The Red Star of the Pacific: the Forgotten Player is Back

Alexey Muraviev is a strategic affairs analyst and an Associate Lecturer in International Relations and Strategic Studies at Curtin University of Technology.

Over the past four years, the world, including the greater Asia–Pacific community, has observed with interest and some concern, the re-emergence of Russia as an ambitious great power aiming to establish itself as a principal pole of influence. There are growing debates in the international relations and strategic affairs community about Russia's strategic intentions and new policy directions, including in the Pacific. While the majority of the ongoing debate has been about the nation's regional foreign policy and the ambitious strategy to position Russia as a global power and energy superpower, there has been little discussion about its regional defence policy.

During the Cold War, the Asia-Pacific-Indian-Ocean strategic theatre (APIOST) was of secondary importance. Nevertheless, the Far East and the Pacific played a very significant role in Soviet strategic calculus. The prospect of an all-out war with the United States and its allies in the Pacific; a strategic stand-off with China between the 1960s and 1980s; Soviet engagement in Asia, the Pacific and Africa; plus a range of other factors signified the importance of what seemed to be the USSR's secondary front in the Cold War.

Throughout the 1990s, Russia's main strategic concerns were directed towards the West and the South where the nation faced a range of geopolitical challenges, including the expanding North Atlantic Treaty Organisation (NATO); weakening influence over Central and Eastern European buffer states, the Baltics and some other former Soviet republics; and threats of separatism and ethno-religious terrorism in the North Caucasus.

More recent concerns have included Ukraine's and Georgia's declared intention to join NATO; the US decision to deploy operational anti-ballistic missile systems in the Czech Republic and Poland; and growing criticism about Russia's 'managed' democracy. This had led to an asymmetric response by Russia, including several defence-driven measures such as the test launch of new ICBMs, SLBMs and surface-to-surface missiles, and a unilateral moratorium on the Conventional Forces in Europe (CFE) Treaty.

From a security perspective, Siberia and the Far East have seen little geo-political change, besides Mongolia's departure from Russia's sphere of influence. Russia's Far Eastern basic military stature as a secondary front has remained relatively unchanged since the Soviet period. In fact, with the improvement in relations with China (with which Russia shares an extensive land border), Japan (despite the ongoing dispute over the Southern Kurils or the Northern Territories), South Korea and, to some extent the United States, the strategic military status of the Far East has declined relative to other strategic zones.

Military power in Russia's East, long the basis of the Soviet claim to regional influence, declined drastically after 1991. In 1992, Russia completed the withdrawal of its 100,000-strong contingent from Mongolia. Part of this decline was by design—in accord with the 1997 border troop reduction agreement between China, Kazakhstan, Kyrgyzstan, Russia and Tajikistan—and part was justified by a reduction in the perception of threat in the region. However, much of the reduction in Russian military power east of the Urals has been driven by a funding crisis. By 1999, the regional grouping of forces had been reduced by 200,000 personnel; nearly 600 tactical missiles had been destroyed; the Russian Pacific Fleet (RPF) submarine

force had fallen by over 75%; and the overall number of surface combatants had fallen by 47%.

On the other hand, the Asia–Pacific region has witnessed Russia's aggressive invasion in the defence technology market. Currently, Russia's principal partners in the arms export business come from APIOST: China, India, Indonesia, Malaysia, Myanmar, the Philippines, South Korea and Vietnam. More recently, Pakistan expressed interest in acquiring Russian military hardware. Russia continues to view military-technological cooperation as an important element in its regional strategic and defence policy.

However, after 2000, slow but steady progress has been made to upgrade Russian military capabilities deployed in the area, in both quantitative and qualitative terms. Among other measures, Russia has undertaken a modernisation program for the defensive posture of the Southern Kurils, signalling that it does not plan to abandon these islands in the near future. In addition, Russia plans to deploy a brigade armed with new *Iskander-M* SSMs and a second fighter regiment equipped with Su-27SM improved *Flanker* multirole aircraft in 2008; recently announced its decision to invest 9 billion roubles in the infrastructure upgrade of the Rybachiy strategic submarine base (Kamchatka Peninsula); and is developing a new-generation *Borey* class SSBN, the first of which will be in the field by 2010.

However, the most ambitious program announced this year aims at restoring the RPF's fallen power. Russia's future Pacific naval power—a nation's principal power projection instrument—will involve the formation of the largest and most potent naval grouping in the Russian Navy, housing at least half of all SSBN forces and having three nuclear-powered aircraft carriers in its order of battle.

These measures demonstrate growing concerns in Russia about the fragile regional geo-strategic landscape and fears of a major regional confrontation that may harm Russia's security interests. Whilst touring the Far East in April 2007, Vice-Premier Sergei Ivanov—who is tipped to be a favourite in the 2008 presidential elections—spoke openly about the unstable regional security environment, prospects for a major conflict in the Pacific, and the subsequent need for Russia to respond.

Currently, Russian primary strategic concerns include the absence of an articulated regional security framework involving all major players—similar to the Russia–NATO Council for example; ongoing instability surrounding North Korea; plans to deploy ABM elements in the Pacific; proliferation of WMD; the nuclear and missile arms race in South Asia; and the security of exclusive economic zones and key maritime communications. Longer-term concerns include China's geo-political game and the status of the US as superpower.

Putin's Russia in the twenty-first century is as ambitious as ever. Despite continued appreciation of dynamics in Europe and the Middle East, and the realisation of their economic and political importance, the APIOST is of growing significance for the nation. The APIOST acts as a new, strategic gateway for the booming Russian economy and its ever-powerful resource sector, as well as an arena in which Russia may claim back its status as a global and Pacific great power. The reconstruction of Russian military power in the Pacific pursues the goal of supporting the country's economic ambitions, defending its national interests, and shifting the strategic balance in Russia's favour.

It is time to stop thinking about Russia as a troubled, unstable and vast but nuclear-armed geopolitical periphery, and to start including it as a player in the global strategic calculus. Failure to do so may lead to serious misjudgements when making major foreign policy decisions.

Red Star in the Pacific?

Graeme Gill is Professor and Australian Professorial Fellow (APF) with the Faculty of Economics and Business, University of Sydney.

Russia's foreign policy interests have once again extended into the Asia–Pacific region. Following the fall of the Soviet Union and the contraction of Russia's global capacities occasioned by the severe economic constraints under which the Russian state was operating in the 1990s, the economic recovery of the past ten years has underpinned a resurgence in foreign policy activity. This has included a revival of Russia's interests in the Asia-Pacific region. As a result, Russia has experienced some friction with what used to be called the West, leading to alarmist warnings about a new Cold War. Such fears are unfounded, reflecting less judgements about Russian foreign policy than domestic political factors in, particularly, the US and Britain.

There is a strong feeling in Moscow that the US in particular took advantage of Russian weakness in the 1990s to undertake foreign policy moves that were to Russia's disadvantage. Direct intervention in Yugoslavia; the continuing pressure for Kosovan independence; the expansion of EU and NATO borders almost to the outskirts of the second largest city in Russia (St Petersburg); the aggressive expansion of American influence (including in particular a military presence) in the arc from the Middle East into Central Asia; support for the so-called 'coloured revolutions' in Ukraine, Georgia and Kyrgyzstan; and the announcement of American withdrawal from the ABM Treaty and of the placement of an early warning system in Eastern Europe all fuelled Russian distrust of American motives.

Given this record of perceived (and real) slights and broken promises, it was only natural that when circumstances permitted, Russia would reactivate a more assertive foreign policy. Those circumstances came together in the new millennium. Following the economic crisis of 1998, principally on the back of high natural resource prices, the Russian economy bounced back to record a decade of positive and rapid growth. This eased the pressure on military spending that had been there in the 1990s as well as helping to restore Russia's confidence in her identity as a great power. But also important was the election of Vladimir Putin as president in 2000. Here was a man who, unlike Yeltsin, did not feel beholden to the West, had some experience of foreign policy issues, and who had a clear view that the path to Russian greatness lay along the strengthening of the Russian state rather than accommodation of the West at almost any price. This combination of economic improvement and a new leader gave Russia both the capacity and commitment to mount a resurgent foreign policy.

In the Russian international outlook, relations with the US and Europe remain the first priority, but given geopolitical realities, this also has implications for the Asia-Pacific. Russia seeks to bolster its position in this region in order to both build up a counter-balance to the US and, independently of this, to gain material benefits itself. In terms of the former, Russia seeks to strengthen its presence and raise its profile in the Far East as a counter to the US, who remains embedded in the region in Korea and Japan, and whose links with China are expanding. In terms of the latter, Russia seeks to become embedded both politically and economically in a region that is undergoing rapid economic expansion in the hope that this will boost its own economic development process.

Crucial to both of these ambitions is the Russian Far East. Like the Soviet Union, Russia seeks to develop Vladivostok as a regional hub. Russia's presence in the Far East has weakened as a result of the population drain back to European Russia, and the running down of Russian defence facilities in the 1990s. Strengthening Russia's presence in the region is part of a longer term geopolitical goal to consolidate its

position in the face of any future Chinese territorial aspirations. Even if such territorial aspirations are not forthcoming, the rise of China is something that clearly has implications for Russia both in the region and more generally. From Moscow's perspective, it will be easier for Russia to handle the rise of China if the Far Eastern province can be turned into a centre of vibrant economic activity. But the only way this can be achieved with any speed is by attracting increased investment into the region, principally from Japan, China and South Korea. Although there are clear problems with realising such investment, including the unresolved Northern Territories issue with Japan, Russian development plans for the region are dependent upon it. The building of pipelines to supply Russian energy both domestically and internationally in this region, and debates about whether China or Japan should be given priority in this, are evidence both of this Russian concern and its willingness to use natural resources as a foreign policy tool.

Russia has also been trying to project itself as a great power in the region by being an active member in the six party talks on the North Korean nuclear issue. Although its influence on North Korea appears to have been limited and the US and China have taken the lead in the six party process, Russia's role has generally been a positive one. At a more bilateral level, Russia has sought improved relations with many of the countries in the region and has achieved some success here, although cultural differences remain an obstacle. Russia has also been involved in APEC, but it has not been a big player here. In trading terms, Russia is a major arms supplier to a number of countries in the region, but in terms of non-military goods, it remains a minor actor.

What are we to make of this? Russia's attempt to move into the Asia-Pacific region will remain limited and hamstrung. Russia currently lacks the infrastructure to project itself significantly into the region in military terms. Its capacity to become a major economic player will depend on the sustainability of its economic recovery, and at the moment that has been overwhelmingly reliant upon the export of natural resources, especially energy. Much of the gains from this have been invested wisely in what is effectively a future fund, but it is clear that more investment in economic development is required if Russia's economic aspirations are to be achieved. Certainly Russia will be a player in the region; the country has a right to be involved not only because of geographical propinquity, but also because of its great power aspirations. But, at least for Australia, there is no threat involved in this. We should welcome Russia's re-entry into the Asia–Pacific world; it is better to have Russia involved and playing a positive role than excluded and resentful.

Russia in the Asia Pacific: Is the forgotten player really back?

Derek McDougall is Associate Professor in the School of Political Science at the University of Melbourne.

In responding to this essay I would like to focus on the question of whether Russia is really back as a major player in Asia Pacific affairs. With Vladimir Putin visiting Sydney for the APEC summit meeting in September there will be some attention given to this issue. Putin's visit to Australia indicates that the Asia Pacific is on the Russian agenda but does not necessarily tell us much about the substance of Russian policy in the region.

Certainly Russia would like to be considered as a major player in Asia Pacific affairs. This is one aspect of Russia's perception of itself as one of the world's great powers. Since all of the major powers, including those in Europe, have some involvement in this region, so too should Russia. What happens in the Asia Pacific has some bearing on Russia's relationship with the other major powers, particularly the US, China, Japan and India. In addition, Russia is territorially part of the region. This means that it has specific interests at stake, going beyond its general relationships with the other major powers. What happens in Northeast Asia and Central Asia is of very direct relevance to the territorial security and economic development of Siberia and the Russian Far East, and to the general wellbeing of the people living in those regions.

Granted that Russia has an important interest in the Asia Pacific, there is still the question of how the region ranks in terms of Russia's foreign policy priorities. Russia's priorities relate to its global aspirations and to the fact that European Russia is the heartland of the country. Both points mean that the Asia Pacific is important but not necessarily a top priority. In terms of the Russian political process, leaders from Siberia and the Russian Far East are not necessarily in a strong position to have policies adopted that will promote the specific interests of their regions.

In pursuing its interests in the Asia Pacific, Russia's main focus has been on Northeast Asia. It has been involved in the six party talks on North Korea, although it is probably the least significant of the six parties as far as this issue is concerned. There is also the specific issue of the territorial dispute between Russia and Japan over the Southern Kurils or Northern Territories. Russian involvement in Southeast Asia is mostly at a low level. As far as general relations with the major powers are concerned, the relationship with China is perhaps the most positive. A Sino-Russian alignment is sometimes posited as a means for the two powers to overcome any perceived disadvantage they might suffer in the international environment. However such an alignment would have costs for both powers in terms of their relationships with other powers; 'rising China' could also be seen as a threat to Russia's own position in the Asia Pacific and more broadly. The Asia Pacific is relatively insignificant in Russia's broader relationship with the US, which has been experiencing increasing tensions. The relationship with Japan is difficult because of the territorial dispute, although this has not prevented cooperation on some economic matters. While India has been important in Russian and Soviet grand strategy in the past, more recently India has been very much focused on its relationship with the US.

Whether Russia is really back in Asia Pacific affairs is dependent not just on Russia but on the perceptions of the other major players. Russia certainly features on the Asia Pacific agenda for the US, China, Japan and India but generally not as a top priority. 'Serious misjudgements' could arise if Russia has the potential to have a negative impact either on key issues or in terms of broader regional relationships. Clearly Russia can prevent a settlement of the territorial dispute with Japan; however failure to achieve reconciliation hurts Russia as much as Japan. While not quite a major player in relation to North Korea, Russia can contribute positively to efforts to

deal with this issue. On the question of broader relationships there is some speculation about a Sino-Russian alignment developing. However such a situation is only likely to arise in extreme circumstances; the most probable scenario is for a continuation of the factors encouraging fluidity in major power relationships in the region. Russia will be a continuing influence in the Asia Pacific, but on a lesser scale than the other major powers in the region. Nevertheless it would be wise to include Russia in the wider regional dialogue and in discussions of issues where it is more specifically involved.

Russia between East and West

Peter Shearman is a Principal Fellow, School of Political Science at the University of Melbourne.

Alexey points out that a resurgent Russia is having destabilising effects on the Asia Pacific. Assessment of Russia's engagement with the APR must begin with where the region fits in with Moscow's global strategic objectives. This is difficult. For whilst Russia's key strategic objective has been to integrate into the global economy and forge a 'strategic partnership' with the US, more recently it has been pushing an anti-American agenda. This seems contradictory.

It is due to US policies from the 1990s, which left Russians feeling humiliated. An expanded NATO, against Russian objections, was used against Serbia in Yugoslavia's wars of succession. The US unilaterally abrogated the ABM treaty, with now Poland and the Czech Republic selected to host a planned missile defence system. Russia feels that it has been constantly slighted, resulting in anti-US sentiment; as this has grown, so too has the saliency of Russian policy in the APR. One could reasonably argue that Russia is being pushed in this direction by US policy. Energy resources and the high prices of oil have provided Russia with the means for reasserting itself.

China is important in its own right. Not only does China promise to become a regional superpower, it also shares a long border with Russia. And Russia's priorities are especially important in the 'Eurasian Economic Zone'. Russia is developing a common economic space incorporating Kazakhstan, Kyrgyzstan, Tajikistan, Armenia and Uzbekistan. This region is rich in energy resources and, as part of Russia's periphery, it is important from a security perspective.

Consideration should also be made of the Shanghai Cooperation Organisation, which links Russia and China, along with Kazakhstan, Uzbekistan, Tajikistan and Kyrgyzstan (Iran, Mongolia, India and Pakistan participate as observers). Putin sees the SCO as a guarantor of stability and security in the vast Eurasian space. Some see the SCO as a potential counterbalance to NATO; others see it as a potential OPEC with bombs. The Iranian President called for the SCO to coordinate energy policies to prevent the 'threats of domineering powers'. Another possibility if relations between Russia and the West continue to deteriorate is a GAS OPEC between Iran, Turkmenistan and Russia. As energy security becomes increasingly more salient in strategic thinking then Russia will likely continue to make these kinds of cooperative arrangements if the West continues to engage in policies seen as undermining Russia's regional interests.

Alexey refers to the controversy over US plans to deploy an ABM system in Central Europe, focusing upon Russia's reaction – its testing of new missiles. What we should also consider is Putin's proposal to cooperate with the US in using the existing facilities in Azerbaijan. If this is a serious proposal it marks a remarkable departure in Russian policy, implying that Russia sees the US as a potential ally in the strategic/military realm. States do not participate in such programs with their enemies. The proposal also suggests that Russia accepts both the logic of missile defence (which it has hitherto publicly denounced) and the notion of a potential Iranian nuclear threat.

Alexey sees little geopolitical change in the region since the Soviet era. But there has in fact been a major shift in demographics. Russia's population is declining by 700,000 each year. The most severe population decline is in Siberia and the Far East, the largest in the Kuriles. Hence the logic of military modernisation noted by Alexey. There is to be a new airport linking the Kuriles with the mainland, a new port,

new roads, and an increase in the number of fishing and precious metals industries. For Russia development of the Far East and Siberia is one of the key strategic and geopolitical priorities of the 21st century.

Last month's placing of the Russian flag below the North Pole further demonstrates the importance of energy security. Russia claims a submerged geopolitical extension of the Siberian platform as part of Russia's continental shelf. If legally supported, Russia would gain control of 1.2 million kilometers of territory rich in oil and gas. Even if not sanctioned legally, Russia has made its stake in what could be a competition among the main powers for Arctic resources. The US immediately announced a similar Arctic mission.

As Alexey points out, it is necessary now to pay attention to Russia's strategic concerns and its stake in the international system. They are not after all too different from those of other major western powers: prevention of nuclear proliferation, countering international terrorism, stabilising the Korean peninsular, and bringing stability to the Middle East. If the West shows a greater willingness to deal with Russia as an equal on these issues then Russia would become a more cooperative partner.

It is worth recalling, finally, that the oil price rises following the 1973 war in the Middle East enabled Brezhnev to undertake a more assertive role in global affairs. Yet in the next decade when oil revenues fell, Gorbachev, faced with an economic crisis, withdrew from overseas military commitments. The promises made by the West at the time of Soviet collapse were not kept, and as a consequence anti-American sentiments have grown. But it is a weak, angry, humiliated and nationalist Russia that would create a greater threat to international stability, than a confident and strong Russia. The West should heed Putin's oft stated desire for Russia to be accepted as a normal player and to be integrated fully into the global economic system and as a partner with the West. Otherwise Russia will look increasingly to the East.

Back to the future: a return to Cold War power politics in the Pacific?

Robert Miller is Visiting Fellow, Transformation of Communist Systems Project, Research School of Pacific and Asian Studies (RSPAS), Australian National University.

Soviet involvement in the Asia-Pacific Region (APR) was episodic but not necessarily secondary. The Leninist dictum on the shift of the geographic focus of the World Revolution—when revolutionary momentum is blocked in the West, it may be more successfully promoted in the East—retained a certain residual, justificatory influence on Soviet policy in the APR and Africa well into the Brezhnev era. Hence, expenditure on arms and political guidance in those places was justified in terms of Soviet world revolutionary obligations until Gorbachev questioned their costs and benefits in the late 1980s. Gorbachev's Vladivostok speech in July 1986 thus represented an effort to maintain Soviet influence in the APR on the cheap, with a marked reduction in the ideological basis for the commitment.

Under Yeltsin, even that minimal presence in the region was allowed to dissipate, in particular its military component, and the Soviet Pacific Fleet was virtually eliminated as a fighting force. This situation was partly rationalised by the rapid improvement in Sino-Russian relations under Deng Xiaoping, which obviated the need for the massive concentration of Soviet military forces along the Chinese border during the 1960s and 1970s.

However, the unexpectedly rapid rise of Chinese economic and geo-strategic potential produced an almost schizophrenic attitude among Russian politicians and presidential advisors to Yeltsin's successor, Vladimir V. Putin. On the one hand, China became the largest purchaser of advanced Russian weapons. Indeed, sales to the PRC largely enabled the very survival of the Russian military-industrial complex (MIC). Furthermore, China's rise made it a valuable partner in Russia's efforts to contain America's alleged unilateralist 'hyper-power' ambitions in Central Asia and the APR. On the other hand, a significant number of Putin's military and political advisors feared that China would become the dominant partner in the relationship. Hence, they insisted on certain counter-measures: 1) the development of Russia's own hi-tech weapons systems; 2) a limitation on the spectrum of the most modern weapons available for sale to China; 3) the parallel development of military-strategic relations with India, even to the extent of R&D co-operation on future weapons development, such as fifth-generation fighter aircraft. This latter aim was an outgrowth of former Foreign Minister Evgenii Primakov's vision of a triangular Eurasian alliance of Russia, China and India as a bulwark against American hegemony in Asia.

Russia's own sudden rise, thanks to the inflow of petro-dollars, has evidently made possible a policy of both hard and soft power '*à tous azimuths*' in the thinking of Putin and most of his advisors. That is apparent in the aggressive and, some would say, arrogant, tenor of their behaviour in both Europe and the APR. The mixed performance record of the Borei-Bulava SSBN weapons system, and the growing apprehension over Putin's pretensions as an energy superpower, guided by the new ideology of 'sovereign democracy', raise questions of whether Putin & Co. have bitten off more than they can chew and to what extent Russia's self-perceived national interests should be accommodated, as Dr Muraviev suggests, or resisted. Either way, a new version of Cold War-style confrontation seems inevitable – this time with 'world-historical' ideological justification replaced by brazen nationalism (the real meaning of 'sovereign democracy'). Tsarist Russia had similar pretensions. Russia's current leaders, in their frequent resort to Tsarist symbols and images, seem strangely blind to where such illusions may lead.

Concluding remarks on the forum on 'The Red Star of the Pacific: the Forgotten Player is Back'

Alexey Muraviev is a strategic affairs analyst and an Associate Lecturer in International Relations and Strategic Studies at Curtin University of Technology.

The forum's debate about Russia's current and future role and place in the international relations of the Asia-Pacific reflect continuing problems in reading its strategic behaviour, as well as the strengths of stereotypes that dominated Western political thinking throughout the 1990s and at the turn of the millennium.

The essence of this debate is the view that Russia has effectively withdrawn from the region and, in the near future, will be preoccupied with sorting out former Soviet space and with fostering links with Europe and the United States.

Indeed, when it comes to identifying Russia's current foreign policy priorities, the following ranking system could be applied:

1. Former Soviet space (Commonwealth of Independent States);
2. Europe and the United States;
3. Asia-Pacific-Indian Ocean region;
4. Middle East and Latin and South America;
5. The reminder of the international community.

Retaining political and economic dominance within the former Soviet territories (with the current exception of the Baltic states) is part of Russia's reassertion as the regional superpower and the global power broker. Europe is critical to Russia because of its geographical proximity; because of its prospects for political collaboration, particularly with Western European leading nations; and, simply, because the European Union is Russia's largest economic partner.

The strategic relationship with the United States is driven by a pragmatic understanding of the need to maintain strong political and economic links with the global superpower, links that offer more dividends to both sides than a simple coexistence of two poles of power that consider each other to be potential enemies. This approach dominates the combination of geopolitical and geostrategic factors discussed by Professors Gill and Shearman:

- Persistent reconfiguration of the strategic balance of forces in Europe through NATO's eastward expansion, the final disintegration of the former Yugoslavia, and plans to deploy a strategic ABM system;

- Support and orchestration of the 'coloured revolutions' inside the former Soviet space;

- Ignoring Russia as a potent geopolitical entity and continuous efforts to marginalise it as an international player.

Putin's offer to use Russia's ABM radar in Gabala, Azerbaijan and, if necessary, the new facility near Armavir in Southern Russia, is yet another example of the Kremlin's political desire to cooperate with the West. Avoiding open confrontation, exercising pragmatism in relations with the West, whilst rebuilding the nation's might through economic and military modernisation and creating favourable security frameworks, will be the essence of Russia's strategic policy over the next ten years.

In this context, the APIOST is vital to Russia. The area is no longer viewed by Moscow as a rear door, but rather as a future 'front porch' that could bring about strong economic and political benefits for Russia.

Russia will position itself as a strong economic partner by exploring the untapped resources of eastern Siberia and the Far East, including the continental shelf; by building a powerful pipeline network linked to a modernised marine infrastructure, thereby enabling the nation to reach clients in Southeast and South Asia; and by offering its territory as a strategic transit point linking the Asia-Pacific with Europe and visa versa. These plans may also rectify the demographic crisis mentioned by Prof. Shearman, and may improve the living conditions and the economic appeal of the Russian Far East.

The political dividends will stem from the formation of a powerful security framework under the auspices of the Shanghai Cooperation Organisation (SCO). It is becoming clear that the Russians desire to use the SCO as a balance against Western maritime coalitions, and as the guardian of the greater Eurasian and, eventually, Asian space. The recent *Peace Mission 2007* demonstrated that the Kremlin intends to pursue the creation of an SCO defence structure – at the very least a 'coalition of the willing' – but one that will always remain under Russian control. If these plans become a reality, the international and particularly the Pacific community will see the emergence of a powerful nuclear coalition of continental and littoral states stretching from Eastern Europe and the Baltics, to the Arctic, the Pacific and possibly the Indian Ocean. The possible emergence of a global nuclear-arms, gas/oil cartel augmented with a military fist will not just change the existing strategic balance, but will significantly affect geopolitical trends within the APIOST.

The Pacific provides Russia with a platform to showcase to potential allies and friends its growing strength, and to display Russia's asymmetric responses to the West's efforts to contain it. One example of this is President Putin's 17th August announcement that the 37th Air Army (Russia's strategic missile-carrying and bomber force) will recommence long-range combat patrols over the Arctic, Atlantic and Pacific oceans. Putin's declaration of Russia's intention to once again deploy its strategic air arm is more than just another display of Russia's growing military capability or a muscular assertion toward the West and others. Each deployment pursues a certain geo-political objective. In particular, patrols over the Arctic could be regarded as a powerful support of Russia's declared national interests in the area, a point raised by Prof. Shearman.

At the same time, the resumption of operational activity over the Pacific, particularly in areas of heavy maritime traffic and Russia's economic interests, serves multiple purposes: 1) to demonstrate to principal clients and friends in Northeast, Southeast and South Asia Russia's ability to protect its supply of strategic raw materials (oil and gas in the near future); 2) to show existing and potential SCO partners and other prospective allies Russia's capacity to project power and offer military support if necessary; and 3) to display the retained capability to pressure strategic maritime links should the power competition between Russia and US-led maritime coalitions escalate.

Russia's current strategic policy is based on a 360^{o} approach, where all three of its first regional priorities (CIS, Europe/US, Asia-Pacific-Indian Ocean) have emerging inter-linkages. One of these is the SCO. The Pacific is as important to Russia as its Eurasian neighbourhood or the principal power poles. It provides the nation with new economic opportunities and extra space for political-military manoeuvring. While Russia will try to avoid sliding into 'a new version of Cold War-style confrontation', as Prof. Miller suggests, it may use the Pacific to demonstrate what it can do should confrontation ensue.

The West and the Pacific community, including Australia, must come to terms with the fact that Russia is back and its military might is on the rise. Russia's return as a formidable Pacific player may not however necessarily destabilise the regional balance. Russia remains an important contributor to the Global War on Terror and is becoming increasingly prominent as a leading supplier of energy resources, especially considering mounting instability in the Middle East and the unstable behaviour of individual supplier-states such as Venezuela. In the longer term, Russia may become a key player in the Pacific's efforts to restore stability on the Korean peninsula and possibly in containing China, which many in Russia consider to be a long-term security challenge. This is a point made by Prof. McDougall.

The long-term economic agenda and the clear interest to cooperate, rather than to confront, will drive this comeback. Russia's intention to build credible military capability in the Pacific is not driven by threat perceptions alone, nor by Putin's neo-imperial ideology as proposed by Prof. Miller. Rather, it is driven by a pragmatic need to protect its national economic and political interests. This behaviour is a reflection of a power that is experiencing a major transformation in its strategic culture: from an inland focus towards the global maritime domain. In this context, understanding Russia's regional strategic and defence policy becomes a matter of growing importance.