



## **The National Committee on American Foreign Policy (NCAFP)**

### **A U.S.-Japan-Russia Trilateral Conference March 14 & 15, 2018**

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The National Committee on American Foreign Policy (NCAFP) hosted a U.S.-Japan-Russia Trilateral Conference in New York from March 14-15, 2018. Our partners for the day-and-a-half Track II meeting were Ivan Timofeyev of the Russian International Affairs Council in Moscow and Taisuke Abiru of the Japan Bank for International Cooperation.

The conference marked the third time U.S., Japanese and Russian experts have engaged in dialogue in this format, the first time in March 2016 in New York and the second in March 2017 in Moscow. The objective of the dialogue is to explore ways to manage the policy differences between the U.S., Japan and Russia and to examine possible areas of cooperation in the Asia Pacific, in particular in Northeast Asia

## **Introduction**

Relations between the major industrial powers and Russia are strained after Russia's annexation of Crimea and the eruption of conflict in eastern Ukraine. Further, U.S.-Russian relations have been exacerbated by allegations of Russian interference in the U.S. 2016 elections. Japan, however, has tried in recent years to strengthen economic ties and political dialogue with Russia against the backdrop of a changing strategic environment in the Asia Pacific. With Japan remaining a key U.S. ally in East Asia and Russia asserting the strategic importance of the region for its long-term interests, relations within the U.S.-Japan-Russia triangle are of utmost importance for the regional and global agendas of all three countries. The task is to manage the conflicting interests responsibly while fostering cooperation on shared threats and mutual opportunities.

Northeast Asia, in particular, includes some of the largest and most dynamic economies and trading nations in the world. China is the world's second largest economy; Japan, the third; and the Republic of Korea, the 11<sup>th</sup>. Cooperation with the United States, the world's largest economy, ensures a dynamic region and continued economic growth. Russia wants to partake of the dynamism of the region to accelerate its own economic growth.

The continuing rise of China poses serious questions for the balance of power in the Asia Pacific, causing the U.S., Japan, and Russia to rethink how to best advance their respective interests and shape the changing security environment in their favor. The region lacks the types of institutional arrangements, especially a comprehensive security structure, that exist elsewhere (e.g., in Europe) to reinforce security. The lack of arms control arrangements presents the possibility of an incipient arms race. Military build-ups of countries in the region, whether through nuclear modernization or conventional arms, present additional concerns.

North Korea's missile and nuclear weapons programs present an urgent and intractable challenge. A shared understanding of the importance of resolving this issue may be the most important cornerstone of a common regional security agenda of the three nations. Even relative progress, such as restarting multilateral talks on the issue, will require cooperation from Moscow, Washington and Tokyo.

The structural shifts in the geo-political balance of power in the region give rise to the desire to devise new systems to account for these changes such as the "Free and Open Indo-Pacific" concept, proposed by the U.S. and Japan, and the "Greater Eurasia" concept, proposed by Russia. While both concepts have so far had little impact on regional developments and institutional arrangements, they could eventually provide the basis for two competing blocs that militate against greater cohesion and cooperation.

For these reasons, greater cooperation between the United States, Japan and Russia as well as with other countries of the region is critical to ensure stability, security and economic development.

## **Reconciling Political Interests and Strategies in the Asia Pacific**

### **Multipolarity: Bracing for Shifts in the Regional Power Balance**

Discussants noted that the rise of China and the relative decline of the United States' economic and military advantage pose serious questions for the balance of power in the Asia Pacific, causing the U.S., Japan, and Russia to rethink how to best advance on respective interests and shape the changing security environment in their favor. An American participant questioned whether the liberal international order will long endure, arguing that, to survive, it will need to accommodate a stream of political, economic, and technological discontinuities. Another American participant said that the U.S. will have to lead differently to cope with these changes. The U.S. has a tradition for dealing with a bipolar and a unipolar world, but it has no experience navigating a multipolar strategic environment. As such, the U.S. does not currently possess the geostrategic understanding for laying out and implementing a vision for managing major power rivalry in such circumstances. Consequentially, U.S. allies will have to come to terms with this diminished presence or else hedge to compensate.

Reflecting domestic political changes and growing capabilities, China is becoming more active on the international stage, demonstrating a larger appetite for risk, demanding more say in regional institutions, developing power-projective capabilities, and challenging established norms. A Japanese participant said that Tokyo's main strategy is to support U.S. primacy in the region for as long as possible, and to keep the balance of power in favor of the alliance. Russia prefers a polycentric regional order wherein collective mechanisms are used to address security problems, and is concerned about overdependence on and domination by China. For example, despite pressure from China, Russia has remained neutral on territorial issues in the East Sea/Sea of Japan and South China Sea. Although a bipolar power-sharing condominium is antithetical to U.S., Japanese, and Russian interests alike, changes to the regional power distribution do not affect the U.S., Japan, and Russia uniformly. A Russian participant noted that China's military development, with a focus on growing and modernizing its navy and air force, benefits Russia in the short-term, but hurts U.S. and Japanese interests. Russia is therefore less willing to take any steps that conflict with China's security interests.

## **Whither U.S. Primacy?**

Questions about America's commitment to the region are increasingly relevant to foreign policy planners in Moscow and Tokyo. Without continuous messages of assurance to allies and demonstrations of credibility to partners and competitors alike, doubts will continue to linger. Discussants debated the short- and long-term ramifications of the Trump administration's "America First" policy as well as the president's foreign policy priorities. A U.S. participant said that popular support for footing the bill for a pronounced, proactive posture abroad could be reduced in coming years, elaborating that the economic and social trends that enabled the election of President Trump will not go away quickly or easily. Another participant added that a Republican loss in the midterm elections could cause the Trump administration to turn inwards.

A Russian participant noted that the concept of "America First" seems counterproductive because it diminishes the system in which America plays the leading role. An American participant argued that it's possible to overweigh the transformational significance of "America First," characterizing it as a broader attempt to incentivize investment, reap trade benefits, and reorganize priorities, not revert to a totally insular approach. A Japanese participant said that the hastily cobbled-together Indo-Pacific strategy represents Tokyo's doubts about whether the U.S. will be committed to Sea Lane defense in 20 to 30 years.

## **Restrictions on China's Rise**

Another American participant said that, despite the apparent U.S. turn inward, there is no immediate threat to U.S. primacy in the region. Although China is increasing its ability to engage in pressure and coercion through a strengthened military and ballooning economic influence, it remains a long way from challenging U.S. primacy. This is chiefly true because there is a large demand for U.S. leadership from regional states concerned about China's rise. A Japanese participant argued that domestic limitations could limit China's superpower status, saying that an aging population and a failure to innovate in sectors like services and IT will slow growth. The U.S. has alliances with key countries in the region, whereas China does not.

## **The Case for Customizing Relations on Regional Considerations**

Discussion turned to the management of security, diplomatic, and trade relations between the U.S., Russia, and Japan, with participants asking whether it makes sense to customize relations with counterparts based on regional, rather than global, considerations. Participants generally agreed that the U.S. and Russia tend to view one another through an Atlantic or European lens. Ukraine is now the center of the agenda; previously, it was the Baltics. But such single-minded focus risks missing an opportunity. The U.S. and Russia have fewer conflicts in the Asia Pacific when compared to other regions, and they share an interest in counterbalancing China.

There were mixed views about the viability of enhanced cooperation, with the discussants assessing the constraining and enabling elements through different lenses. A Japanese participant added that the current state of U.S.-Russia relations will continue for some time. A Russian participant put forward the case for closer U.S.-Russia ties in the region, saying the U.S. needs a consistent set of allies and partners to counter China. If the U.S. feels compelled to contain both Russia and China, power projection will be stretched thin and Beijing will gain the advantage. An American participant agreed, saying that the U.S. wants Russia to counterbalance China but is unwilling to help them do

so. There is a suspicion in the U.S. that the Sino-Russia relationship is unsustainable in the long term, but in the short term, a Moscow-Beijing bloc that is motivated to challenge the liberal international order will create problems for the U.S. and Japan.

Russia could therefore be accommodated into the security system in the region through narrow avenues of cooperation, a Russian participant contended. Lacking concrete ideas from the U.S. and Japan, Russia is presently unwilling to risk its relations with China. But a broader concept for a regional security order, with specific identification of benefits for Moscow, could be attractive. Such a security order should be concrete, substantive, and cover areas of cooperation beyond U.S.-Russia relations and be open to other countries as well. There is a need for a sophisticated intellectual exercise that will find the optimal proposal. The new formula should address a system more complex than a simple bipolar power condominium.

## U.S.-Russia Relations in East Asia

### Challenges and Opportunities

Discussants saw room for enhanced collaboration between the U.S. and Russia in the Asia-Pacific region, but noted that sticking points in the global relationship—such as a failure to cooperate in Syria, sanctions over Russian actions in Ukraine and Russian election meddling—will hinder this effort. Several discussants noted that, over the long run, the U.S. and Russia share an interest in counter-balancing China and creating flexible coalitions to deal with specific problems in the region like North Korea. The challenge is to manage mistrust and reduce friction so as to enable healthy cooperation where shared gains are possible. By integrating Russia into a balance of power system that prevents ossification into two competing blocs, a more level playing field can be created, one that is compatible with a multipolar power distribution, maximizes mutual benefits, and reduces the chance of conflict.

A Russian participant said that although currently considered a secondary priority, Russian involvement in Asia could be a game changer for the U.S. in the future. Hurting chances for this outcome is the fact that U.S.-Russia tensions on one issue have tended to spill over onto others, with antagonism spreading from Europe to the Middle East and Latin America, driving strategic competition. Russian security documents describe the U.S. as its major foreign policy challenge, and U.S. national security documents identify Russia and China as revisionist powers. Although not the intended aim, the U.S. response to undesirable Russian behavior in other regions has had the effect of pushing Russia closer to China.

An American participant warned about the dangers of great power rivalry, saying that recent Trump administration documents—the National Security Strategy (NSS), the National Defense Strategy (NDS), and Nuclear Posture Review (NPR)—all frame international relations as a hyper-competitive, zero sum game. They focus on strategic competition with China and Russia, calling them the central challenge to U.S. security and prosperity. Great power strategic rivalry is what we should work to prevent, not use as the basis for our foreign policy. If we treat China and Russia like enemies, that is how they will behave. Dual containment was identified by both U.S. and Russian participants as an increasingly difficult endeavor.

Additional factors inhibit closer cooperation. Government communications between the U.S. and Russia are at a standstill, even on issues where interests are aligned. Although relations are less contentious in the Pacific than in the Atlantic, the two disagree on some key issues, such as how to resolve the North Korean nuclear weapons threat. In addition, Russia and the U.S. fall on opposite sides of the maritime/continental and democratic/authoritarian divides. Domestic politics in the U.S. and Russia drives antagonism. For politicians in both countries, there are political costs associated with calling for increased cooperation, and easy points to be scored by finger wagging. One reason for this is a lack of solid constituencies and business interests calling for cooling tensions.

### **Japan: A Mediator Role?**

A Japanese participant raised prospects for Japan playing a mediator role between the U.S. and Russia. Believing that improved Russia-Japan relations will reduce Russia's dependence on China and favorably alter the security landscape, Prime Minister Abe has invested diplomatic energy into the outcome. A Russian participant similarly noted that improving ties to Japan could reduce its dependence on China, pointing out that the two share common challenges in the security sphere and have been working towards closer coordination.

However, obstacles remain. A Japanese participant said that a lack of progress on resolving territorial disputes could provoke a domestic backlash against Abe. A Russian participant agreed that Russia can become more important to Japan if territorial problems are settled, indicating that bilateral discussions on the matter are increasing. Former Japanese Prime Ministers who have invested in personal relationships with Russia to resolve the territorial issues have not succeeded. The Japanese public, however, understands that a short-term resolution to the problem will be difficult. A Japanese participant stated that developing a long-term, strategic vision is a necessary first step to improving relations with Russia. Closer relations could help both countries enhance foreign policy balance and autonomy. A positive relationship with Russia could help Japan to maximize its security and economic position in the region. In the past, Japan looked to achieve these goals by deepening its relationship and alliance with the U.S. Now, considering the shift towards multipolarity, Tokyo's ability to optimize its position will also depend on its relationship with Russia and China.

Joint economic projects in Russia's Far East, and elsewhere, could accelerate the warming of bilateral ties. But the U.S. has objected to some of these, including oil exploration deals that would violate U.S. sanctions on Russia. Discussants questioned whether exemptions could be in the offing. A Russian participant pointed to precedent, saying that waivers have been given in instances where the activities support larger U.S. national interests. A Japanese participant said that Japan could possibly request exemptions in a quiet way in an effort to avoid the appearance of division in the alliance. But the discussants generally agreed that Washington was highly unlikely to agree. The direction is the opposite: stepped up implementation and more sanctions. Congress is not interested in carve outs, and because of the way that the last sanctions were passed, the legislative branch's role is pronounced. This dynamic underscores the fact that warming relations with Russia could impact Japan's relationship with America. On the one hand, Tokyo wants to widely support and back the U.S., but, on the other, it does not want to limit its ability to pursue other goals. In any case, progress in talks with Russia has been slow, as China has not been discussed and Russia mentioned that Japan's work with the U.S. on missile defense could impede cooperation.

## The North Korea Challenge

North Korea's missile and nuclear weapons programs place great strain on the political, economic, and security stability of the region, simultaneously presenting an urgent short-term and intractable long-term challenge. This threat has the capacity to either facilitate or hinder trilateral cooperation between U.S.-Japan-Russia in the Asia Pacific. Participants discussed the nature and origins of the problem before analyzing the crisscrossing motivations of the major players and attempting to identify avenues of potential cooperation.

### Nature of the Regime

An American participant looked to Kim Jong Un's 2018 New Year's Address to mine for evidence about the disposition of the regime, concluding that Kim is bigger, badder, and bolder than his father, Kim Jong Il. Whereas Kim Jong Il was tentative and broke provocation cycles down into many sine curves, Kim Jong Un has undertaken a more unrestrained and provocative course of action. Kim's priorities are visible if one assesses North Korea's development agenda. Although Kim espouses the *byungjin* line of simultaneously pursuing nuclear and economic development, an assessment using bond rating criteria reveals that no economic indicators show improvement compared to the past, perhaps testament to the limitations of economic development under a cult of personality. Kim has taken a gamble, betting that spending down his foreign exchange reserves and diverting resources to the country's weapons programs will pay off.

A Russian participant said the topic of North Korea should be addressed more holistically and not just in terms of the nuclear problem. The Korean security problem has two primary sources: the development of nuclear weapons in violation of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and the continued division of the Korean Peninsula. Inter-Korean normalization, then, is an essential aspect of resolving the nuclear problem. Another American participant underscored the importance of understanding the North's new ambitions, citing the vice-foreign minister's statement that North Korea wants to be defined as the "new Soviets," meaning that Pyongyang believes its weapons development justifies it playing a pronounced role in shaping the regional order. North Korea sees itself as one of three big powers in Asia, alongside the U.S. and China, and expects a grandiose opportunity to come from its newfound confident position.

### Regional Dynamics

An American participant asserted that the North Korea threat has been a driver for diplomatic engagement in the region, enhancing alliance unity and increasing cooperation with China and the international community. There is no resolution to the crisis that does not involve major coordination with all regional parties. The U.S. should not perceive or treat Russia as a spoiler, and should instead engage Russia as a partner on the North Korea issue. A Russian participant said that Moscow has voted for and implemented sanctions, but it "will not run in front of a steam engine." If the U.S. seeks cooperation, it should not put Russia in the same category as North Korea and Iran. Another American participant wondered whether Russia will resist American power projection in Asia the same way it has in Europe. The U.S.-Russia relationship could be further injured if Russia decides to consolidate support for North Korea in opposition to the U.S. position of maximum pressure and sanctions. Increasingly tight cooperation between the U.S. and its regional allies—Japan and South Korea—has the potential to ostracize Russia and push it closer to China. To date, Russia's passivity on the issue

has served it well, as Moscow has neither been overly helpful or a hindrance in the maximum pressure campaign.

An American participant said there are areas of significant overlap with regard to U.S. and Chinese interests on the Peninsula. China's participation in the pressure campaign against the North can be seen as an extension of Beijing's national interest. Although there is convergence, Washington and Beijing have conflicting priorities for resolving the problem, with China emphasizing (in this order): no war, no chaos, and no nukes. This order does not match America's priorities. A Japanese participant said that engagement could change the status quo, and wondered to what extent regional nations will have an influence in shaping the new order produced by changes to the Korean Peninsula. There are questions about what kind of security assurances, if any, will constitute sufficient preconditions for denuclearization. Japan's security would be affected if the U.S. altered its military presence in South Korea. While China would undoubtedly play a role in shaping any new order, Russia shares Japan's concerns about getting boxed out.

### **Prospects for Denuclearization and Policy Options**

There was a consensus that there are rational reasons for the Kim regime to field nuclear weapons, i.e. deterrence and regime maintenance. A Japanese participant pointed to North Korea's revised 2012 constitution, which proclaims the country is a nuclear power. Considering that the North has sufficient conventional arms to deter the South, a Russian participant said that the primary role of the North's weapons is to deter the U.S. With this background in mind, an American participant forecasted that denuclearization is highly unlikely, adding that the price of disarmament will continue to rise in proportion to the North's weapons development.

Less consensus was found when the conversation turned to policy approaches. A Russian participant called for direct and detailed negotiations without preconditions, following the Six-Party Talks as a model or involving the United Nations Security Council. The three-step plan endorsed by Beijing and Moscow involves: a double freeze of military exercises and weapons testing, followed by direct dialogue between the U.S. and North Korea, which segues into multilateral negotiation. Another Russian participant said that Moscow is not interested in further squeezing the regime through pressure and sanctions. American and Japanese discussants grounded the policy conversation in a cautious tone. A Japanese participant lauded recent diplomatic progress made through efforts by South Korean President Moon Jae-in, but urged the importance of maintaining vigilance against Kim's charm offensive. China's role makes progress within a Six Party Talks format too difficult, so bilateral talks are preferable. An American participant said the ideal way to approach negotiations is to start small and aim for incremental concessions, such that progress short of denuclearization would also be salutary.

The discussants explained trappings and opportunities presented by diplomatic engagement with the North—including the upcoming bilateral summits—from a variety of regional and functional perspectives. An American participant explained that beginning engagements with major adversaries at the presidential level can be perilous because the situation will deteriorate if the leaders fail to produce anything productive. The best outcome would be a cooling of tensions leading to a professional, high-level negotiating effort, enabling both leaders to save face, and preventing the North from maneuvering to secure a Pakistan-style exemption and gaining de-facto recognition as a nuclear power. A Russian participant emphasized that the U.S. and North Korea are bargaining from uneven positions in that concessions by Washington—such as a halt to military exercises or a troop

reduction in South Korea—can be reversed, whereas those made by Pyongyang cannot. This fact puts a premium on U.S. credibility as a negotiation partner, which is undermined by the Trump administration’s threats to pull out of the Iran nuclear deal.

A Japanese participant said any diplomatic approach will need to be backed up with a long-term containment strategy. An American participant agreed, emphasizing the management of a nuclear North Korea through a strategy of containment, restraint, deterrence, and transformation. This process would entail preventing proliferation through increased maritime interdiction, limiting fuel supplies, strengthening deterrence and the allied pressure posture, and promoting gradual change. While the participants could not find unanimous agreement on the ideal diplomatic vehicle for resolving the crisis, there was consensus that a preventive or preemptive strike would yield negative consequences. A U.S. participant expressed concern about the potential for the Trump administration to launch a preventive military strike, saying that such a plan was weighed during the Clinton administration but ultimately abandoned because the human and economic costs were too prohibitive. The cost of military intervention today would be much higher. A Japanese participant said that a preventive strike would affect the entire region, adding that it will be difficult to secure broad support from the international community. In the case of an imminent North Korea attack, however, preemptive action could be viable.

## **Avoiding Great Power Rivalry Thought Enhanced Integration?**

Asia today resembles Europe of the 19<sup>th</sup> century, playing host to increased defense spending aimed at other countries in the region that view one another as rivals. Nationalism, and war, appear increasingly likely as we move forward, one participant said. East Asia will remain the world’s growth engine, but will the region become a site for major power competition or can the major powers find a way to keep it integrative?

Black swan events—with the capacity to fundamentally alter the landscape—were identified, to include: conflict on the Korea Peninsula, a trade war between the U.S. and China, and strategic instability brought on by an unchecked arms race. A Japanese participant said that Japan is worried by the escalation in nuclear deterrence language exhibited in the U.S. nuclear posture review and the Russian countermeasures presented by President Vladimir Putin. Putin thinks that this is an escalation for de-escalation strategy. Lack of trust is the main source of nuclear escalation. Tactical weapons could become an intercontinental source of tension. A Russian participant said that the U.S.-led hub and spokes security architecture created in the Pacific after World War II is struggling to cope with a region in flux, and is being increasingly tested by territorial disputes, border problems, and the North Korean nuclear threat. Another Russian participant said that the framework of friends vs. enemies should be thrown out and replaced with the notion of partnerships. Russia is a connecting link between East and West. It should be a connecting node—economic and transportative—of the Asia Pacific, U.S., and Europe. An American participant said that with the long-term viability of both the U.S. “Rebalance to Asia” policy and Russia’s “Look East” policy in question, the degree of strategic priority placed by each partner country on managing these relationships will become the key enabling factor for cooperation.



One Russian participant acknowledged the obstacles created by the ideological difference and diverging national interests of the three countries, but proposed that attention should be paid to potential areas for constructive cooperation on common threats, such as international terrorism, and through existing international fora, such as East Asia Summit (EAS) and Asia-Pacific Economic Cooperation (APEC). An American participant said that we often fail to identify the others' national interests and fail to see where the divergences are. In that regard, terrorism is not a sufficiently important foreign policy goal in the three capitals to stimulate meaningful, high-level cooperation. Attention should be turned towards formulating a list of high priority interests of mutual concern. An American participant said that the U.S. and Russia work well together on counter terrorism in the Security Council. However, the problem is that there is disagreement about certain groups, such as Hezbollah, which Russia is reluctant to label a terrorist group, and moderate partner groups in the region that the U.S. backs and Russia does not. A Russian participant said that we need to discuss the constructivist context of the new environment. What are the ideas that can mobilize public sentiment and political establishments in all countries for achieving goals? There is a need to look beyond general strategic principles like stability and hedging. In a similar vein, an American participant said that people-to-people contacts become more and more important as the relations between U.S. and Russia decline. Another American participant said the U.S. should reconsider joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). This would signify U.S. commitment to the region and to a rules-based order.

## Concepts for Regionalism: Indo-Pacific vs. Greater Eurasia

Participants discussed the origins, histories, and geo-strategic motivations underlying two emerging trade and security architectures: the “Free and Open Indo-Pacific” and the “Greater Eurasia” concepts. Before analyzing whether or not the systems are competitive or compatible, the participants sought to contextualize the nature of the systems. Through discussion, participants generally agreed that, in their current formulation and given political realities, both systems lack the substance and support to emerge as defining and enduring modes of regional integration. Despite these limitations, however, both the Indo-Pacific and Greater Eurasia concepts speak to larger structural shifts in the geo-political balance of power, and a need to devise new systems to account for said changes. In this regard, the systems can be seen as reactions to the economic and military rise of China, perceptions that American influence in the Pacific is in relative decline, and Tokyo and Moscow's fears of entrapment and abandonment by their more powerful security allies, the U.S. and China, respectively. With this as background, the discussants debated whether the blocs, on balance, will present synergistic opportunities or raise the likelihood of confrontation.

### Free and Open Indo-Pacific

With the U.S, Japan, Australia, and India constituting the “quad,” the “Free and Open Indo-Pacific” concept is a trade, security, and values grouping. It can be seen as a reaction and response to China's rise in general, and more specifically, to China's Belt and Road Initiative (BRI)—a large scale infrastructure and influence campaign. An American participant emphasized the need to understand the evolution of the Indo Pacific concept over time, explaining that it arose in 2007 from a combination of Indian thinkers and Japanese Prime Minister Shinzo Abe. Originally conceived as a democracy/security diamond, it was revived by Abe during his second term as Japan began to deepen economic engagement with India. Japan's motivation for supporting the Free and Open Indo

Pacific concept is to embed itself in a coalition of democracies that endorse the same values and international norms that Japan prescribes to.

Participants agreed that the Indo-Pacific strategy is conceived and approached differently by its supporters. President Trump started using the term after his meeting with Prime Minister Abe. Although lacking clearly defined strategic objectives, the term has been picked up by the Trump administration and absorbed into the parlance. An American participant noted that America's approach has a somewhat transactional nature. Washington's embrace of the term could also be a corrective for a rocky start between President Trump and Australian Prime Minister Malcolm Turnbull, and as an acknowledgment of the growing stature of the U.S.-India relationship. The derivation of the concept can be traced back to maritime dominance and power projection. Another American participant contended that the concept will need strong backing from the U.S. and Japan in the long run and wondered whether Japan has the wherewithal to continue championing the project in the short term. A Russian participant argued that India's involvement in the quad—while fueled by a fear of China's rise—will be limited by entrapment fears and lingering notions of non-interventionism.

A Japanese participant explained that values diplomacy has been detached from the Indo-Pacific strategy in order to compete with the BRI. Japan eyes ASEAN and South Asia nations as potential future members. Knowing well that conditioning interactions on high-standards agreements could handicap the Indo-Pacific's capacity to compete with BRI, Japan has compartmentalized the universal value diplomacy. This also helps Japan to look for synergies and cooperate with the Trump administration, which has put relatively less emphasis on values diplomacy than previous American presidencies.

### **Greater Eurasian Concept**

The Greater Eurasian concept unites several concepts of regionalism, and represents Moscow's attempt to stimulate and promote integration between existing architectures, including BRI, the Shanghai Cooperation Organization, the Eurasian Economic Union (EEU), and the Association of Southeast Asian Nations (ASEAN). The smallest unit—and the core of the larger effort—is the EEU. On the other end of the spectrum, the Greater Eurasian concept is high on ideas, but lacking in substantive progress.

A Japanese participant characterized the Greater Eurasian partnership as a flexible and open concept, based on the BRI and EEU, that includes transportation, telecom, and energy as a basis for integration. An American participant said the Greater Eurasian concept marks a transition in Russia's foreign policy strategy since the end of the Cold War. Previously, Moscow strived to integrate with the West and former Soviet States. Facing regional opposition in the West—in light of Russia's policy on Ukraine and friction with Europe writ large—and recognizing the Asia Pacific's increasing importance, Moscow devised the Greater Eurasian concept. A Russian participant agreed, saying that because Moscow's foreign policy emphasis has historically been on Europe, there is today a lack of expertise of Asian subjects in Russia.

Although the EEU came into force in 2015, it has already made some progress in promoting trade relations between member states. An American participant said that EEU works like a customs agreement, but lacks the oomph of a more solid trade deal. The participants agreed that sub-regional frictions, such as pushback from Belarus and Kazakhstan, has limited more significant growth. The Russian participant said that the small size of the market and same-sector competition (i.e. energy) has restricted Moscow’s ability to derive benefits from the integration.

The Russian participant described how attempts to stimulate integration between the EEU and other regional architectures have struggled to gain traction. During a 2015 meeting between Chinese President Xi Jinping, and Russian President Vladimir Putin, an EEU and BRI alliance was declared. While some substantial Chinese investment has flowed into Kazakhstan, the EEU partner countries were surprised by this arrangement, and major projects remain to be seen. Preferring to maintain the freedom to maneuver and influence according to its own criteria and timeline, China has continued to interact with EEU member nations on a bilateral basis.

Discussants agreed that these development reflect key limitations that will hinder the Greater Eurasian concept’s future success. The structures composing the integration are themselves fluid. Russia lacks capital investment power, and partner organizations such as BRI and the Shanghai Cooperation Organization are dominated by Beijing. Knowing this, Russia has shied away from economic projects through Shanghai. BRI is supposed to be a backbone, but would ASEAN be happy to join? There are political disagreements (eg. Vietnam and China). On the strategic level, a Japanese participant said that it’s not enough for China and Russia to work together to reduce U.S. influence—with China playing the bank and Russia playing the gun; the challenge will be to create a new continental order that other countries view as an improvement.

### **Can the Two Systems Co-exist?**

There was consensus that the two systems have emerged from different context and represent differing notions of systems integration. A Japanese participant pointed out that differences between the Greater Eurasian concept and the “Free and Open Indo-Pacific” echo competition between democracies vs. non-democracies in the region, highlight diverging and converging economic interests, and cast ASEAN, South Asia, and the Arctic as sites for competition.

A Japanese participant noted that infrastructure building is the fundamental similarity, bringing both risks and opportunities. Even considering robust spending by the Asian Infrastructure Investment Bank (AIIB) and Asian Development Bank (ADB), there is not enough infrastructure funding to support the region’s needs. If the two banks could cooperate, a strategic allocation of the resources could stabilize the region and serve the interest of all nations. AIIB and ADB cooperate fairly well, serving as a harbinger for this type of opportunity. On the other hand, Japan has engaged in a diplomatic campaign to convince BRI loan recipient nations to be wary of the terms extended to them by Chinese creditors, illustrating the competitive side, as Tokyo is concerned that the BRI is China’s implicit attempt to exert pressure and influence through building a regional infrastructure hegemony. Other participants expressed similar conclusions about the deeper intentions of the BRI, which they believe represents a strategic, and not purely economic, effort on the part of China.

The participants noted that a number of factors will constrain antagonism between the systems. A Russian participant said that both blocs are too nebulous and unsubstantial to engage in major competition. An American participant argued that geographic realities reduce overlap, saying the Indo-Pacific is fundamentally a maritime initiative, while the Greater Eurasia partnership is continental. The consensus in the room was that neither system will succeed in its aim of managing and adjusting to China's economic and political rise and engaging the U.S. That being the case, an American participant urged that communication is paramount, especially considering the specious nature of the terminology applied by both sides. Bearing in mind the rise of multipolarity and personality-led politics in the region, it's important to look for opportunities, and display a willingness to include groups in the conversation even if they differ in terms of process and institution. To that effect, the importance of people-to-people contact and exchange is hard to overemphasize. By working within established channels for Track I and Track II dialogues and innovating new methods and modes for conversation in ways that are compatible with shifts in the regional order, it will become easier to minimize risk and seek out opportunities for cooperation. A December 2018 follow-on to this conversation at the Russian International Affairs Council will aim to highlight, explore, and spur such initiatives.