The Korean Peninsula: Gateway to a Greater Role for Russia in Asia
By Georgy Toloraya

While a lot of media attention has been given in the West to US President Barack Obama’s call for a “pivot” in US strategic policy toward Asia and the long-term implications of that move, Russia under President Vladimir Putin is more quietly pursuing a no less momentous reorientation of Russian policy toward the Far East.

In this context, writes Georgy Toloraya, the Korean peninsula is playing a significant role in Russia’s ability to realize its ambitious goal of becoming a truly Euro-Pacific power.

THE ROLE OF THE KOREAN Peninsula for Russia should be analyzed against the background of new Russian foreign policy priorities: “turn to the East” is now considered crucial for the country’s national survival. The notion of Russia as a Euro-Pacific power, having vital interests in Europe and the Asia-Pacific region alike, has become popular among policy thinkers and scholars.1 US President Barack Obama’s calls for a strategic “pivot” to the Asia-Pacific have added urgency to such an approach. A new national strategy of “marching East” (not in a military-political sense, but rather in an economic and “soft power” sense) is being formulated, having been put on the agenda by President Vladimir Putin himself. Russia’s hosting of the APEC Summit in September this year has become an impetus for that. In this context, the role of the Korean Peninsula might well become very prominent in ensuring the success of this grand design.

If we look at Russia’s current priorities in Asia, the strategic partnership with China is predominant. While admitting the vital role of this relationship to Russia, some experts and politicians, as well as the general public in Russia, are sometimes wary of overdependence on China. Calls to “diversify” the focus of Russia’s Asia policy are increasingly heard. However, the room for “diversification” is limited: Russia’s relations with the other major East Asian power, Japan, have no immediate prospects for improvement due to lingering territorial disputes, while relations with the countries of the Association of Southeast Asian Nations (ASEAN) are still of only regional significance. Russia has yet to develop vital political/military and economic interests within the ASEAN community. Moscow also has only limited leverage to influence the evolution of the region’s security architecture, although Russia was positively inspired by admission to the East Asia Summit (EAS) mechanism, which is seen as a basis for future security arrangements.

Northeast Asia thus becomes pivotal for the success of Russia’s Asian strategy. That is why the neighboring Korean Peninsula is of such significance to Russia simultaneously in a bilateral, regional and global context. At the same time, it is a place where Russia matters. Problems on the Korean Peninsula are among the “Top 10” Russian foreign policy agenda items. Indeed, the peninsula is a standard part of the menu of talks in almost any high-level international meeting in which Russia participates. Russia enjoys the rare advantage of being one of the few countries considered “friendly” by North Korea, although the relations are sometimes strained; at the same time, Moscow maintains a strategic partnership with dynamic South Korea; that partnership is progressing probably faster than with any other Asian country except China, and is vital for the Russian Far East. Implementation of long-term multilateral economic projects in Korea could become a landmark in Russian economic advancement in Asia. Russian experts even dream about using the Korean Peninsula as a bridge to the burgeoning East Asian “troika” (China, Japan and South Korea) and their vision of future economic integration.

However, within Korea, Russia’s role in Korean affairs and its eagerness to be a positive actor are sometimes underestimated. Among the four big powers involved in Korean affairs (the US, China, Japan and Russia), Russia’s positions and interests are, in general, least understood and sometimes ignored. It is true that there are sharp divisions on Korean issues within political and expert circles in Russia. The widely differing views of Russian liberals versus communists and nationalists means that foreign researchers can easily find Russian opinions to suit their own views. However, Russian foreign policy is formed by the moderates, guided by Russia’s own vision, based on decades of analysis dating back to the 19th century and 70-odd years of interaction with North Korean communists.

STRIVING FOR PEACE
Historically, since Russia’s first contacts in the 19th century, the Korean Peninsula has always been a source of headaches for Russian policymakers. After the Korean War (which, by the way, would not have taken place had Joseph Stalin declined Kim Il Sung’s advances for unification), Soviet policy in Korea became a hostage of the Cold War and the division of Korea — and the consequences are still felt to this day. The issues that caused the war remain unsettled. North Korea is not accepted as a “normal” or even a legitimate state by many of its opponents and the possibility of a conflict or calamity that could wipe the country off the map still exist. Some powerful forces in the US, Japan and other Western countries see such a scenario of North Korea collapsing as desirable and actively work to see this happen. Russia, meanwhile, fears such an outcome because it would endanger her security and her position in Asia. It would also mean a defeat for China, whose weakening may bring about a dangerous imbalance of power in Asia and globally.

What, then, is the scenario that Russia would prefer? In principle, in the long run, a unified friendly Korean state without any foreign dominance would be consistent with Russian national interests. It would mean the absence of tensions near the borders, and such a unified state, sandwiched between China and Japan, could be a powerful “balancer” for Russia in the crucial North-east Asian region — and vice versa. It would also
enormously help Russia’s economic advancement in Asia. Russia could become a significant player in the energy sector and its related logistics, as well as in the reconstruction of North Korea.

However, such a welcome scenario is improbable. Peaceful unification — the only one acceptable to Russia — does not seem to be on the agenda. The alternative, a forceful “absorption” by South Korea of the North, could be harmful both to the Korean nation and to regional security. Russia would probably join China in strongly opposing such a scenario. Speaking realistically, neither a “collapse” nor a “soft landing” of the North Korean regime is imminent, because the transfer of power to the third generation of Kim appears to be going smoothly. Russian policymakers have concluded that the North Korean system is resilient enough to persist without major changes for a considerable period of time.

Therefore “stability,” including the prevention of any emergencies in North Korea, remains the code word for describing the goals of Russia’s Korean policy. Therefore, Russia cannot afford to quarrel with its neighbor, let alone press for its downfall, regardless of the true feelings of some policymakers towards the brutal regime. It is also well remembered that Moscow’s intentional deterioration of relations with Pyongyang in the early 1990s resulted in Russia’s marginalization in Northeast Asian affairs, while the role of the West increased. Russia also does not desire a China-dominated North Korea, because it would probably be unstable and would provoke efforts to contain China, thus increasing military tensions in the area.

The best option for the decades to come would be a peaceful coexistence of the two Korean states with possible slow convergence, which would solve both political-military and economic issues related to North Korea. Therefore, Russia strives for dialogue and co-operation between the North and South. The current inter-Korean tensions, which have increased after the transfer of power to Kim Jong Un, remain a threat to stability.

At the same time, Russia does not regard North Korea as the only source of tension on the peninsula. Take, for example, Moscow’s balanced approach to North Korea’s rocket launch in April: while criticizing the North, the Foreign Ministry stressed that it has “never put in doubt the DPRK’s sovereign right” to peaceful space research, and opposed the imposition of excessive pressure and sanctions on Pyongyang. Instead, Moscow stressed the need for “political and diplomatic means” to resolve the issue (although, unofficially, some members of the political elite could not conceal their frustration with leaders in Pyongyang, saying the rocket launch was an action by “crooks and liars”).

Russia suggests that the game should be fair, and the legitimate concerns of the North should be addressed, while unacceptable behavior should not be tolerated. For this to happen, dialogue and engagement are essential.

TALKING TO NORTH KOREA

Russia stresses the need to engage the Pyongyang regime not because this causes any warm feelings in Moscow, nor because North Korea is that important a partner for Russia’s advancement in the East, but simply because this is essential for maintaining security near its borders. At the same time, Moscow also hopes that by engaging North Korea, leading the regime out of isolation and cooperating with it, the behavior of its leadership could change for the better. This could include a lessening of hostility toward the rest of the world, more interaction with North Korea’s neighbors, the end of brinkmanship and provocations, gradual movement toward a market economy (partly under way now) and eventual liberalization of the North Korean system. But for this to happen, the attitude of the West toward Pyongyang needs to change, and Russia will use its influence and expertise to help bring this about. (The recent changes in Western attitudes toward Burma are an example of how this can happen.)

Of course, the nuclear non-proliferation issue is vital, but not at the cost of stability. And the non-proliferation issue cannot be adequately solved without addressing broader security issues. Russian experts believe that North Korea’s quest for a nuclear deterrent was the result of a sense of insecurity that followed the collapse of the Soviet Union, which led to a dangerous loss of equilibrium on the Korean Peninsula. In contrast, during the Cold War, that equilibrium and sense of security on the peninsula was guaranteed by the superpowers. Hence, the agenda of the diplomatic process should be comprehensive and not concentrate solely on the “North Korean nuclear problem.” It should address broad security issues, including guarantees to the North and normalization of relations between all the parties. A new security system in and around the Korean Peninsula should take into account the legitimate interests of all parties and not be used for purposes other than maintaining peace and stability and achieving development.

Russia strongly supports a multilateral approach to resolving issues on the Korean Peninsula, because it gives her leverage in Korean affairs. (This, by the way, is a long-standing position. Back in March 1994, Russia was the first to suggest holding a multilateral international conference on security and the non-nuclear status of the Korean Peninsula). In the wake of the second nuclear crisis in 2002, Russia suggested the “package deal” — essentially “peace for nukes,” under which multilateral security guarantees would be provided to North Korea in exchange for its renunciation of weapons of mass destruction (WMD). However, this Russian vision remains at odds with that of ‘Stability’ remains the code word for describing the goals of Russia’s Korean policy. Therefore, Russia cannot afford to quarrel with its neighbor, let alone press for its downfall, regardless of the true feelings of some policymakers towards the brutal regime in North Korea.
North Korea’s opponents: the strategic decision to co-exist with this regime has never been taken by the US, South Korea or Japan.

Russia will anyway strive for the resumption of the Six-Party talks in order to prevent a recurrence of tensions and new provocations, which North Korea, in the absence of diplomatic processes, uses as a leverage to promote its goals (the most immediate goal being recognition by the US, while sidelining Seoul). Full denuclearization of North Korea under the current rules of the game seems to be unattainable, especially in the wake of the so-called “Libyan lesson,” whereby after Muammar Gaddafi voluntarily gave up his nuclear weapons program in a deal with the West, and yet the West later participated in the ouster of his regime. Therefore, Russian experts silently assume that denuclearization is an aim for the distant future, and the more viable task is to rein in North Korea’s nuclear potential — in short, to manage the risks.

After the latest breakdown of the Six-Party talks in 2008, Russia has significantly increased its efforts vis-à-vis Pyongyang and conducted intensive diplomacy vis-à-vis the US, China, Japan and South Korea to help bring about a positive turn in the denuclearization process.

Another vital area of interaction with the Korean Peninsula, so far only partly tapped, is the economy. South Korea has become Russia’s third-largest partner for trade and investment in Asia, and it isn’t unimaginable that it could soon become second, after China. In Russia, South Korea cars, electronics and electrical appliances are steadily gaining popularity, while South Korea is exhibiting a greater and greater appetite for Russian resources. What is important for Russia is that, unlike other developed countries, South Korea is interested not only in resources, but also in “knowledge products,” such as the results of Russian fundamental and applied science.

Apart from the steady growth in Russia-South Korean trade and investment co-operation, Russia has initiated trilateral projects involving the participation of North and South Korea. They are seen both as a source of mutual prosperity and a tool to help the North Korean economy modernize, in addition to being a powerful way to build mutual trust and improve the political atmosphere in inter-Korean relations.

The earliest and most advanced project, initiated after the 2000 visit by Kim Jong Il to Russia, is the one connecting the Trans-Korean railway with the Trans-Siberian railway to transport cargo from Korea and the Pacific to Russia and Europe. The Russian-North Korean joint venture, “Rason-contrains,” is now undertaking a pilot project, started in 2008, on the Khasan-Rajin line; the route of 50-odd kilometers will become operational this year, although actual commercial use of the route could be postponed because of a lack of desire from the South Korean side to participate. One of Russia’s vital policy goals regarding the two Koreas is to revive the big Trans-Korean railway project, which might move forward after the change of government in Seoul in December.

Another similar project, started in 2009, is a power line from the Russian Far East to South Korea via North Korea. Similarly, due to the deterioration of relations between North and South, this project was also shelved, although Russia remains committed to it and held discussions on it at the summit meeting in Seoul in March of this year.

THE IMPORTANCE OF GAS

However, the real game-changer would be the gas pipeline to supply Russian natural gas from Sakhalin to South Korea through North Korean territory. The idea is as old as Russia-South Korea relations themselves. As for Northerners, they showed their readiness to participate as far back as 1990, because this project brings them only benefits without any investments or concessions, or dangers associated with the country’s “opening up.” Although this project has been pursued since 2003, when the Russian state company Gazprom and South Korea’s KOGAS signed a co-operation agreement, it burst into the limelight after the August 2011 Ulan-Ude meeting between Kim Jong Il and then Russian President Dmitry Medvedev. In September 2011, the construction “roadmap” was signed. Investment in the project is expected to amount to $2.5 billion and, when completed, the gas volume flowing through the pipeline is expected to be 12 billion cubic meters per year.

For Russia, the Inter-Korean gas pipeline is one of the most important economic undertakings of Russia in the Asia-Pacific region. This is because of external factors on the one hand (the need to create a breakthrough into the Asian gas market) and internal considerations on the other (the need to diversify the production and export of Russian gas and use the capacity to build pipelines).

The proposed gas pipeline has also become central to Russia’s Korean policy, because it is fully consistent with Russia’s desire to establish itself as a player in Korea and promote inter-Korean cooperation, guarantee stability, help the North to improve its economic situation and increase the chances for its economic modernization.

However, this project also remains a hostage to political interplay, involving not only South and North Korea, but also the US and China. North-South hostility, nevertheless, remains the main obstacle: commercial negotiations continue, but eventually a political decision by the South Korean government to participate would be needed. Russia and North Korea have already explicitly confirmed their readiness to implement this project. So, why hasn’t South Korea made the decision to participate? First, a prejudice exists in South Korea that the North could use the pipeline as a political tool by interrupting the supply of gas. That is not likely, because the pipeline would account for only 10-15 percent of South Korea’s supply; anyway, in such a hypothetical case, Russia would have the obligation to compensate the buyer through other supply sources, such as LPG, so there is absolutely no reason for the North Koreans to “shoot themselves in the foot.” Second, conservatives in Seoul seem to lack enthusiasm to help bring about economic stabilization in the North, associated with the revenue the North would get from the pipeline. They also see a danger in an increase of interdependence between North and South. Third, the US, wary of Russia’s advance in a sensitive region, would not be too unhappy should the project fail to take off. China also might be less then enthusiastic about the pipeline, both because of a possible lessening of Pyongyang’s economic dependence on China, and the prospect of alternative Asian consumers of Russian piped gas, which would disrupt China’s current monopoly as a buyer of it.

As of today, the single most important factor that could bring about a healthier and more stable situation on the Korean Peninsula is a turn to a more constructive policy by Seoul after President Lee Myong-bak leaves office — provided the policies of the new US administration would remain rational. We cannot expect any positive change in North Korean behavior before that. Only in such a case would all three components of Russia’s policy toward the Korean Peninsula — bilateral co-operation, trilateral economic projects and multilateral security diplomacy — blossom in harmony.

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