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APPENDIX 1

Reflections on Engaging Russia in Asia Pacific

The preceding chapters on engaging Russia in Asia Pacific present the views of Asians. For the Japan Center for International Exchange, a crucial part of this project in gathering Asian perceptions of Russia's current and prospective regional roles was also getting the reaction of Russians to these assessments. The following synopses incorporate the responses of Russians—as well as those of other Asians—to earlier versions of these chapters. Contributors first presented their thoughts at a conference in Cebu, the Philippines, in May 1998. Russian attendees of the conference played a vital role in stimulating discussion among participants, and the following is a record of this dialogue. The conference comprised three sessions, with three different people in the chair.

PERCEPTIONS OF RUSSIA IN ASIA PACIFIC

In commenting on the introductory presentations, a Russian participant spoke about the imperative of multipolarity in global affairs and the dangers of unipolarity, adding that any move toward unipolarity should be opposed. He suggested that pushing multipolarity was not resisting the United States but rather urging a correction of the existing order. He felt Russia had to use its geostrategic and economic position to further develop relations with Europe and the Far East.

He noted that it was in Asia's interest to engage Russia and not bypass it. Likewise, Russia had to engage the region, rather than isolate itself, especially as it was transforming itself and having to contend with instability, uncertainty, and a host of domestic problems. He felt that Russia did not constitute a military threat and cited the military's changing social status as it underwent a painful but unavoidable process of transition. The Soviet military machine was developed during the cold war

for a definite purpose; now Russia had to create a new military machine for the present circumstances. He expressed interest in the concept of "universal security for Asia" but felt that, given Asia's multidimensional character, the term had to be better clarified.

A second Russian participant explained that Russia had no tradition of democracy, so even though it was now officially a liberal democracy since 1992, it could not possibly have achieved true democracy in this short period. Russia had also not experienced the usual changes that go along with democracy—such as the rise of a middle class and the spontaneous development of capitalism. Instead, there were signs of bureaucratic capitalism. He felt that there were two types of capitalism: the "pyramid" model found in Western countries with its broad base for democratic capitalism; and the "skyscraper" model found in Russia, where the bureaucracy and the Mafia collaborate, big corporations and the Mafia dominate, and private business is marginalized, constituting a narrow base for democratic capitalism. He argued that Russia's priorities had to change for it to solve its problems and it should focus on cooperating with Asia Pacific and the Commonwealth of Independent States, instead of with the big powers. He felt that developing Siberia, with its huge resources, could help solve many problems.

Two South Koreans then shared their views. One of them saw two major themes for discussion—security issues and economic issues. In terms of the former, he thought that, through their strategic partnership, Russia and China were trying to balance the regional power of Japan and the United States. Regarding economic issues, he described Russia as being interested in attracting more investment from Japan, South Korea, and the United States. Although Russia advocated liberalism, economic interdependence, and open regionalism, he felt that the practice of all of these depended on Russian domestic politics, and its relations with other countries would remain ambiguous until its domestic affairs stabilized. He gave the example of Russia's relations with South Korea. He noted Russia's constructive role in the Korean peninsula such as stopping military aid to North Korea and opening relations with South Korea. Despite these initiatives, South Korea's interest in investing in Russia was declining because of investments' low profitability. He pointed out though that South Korea's own economic difficulties were also involved in this slowdown. He added that China was presently playing a constructive economic role in the region.

A professor from South Korea opined that some presentations were

not realistic enough about the Asian economic crisis and that Sino-Russian relations were being presented in too rosy a fashion. He felt that there was too much discussion of bilateral relations and that this detracted from the larger picture of how to engage Russia in the whole region. He recommended using a community-oriented approach that integrated economic, social, and cultural matters.

The floor was opened to all participants. A Malaysian expressed his views on the interests and capabilities of big powers in Asia. He felt that U.S.-Japan relations and Sino-Russian relations had to be considered before discussing Russia's engagement in the region.

Another participant spoke of the interests and capabilities of the Russian military, and how the military's past relationships in the Russian Far East and Siberia had to be better understood in order to hypothesize about the future. He also thought it necessary to understand the political and economic interests of the Far East's emergent leadership. In addition, he suggested that the perspective of Mongolia was important in discussing Russia's changing role in Asia Pacific. In a final point, he ascribed the uncertainty about Russia's future direction to its leaders' inability to identify what they really want.

Regarding Japan playing a positive role in Asia Pacific, the chair suggested that Japan had not yet come to terms with its history, and that not becoming a military power was a way of redeeming itself. He felt that interpreting the newly concluded Guidelines for U.S.-Japan Defense Cooperation as active Japanese engagement in Asia's security was misleading. He noted that disparities in economic performance and different political structures were potential sources of tension in international relations.

A participant from Japan agreed that Russia was in transition, but he believed that Russia would emerge as an important power in international relations in the near future. He cited the peacekeeping efforts of Russian diplomats in Cambodia as a sign of Russia being an important player in the international community. The kind of regime that emerged in Russia, authoritarian or otherwise, would determine how Russia was engaged in Asia Pacific.

In response, a participant from Russia replied that countries experiencing a transition to democracy could also be authoritarian regimes, that democracy was a result of a long period of struggle, and that the type of authoritarian regime in Russia would determine the nature of its engagement in Asia Pacific. Regarding Sino-Russian relations, he offered

that good relations definitely existed at the upper levels of the two governments. He added that the transitions in leadership in both countries would be very important in determining future relations.

The other participant from Russia said that Russia had passed the stage of revolution and he considered it now to be in an evolutionary stage. Power was dispersed between the executive, legislative, and judicial branches, with the latter being the weakest. The question was how would power be transformed in the coming years. Clearly, authority had to be extended to lower levels if Russia were to achieve democracy.

The chair suggested that Russia no longer posed a military or even ideological threat. He reiterated that Russia was in a state of transition and was facing tremendous domestic problems. Clearly, Russia had to be engaged in Asia Pacific; the question was how. He also wondered how Russia would behave in its external relations if it were to regain its lost strength.

A participant from the Philippines observed that a cold war mentality still existed and that it continued to shape perceptions. By way of example, he said that even though the U.S.-Japan Security Treaty was not aimed at a particular country, this was not believed. He suggested that the framework and habits of the cold war had to be addressed in order to engage Russia in Asia Pacific.

In conclusion, the chair agreed that a legacy from the cold war persisted—as illustrated by the situation on the Korean peninsula—and felt that the question was how the region would handle this legacy. In a sign of the enduring nature of cold war mentalities, Sino-Russian relations were seen as a counter to U.S.-Japan relations. He countered that this security arrangement was necessary for Japan until a conceptual reworking emerged. He quoted Lee Kuan Yew in noting that a powerful China and a strong Japan had never coexisted in Asia and that this made a U.S. military presence in the region a necessity.

RUSSIA'S ECONOMIC ENGAGEMENT WITH ASIA PACIFIC

The chair began the session by suggesting that the United States saw Russia as a defeated power and, although Russia was viewed with a certain amount of mistrust, it was not seen as a security threat but instead as a cooperative power.

Historically, Russia's involvement in Asia Pacific was based on political

and military interests, rather than economic concerns. Economic interaction was limited as the environment was not favorable for such relations. Subsequently, the Asia-Pacific Economic Cooperation (APEC) forum has become the avenue for Russia's economic engagement with the region. Russia's interest in APEC was based on its desire to become a legitimate part of Asia Pacific and its interest in acquiring economic benefits and assistance. Determining the direction of Russia's economic engagement with Asia Pacific was necessary in order to have genuine integration in the region.

Reacting to the presentations, a Russian participant discussed the nature of the Russian regime and described the central government as weak, with power really resting in the regions. Regional presidents and governors acted like feudal barons, and, instead of being agents of the democratic redistribution of power, regional governments behaved like small authoritarian regimes. They controlled the police and the Mafia. This participant was pessimistic about the situation in Russia and he felt that ongoing social and political instability reflected a power struggle among different factions of bureaucratic capitalism. For example, both the export-oriented and the financial trade factions opposed Russia's industrialists. These conflicts had tremendous implications for Russia's economic development. The Russian suggested that, unlike Indonesia, Russia was in the first stage of an evolving bureaucratic capitalism. He added that there were some signs of trade shifting from Russia's traditional partners to countries in Asia Pacific.

The other Russian participant felt that power was diversifying away from the center to the regions. He added that, compared to the Indonesian military, Russia's military was not homogenous, it was not engaged in administration, and it represented different affiliations and political views. The military's role in politics was to look actively to civilian leaders for either direct or indirect support. He noted that after the revolution Russia had tried military administration—with tragic consequences for the country. On the issue of Russia's role in Asia and its membership in the Group of Eight leading industrial countries, the Russian commented that Russia's membership was not a compensation for its diminished role in Europe but a reflection of its foreign policy weight and interests.

At this point, an Australian scholar queried whether APEC was the appropriate institutional mechanism to engage Russia. He discussed Australia's opposition to Russian membership in APEC and the expectations of those who supported Russia's membership. He wondered

what Russia hoped to get from APEC. He added though that Russia's membership in the working group on energy could potentially be beneficial.

A South Korean participant addressed the question of timing in engaging Russia in Asia Pacific. He felt that the present time was not appropriate, given the Asian financial crisis and domestic uncertainty in Russia. He also wondered about the policies governing those who invested in the Russian Far East and whether these could be linked to prevailing political conditions.

A panelist responded to the issue of timing and institutions. He felt that now was the time for Asia Pacific to have a relationship with a "reborn Russia," that Asia Pacific had to examine its relationship with Russia, and that the region would have to look for possibilities and provide opportunities for Russia's engagement. He noted the proposal to establish a financial institution to facilitate projects in Russia and felt this was worthwhile as there was financial potential in projects in Russia. The risks from Russia's internal conditions of course had to be considered too.

At this point, the chair suggested that the institutional issues raised during the discussion were, first, Russia's expectations of APEC and what APEC members hoped to gain from Russian membership, and, second, the kind of financial institutions needed to finance large-scale projects in Russia—such as the Tumen River Area Economic Development Project.

A participant perceived both political and economic considerations behind Russia's interest in APEC membership. He noted that political decisions often include economic dimensions and that economic interests may be motivated by political considerations. He felt that Russia's interest in APEC was a political decision based on economic concerns. He added that APEC membership would hasten Russia's liberalizing and restructuring processes and that it would encourage reforms. He believed that Russia would become a constructive partner in Asia Pacific and saw no inconsistency in supporting Russian membership of APEC, comparing it to the Association of Southeast Asian Nation's (ASEAN's) acceptance of Myanmar as a member. He stressed the need to start somewhere in the process of engaging Russia. He also suggested that APEC had the potential to develop into a substitute to the ASEAN Regional Forum (ARF) and that it could play the role of a security organization. He believed that this would be advantageous as the APEC modus operandi did not allow a particular group to dictate.

On Japan supporting Russian APEC membership, a Japanese described the November 1997 watershed in Russia-Japan relations. Previously, Japan has always insisted that the bilateral agenda should focus first on a peace treaty and then on economic issues. Prime Minister Hashimoto Ryūtarō changed this approach when he decided instead to focus first on increasing personal trust between himself and President Boris Yeltsin. He was rewarded when President Yeltsin said that a peace treaty should be concluded by 2000. The participant felt that this announcement helped pave the way for Japan's support of Russia's APEC membership. This participant also clarified that it was U.S. President Bill Clinton who urged that Russia join the Group of Seven.

A participant from Singapore speculated whether the Russian Far East would secede from Russia if it took off economically. He felt this was a major concern and that APEC could be a forum through which to address it. He suggested that Asia Pacific should approach the Russian Far East through Moscow to help allay fears about its development being detrimental to Russia.

The Philippine participant noted that Russia was difficult to govern as the state was weak and all kinds of Mafia existed. He offered that it was not surprising that regions were interested in pursuing their own development. He felt that the temptation to break away would persist while the central state remained weak.

A Russian responded that Russia had passed through the stage where centrifugal forces were strongest and he felt that, even though Russia covered such a large expanse, it could still be ruled from the center. He added that Russian unity was an inherent problem but that regional leaders and elites understood that Russia should stay together. Furthermore, no big project could be realized without Moscow's involvement and even the most independent republic recognized Moscow's participation in its affairs. This participant felt that trilateral agreements between Moscow, the Russian Far East, and foreign investors would be effective.

Regarding Japan-Russia relations, a Japanese commented on the influence of the personal relationship between Prime Minister Hashimoto and President Yeltsin, and the Japanese decision to extend substantial Export-Import Bank credit to Russia. He added that the requirement of the Organization for Economic Cooperation and Development (OECD) that the beneficiary should make a down payment of 15 percent of the project cost remained an obstacle to facilitating financial assistance to

Russia. He noted the significance of substantial U.S. participation in the Sakhalin-1 and -2 projects [for the development of oil and natural gas resources off the coast of Sakhalin].

A Chinese participant remarked on Sino-Russian relations, noting the undeveloped nature of bilateral economic relations when compared with Sino-U.S. trade relations. Bilateral trade between China and Russia amounted to US$6.7 billion in 1996. But relations were set to expand in accordance with the 1997 summit between President Jiang Zemin and President Yeltsin. The two leaders had agreed to increase bilateral trade by US$2 billion in the next few years and to set up an institution or committee to discuss economic issues.

The participant from the Philippines commented on differing Russian views of events in Russia and how these views reflected uncertainty about the succession and the reforms being undertaken.

The discussion shifted back to the institutional mechanisms that could facilitate Russia's engagement in the region. A Japanese and a South Korean proposed a Japan-Russia investment company or a multilateral financial institution to facilitate assistance to Russia. The Japanese participant felt that a multilateral setup would best address the issue of secession. The problem, however, was the Mafia, a phenomenon of the transition with which Russians, he felt, would have to live for a long time.

A Russian responded that the Russian Mafia was different to the Italian Mafia. The latter was the well-organized product of history, while the former was a poorly organized function of the decline of the post-Soviet state. The Russian Mafia was rooted in the Russian judicial system, which was a serious problem for Russia. Either the state would defeat crime or crime would defeat the state. He also suggested that the Soviet state was traditionally not a protector but a suppressor, so peace and order were serious challenges for Russia.

In summing up, the chair concluded that there was great potential for Russia–Asia Pacific economic relations, although realizing this potential would not be easy. Russia's many internal political and economic problems were constraints. Also, there was no consensus on how Russia could be engaged in the region, although it was agreed that APEC could assist with integrating Russia into the region. Russia's domestic issues emerged as the biggest obstacles to Russia's economic participation in Asia Pacific.

ENGAGING RUSSIA IN ASIA PACIFIC SECURITY

Responses to the presentations began with a Russian explaining basic concepts of Russia's military doctrine. Russia's nuclear strategy was key, with Russia reserving the right to use nuclear weapons as it saw fit—including as a first strike. The Russian noted that this doctrine did not specify a particular or separate strategy vis-à-vis Asia Pacific and that no Asia Pacific country was considered an enemy. Since the breakup of the Soviet Union, the doctrine had allowed the use of armed forces to help Internal Affairs Ministry forces control domestic disturbances.

The same participant noted the unofficial spreading of certain rhetoric among the political elite in Moscow. This included the idea that any U.S.-led agenda was unacceptable to Russia and that U.S. hegemony must be counterbalanced. Apparently, this reaction to the United States did not necessarily have to be military in nature; it could also be political—as with the standoff with Iraq [regarding international inspection of suspected nuclear production sites].

The Russian disagreed with the view that there was more to Russia's arms sales to China than economic considerations. He felt that the need for money for economic development was the only reason for Russian arms sales. A military alliance with China was unlikely in the near future as there was no enthusiasm for such an arrangement from the Chinese side. Any such agreement, he felt, would also be guided by domestic developments in Russia. A concern for the Russian side was also uncertainty about China's future choices and orientation. There were in fact quarters in Russia that criticized selling Russian arms to China.

Regarding Russia's future role, the Russian related that many in Russia felt the West had let them down. The West's initial enthusiasm about the events of 1991 had not delivered much. According to him, some observers believed that the West never was a friend of Russia and that Russia should look instead to Iran, Iraq, North Korea, and Libya. The participant expressed misgivings about this kind of thinking, believing that Russia should not lead anti-Western sentiments in the Third World. He felt that Russia should be a moderator or a stabilizing force in relations between the West and the Third World.

The other Russian participant noted that the armaments output of Russia's military industrial complex used to be 80 percent for use by its own armed forces and 20 percent for sales in the international arms market. This ratio was now reversed, with 80 percent of production now

being sold abroad and the rest being used by Russia's armed forces. This reversal could partly be attributed to central government weakness and the absence of a central military committee.

The international community, he felt, had reached another crossroads. From the nuclear tests in South Asia to the stalled START (Strategic Arms Reduction Talks) II and III talks between Russia and the United States, it was clear that a new regime for nonproliferation was necessary. If there were no progress here, the perception might develop that a country's only recourse for protecting its interests was to have the same kinds of weapons in its own backyard.

Given its limited role, a participant from Malaysia wondered what kind of role Russia should assume in the ARF, and he also asked for reactions to Russia's maritime actions in the post–cold war period. On the subject of arms sales, he noted that Russian arms sales to his country had been problematic. Only four of the number of MiG-29s the air force bought were operational. He thought Russians had built the MiGs to be used once only in combat and then discarded. He said this thinking was different to that in the West where equipment was built to be used again and again, and where maintenance was key.

On the matter of Russian arms performance, a participant noted that Russian arms had performed well in India. He also suggested that the introduction of MiG-29s in Malaysia had resulted in some strategic concerns for Singapore. He felt that Russian arms could play an extremely significant role in the region if they were utilized properly. He asked the Russian participants to comment on Russian government thinking on troop deployments in Northeast Asia, saying that this was a concern for countries there. He ended by noting that the Singaporean perspective favored Russia being a member of such groups as the ARF and the ASEAN Post Ministerial Conference (ASEAN-PMC), because Russia must be engaged at all levels despite its domestic problems.

A Russian responded to the issue of the quality of Russian weaponry. He felt that there was nothing wrong with, for example, the MiG-29. If there were, why did so many states want to buy them, he wondered. Many countries also found Kalashnikov assault rifles to be attractive, not only because they were such a global symbol of national struggle. He noted that Cyprus intended to buy Russian-made S-300 missiles despite Turkey's vehement opposition. He asked why Turkey would be so opposed to this planned Cypriot acquisition if the Russian weapons were so useless. The Russian also doubted increased Russian submarine activity, as

reported by the Japanese. He felt that the Russian armed forces lacked the resources to go much to sea at present.

The other Russian commented that Russia did not want to play a destructive role in the region, even though some politicians might wish it to do so. He felt that Russia had its own destiny and national interest, as was manifest in its aggressive foreign policy from 1993 to 1996 when nationalists and communists were perceived to be dictating policy. He argued that ordinary people compelled Russia to shift focus from the West to Asia Pacific and that Russian policy could not be subordinated to U.S. policy. He felt Russia shared similarities with Asian countries; that Japan could serve as a model for Russia, given their respective economic development processes; and that Western models were not appropriate for Russia in its current domestic condition. Yet Russia belonged to both Europe and Asia, and this view of Russia's orientation—while not new—was being revived among Russian academics.

The Russian felt that Russia's present level of development required its engagement with Asia Pacific and that Russia should in fact already have had a sophisticated policy toward the region. He felt that the unequal distribution of Russia's 150 million people through its landmass was one of the problems hounding its development, with some parts of Russia even being uninhabitable. Yet Siberia and the Russian Far East could be the conduit for Russia engaging Asia Pacific. The absence of infrastructure in Siberia was a problem for the region's development, and perhaps developing physical infrastructure such as electricity, roads, and railways was an area where Asia Pacific countries could play a role. Developing the area would be beneficial to both Russia and Asia Pacific countries.

Another issue was the possibility of Russia being pushed out of Europe. The Russian stressed that Russia should not be excluded, if only because of its landmass and human resources. Reacting to a Chinese presentation, he appreciated the offered assurance that Russian arms would be used only for solving the Taiwan problem, but he felt that the use of force should not be used to resolve the issue. This would be divisive as other great powers might intervene. Instead, he suggested that states work together to find a solution.

A participant from the United States suggested that the great powers could also create instability. He put forward three points for consideration. The first concerned the balance of power in Asia, given Russia's current weakness. He believed that any change in the region could change

the nature of diplomacy and could give rise to rivalries, as well as a feeling among countries that they had to defend their territories. Second, the fragmentation of the Soviet Union had resulted in a new "system" comprising states that were not well developed. Problems in this new system could have spillover effects in Asia Pacific that could in turn create security problems. Finally, the Russian perception that their country was a declining power was also an important factor. The narrow-minded nationalism of some Russian leaders could result in policies that had security implications for Russia's neighbors.

This participant added that Asia Pacific should recognize its interest in a stable and confident Russia and that suggestions about how to assist Russia had to be put forward. Another matter to address was recognizing Russia's genuine interests in the Korean peninsula and that it had a stake in any postarmistice agreement.

A Japanese contributed some thoughts about the security dimension of engaging Russia in Asia Pacific. He felt that Russia had to be engaged in the ARF process—rather than be left out—because it could contribute to confidence-building measures and preventive diplomacy.

A participant from Singapore asked the Russians whether Russia considered the U.S.-Japan security alliance to be a hindrance to its constructive engagement in the region and whether the alliance undermined unipolarity. Given Japanese ties with the United States, he wondered whether Japanese foreign policy had sufficient room to maneuver and whether Russia saw this lack of maneuverability as constructive.

A Canadian panelist commented that the issue was not whether or not to engage Russia, but rather how the international community could manage this engagement. He stressed looking at Russia's domestic affairs in order to understand its foreign policy as changes in foreign policy reflected changes in domestic affairs. He suggested that track two and three approaches were worthy ways of facilitating Russia's engagement in the region. He cited the Council for Security Cooperation in Asia Pacific (CSCAP) as a useful forum where military matters, economic security, and nontraditional security issues like transnational crime, drugs, migration, and small arms were discussed. He also felt it was dangerous to suggest that Russia's identity was either European or Asian as Russia was truly a Eurasian power. He thought it more important to focus on devising effective instruments for regional cooperation in infrastructure and resource development projects.

The Philippine participant voiced his concern about dimensions of

development when engaging Russia in Asia Pacific. He felt that the engagement of the Russian Far East and Siberia should be deepened, but wondered how to structure and fund this. He also wondered about power-sharing arrangements between the central and subnational governments in the Far East and Siberia, and felt that their respective involvement in investments and other economic agreements had to be better understood. He also urged articulating development less as an extractive process and more as a sustainable process and thought that this would help Russia focus on the kind of development it needed. He was also concerned about the possibility of a semicolonial, if not colonial, relationship evolving between Moscow on the one hand and Siberia and the Russian Far East on the other.

A Japanese argued that bilateral summitry among China, Japan, Russia, and the United States should be intensified. These countries had to work together so that no one country was deemed less or more important than the others. He felt that China-Taiwan relations should be resolved between the two parties, with international assistance only being provided if it were needed. He wondered whether Russia was in fact amenable to the internationalization of the Russian Far East through development. On expansion of the North Atlantic Treaty Organization (NATO), the Japanese suggested that the alliance should not increase membership beyond the three countries poised for acceptance and that neither nuclear weapons nor NATO troops should be deployed in these countries. Continued NATO expansion had the potential even to affect U.S.-Japan and Russia-Japan relations. Lastly, the participant thought that Japan should not consider any revision of the U.S.-Japan security alliance as a precondition for deepening its engagement with Russia.

A participant from Thailand suggested that one mechanism in which Russia could become involved was the Asia-Europe Meeting (ASEM) process. She felt that the issue of whether Russia felt itself to be European or Asian should be addressed.

An Australian questioned whether regionwide arrangements like the ARF or CSCAP were the best institutions to discuss Northeast Asian security concerns.

The chair felt that at the moment there was no forum—other than the ARF—that could address Northeast Asia security concerns and that the ARF was capable of addressing these matters. She pointed out that

ASEAN viewed security in comprehensive terms and that the interdependence of Northeast and Southeast Asia made the ARF a relevant forum—even for addressing Northeast Asian security concerns.

The participant from Canada responded that the ARF could not adequately address Northeast Asian security concerns and he suggested developing new institutions that could focus on these issues more effectively.

A South Korean agreed on the importance of engaging Russia in Asia Pacific but felt that how this could be done had remained unanswered. He wondered what Russia could offer apart from arms. He felt that if Russia became more cooperative on the question of the Northern Territories, other countries would find Russia easier to deal with. He added that he thought China could help in resolving the situation on the Korean peninsula. He also expressed the opinion that South Korea supported the entry of Russia—as well as Australia and Canada—into ASEM.

A panelist from Malaysia opined that the ARF could not deal adequately with Northeast Asian security issues. He felt that Northeast Asia had its own security dynamics that merited a specialized institution. He added that a group within the ARF umbrella could be tasked with the responsibility. He also noted that a proposal was made to a Japanese official in 1995 to initiate a security-focused dialogue between the six major actors in the region.

Returning to the U.S.-Japan security alliance, a Russian panelist said that he did not think that Russians saw the alliance as a major threat. He wondered about Japan's role in the international community if the alliance were ever dissolved and whether Japan would shore up its military capabilities to the level of its economic stature in the region. He added that he was concerned about the emergence of another superpower in Asia Pacific. Regarding NATO expansion, he offered that this was one of the biggest mistakes of U.S. foreign policy since 1945. He wondered what would happen if Russia did not oppose further NATO expansion but instead joined it. In this case, NATO would literally be knocking on China's door.

A Japanese suggested that the Northern Territories issue was an issue of territoriality for Japan, not one based on security concerns. He also thought that Russia's domestic political dynamics dictated its actions on the issue.

To conclude the session, the chair reiterated the two assumptions of the "Engaging Russia" project, namely, that Russia has an important role to play in Asia Pacific, and that engaging Russia is good for regional peace and security. She felt that there was no need to dispute Russia's Asian identity, and that Asia Pacific states had to acknowledge the inevitability of engaging Russia even though it was undergoing difficult political and economic transitions. She commented that Russia's future role in the region was unknown, adding that this perception of Russia was equivalent to how China was viewed in the region. As ASEAN was engaging China, she felt that the same should be done with Russia.

The chair added that ASEAN should also engage Russia in terms of its policy of having equidistant relations with all the great powers. Russia's involvement in the ASEAN-PMC and the ARF was recognized as a positive step and the chair recalled how the ARF was created partly because China and Russia were not part of the PMC process. The success of the Zone of Peace, Freedom, and Neutrality and the Southeast Asian Nuclear Weapon-Free Zone Treaty necessitated the cooperation of Russia, a nuclear state. Russia had to be engaged in terms of security as well as economics.

Yet, the chair noted, no agreement had been reached on the appropriate regional institutional mechanisms to use for this purpose. She stressed, however, that addressing Northeast Asian security matters was within the scope of the ARF, especially since setting up a smaller group within the ARF to deal with these concerns was a possibility. There was no substitute to the ARF at this point and it was a means for addressing security issues that China supported. She thought that China could not be expected to sit down in APEC—with Taiwan as a member—and talk about security. She opined that the ARF should be nurtured and improved rather than replaced with a new institution at this stage. Finally, she thought an important consideration was how to proceed with engaging Russia after this conference. A concrete suggestion made to her was organizing a small group to go on a familiarization and study tour through the Russian Far East and Siberia to generate ideas on development cooperation with Russia in this geographical area.

APPENDIX 2

Participants at the Cebu Conference

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DAVID DEWITT, Director, York Centre for International and Security Studies, Canada
FUJIMURA KAZUHIKO, First Secretary, Embassy of Japan, Philippines
HA YONG-CHOOL, Professor, Department of International Relations, Seoul National University, Republic of Korea
CAROLINA HERNANDEZ, President, Institute of Strategic and Development Studies, Philippines
ALEXANDER KONOVALEV, President, Institute of Strategic Assessment, Russia
RAPHEL PERPETUO LOTILLA, Deputy Director General, National Economic and Development Authority, Philippines
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