. Yeah, great question. I think this also has to be in line with a rapid change of the balance of power in the Western Pacific. Until several decades ago, both conventional and the nuclear domain of the superiority was on side of the United States and its allies. But now the conventional, one-to-one balance between Japan and China is practically on the China side. And also whenever talk about the anti-access and area denial capability of China by using the ballistic, cruise, hypersonic missiles, force deployment, fifth-generation aircrafts, they have been waging the huge cost for the United States to fight in the theater. Especially inside the so-called first island chain. So if it was the 1990s, whenever something happened in Korean Peninsula or Taiwan we used to have a formula that the United States will come and help to mitigate the response to those... whatever kind of the motivation of the change of status quo by force. But now it's very difficult for the United States to remain committed to those kind of formula in the linear projection of the capability itself.

And one of the huge kind of gaps that the United States is now perceiving is, as you mentioned, that's the missiles, because China has more like a 2,000 INF-range missiles that can target U.S. forces abroad, in Japan, Korea, and also in the ocean. And they have a strategic depth that they can actually place those kind of missiles in the continental side of China, whereas the United States have to forward deploy by the maritime and the air forces, and that has the problem of the operational readiness and the continuity in dealing with such kind of threats.

So, naturally they have to come up with how to fill the gap. And one of the remedies is to upgrade the missile defense system that the Japan has been working on together with the United States. But at the same time there has been the growing requirement for the United States that those kind of offset has to be made by the forward deployment of the INF-range ground-based missiles in the Western Pacific.

So, military kind of rationalities all tell that the United States is very serious in deploying those assets to maintain the strategic balance on the scales, to have a seamless escalation on control vis-à-vis China, which has a huge implication for Russia in the Far East as well. But as Alex mentioned that whether it is feasible for asking the Japanese government, together with other regional partners, like Korea, Philippines, Australia, for possible deployments of such kind of assets in the Western Pacific. And I think that's a huge question. You know, we are not able to even prepare for the Aegis Ashore missiles, that we transfer those kind of system in the sea base, because of the local opposition to place such kind of strategic assets inland. And whether

Japanese people accept such kind of offensive types of weapons in Japan is heavily questionable in that scale.

So I think what we are doing is a step-by-step approaches, and why don't we look at not only to target the Chinese inland facilities, but why don't we start by prepare our capability for anti-ship missiles, and also underwater capabilities, especially to deal with the East China Sea, kind of strategic balance on the maritime ground. And those are, I think, a starting point. And this is kind of minor development, but the Japan is now adopting so-called the offshore standoff, like, you know, strike capabilities, and for the defensive purposes at the outset, and that may have a wider implication that we need to balance those compiled capability of China in order to make a kind of status quo in a dynamic manner.

So, idea is here, but I think it's always faced with the difficulty of implementing. And now that Biden is having a global posture review, and I think the major kind of sketch out in the process will come out in a half a year time frame, and that will be a great starting point for the alliance management for the years to come.

Kireeva. If I may jump in here actually?

Gabuev. Sure.

Kireeva. Yeah, thanks. It is, I mean, just to have kind of a more balanced picture on possible Russia's position on the Indo-Pacific and Russia's posture in Asia, just responding to what Ken has just said, of course it's not really that really optimistic, there is a lot of untapped potential, but there is, of course, a growing threat, at the same time, of emerging security dilemmas in Russia-U.S. relations, specifically in Asia-Pacific, as Alexander has just mentioned. So I guess if there is the deployment of intermediate-range missiles, it would definitely create a rising security dilemma, specifically in Asia. And Russia has already responded that it will not only have to somehow respond and maybe deploy its own missiles in Asia, but also step up even more, even in greater ways, military cooperation with China. There have been already official announcements about that. So, judging from here, we could probably expect some greater military cooperation; we have already seen it coming into the strategic domain, something untapped before, into space actually also; so, probably we will have some more spheres of cooperation, such as submarines or others.

At the same time, as Alexander also mentioned very clearly, Russia would not really like to become a junior partner, or a junior ally, of China, and would like to retain as much strategic autonomy as possible. So, I think, really to a great extent, what will happen with Russia's future posture in Asia will depend on the ability of Russia and its regional partners, such as Japan, India, ASEAN, to find some ways to practically cooperate and to ensure that Russia remains, more or less, still kind of autonomous player, not that much aligned with China.

However, of course, we should also take into consideration a negative scenario, and in my view it could be that we will have two kind of more and more fragmented strategic spaces—of the Indo-Pacific, on the one hand, and also Eurasia, continental kind of Eurasia, on the other hand. And of course Russia is at the same time a maritime power, I mean, it has Arctic, the Pacific, and also has its presence now, will have, in the Indian Ocean. So maybe some regional cooperation will try to form, to help Russia still maintain more or less balanced approach. And here, I think,

the force that have been put by Abe have been very important; also by Narendra Modi, the Indian prime minister, have been very important. So I guess it's really of high importance for regional partners to not to stop engaging Russia and still to resume their context with Russia, to ensure that these dynamics, I mean negative dynamics, will not really overshadow all this potential for regional cooperation.

Gabuev. Thanks, Anna. Ken, to me what you just said reminds somewhat the European missile crisis of the 80s. And I think that China will face the same strategic dilemma, because yes, it's aware of air-based and maritime-based U.S. missiles, which is definitely a challenge, and PLA is working hard to address it, but ground-based systems somewhere in South Korea is really in vicinity of Beijing. So it's the same strategic dilemma that Moscow faced with Pershings. And the question is whether that could be addressed for arms control instruments, whether we could have a regional breed of INF Treaty developed for addressing the Northeast Asian problems. Of course there is a challenge of bringing North Korea to the table, which is not aligned with anybody, so it's not as clear that we have a NATO and a Warsaw Pact. But do you see that as an opportunity to address this challenge through traditional arms control?

Jimbo. Yeah, I guess that would be nice if that could happen. And if that could ever happen, there will be so many steps that we need to streamline, because I think the situation in Western Pacific can be much more complex than what the European experience in 1970s and 80s. And China face not only with the United States, but with many of those neighbors, and that can claim that China's strategic preparedness can be more diversified than that of Russia–Western context. And there is also the division of the nuclear and conventional domain. So, let me address a few.

First, I think, whether there can be a potential for China to join in the arms control in the nuclear domain, which Russia has been calling for long years, and the Trump administration specifically actually set the tone of those. But now that Biden has extended the New START treaty for five years and, I think, creating the margin that we do have the space to consider what kind of optimum format for the future arms control inclusive of China. And China is eagerly investigating what could be the format. Basically their official position is too early to think about it, because they are too much inferior to the U.S.–Russian context of the nuclear standoff with each other. But obviously China is on the rise, and the many intelligence estimate revealing that the China is doubling or tripling the size of the nuclear arsenals in coming decades. So, I think it is high time to think about the format, what kind of triangular strategic relationship could be formed, and what would be the implication for the alliance and the credibility of the extended deterrence in that context is one thing, and we encouraged China to be in that scope as well. And second, on the conventional, that is more complex issues. But I think that it's better that U.S. and allies have its own leverage in, I think, China to consider that their A2/AD capability is not always credible.

So, China's main agenda is securing so-called their core interest not being interfered by the external interventions. And if they feel 100 percent secure about defending that, that will change the whole formula. And I think that the United States and allies' perception right now is how to penetrate that kind of logic, to secure the strategic access inside the theater is always the important way to achieve it. And if China thinks that that is too costly, it's kind of too cost-imposing for competing on every spectrum of the strategic standoff with the United States, there will be some point in time that they will think about how to control that situation. And that

control is not only limited to the conventional domains of the posture, but also to be dragged down into the maritime standoff between the coast guards as well. So there has been the gray-zone disputes, but now the Chinese coast guard is going to the darker gray zone, by having the huge tons of the vessels and the armaments, and that will go beyond the traditional policing or the law enforcement effects.

So it might be the trigger, by having a kind of mutual balance in the capability, that will trigger the debate what will be the stabilized approach, what the law enforcement has to play on the ground, and also at the sea, and also what will be the stabilized conventional balance and the restraint posture could be made in the Western Pacific. And those are ideal way that things could play out, but I think it might take another decade to reach that kind of wisdom.

Gabuev. Thanks. I'm already receiving questions from the audience, and the way to ask them is to use chat in YouTube or use Twitter and tag CarnegieRU.

I think my last question goes to Anna, and that's: what would be the institutional framework to address all of these issues? Should it be East Asian summit, should we try to invent something different, should we pursue multiple simultaneous bilateral tracks between Russia and others, or China and the U.S. primarily? So, what should be the institutional approach to this kind of negotiations?

Kireeva. Yeah, all brilliant questions today, I think. I wish I could know the answer. But as we are in Russia, I'll try to refer to President Putin, if I may. So, his speech at Valdai two years ago, 2019, I think was quite different from all the criticism from Lavrov and Ministry of Foreign Affairs that we have been hearing; and it was after this economic forum, Eastern Economic Forum, where he communicated with Abe and Modi, also speaking about the Indo-Pacific, so, it may make some sense. And what he basically said, that Russia would support a kind of a network of institutions, a network of partnerships, that could ensure that the region will still retain the place for cooperation, not become only a confrontational strategic space, and also the place where different countries could have their own choice. And what he said, that no country would like to choose between the U.S. and China, I think Russia as well here, I mean, just make unequivocal choice towards China as an ally.

So, here ASEAN-centric platforms and East Asia summit, I think, for Russia, for at least as we can see the foreign policy for now, for Russia will be the most ideal. And also ASEAN Defense Ministers Meeting-Plus, I think, has been one of the venues that has been used by Russia as well and that Russian defense officials value a lot. Of course Russia wouldn't like really to form or join some institutions like Quad, of course for Russia this is kind of impossible, but at the same time ensuring such kind of broad regional cooperation, and also existing bilateral relationship, and also maybe trying to formulate some new kind of multilateral relationship, I think, is something that works really well for Russia.

And it's quite interesting that Russia has actually moved on the positions of institutional conservatism. I think it's not only about Asia, but specifically in general in Russia's foreign policy. When Russia sees the institutions that it is not part of, I mean, hasn't been taking part in creating and formulating the rules and norms, it is very clearly opposed to such new institutions. However, if there are institutions where Russia has taken a part, has a role to play, at least as one of the stakeholders, like all ASEAN-centric institutions, East Asia Summit, ADMM-Plus, so,

here Russia is keen to try to engage with these institutions. So I think it could be the way, including China, but also not only with China, including, but also some broader regional cooperation would be a real way to try to engage Russia.

Gabuev. Thank you. I have some questions from the audience, bulk of them goes to Ken, there are some questions to Anna as well, so I will try to group them.

Ken, what's the potential U.S. reaction to Japan's outreach towards Russia? We remember that under Obama, when the sanctions policy was in place, following Crimea annexation, the NSC used to be pretty strict and rigorous, trying to bring Japan, both as an ally and as a G7 country, in line with the sanctions policy. And then it took a lot of effort and maneuvering for Tokyo to both keep in line with other democracies and push it back against Russian malign behavior, but at the same time keeping the channels of communication open and pursuing its own strategy. So, what is your expectation of the team Biden looking at those issues?

Jimbo. Well, I haven't really grasped what could be the dynamics of the Biden team, especially with regard to Russia. But I think Biden team is very experienced, very smart kind of orientation toward the strategy, that might understand that Japan also has its own role to play, sometimes in line with the United States, but sometimes there has been the division of the labor, what the United States will set the platform and what Japan will play under such kind of scheme.

So, in that sense Japan is playing its own unique approaches, not only towards Russia but also with China and Southeast Asia, you can name it. The Japan-China relationship has improved since 2017 and onwards; remember that we were planning to invite President Xi Jinping to Tokyo last year; it wasn't really realized because of the COVID, but there are remaining kind of business interests that has been heavily entangled with the Chinese markets and the Asian supply chain. And same goes to our response to Myanmar. And probably Biden's approach is quite rigid, on the democracy value-driven approaches, but Japan may have some alternative thoughts that if we push back Myanmar too much, that will be inside a sphere of China as well. So we need a more nuanced approach.

And I think in the same vein that we also try to aspire to have our own strategic engagement with Russia. And totally we would like to arrange that that will come back to the U.S. alliance in a more positive manner. Because, again, there has been the overall strategic relationship between United States and Russia, but if you try to have a kind of regional division of the interest approaches, they are more like congruence and the win-win type of relationship that you can find. And you cannot really take all the baskets into the kind of strategic competition arenas, and that is something that Japan wish to play. I know that those kind of, you know, the double dual hedge approaches can be easily squeezed by the grand strategy debate arena, but I think that's what Tokyo needs to squeeze in.

Gabuev. There is probably a question that goes to both of you, which is: What happens to the Abe's eight-point plan? Is it still viable? Is it gone as Abe is gone? So, short answers, from Anna first, and then Ken.

Kireeva. Short one. As far as my communication and understanding goes with the Japanese side, the plan is still here, it hasn't been scrapped. And a lot of projects... Of course, there has been support from the Japanese government and different agencies, such as JBIC and others; however,

a lot of projects actually pursued by the corporations have clearly had feasible economic models. Again, they are mostly medium and small scale, but many of them have a real economic potential. And of course, not all of the more than 200 economic projects, but probably about half of them for sure.

So, I would say that in terms of real work on the ground, it's going to continue. And there are no signs, as far as I have seen, that Suga administration is going to scrap the plan. So, maybe it won't push that enthusiastically for this, because the logic, of course, has proven that it's not enough, I mean, just economic cooperation is not enough to make Russia take some more compromises, but as a goal in itself, as something profitable for both Russia and Japan, I think it has quite good and very realistic, which is good for our relations, very realistic prospects to continue.

Jimbo. I agree with Anna that the eight-point economic cooperation plan continues to play its role under the new administration. But I think I would try to kind of interpret what the questioner wants to ask: whether such kind of enthusiasms on the project still remains to be there. And I think that is a very critical question, because this eight-point plan has been promoted during the process of the negotiation of the peace treaty, and Japan wished to attach those projects as a kind of accelerator for the negotiation with Russia. Once such kind of prospect has been diluted in significant regards, whether such kind of eight-point plan projects as a seed of further macro-scales of the cooperation to be promoted, such kind of prospects has been somewhat diluted as well. So my recommendation is, you know, eight-point plan is great, but we have to think about something else, in the different framework. And as mentioned by Anna, that is kind of wider scales of potential to be explored in the Japan–Russia cooperation context in the region, regardless of what has been going on in the bilateral negotiation.

Gabuev. Thanks. I guess there is a question to Ken. We've talked a lot about the risks, and challenges, and all the downsides that the increased competition between Russia and the West poses for Japan's own national interests and policies with regard to Russia. Are there any upsides? Are there any benefits that this confrontation brings to Japan?

Jimbo. Whether that, you know, we put those Russia–European or U.S. context as a kind of opportunity for Japan and Russia. And I think officially we don't... we have no room to say that, because we are the ally of the United States, and we share the values and strategic visions all together, but there is, I mean, logically if Russia thinks that Japan has opportunity, we are ready to buy that. And we are ready to take advantage of such kind of the move. So we welcome Russia's diversify its engagement towards Asia beyond China, as Anna clearly mentions, and there will be more opportunity, without officially say that we try to take that kind of opportunity.

And that's in same logic goes to China. And even though China plays the competition with the United States and those kind of intensity of competition relies, and even under that kind of circumstances the Foreign Minister Wang Yi comes to Tokyo and seek for the opportunity to collaborate with Japan. And I think those kind of flexibility on engagements, I think that the reality of the play in Asia-Pacific, and I think we have to squarely look at such kind of opportunity side of Japan–Russia relations.

Gabuev. Okay. We are at the very last minute, so one last question to both, and just be super telegraphic. What are the three things to watch in Russia–Japan relations in the coming year? So, the three main things to watch. Anna?

Kireeva. Wow, it's a little bit unexpected. Okay, then I would say regional cooperation in the Indo-Pacific, and specifically what I mentioned on security front, non-traditional security threats and others, in the Indian Ocean especially, here. The second thing would be possibility of joint economic projects, again connecting Arctic, the Far East and the Indo-Pacific. And the third one... Wow, I have no idea. Maybe some... well, a meeting by Putin and Suga would try to do something.

Gabuev. Sounds good. Ken?

Jimbo. Well, immediate thing is that we wish to see the Russian participation in the Tokyo Olympics. Something that we need to take, you know, attention. And the second, I hope that Tokyo and Moscow will explore the more potential on the military-to-military cooperation, especially on the maritime HADR, SAR, sea lanes of communication security, Arctic, in Sea of Japan, wider areas of cooperation could be possible and those potential to be explored.

And the third will be a kind of a more nuanced Japan-Russian cooperation to balance against China. You don't have to call it balance, but there will be a potential balancing act, Japan–Russia cooperation in Southeast Asia, Japan–Russia cooperation together with India, Japan–Russia cooperation in securing the sea lanes of communication, all are great for the common benefits, but eventually that will serve the strategic interests of both sides. And those are, I think, three points that I wish to raise.

Gabuev. Thank you very much, I'm very grateful to you, Ken, and to you, Anna, for joining me today. Thank you, all the listeners and viewers. We'll continue this conversation tomorrow at the same time, covering the economic aspect of the relationship. And with that...