

**Developing Asia Pacific's Last Frontier:
Fostering International Cooperation in the Development of Russia's Far-East**

The Centre on Asia and Globalisation (CAG)

Necessity for Multilateral International Cooperation in Developing Russia's Far East

Moscow has recently adopted a “go-east” strategy aimed at developing Russia’s Far East and, ultimately, to build up Russia as an Asia-Pacific power. The reasons for such a strategic policy shift are obvious. First, as the Asia-Pacific has become the centre for world economic, political and strategic dynamics, Moscow’s impulse to go east becomes stronger. Second, the lingering crises in the U.S. and EU have created a strategic opportunity for Russia to concentrate on its underdeveloped Far East, as Russia no longer feels much pressure (or attraction) from the West for the first time since the World War I. Third, President Putin and his colleagues have keenly realised the necessity to restructure Russia’s solely energy-based economy. They are convinced that the development of the Far East can help jumpstart Russia’s “new economy.”

Indeed, with its rich natural resources and geopolitical importance, Russia’s Far East is the last frontier in the region; and its development will reshape the economic and political landscape of the region and even the whole world. However, there are four bottlenecks in the development of Russia’s Far East: capital, labour, market and technical know-how. The Valdai Club and other major Russian think tanks have convened a series of international workshops and conferences since 2010 to work out concrete strategies and policies to promote multilateral international cooperation in the development of Russia’s Far East.

Emerging Strategic Opportunity for International Cooperation

Recently, a variety of positive changes in the region have amplified the strategic opportunity for international cooperation in developing Russia’s Far East. First, Norway has adopted the “North Strategy”, which is to expand the nation’s involvement in the Asia-Pacific by taking full advantage of the emerging “northern route” from Europe to Asia thanks to the melting of the Arctic. With its solid financial resource, sophisticated technical know-how and rich management experiences, Norway can, and should, play a critical role in developing Russia’s Far East.

Second, recent development indicates unmistakably that North Korea is moving towards the direction of opening up and reform. Pyongyang has dispatched two delegations of officials to China to study the experiences of reform and opening up and, more importantly, the recent change in personnel

arrangements in the top leadership, especially in the military command system, under Kim Jung-En indicates that the moderate force is holding the upper hand in decision making. Not only would geopolitical uncertainties in the region be dramatically reduced, but North Korea could also provide the most needed labours in developing the Far East, given its 7.7 million well-trained and disciplined military reserves.

Third, traditional labour export countries in Southeast Asia and South Asia are looking for new destinations for their labour force in the East, as there are fewer opportunities in EU and Middle East due to the lingering economic stagnation in these regions.

A Multiyear Policy-oriented Research Project

CAG will launch a multi-year research initiative on how to foster multilateral international cooperation in the development of Russia's Far East. Specifically, CAG will seek collaboration with the leading research institutions/think tanks in Russia, Norway China, and Korea. Prof. Jing HUANG, director of CAG, has discussed details with several leading scholars and policy experts in the involved countries on the prospect of a joint research project on how to attract capitals, labour and technical know-how from Norway, China, Japan, Korea(s), Singapore and other Asian countries.

Along with the collaborating institutions, CAG proposes to jointly organise four international conferences in Singapore, Oslo, Moscow and Shanghai (or Beijing) from 2013-2016. These will draw participation of leading scholars, policy experts and practitioners to elaborate on concrete strategies and policies for international cooperation in the development of the Far East. Moreover, high-level bilateral and multi-lateral policy dialogues will be organised among the stakeholders. Research on a specific policy issues will be commissioned and field work will be carried out.

Through international conferences and high-level policy dialogues, CAG aims to work out a mechanism of multilateral confidence-building, high-level engagement and cooperation among the stakeholders. The aim of the project is not only to enhance the public awareness of, but to exert substantial policy impact on the development of Russia's Far East. This will ultimately contribute to peace and prosperity in Northeast Asia-Pacific.