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Russia's pivot to Asia has mixed results, say experts

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Under the Obama administration, the United States declared a pivot to Asia in 2011.

But the Americans' former Cold War rival had already set its sights on the region a year earlier, when Russian President Vladimir Putin announced Russia would "turn East" and ramp up engagement with Asia.

Six years on, the results of Russia's Asian mission have been mixed.

Its trade with Asean rose modestly from 1.4 per cent in 2013 to 2.5 per cent last year, still dwarfed by trade with the European Union and Asia-Pacific Economic Cooperation countries.

But the top-line data belies a number of bright spots that have shown promise, such as the agriculture and tourism sectors, as some 50 academics and experts heard yesterday at a conference on Asia-Russia relations.

Russian trade is also rising faster with some countries than others. Trade with Indonesia rose by 20 per cent this year, while trade with Vietnam increased by 5 per cent.

These are indicators of a deepening relationship between Russia and Asia, and of a Russia which is genuinely interested in growing its links to the region, said Mr Konstantin Kuzovkov, chief financial officer of Russian conglomerate Summa Group.

He told the audience at the Lee Kuan Yew School of Public Policy (LKYSPP) that Russia brings three key things to the table for Asian companies, first of which is the physical space necessary for industries such as agriculture.

Its geographic location, the opening of the North Sea route and the nascent high-speed rail project between Moscow and Beijing also mean strong connectivity in the future for trans-shipment and logistics, he said.

Mr Kuzovkov added that Siberia and the Russian Far East offer Asian construction companies plum opportunities to build large-scale infrastructure.

The enduring challenge lies in mindsets such as those of Russian businessmen, many of whom still look towards Europe and the US when they think of expansion.

In this respect, history holds a lesson, said Dr Lin Yuexin, a postdoctoral fellow with the LKYSPP.

Today's pivot to Asia is not Russia's first. There was an earlier turn following the Crimean War of 1853, when it was isolated by the West.

But when sanctions were lifted shortly after, Russia quickly reoriented towards the West.

"Russia's Asian pivot (then) lost momentum, to its loss, because this undermined its development of the Russian Far East and Siberia," she said.

"Going forward, a similar situation could occur, in which the current regime of sanctions is loosened, and then we flow back to the way things were, and go back to a very Western-oriented kind of paradigm of engagement."

Fortunately, today's pivot is of a much more profound and lasting nature, said Dr Timofey Bordachev, programme director of the Valdai Club, the group of Russian and international affairs specialists behind the conference.

"Now, there is a shared understanding in Russia that, in order to be a relevant global power of the 21st century, you cannot be not present in the East, not present in the Pacific," he said.

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